



# WESTERN MOUNTAIN RESORT ALLIANCE

ECONOMIC & WORKFORCE HOUSING IMPACTS OF SHORT-TERM RENTALS & STR REGULATIONS

*SUMMIT COUNTY, CO*



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# INTRODUCTION

The purpose of this study is to provide the Western Mountain Resort Alliance (WMRA) an unbiased study of the economic contributions and workforce housing impacts of short-term rentals (STRs) in the counties of **Summit** (CO/Breckenridge), **Pitkin** (CO/Aspen), and **Teton** (WY/Jackson Hole).

In this study, RRC and Inntopia have employed a variety of primary and secondary data sources to inform the multifaceted conversations around the tourism, economic, and housing impacts of STRs in mountain communities.

This report is focused on Summit County Colorado and the submarkets within the County with high concentrations of STR units.





# METHODOLOGY

RRC and Inntopia conducted extensive primary research as well as collected a wide variety of pre-existing data to inform their assessment of the status and impact of STRs in mountain resort communities. The following data were used:

- Summit County Assessor records; City and County sales, lodging and STR tax records; STR licensing databases; Colorado State Demographer Office; Colorado Department of Revenue; US Census data
- Past RRC Visitor Surveys and Community Surveys conducted within each county of interest. Surveys were completed online via a randomly mailed survey invitation with mailed and texted reminders

This report focuses on the present state and impact of STRs within **Summit County**, with comparisons in data made over time and between other mountain resort counties where appropriate. Separate reports are provided for Pitkin and Teton counties. Each chapter in this report contains a summary of Key Findings, followed by annotated slides that present detailed findings in chart and graphic formats. Also included with this report are two Appendices that contain: results from the Summit County Transient Inventory Study, and tables summarizing results from the Community Survey including Open Ended Comments. The chapters are as follows:

- Profile of STRs, Economic Impact of STRs
- Housing & Economic Impact of STR Regulations
- STRs' Contributions to Affordable Housing Efforts
- Community STR Use Patterns and Sentiment

# PROFILE OF STRS

*What is the state of STRs in Summit County, with respect to their counts, characteristics, and performance of operation?*





# FINDINGS

- Overall, the total number of active STRs in Summit County has held relatively steady since January 2018. The same occurs at the subcounty market level, with each market mirroring the various trends that occur at the county level.
  - The number of pillows within Summit County STRs has been on the decline since 2018 and shows some trends of seasonality. Considering that the overall count of STRs has largely remained the same, this may suggest the size of the STR units has decreased with time.
- STRs tend to be within multi-family units in Summit County. This is the same for all municipalities within the county other than Silverthorne and Blue River, where single-family units largely occupy the STR supply.
  - The plurality of all STRS in the county and multi-family units tend to be of 2 bedrooms in size while single-family units tend to be 4 bedrooms.



# FINDINGS

- Most STRs are owned by second homeowners, who are largely from Colorado, and professionally managed. Of those owned by out-of-state owners, the top states of ownership are Texas, Florida, and Illinois.
- Just 10% of STRs in Summit County are owned by individuals owning multiple STRs, the majority of which are owned by owners who operate two properties that are licensed as STRs.
  - STRs determined to be owned by “Local Investors”, or Summit County-based owners who operate multiple STRs, account for just 3% of all STRs in Summit and are mostly owned by two STR unit owners.
- Occupancy peaked in February and July in the most recent 12-month period of the study, following a seasonal trend. Average Daily Rate also follows a seasonal trend but is much less abrupt, with rates peaking in December at \$501 on average for the county.
  - Though generally similar, occupancy rates for single-family units are slightly higher than multi-family units and command a much higher ADR, on average twice the rate of multi-family units.



# REFERENCE GEOGRAPHIES

The data shown in the next series of slides is for **Summit County market areas**, consistent with (and derived from) **AirDNA** data.

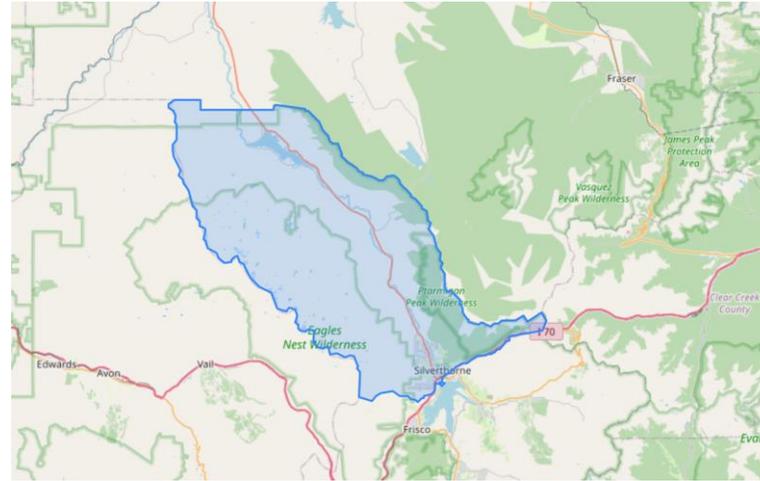
- Silverthorne (Lower Blue)
- Dillon/Keystone
- Frisco/Copper
- Breckenridge (with Blue River extracted as separate geography)

At the end of this chapter, additional STR profile data is drawn from **Summit County Assessor data**. As described in those slides, selected Assessor data is shown based on **municipality boundaries** (rather than AirDNA market areas).

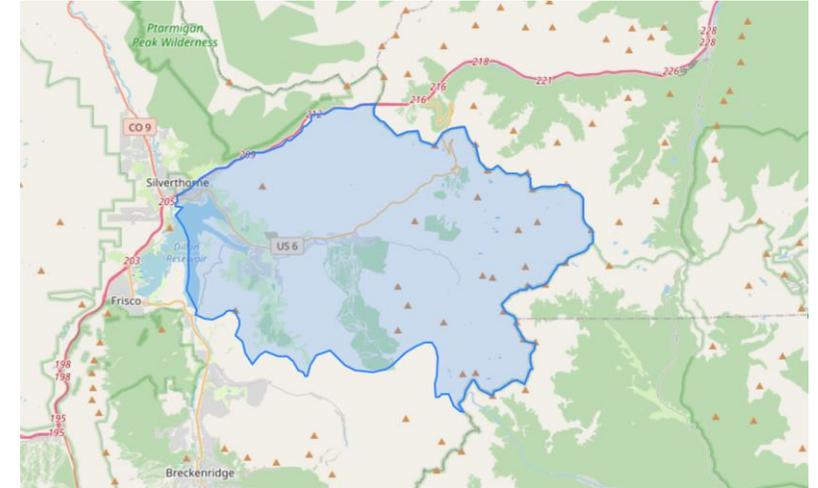
Source: AirDNA.



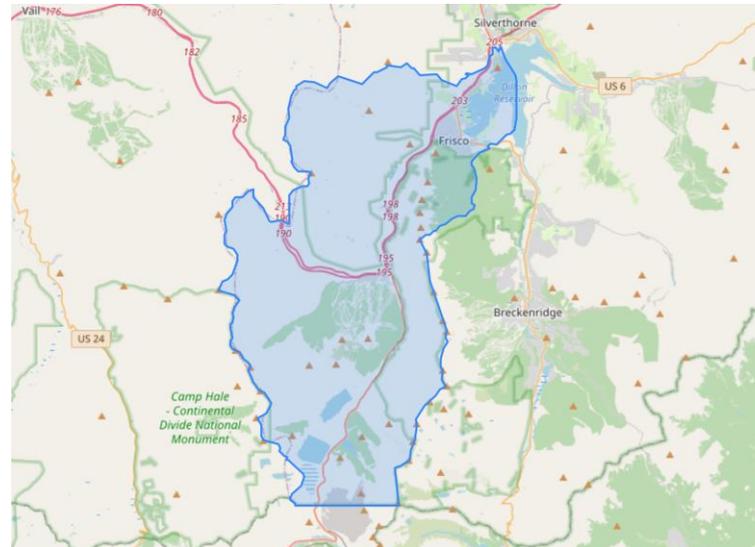
### Silverthorne/Lower Blue Market Area



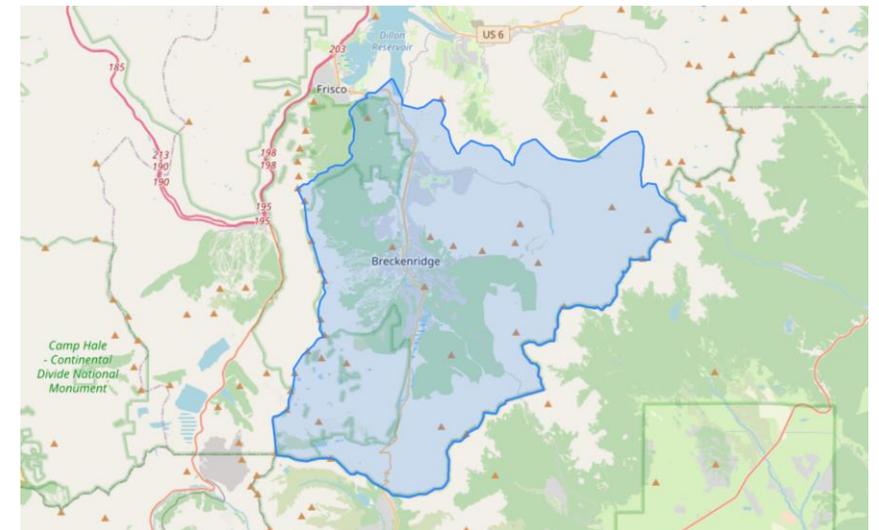
### Dillon/Keystone Market Area



### Frisco/Copper Mtn Market Area

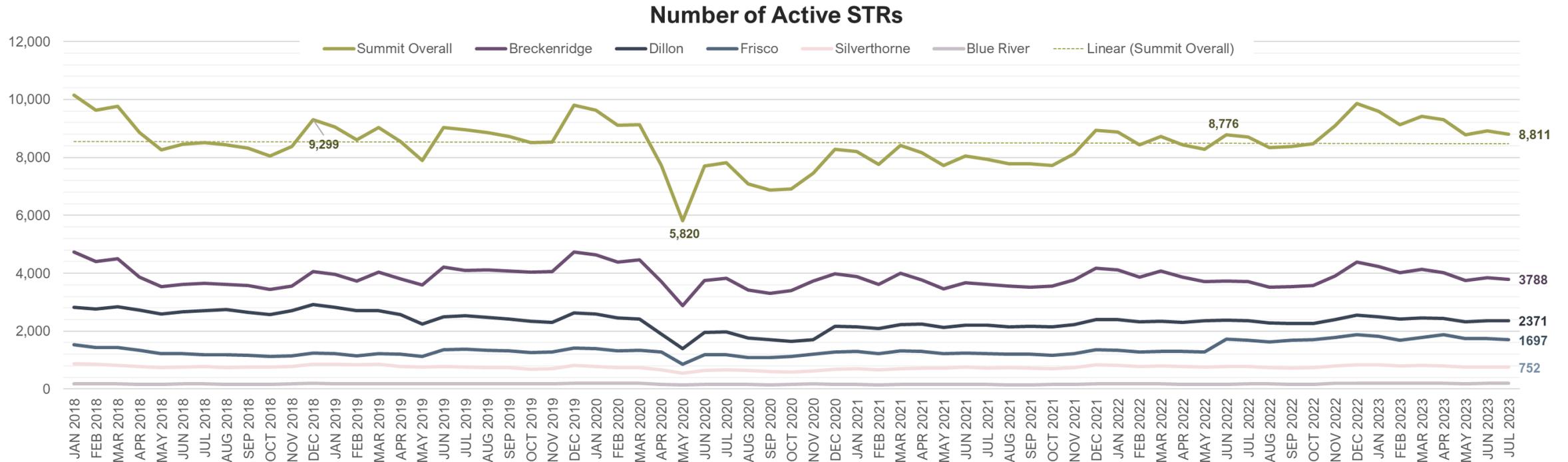


### Breckenridge/Upper Blue Market Area





# STR UNITS BY LOCATION

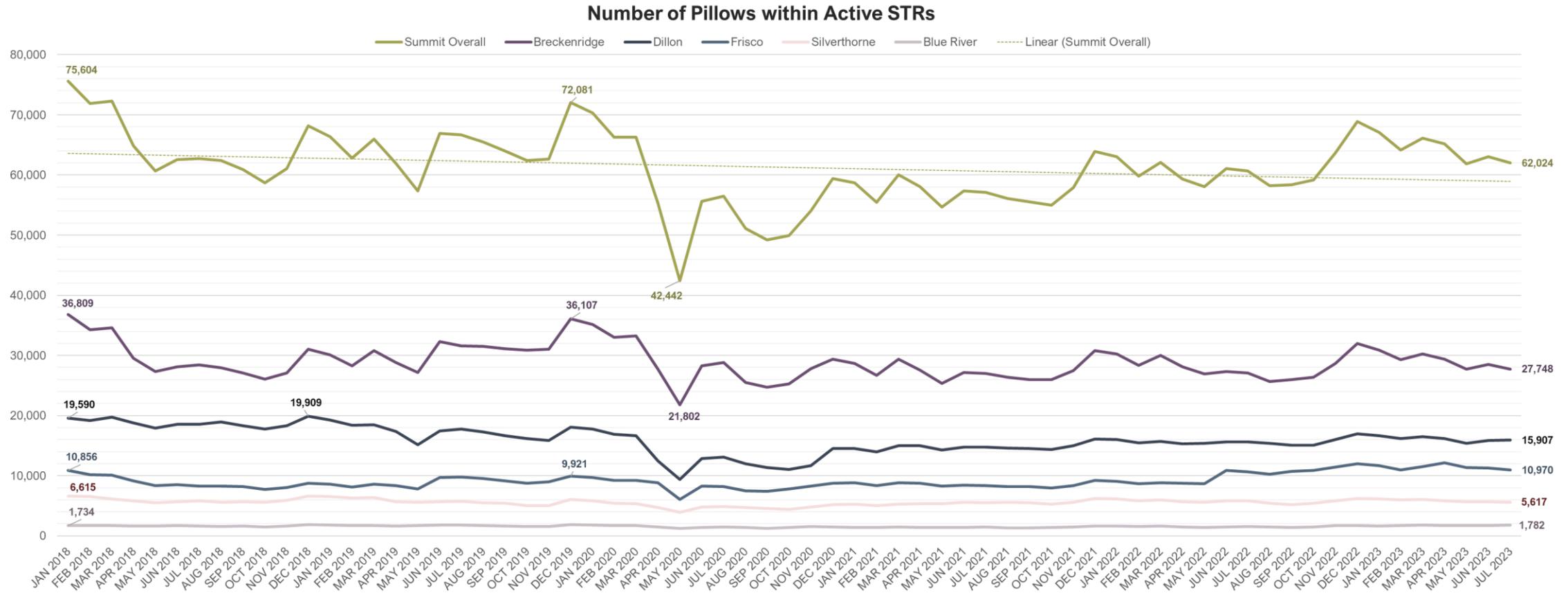


Overall, the total number of active STRs in Summit County has held relatively steady since January 2018. The same occurs at the municipal level, with each community mirroring the various bumps at the county level.

