Airbnb Has ‘Most Profitable Quarter Ever’ Even Though Hosts Are Reportedly Struggling to Fill Rentals

Once upon a time, investing in an Airbnb was a wise decision for the wealthy. When the pandemic hit, low-interest rates prompted those with the means to purchase a second property to rent out on Airbnb. Sales of luxury second homes and investment properties increased by nearly 235% last year as compared to pre pandemic levels, according to property broker, Pacaso. At the beginning of 2021, those owners saw their investment pay off with a surge of visitors ready to travel again.

However, the payout appears to be short-lived, TIME reported.

Jim Ewing, who owns a property in Desert Springs, Calif., told the outlet his occupancy dropped from 80% to 0% this past spring. “We haven’t had a single booking since June,” he told TIME. “When we first listed last October, we had every weekend covered. And then November through April, we had anywhere from 70-80% occupancy every month,” he says.

But the fall season has been a bust.

“This year, we’ve had no one in October and we have no one booked for November…So it’s been extremely slow,” he added.

> *The Airbnbust is upon us#Airbnb pic.twitter.com/2BMTjGhiox*
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> *— Texas Runner DFW (@texasrunnerDFW) October 16, 2022*

The somewhat static state of bookings seems to be a perfect storm of a now oversaturated market, as well as some public outrage from unreasonable requests from hosts such as absurd chore requirements and high cleaning fees.

Not only are there more Airbnb's for travelers to choose from (raising the competition between hosts), but tedious demands may deter some from renting, Neal Carpenter, the owner of short-term rental consulting service The Air Butler, told TIME.

"If you [as a host] are asking people to do more than what's fair and reasonable and common, that's a problem," Carpenter said. "If you're trying to charge exorbitant cleaning fees and profiting, that's questionable behavior."

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If hosts are struggling with bookings, Carpenter suggests putting themselves "in the travelers' shoes" by looking at competition and then making changes to the property and guest experience.

However, despite some hosts struggling to fill their properties, Airbnb reported its "most profitable quarter ever," in its Q3 2022 results.

"The third quarter of 2022 demonstrates we continue to drive growth and profitability at scale. Guest demand on Airbnb remains strong, said Airbnb Co-Founder and CEO Brian Chesky, in the report.

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