The effects of the pandemic can be seen with a large dip in active STRs in May 2020, with a sharp uptick in STR availability the following month. A gradual increase to previous active STR levels then occurred over the following year and a half.



# STR PILLOWS BY LOCATION



The number of available pillows in active STRs has gradually decreased with time at the county level. There appears to be some seasonality in the number of pillows available, with peaks generally occurring in December and lows in the shoulder seasons of May and October.



# STR LISTING TYPE

- The vast majority of active STR listings are entire homes (97.7%).
- A comparatively modest share are private rooms (203 units / 2.2%) or shared rooms (8 units / 0.1%).
  - While modest in share, many of these STRs are likely to be owner- or renter-occupied units (in addition to being STRs).
  - By providing both resident housing and resident income, these STR situations may be particularly advantageous to Summit residents.

## Average Active STRs by Listing Type

Summit County, Nov 2022 - Oct 2023

	Number	Percent
Entire home	9,065	97.7%
Private room	203	2.2%
Shared room	8	0.1%
<b>Total</b>	<b>9,276</b>	<b>100.0%</b>

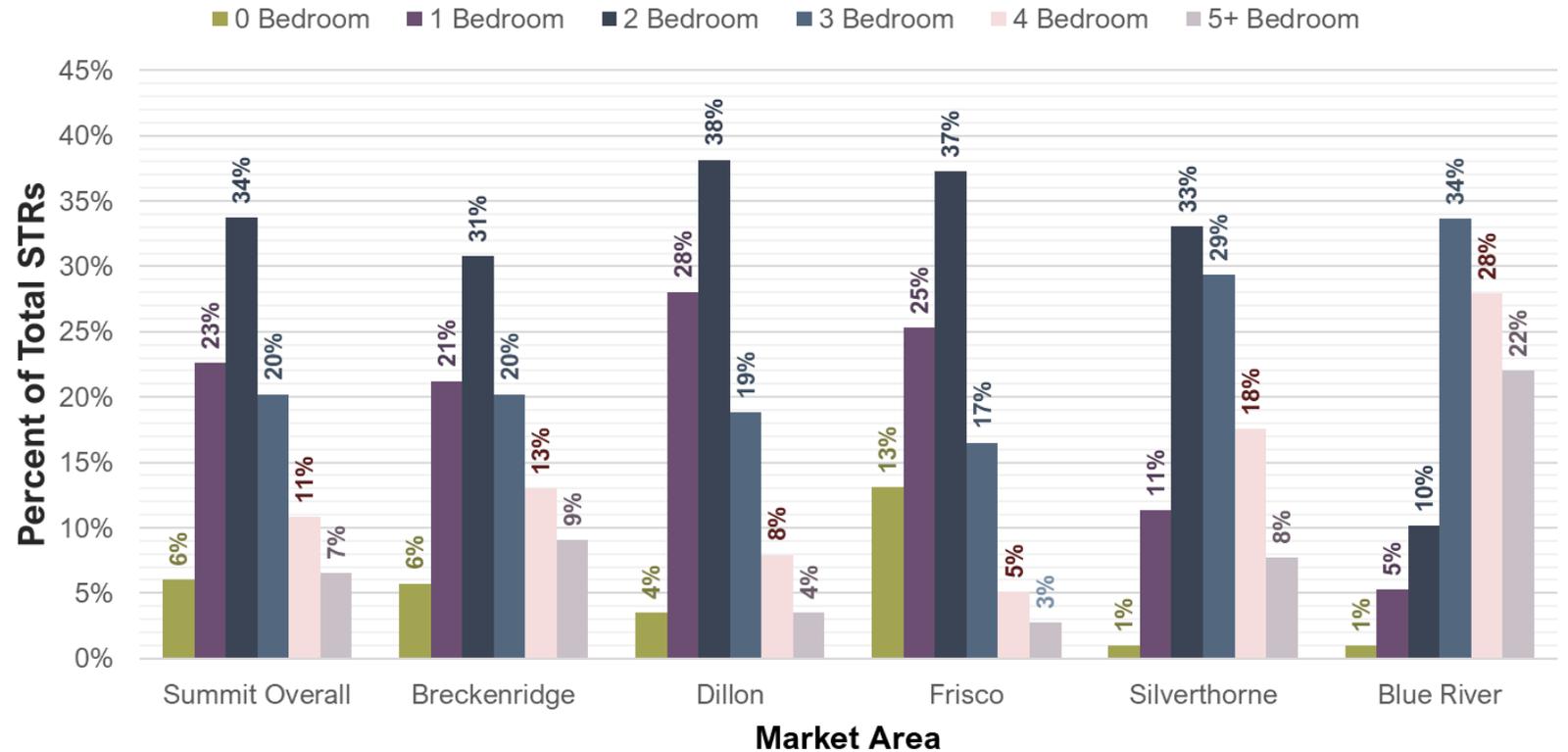


# STR BEDROOMS

- Two-bedroom units account for the plurality of active STRs at 34% on the county level. Like the trends of property type, this persists at the community level for all areas other than Blue River where 3-bedroom units are the most common probably due to the prevalence of single-family homes in this area.

## Percent of Units by Bedroom Size

January - July 2023



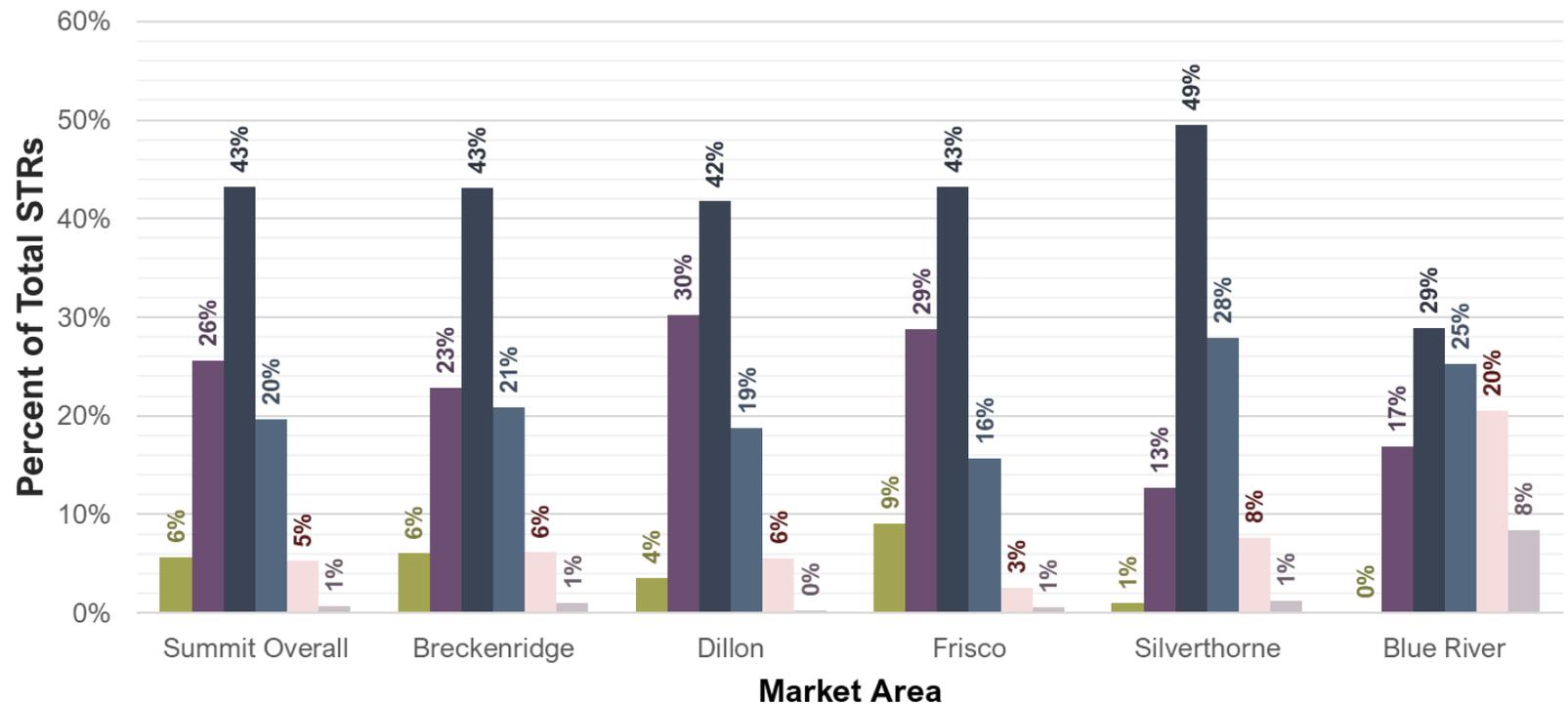


# STR BEDROOMS: MULTI-FAMILY

## Percent of Multi-Family Units by Bedroom Size

January - July 2023

0 Bedroom 1 Bedroom 2 Bedroom 3 Bedroom 4 Bedroom 5+ Bedroom



- For Summit County overall and across each community, multi-family STRs tend to have 2 bedrooms each. Single or triple bedroom units are the next most common overall.

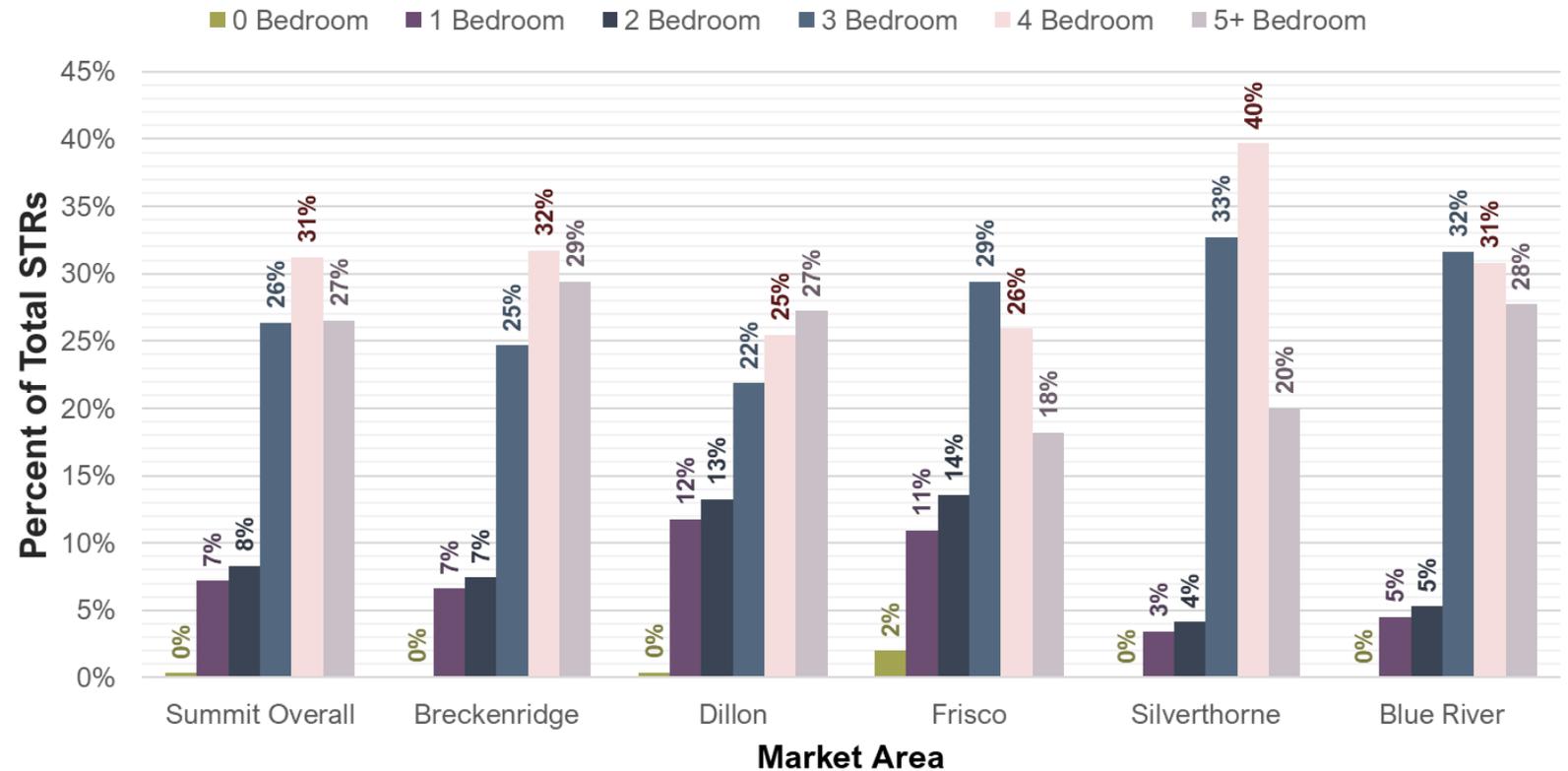


# STR BEDROOMS: SINGLE FAMILY

- Single-family active STRs tend to have more bedrooms than multi-family units, with a plurality having four bedrooms at the county level. Five-or-more- and three-bedroom STRs are the next most common.

## Percent of Single-Family Units by Bedroom Size

January - July 2023

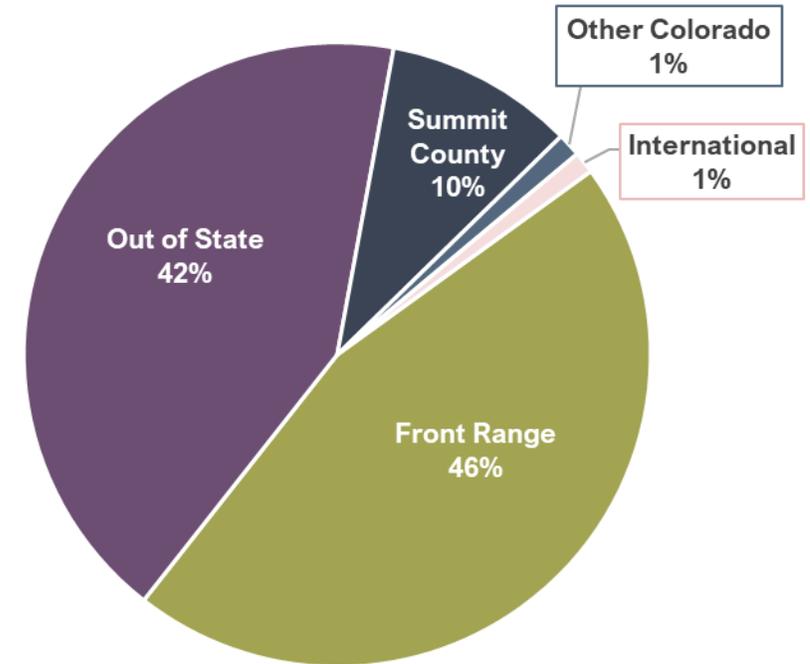




# STR OWNER GEOGRAPHY

- STRs are largely owned by individuals who live outside of Summit County (90%); just 10% of STRs are owned by a local resident.
- Front Rangers own 46% of STRs, out-of-staters own 42%, and other Colorado and international residents each own 1%.

## Number of STRs by Owner Location



Source: Summit County Assessor database; town/county STR license lists; RRC.

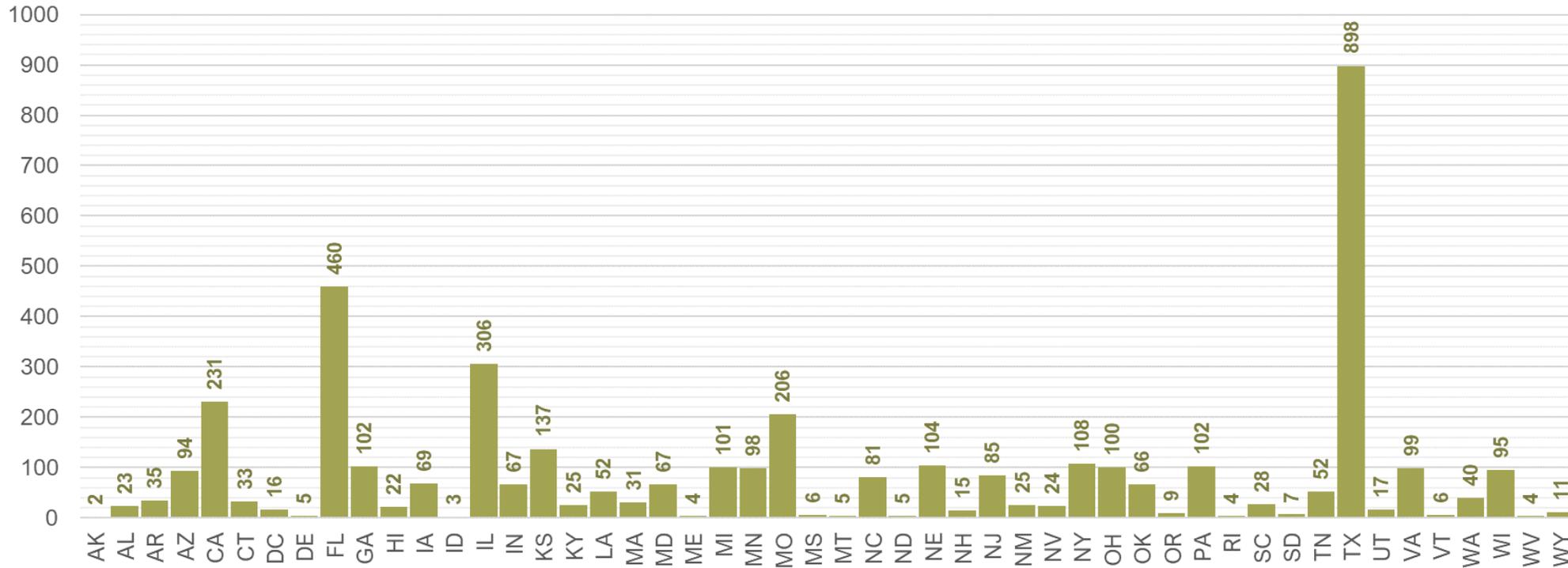
Note: Excludes STRs which are timeshares.

Front Range defined as Larimer, Weld, Larimer, Boulder, Broomfield, Adams, Jefferson, Denver, Arapahoe, Douglas, Elbert, El Paso, and Pueblo counties.



# STR OWNER GEOGRAPHY (OUT OF STATE)

### Number of STRs by Geography of Owner



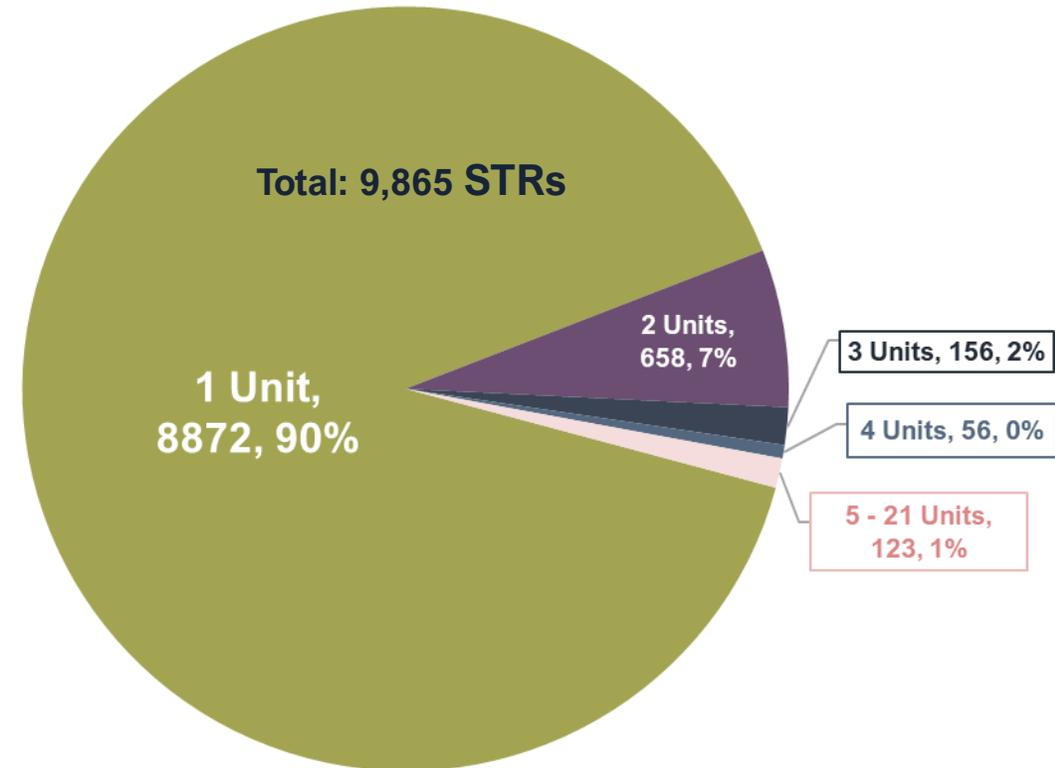
Excluding the **5592 STRs** owned by Coloradans, the leading out-of-state origin of Summit STRs is Texas, followed by Florida, Illinois, California, and Missouri. This is similar to general patterns of out of state visitation to the region as well, illustrating a relationship between patterns of STR ownership and patterns of visitation.



# MULTIPLE STR OWNERSHIP

- Most residential STRs in Summit County (90%) are owned by owners who own a single STR.
- Only 10%, or 993 STRs as of 2023, are operated by owners who own multiple Summit County STRs.
  - Of these 993 STRs that are owned by multiple str-owning individuals, over half (66% - 658 units) are owned by owners operating 2 STR units.

Number of STRs by Single / Multiple STR Ownership



Source: Summit County Assessor database; town/county STR license lists; RRC.

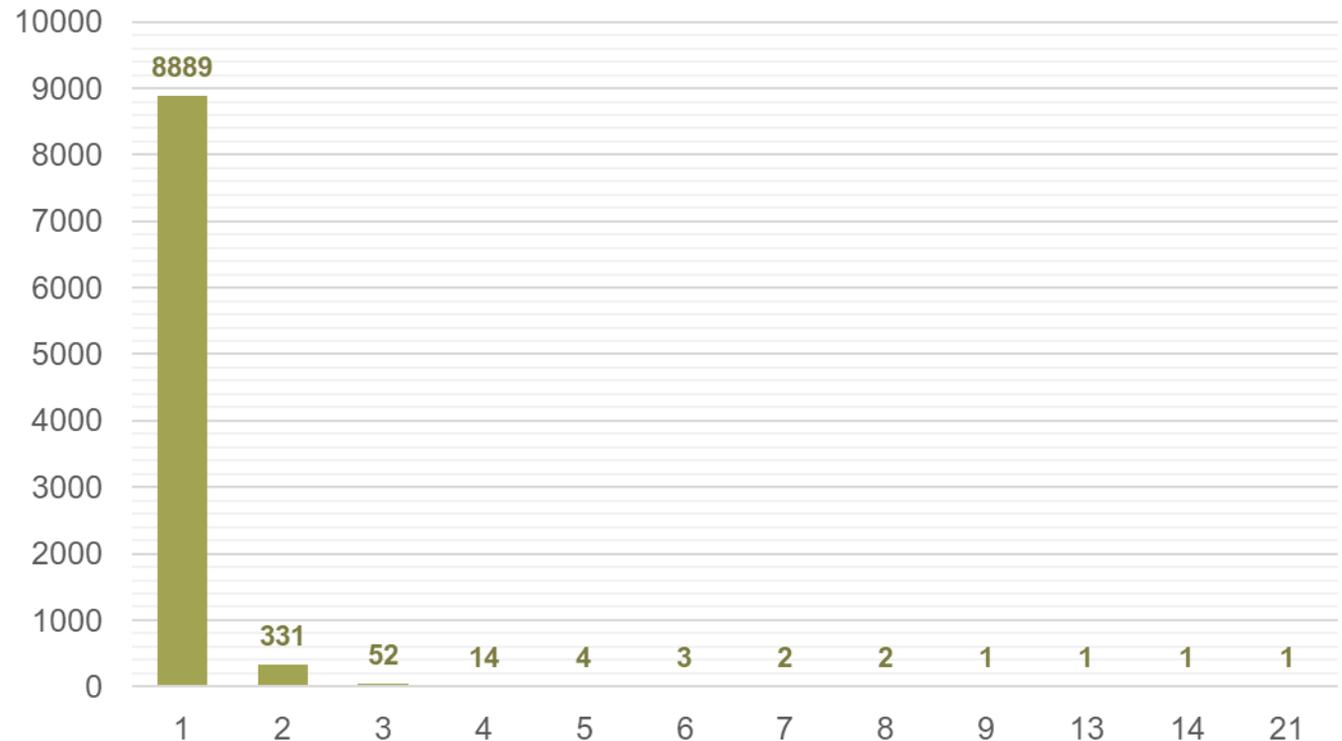
Note: Counts reflect free-market condo, townhome and SFR STRs. Counts exclude STRs which are timeshares, residential units assessed as commercial, mobile homes, employee units, and agricultural units.



# MULTIPLE STR OWNERSHIP

- When looking at the unique owners of STRs, a similar trend is apparent: *most owners own only one STR in Summit County (96%), and of those who do own multiple STRs a majority (80%) own two STR units.*
  - Only 11 individuals own and operate more than 6 or more STRs in the county

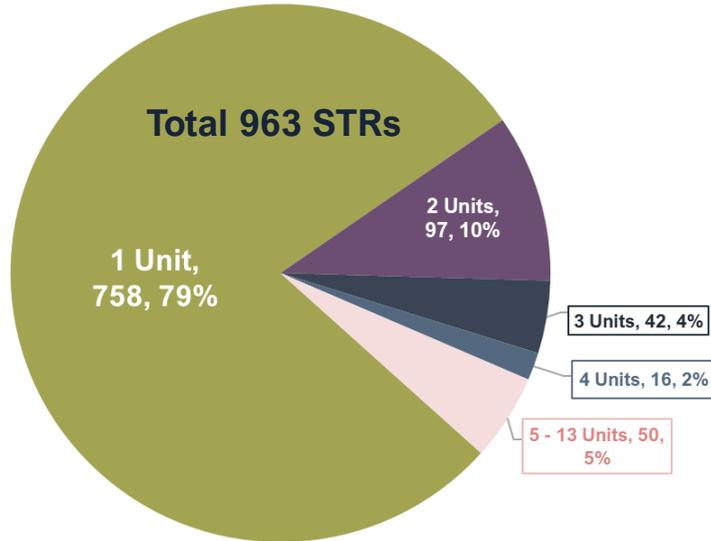
### Number of STRs Owned per Owner



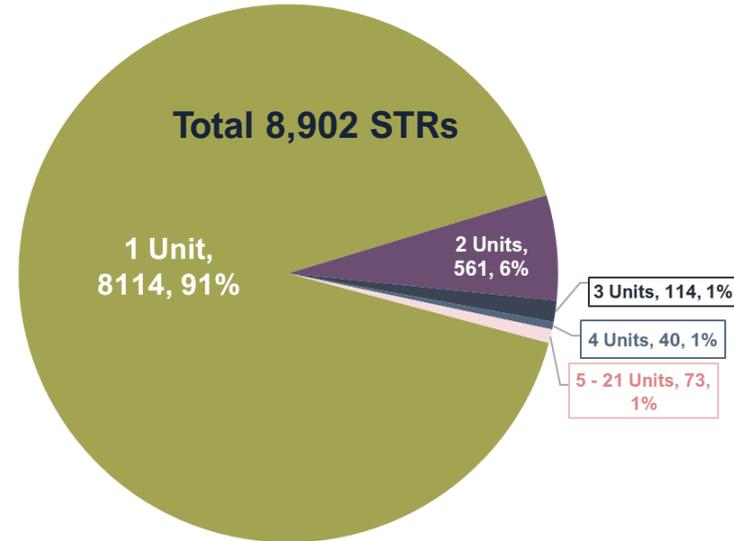


# MULTIPLE STR OWNERSHIP

Number of STRs by Single / Multiple STR Ownership - Summit Local Owners



Number of STRs by Single / Multiple STR Ownership - Non-Summit Owners



- The above charts show the number of STRs with owners of single/multiple STR ownership split by the location of the owner, either a Summit County Local or a Non-Summit County resident. Interestingly, Summit County STR owners are more likely to own multiple STRs (21%) compared to non-locals (9%). For both owner types, most multiple STR-unit owners own two STRs.

Source: Summit County Assessor database; town/county STR license lists; RRC.

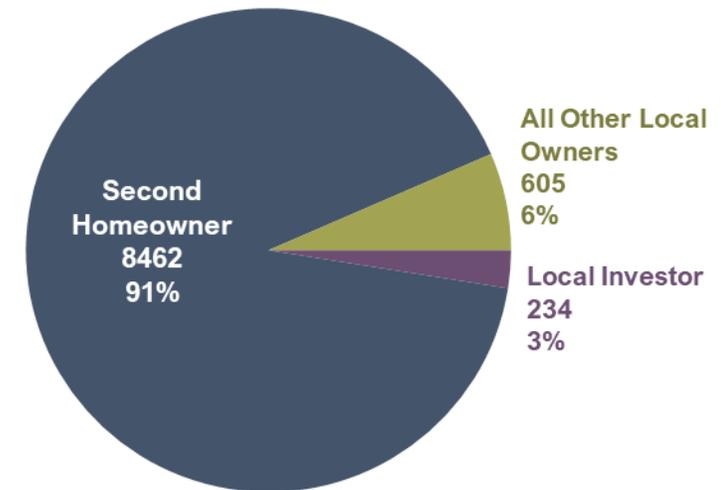
Note: Counts reflect free-market condo, townhome and SFR STRs. Counts exclude STRs which are timeshares, residential units assessed as commercial, mobile homes, employee units, and agricultural units.



# OWNERSHIP CHARACTERISTICS

- Owners of STRs in Summit County are predominantly Second Homeowners, comprising **91%** of all owners. Local STR owners make up the remaining 9%, 3% of which are Local Investors – defined to be those who own more than one residential parcel in the county.

## STR Owners by Owner Type

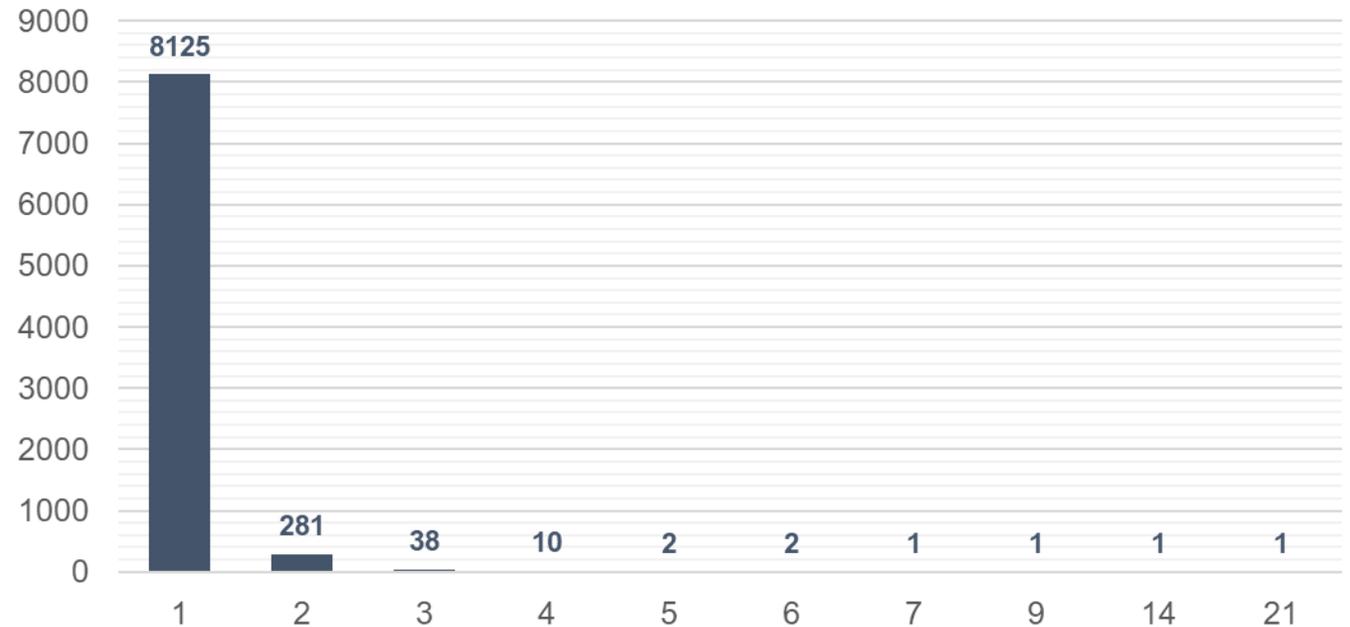




# MULTIPLE STR OWNERSHIP: NONLOCALS

- Nearly all Summit County second homeowners who operate an STR only operate one STR unit (96%). Just 3% operate two units with the remaining 1% of owners operating three or more. Only four owners overall operate seven or more STRs in Summit County.

### Number of STRs Owned by Second Homeowners



Source: Summit County Assessor database; town/county STR license lists; RRC.

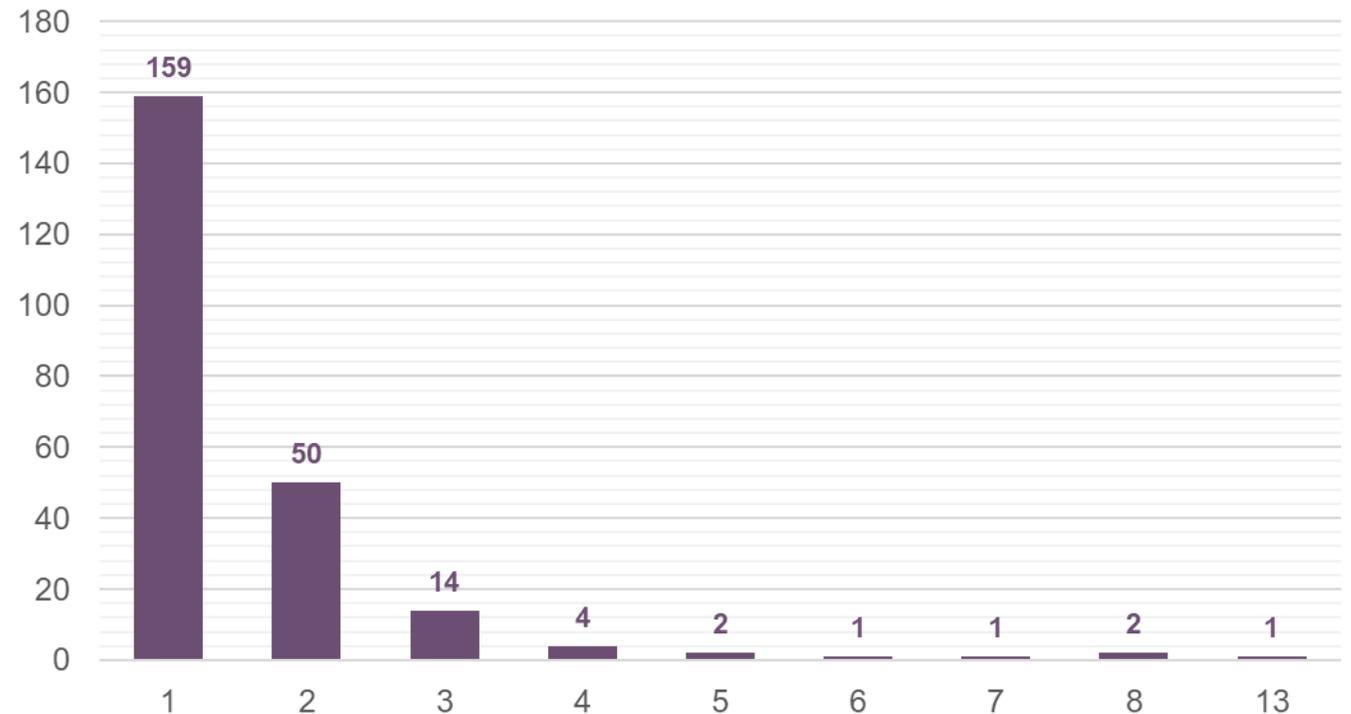
Note: Counts reflect free-market condo, townhome and SFR STRs. Counts exclude STRs which are timeshares, residential units assessed as commercial, mobile homes, employee units, and agricultural units.



# MULTIPLE STR OWNERSHIP: LOCALS

- Similar to second homeowners, most Summit County locals who operate an STR only operate one STR unit (68%). 21% operate two STRs and 6% operate three.

Number of STRs Owned by Local Investors



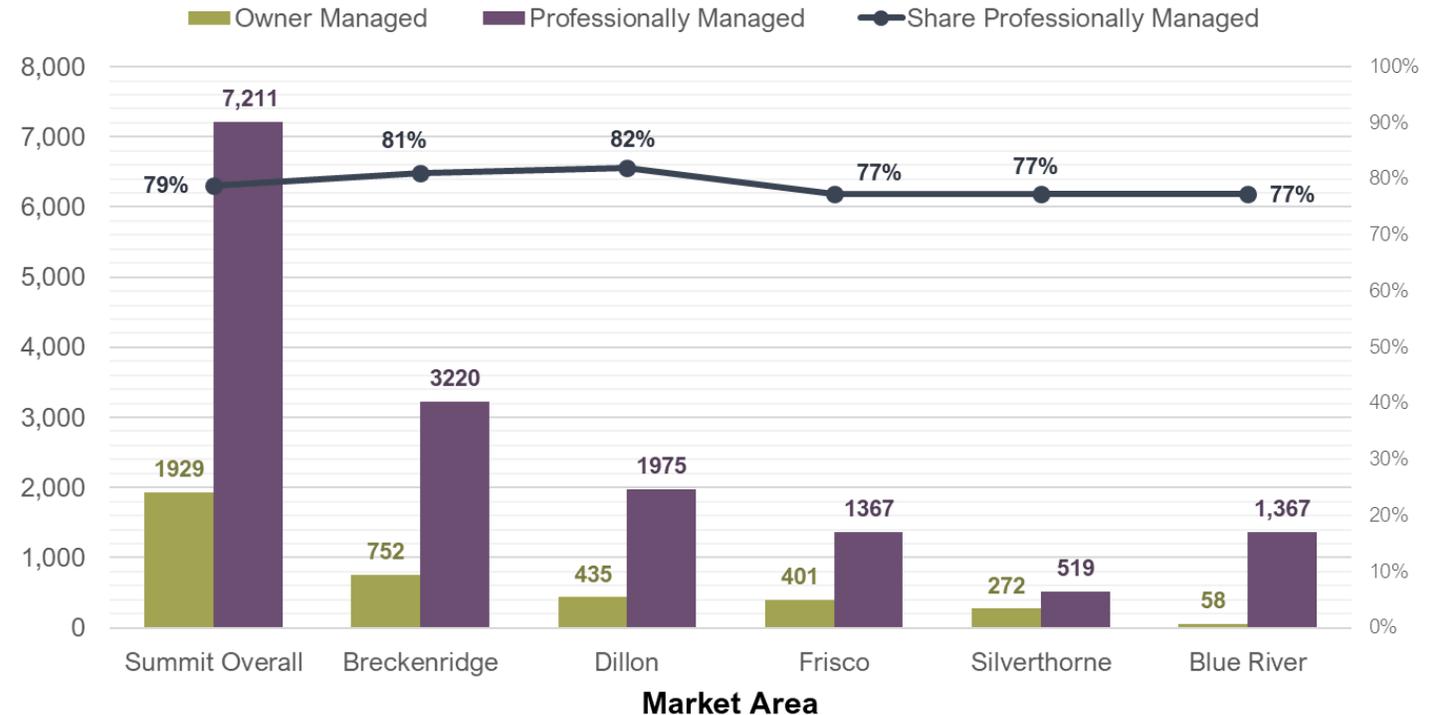


# STR MANAGEMENT

- STRs in Summit County are largely managed via professional managers, accounting for 77% to 82% of the overall STR inventory in a given Summit County community.

## Number of Active STRs by Manager Type

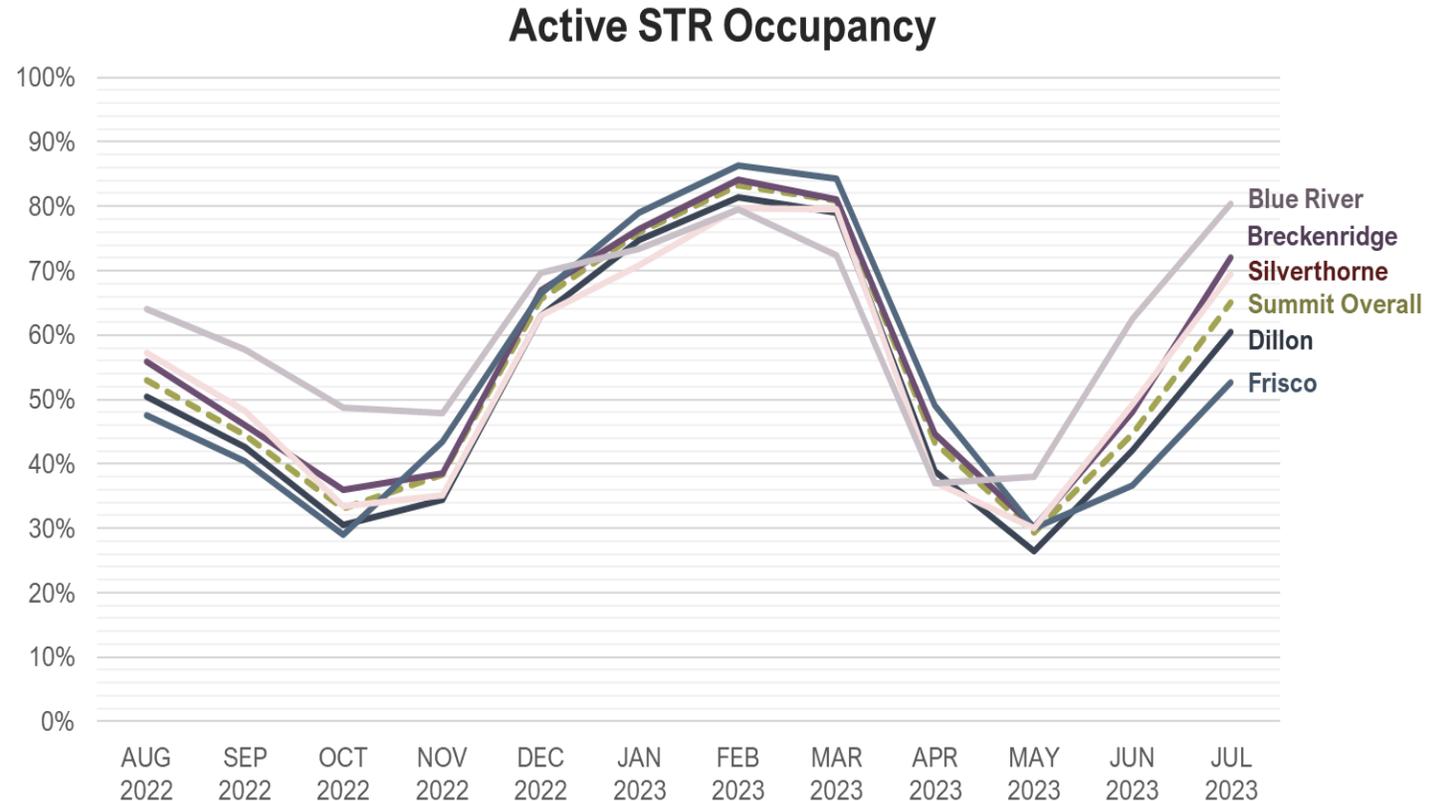
January - July 2023





# STR OCCUPANCY RATE

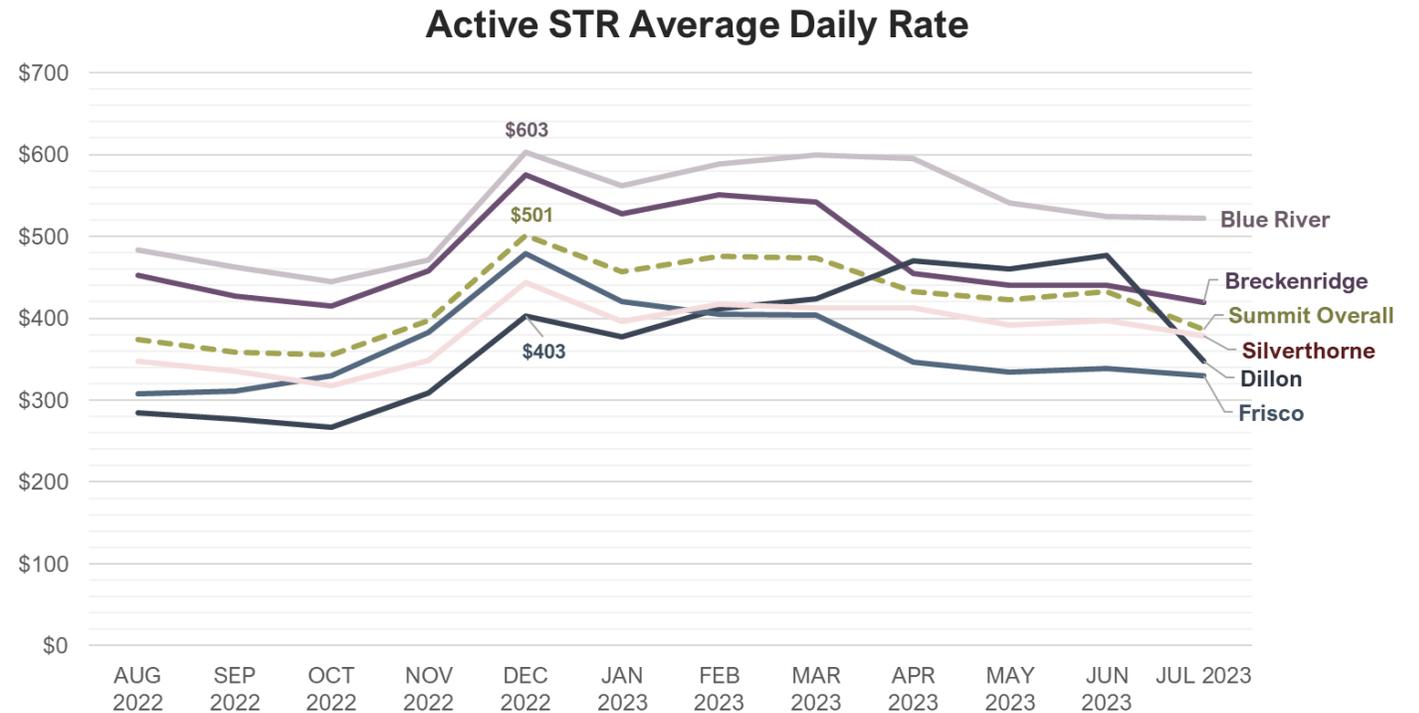
- The occupancy of active STRs in Summit County follows a seasonal trend with peak occupancy occurring in the late winter (February & March) and the middle of summer (July and August). Rates of occupancy over the previous year were most similar in winter months and less so in summer months, suggesting more consistent demand for STR units across the county during the ski season.





# STR AVERAGE DAILY RATE

- Peak Average Daily Rates (ADR) for Summit County active STRs occurs in December and was \$501 in 2022. ADR generally falls afterwards to its lowest in October, before rising to December's high.
- The highest ADRs occurred in Blue River (which tends to have larger, single-family units for \$603) and Breckenridge, while being lowest in Silverthorne and Frisco (\$403).

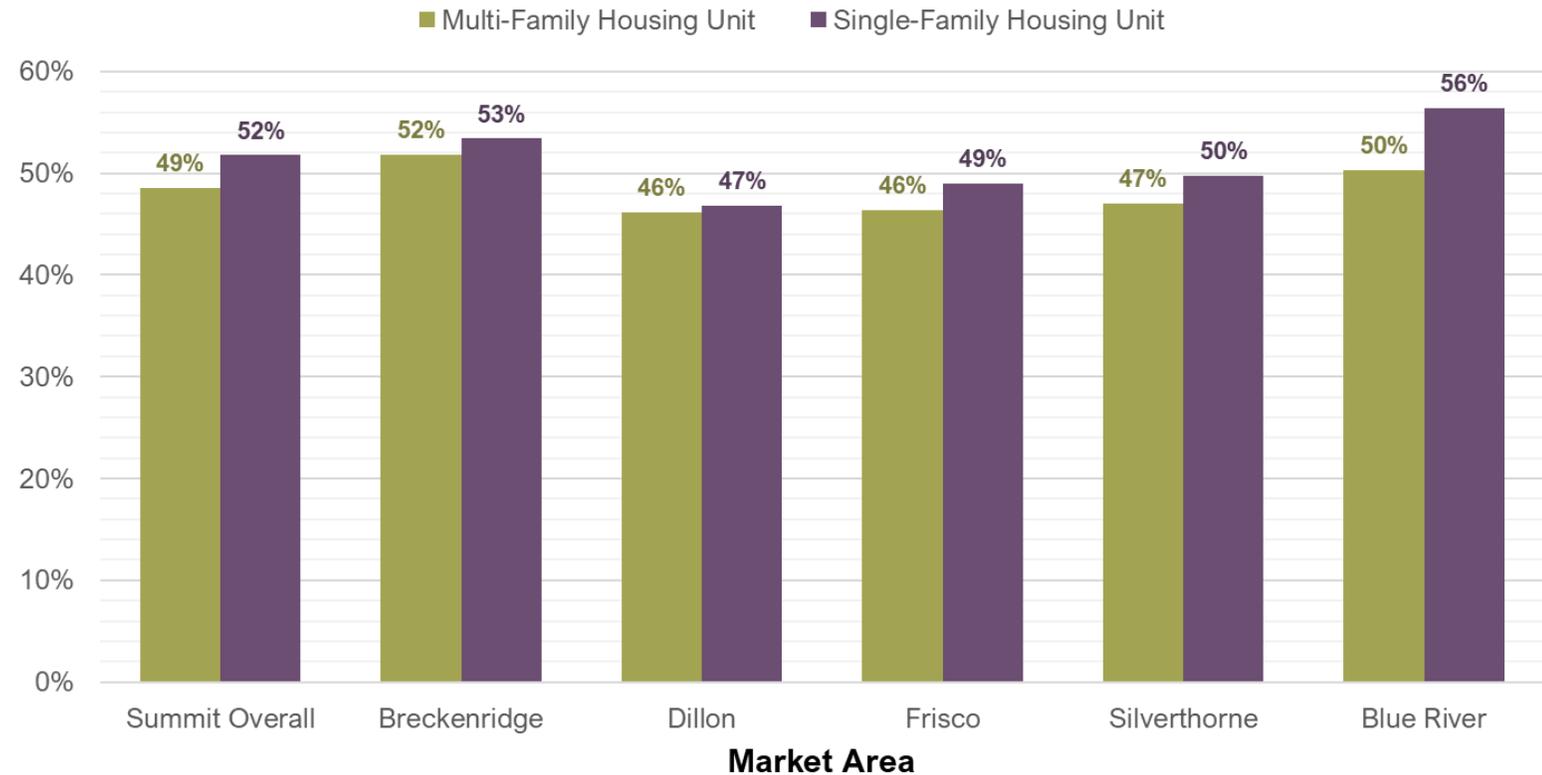




# STR OCCUPANCY BY PROPERTY TYPE

- Across Summit County communities, single-family residences perform better in terms of occupancy than multi-family units by one to six percentage points.

### 2022 Occupancy by Property Type

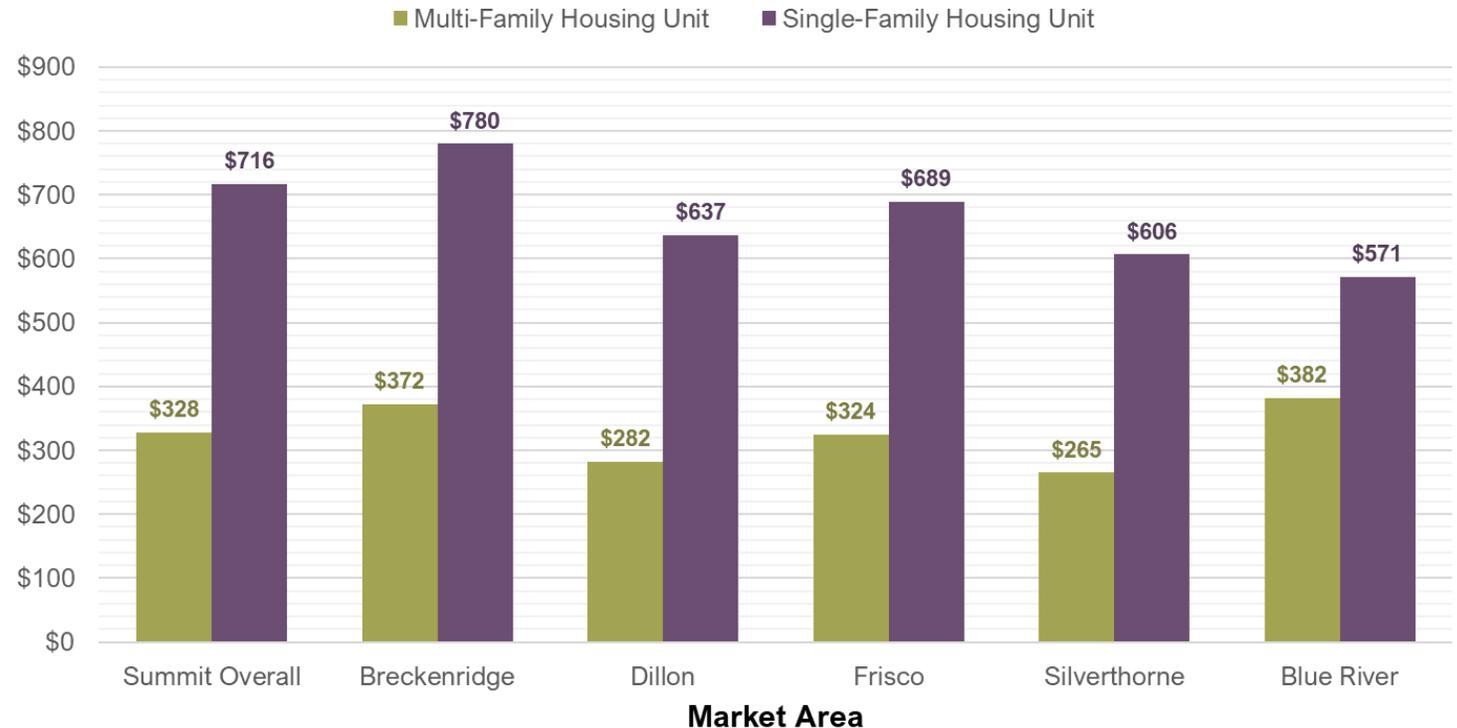




# STR ADR BY PROPERTY TYPE

- Single-family properties also command higher ADRs than those of multi-family units, with the largest disparity occurring in Breckenridge. On the county level, staying in a single-family STR generally runs at over twice the cost of a night in a multi-family housing unit.

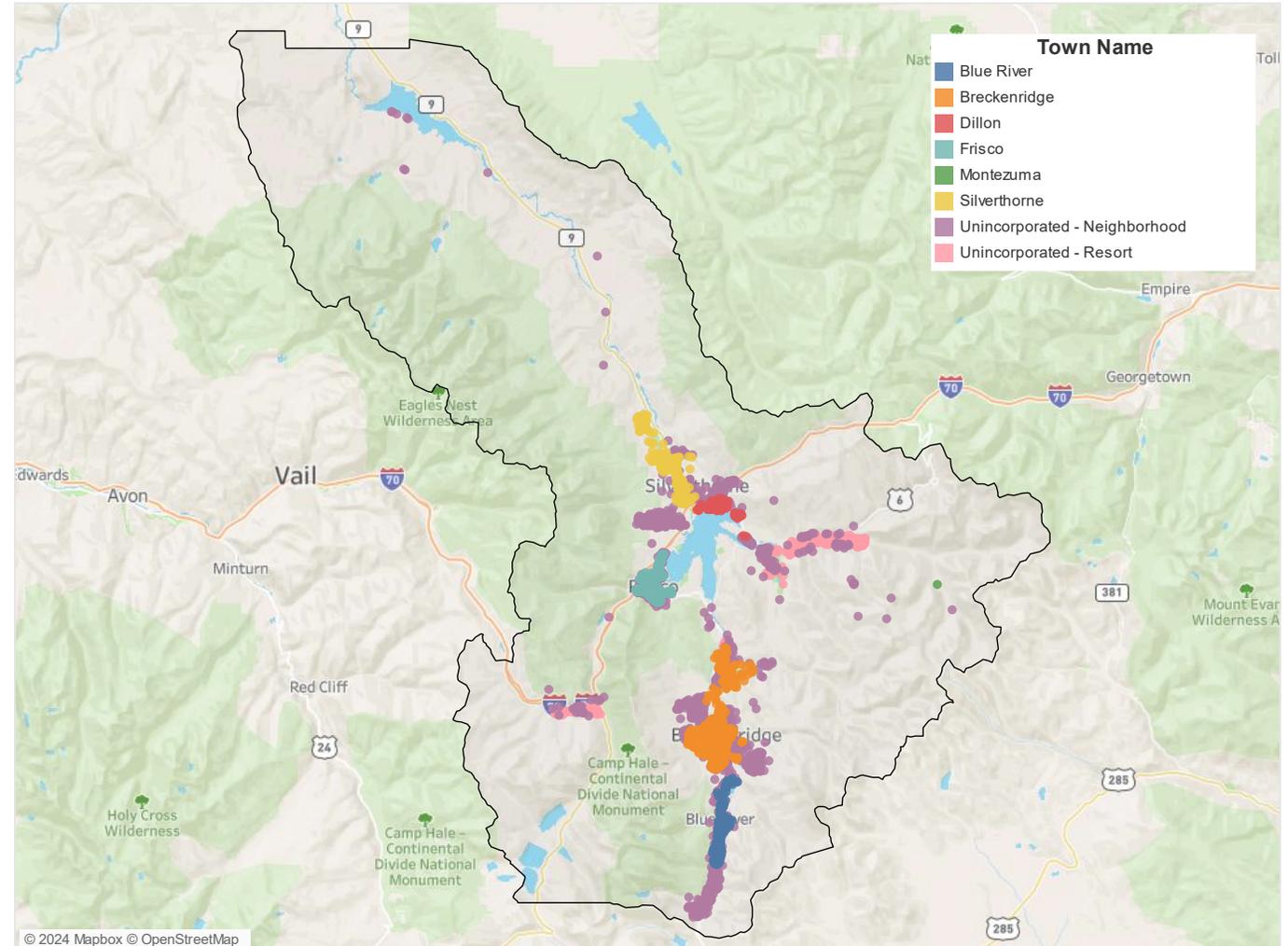
### 2022 Average Daily Rate by Property Type



# STR LOCATIONS – TOWNS & COUNTY ZONES

- In addition to analysis by Market Area (in previous slides), it is also helpful to evaluate STRs in different governmental areas, given variations across municipalities and Summit County in STR regulations.
- This map illustrates the locations of STRs by municipality, as well as STRs in the unincorporated Neighborhood and Resort Overlay Zones (NOZ and ROZ). These geographies are used for analysis purposes in most or the remainder of this report.

Summit County STRs by Area





# STRs: UNIT TYPE (PER ASSESSOR)

- In Summit as a whole, the largest share of STRs are condos (60.4%), while 21.9% are single family units, 10.3% are townhomes, 5.6% are timeshares, and 1.8% are another unit type or undetermined.

Summit County STRs by Unit Type, 2023

Unit type	SUMMIT OVERALL	Town of Blue River	Town of Breckenridge	Town of Dillon	Town of Frisco	Town of Silverthorne	Unincorp. - Neighborhood Overlay Zone	Unincorp. - Resort Overlay Zone
Condominium	6,487	2	2,621	235	488	82	572	2,487
Single family residence	2,351	206	683	31	186	194	888	163
Townhome	1,102	1	389	37	212	48	185	230
Timeshare / fractional	604	0	577	21	0	0	5	1
Mobile home	33	0	0	0	0	0	0	33
Commercial improvement	20	0	15	0	5	0	0	0
Undetermined / not matched to Assessor records	135	4	20	17	1	31	1	61
<b>TOTAL</b>	<b>10,732</b>	<b>213</b>	<b>4,305</b>	<b>341</b>	<b>892</b>	<b>355</b>	<b>1,651</b>	<b>2,975</b>

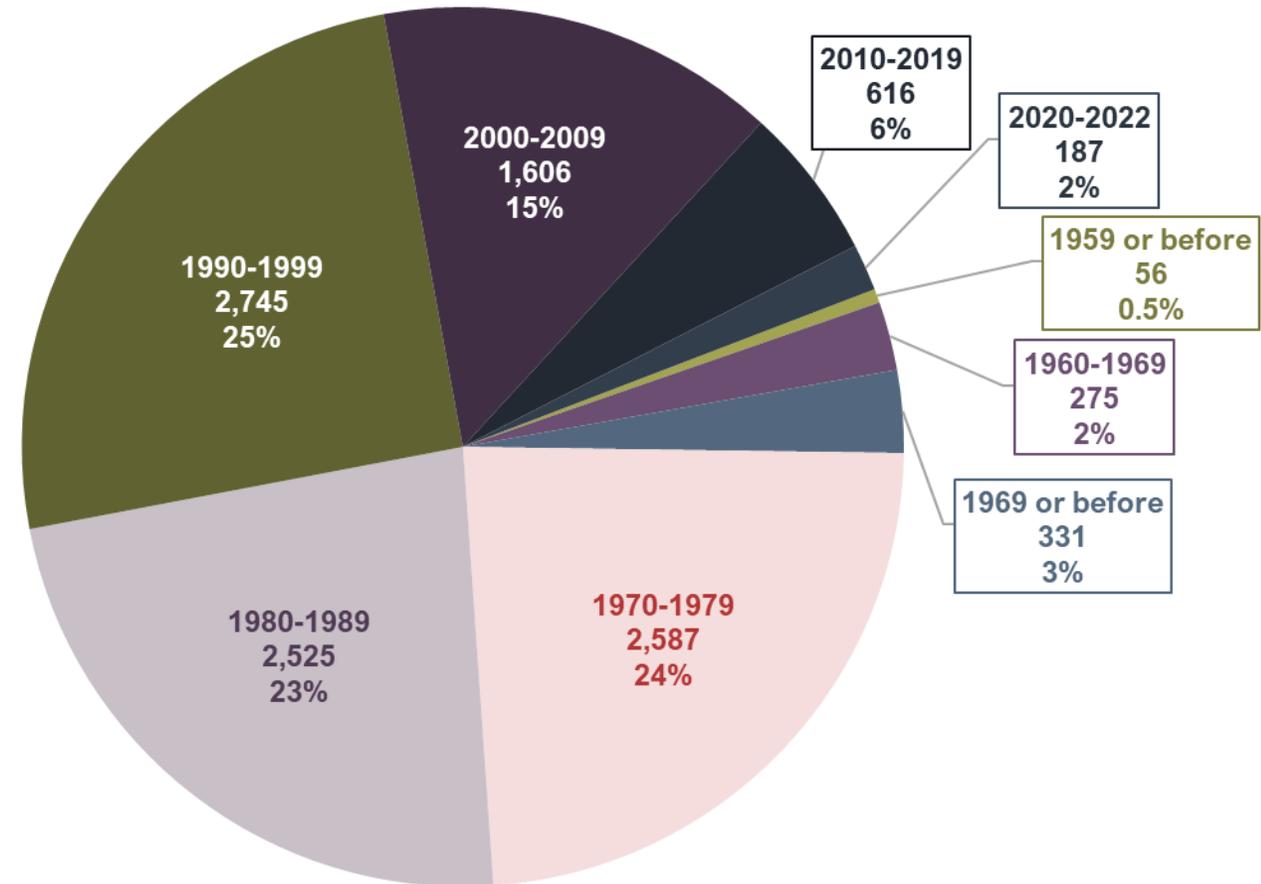
Percent of STRs:								
Condominium	60.4%	0.9%	60.9%	68.9%	54.7%	23.1%	34.6%	83.6%
Single family residence	21.9%	96.7%	15.9%	9.1%	20.9%	54.6%	53.8%	5.5%
Townhome	10.3%	0.5%	9.0%	10.9%	23.8%	13.5%	11.2%	7.7%
Timeshare / fractional	5.6%	0.0%	13.4%	6.2%	0.0%	0.0%	0.3%	0.0%
Other & undetermined	1.8%	1.9%	0.8%	5.0%	0.7%	8.7%	0.1%	3.2%
<b>TOTAL</b>	<b>100.0%</b>							



# STRs: YEAR BUILT (PER ASSESSOR)

- Most licensed STRs were built between 1970 and 2009 (89%).
- Smaller shares were built before 1970 (3%) or since 2010 (8%).
- The age of most STRs (pre-2010) is suggestive of the long history of STRs in Summit County and indicative that many units were originally designed and intended for vacation home and vacation rental purposes.

## Share of STRs by Year Built



# ECONOMIC IMPACTS OF STRs

*How have STRs impacted Summit County's economy?*





# FINDINGS

- In 2022, STRs are estimated to have directly or indirectly supported **7,693 jobs** in Summit County and generated **\$1.7 billion in economic output, \$1.04 billion in GDP, and \$416 million in labor income.**
  - Additionally, overnight visitors staying in STRs are estimated to have paid \$70.7 million in city and county sales, lodging and STR taxes in Summit County.
- For additional context regarding the economic contributions of STRs to Summit County:
  - **STR Share Of Tourism Jobs:** Overnight visitors staying in STRs are estimated to have supported 54% of Summit County's trip-related tourism jobs in 2024.
  - **STR Share Of Total Jobs:** STRs are estimated to have directly or indirectly supported 28% of Summit County's total jobs (in tourism and other sectors) in 2022.
  - **Str Share Of Total GDP:** STRs are estimated to have directly or indirectly accounted for 22% of Summit County's total GDP in 2018-2022.



# FINDINGS

- Summit County had a total of approximately 13,185 accommodation units in 2022, of which 82% were STRs, and 18% were hotels/motels and other lodging units.
- STRs are estimated to have accounted for a slightly higher share of Summit County lodging revenues (85%) than lodging units (82%) in 2023.
- Total STR rental revenues are estimated to have grown from \$287 million in 2018 to \$314 million in 2019, dipped slightly to \$304 million in 2020, and leaped to \$447 million in 2021 and \$532 million in 2022. The gains in STR rental revenues were primarily attributable to rising occupancy rates and average daily rates, rather than increases in the number of STRs, according to AirDNA.



# FINDINGS

- Comparing performance metrics by unit type, Summit County's STRs tend to have a lower occupancy rate (42.5% in 2022) than hotels/motels (58.7%). However, STRs have a much higher average daily rate (ADR), inclusive of STR cleaning fees (\$427 vs. \$174). Consequently, STRs tend to have higher average daily revenue per available room (\$182 vs. \$102).
- The higher ADRs achieved by STRs are likely in significant part due to the larger size of STR units (averaging more square footage, rooms, and pillows) and the frequent presence of expanded in-unit amenities (such as kitchen facilities). Accordingly, STR units tend to host larger travel parties and more people per unit than hotels.
- STRs and hotels/motels/other lodging types can be viewed as complements of one another, offering different unit sizes, amenities, experiences and price points, and together offering a broader array of lodging options to visitors than any one product type can alone.



# DIRECT & SECONDARY ECONOMIC IMPACTS OF STRs

## Economic Impacts of STRs in Summit County, 2022

Effect	Employment	Earnings (\$M)	Output (\$M)	Value-added (GDP) (\$M)
Direct	5,874	\$292	\$1,202	\$908
Indirect	908	\$68	\$284	
Induced	910	\$56	\$215	\$136
<b>Total STR economic impact</b>	<b>7,693</b>	<b>\$416</b>	<b>\$1,701</b>	<b>\$1,044</b>
County total - all industries	27,340	\$1,880	not avail.	\$3,557
<b>STR share of county total</b>	<b>28%</b>	<b>22%</b>	not avail.	<b>29%</b>
County total trip-related tourism jobs	10,908			
<b>STR share of trip-related tourism jobs</b>	<b>54%</b>			

Source, STR impacts: RRC, based on Colorado State Demography Office employment data and base industry factors; RRC visitor surveys conducted in Summit County; Summit County Finance Department sales tax collection data; IMPLAN retail margins; CoStar hotel performance data; and US BEA RIMSII multipliers for Summit County (2021, with inflation adjustment to 2022 based on US BLS CPI for Denver MSA)

Source, county total jobs and tourism jobs: Colorado State Demography Office.

Source, county total earnings and GDP: US Bureau of Economic Analysis.



# DIRECT JOBS ATTRIBUTABLE TO STRs

## Direct Jobs Attributable to Summit County STRs by Sector

Industry Sector	2018	2019	2020	2021	2022
Accommodations and real estate	2,061	2,146	1,713	1,904	1,947
Food services and drinking places	1,398	1,464	1,223	1,462	1,585
Arts, entertainment and recreation	1,065	1,111	924	1,068	1,109
Gas stations and transportation services	267	268	242	259	265
Food and beverage stores	213	217	219	223	218
Sporting goods, hobby, book and music stores	171	181	162	189	197
Clothing and clothing accessories stores	192	185	157	164	153
General merchandise stores	88	97	105	113	136
Miscellaneous store retailers	103	100	101	108	127
Personal and laundry services	84	79	73	74	90
Health and personal care stores	39	40	41	47	46
<b>Direct jobs attributable to STRs</b>	<b>5,683</b>	<b>5,887</b>	<b>4,958</b>	<b>5,612</b>	<b>5,874</b>

Source: RRC, based on Colorado State Demography Office employment data and base industry factors, and RRC visitor surveys conducted in Summit County.



# DIRECT EXPENDITURES ATTRIBUTABLE TO STR VISITORS

## Summit STR Visitor Expenditures, 2022

Spend Category	Spend (\$M)
Short-term rental lodging	\$596
Arts / entertainment / recreation	\$275
Retail trade	\$271
Restaurants / bars	\$174
Transportation	\$81
<b>Total</b>	<b>\$1,397</b>

Source: RRC, based on Colorado State Demography Office base industry factors; RRC visitor surveys conducted in Summit County; Summit County Finance Department sales tax collection data; and Summit County community tax rates.



# TAXES PAID BY STR VISITORS

## Estimated Sales, Lodging & STR Taxes Paid by STR Visitors in 2022 (in Millions): By Jurisdiction & Tax Type

	Summit County	Town of Blue River	Town of Breckenridge	Town of Dillon	Town of Frisco	Town of Silverthorne	TOTAL
County Mass Transit tax (0.75%)	\$9.4	n/a	n/a	n/a	n/a	n/a	\$9.4
County Affordable Housing tax (0.725%)*	\$3.2	n/a	\$3.1	\$0.4	\$0.6	\$0.8	\$8.1
County sales tax (2%)*	\$9.5	n/a	\$9.3	\$1.2	\$2.1	\$3.0	\$25.1
City sales tax	n/a	\$0.6	\$10.5	\$1.5	\$2.1	\$3.0	\$17.7
City/county lodging tax**	n/a	\$0.5	\$7.3	\$0.3	\$0.6	\$1.3	\$9.9
City STR tax**	n/a	n/a	n/a	n/a	\$0.5	n/a	\$0.5
<b>Total city / county taxes</b>	<b>\$22.1</b>	<b>\$1.1</b>	<b>\$30.1</b>	<b>\$3.4</b>	<b>\$5.9</b>	<b>\$8.1</b>	<b>\$70.7</b>
State of Colorado sales tax (2.9%)							\$32.5
<b>Total city / county / state taxes</b> (excluding gas tax, nicotine tax, marijuana tax, and other taxes)							<b>\$103.2</b>

\*County housing and sales taxes generated in Breckenridge, Dillon, Frisco and Silverthorne have been allocated to those towns.

\*\*Dates when current lodging tax rates became effective: unincorporated Summit 1/1/2023; Dillon 1/1/2023; Silverthorne 7/1/2022.

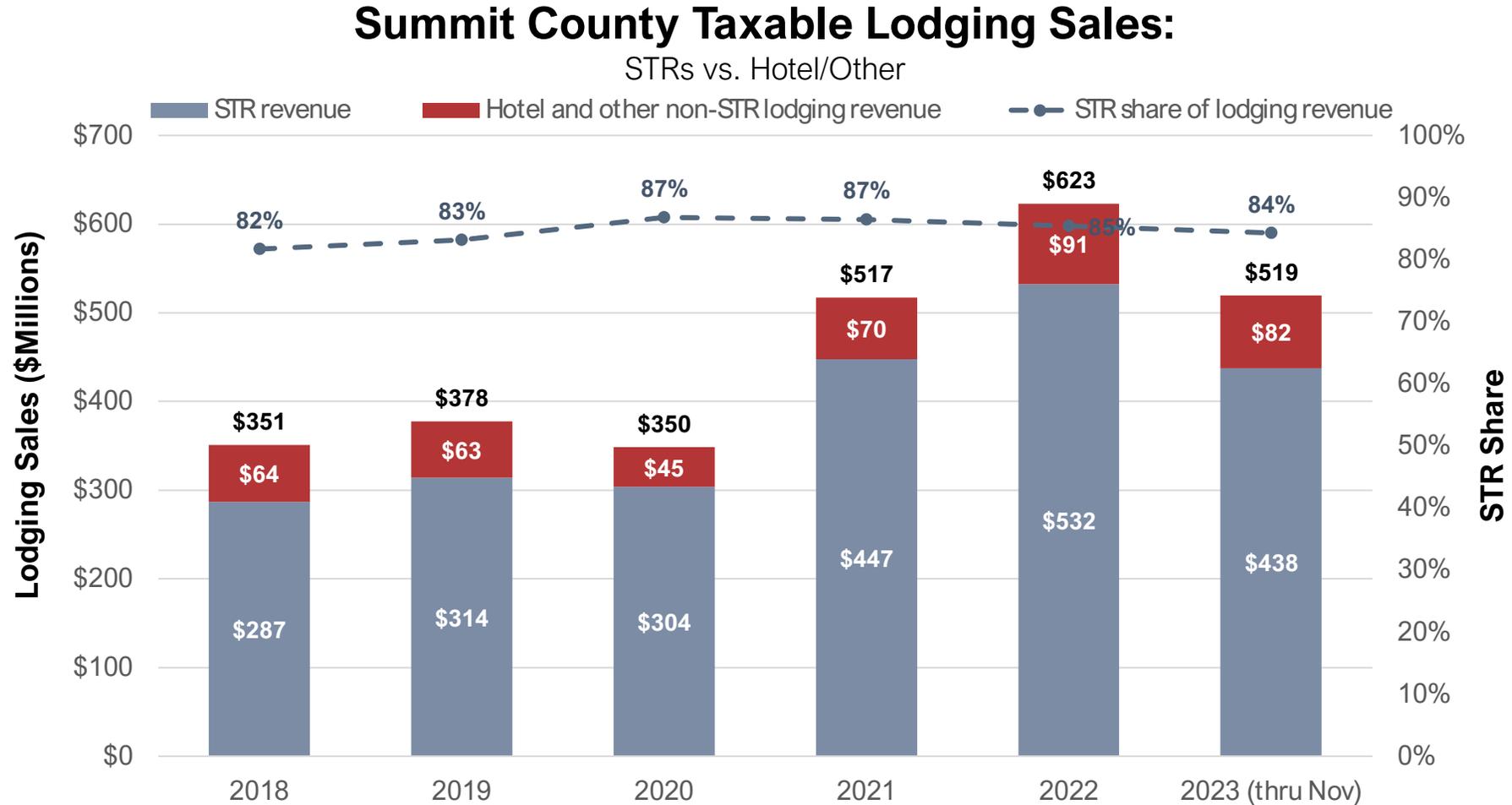
\*\*Dates when STR taxes became effective: Dillon 7/1/2023; Frisco 6/1/2022.

Note: Food for home consumption is exempt from Breckenridge sales tax, County affordable housing tax, and state sales tax.

Source: RRC, based on estimated taxable sales and community tax rates. Estimated taxable sales on STR rentals are pro-rated across communities based on AirDNA STR revenue estimates (and actual reported STR taxes and lodging taxes in Frisco and Silverthorne). Estimated taxable sales on other STR visitor purchases (e.g. restaurants, retail, etc.) are pro-rated across communities based on estimated non-STR taxable sales across communities.



# STR SHARE OF SUMMIT COUNTY TAXABLE LODGING SALES: ANNUAL

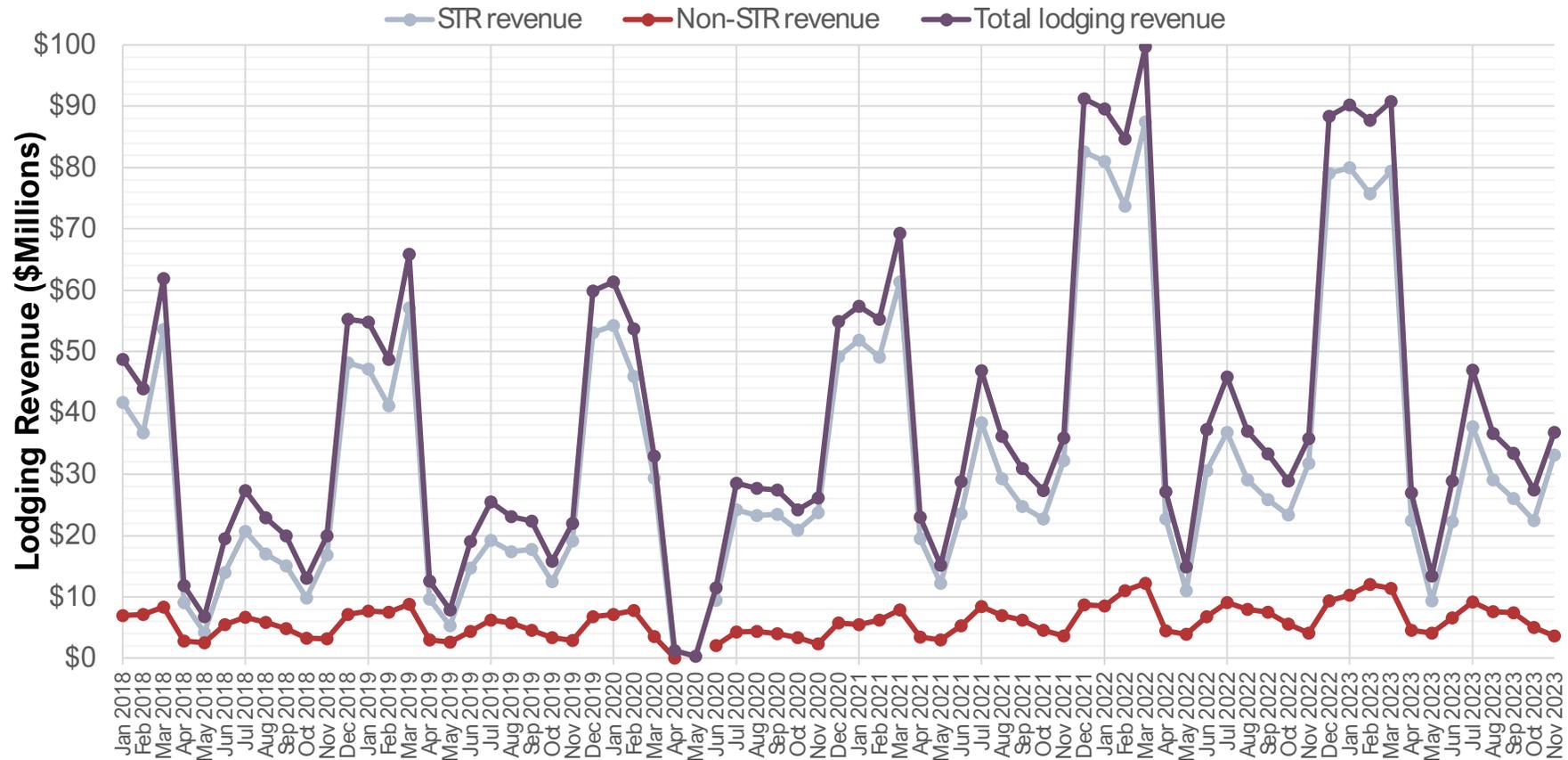


Source: Summit County Finance Department sales tax collection data; CoStar hotel performance data; RRC.



# STR SHARE OF SUMMIT COUNTY TAXABLE LODGING SALES: MONTHLY

## Summit County Lodging Sales by Month 2018-2023



Source: Summit County Finance Department sales tax collection data; CoStar hotel performance data; Inntopia transient inventory data; RRC.





# LODGING INVENTORY & REVENUE

## Summit County Accommodations Inventory & Revenue, 2022

	Units		2022 Revenues		Average annual rental revenue per unit
	#	%	\$	%	
Licensed STR units, August 2023	10,732	82%	\$532,284,053	85%	\$49,598
Hotel/motel/hostel/B&B/other lodging units, Dec 2022	2,435	18%	\$90,574,150	15%	\$37,197
<b>Total accommodations</b>	<b>13,167</b>	<b>100%</b>	<b>\$622,858,203</b>	<b>100%</b>	<b>\$47,304</b>

Source: RRC and Inntopia, based on AirDNA and CoStar data, and Inntopia Transient Inventory data.



# LODGING PERFORMANCE METRICS

## Summit County Lodging Performance Metrics: STRs vs. Hotels/Motels, 2022

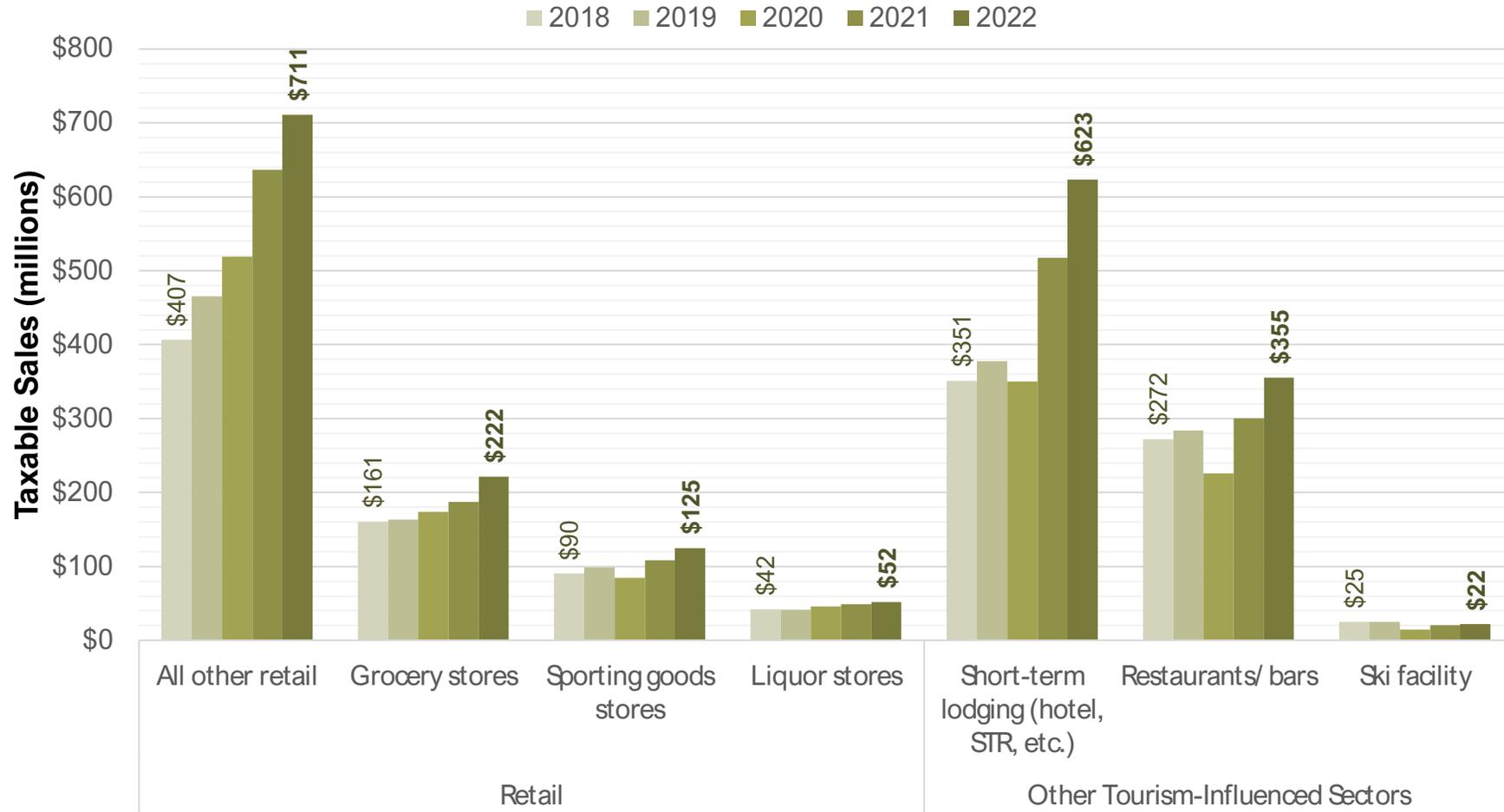
Metric	STRs	Hotels/motels	STRs as a % of Hotels/motels
Occupancy rate	42.5%	58.7%	72%
Average daily rate	\$427	\$174	245%
Revenue per available room	\$182	\$102	178%

Source: RRC and Inntopia, based on AirDNA and CoStar data, and Inntopia Transient Inventory data.



# SUPPORTING DETAIL: SUMMIT COUNTY TAXABLE SALES

## Summit County Taxable Sales in Selected Tourism-Influenced Sectors





# SUPPORTING DETAIL: SUMMIT COUNTY JOBS BY BASE INDUSTRY SECTOR

- For context, the Colorado State Demography Office estimates that tourism (inclusive of second-home activity) accounted for 13,443 jobs in Summit in 2022. This represents 67.0% of all “basic” jobs in the county, i.e., jobs that bring outside dollars into the economy and thus form the foundation of the economy.

	Summit County - # of Jobs							Summit County - % of Basic Jobs						
	2016	2017	2018	2019	2020	2021	2022	2016	2017	2018	2019	2020	2021	2022
<b>DIRECT BASIC JOBS:</b>														
<b>Traditional Basic Industries - Total</b>	<b>928</b>	<b>905</b>	<b>900</b>	<b>863</b>	<b>883</b>	<b>894</b>	<b>932</b>	<b>5.1%</b>	<b>4.9%</b>	<b>4.7%</b>	<b>4.4%</b>	<b>5.1%</b>	<b>4.0%</b>	<b>4.6%</b>
<i>Agribusiness</i>	194	254	308	295	304	330	382	1.1%	1.4%	1.6%	1.5%	1.7%	1.5%	1.9%
<i>Mining</i>	6	4	1	2	2	2	2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Manufacturing</i>	87	84	83	84	93	107	97	0.5%	0.5%	0.4%	0.4%	0.5%	0.5%	0.5%
<i>Government (State &amp; Federal)</i>	641	563	508	482	484	455	451	3.5%	3.1%	2.7%	2.5%	2.8%	2.0%	2.2%
<b>Regional Center / National Services - Total</b>	<b>2,004</b>	<b>1,984</b>	<b>1,961</b>	<b>1,981</b>	<b>1,884</b>	<b>1,940</b>	<b>1,991</b>	<b>11.1%</b>	<b>10.8%</b>	<b>10.3%</b>	<b>10.2%</b>	<b>10.8%</b>	<b>8.7%</b>	<b>9.9%</b>
<i>Communications</i>	9	21	10	9	9	9	13	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
<i>Construction</i>	1	11	3	3	3	2	2	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Finance, Insurance and Real Estate</i>	106	2	109	106	111	107	107	0.6%	0.0%	0.6%	0.5%	0.6%	0.5%	0.5%
<i>Trade and Transportation</i>	177	104	184	177	158	155	157	1.0%	0.6%	1.0%	0.9%	0.9%	0.7%	0.8%
<i>Professional and Business Services</i>	450	189	402	422	434	486	544	2.5%	1.0%	2.1%	2.2%	2.5%	2.2%	2.7%
<i>Education and Health Services</i>	1,256	1,268	1,250	1,261	1,166	1,176	1,169	6.9%	6.9%	6.5%	6.5%	6.7%	5.3%	5.8%
<b>Tourism - Total</b>	<b>12,617</b>	<b>13,003</b>	<b>13,269</b>	<b>13,603</b>	<b>11,692</b>	<b>13,012</b>	<b>13,443</b>	<b>69.6%</b>	<b>70.5%</b>	<b>69.4%</b>	<b>70.0%</b>	<b>67.3%</b>	<b>58.3%</b>	<b>67.0%</b>
<i>Resorts (resorts, attractions, lodging)</i>	8,314	8,582	8,881	9,100	7,429	8,434	8,848	45.9%	46.5%	46.5%	46.8%	42.7%	37.8%	44.1%
<i>Service (dining, shopping, entertainment)</i>	1,845	1,881	1,850	1,875	1,700	1,823	1,885	10.2%	10.2%	9.7%	9.6%	9.8%	8.2%	9.4%
<i>Transportation (airfare, car rental, gas, etc.)</i>	203	202	187	177	171	174	176	1.1%	1.1%	1.0%	0.9%	1.0%	0.8%	0.9%
<i>Second Homes (construction, upkeep, sales)</i>	2,253	2,336	2,347	2,449	2,386	2,574	2,529	12.4%	12.7%	12.3%	12.6%	13.7%	11.5%	12.6%
<b>Households - Total</b>	<b>2,576</b>	<b>2,544</b>	<b>2,982</b>	<b>2,992</b>	<b>2,921</b>	<b>6,462</b>	<b>3,689</b>	<b>14.2%</b>	<b>13.8%</b>	<b>15.6%</b>	<b>15.4%</b>	<b>16.8%</b>	<b>29.0%</b>	<b>18.4%</b>
<i>Commuters</i>	(652)	(659)	(302)	(306)	(286)	(193)	(273)	-3.6%	-3.6%	-1.6%	-1.6%	-1.6%	-0.9%	-1.4%
<i>HHS with Public Assistance Income</i>	366	366	347	348	350	304	731	2.0%	2.0%	1.8%	1.8%	2.0%	1.4%	3.6%
<i>Retirees</i>	1,241	1,230	1,267	1,273	1,235	4,265	1,420	6.8%	6.7%	6.6%	6.5%	7.1%	19.1%	7.1%
<i>HHS with Dividend / Interest / Rental Income</i>	1,621	1,607	1,670	1,677	1,622	2,086	1,810	8.9%	8.7%	8.7%	8.6%	9.3%	9.4%	9.0%
<b>TOTAL DIRECT BASIC JOBS</b>	<b>18,125</b>	<b>18,437</b>	<b>19,114</b>	<b>19,439</b>	<b>17,381</b>	<b>22,307</b>	<b>20,054</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>OTHER CATEGORIES OF JOBS:</b>														
<b>Indirect Basic</b>	<b>3,770</b>	<b>3,771</b>	<b>3,755</b>	<b>3,916</b>	<b>3,766</b>	<b>3,945</b>	<b>3,880</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
Total Basic (Direct Basic + Indirect Basic)	21,895	22,208	22,869	23,355	21,147	26,252	23,934	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Worker/Local Resident Services (Non Basic)</b>	<b>6,065</b>	<b>6,240</b>	<b>4,105</b>	<b>4,226</b>	<b>3,622</b>	<b>460</b>	<b>3,406</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
Total Local Resident Services (HHS + Non Basic)	8,641	8,784	7,088	7,218	6,543	6,922	7,095	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>TOTAL - ALL INDUSTRIES</b>	<b>26,310</b>	<b>26,755</b>	<b>26,974</b>	<b>27,581</b>	<b>24,769</b>	<b>26,712</b>	<b>27,340</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>



# ECONOMIC IMPACT METHODOLOGY

- 1. Estimate aggregate trip-related economic impacts of tourism in Summit County.**
  - This initial step involved estimating the aggregate economic impacts of tourism in Summit County, specifically impacts associated with visitor trips. A primary source for this was job estimates from the Colorado State Demography Office and sales tax collections from the Summit County Finance Department.
- 2. Estimate the share of trip economic impacts that were attributable to overnight visitors (vs. day visitors).**
  - Based on visitor survey data and other sources, it was estimated that overnight visitors accounted for 100% of lodging sector economic impacts and 85% of other sector economic impacts (food service, retail, recreation, entertainment, etc.).
- 3. Estimate the share of overnight visitor impacts that were attributable to paid (vs. unpaid) lodging stays.**
  - Based on visitor survey data and other sources, it was estimated that 80% of overnight visitor non-lodging impacts were attributable to paid stays and 20% were attributable to unpaid stays (particularly stays by second home and timeshare owners in their own units, and stays by visitors in the homes of friends/family who live or own a vacation unit in Summit County).
- 4. Estimate the share of paid overnight visitor impacts attributable to STR (vs. hotel/motel/other lodging) stays, based on lodging spend.**
  - Visitor spend on lodging was assumed to be paralleled by spend on other trip activities (such as dining, shopping and recreation), based on spend data from visitor surveys.
- 5. Model the economic impacts of STRs with RIMS II multipliers from the US Bureau of Economic Analysis.**

# STRs & THE HOUSING MARKET

*How have STRs impacted the availability & affordability of housing in Summit County?*





# FINDINGS

## STRs were unlikely to be a major cause of the run-up in Summit County housing prices in 2018-2022

- Active STRs counts held relatively steady over the period, while prices/values soared
- Other areas without abundant STRs experienced dramatic price increases too (e.g., Denver metro, statewide, US)
- Numerous other factors likely or potentially influenced gains in housing prices in the 2018-2022 period, including:
  - Historically low mortgage interest rates
  - Covid impacts: changes in housing preferences (e.g., urban vs. suburban/rural, work from home/space needs, remote work/flexibility to relocate, early retirements)
  - Millennials in peak homebuying years; Boomers downsizing
  - Increased costs of construction: supply chain impacts, labor shortages; construction defect laws; government regulations/Nimby
  - Significant multi-year slowdown in Summit County housing construction after the Great Recession/Housing Bust, likely causing supply growth to fall behind demand growth
  - Strong stock market and labor market (except in the depths of Covid)
  - Strong Front Range economy and population growth long-term; partial lane expansions to I-70



# FINDINGS

## A small portion of Summit STRs would theoretically be affordable to most locals

- **Affordability to different AMI groups, if housing costs=30% of income (AMI=Area Median Income)**
  - 100% AMI: 0.1-1.3% of STRs are affordable to 1-4 person HH's earning 100% AMI
  - 120% AMI: 0.3–3.9% of STRs are affordable to 1-4 person HH's
  - 150% AMI: 2.1–12.2% of STRs are affordable to 1-4 person HH's
  - 200% AMI: 7.6-31.2% of STRs are affordable to 1-4 person HH's
- **Affordability to different AMI groups, if housing costs=40% of income**
  - 100% AMI: 0.7-6.0% of STRs are affordable to 1-4 person HH's earning 100% AMI
  - 120% AMI: 3.0–16.2% of STRs are affordable to 1-4 person HH's
  - 150% AMI: 7.6–31.2% of STRs are affordable to 1-4 person HH's
  - 200% AMI: 26.8–54.6% of STRs are affordable to 1-4 person HH's
- **4.7% of Summit County STRs (460 of 9866 STRs, excluding timeshares) have an Assessor valuation of <\$500,000**





# FINDINGS

## The STRs that could theoretically be affordable to most locals are small

- Profile of STRs valued under \$500K in Summit County (460 STRs):
  - 56% are studios and 35% are 1 bedrooms
  - 96% have 1 bath or less
  - 67% are under 500 livable square feet
- Profile of STRs valued under \$500K in Unincorporated-Neighborhood Zone (136 STRs):
  - 13% are studios and 71% are 1 bedrooms
  - 88% have 1 bath
  - 37% are under 500 square feet and 62% are 500-999 livable square feet
- The limited sizes of attainable STRs valued under \$500K would likely limit the market of locals who could live in them
  - In most cases, households would be limited to 1-2 people
  - The small sizes would also limit the potential for housing payments to be split across multiple workers



# FINDINGS

## **STR density has a correlation with housing costs, but with significant variability, and the presence of confounding factors.**

- Summit County communities with higher STR densities tend to have higher values than communities with lower STR densities.
- However, several Summit County communities with similar densities of STRs have significantly different average property values per square foot.
  - For example, Breckenridge, Copper, Keystone, and the Peak 8 area of unincorporated Summit have similar STR densities (57-62%), but exhibit significant variations in value/sqft.
  - Likewise, Frisco, Dillon and Blue River also have similar densities of STRs (24-30%), but significant differences in value/sqft.
  - The variations in values across communities with similar STR densities suggest that factors other than STR densities are important contributors to property values.
- An additional complicating factor is that communities with high STR concentrations also tend to be closest to ski areas and resort amenities – and also have the highest non-local ownership. As such, it is difficult to disentangle the overlapping relative effects of STR density, proximity to resort amenities, vacation homeownership, and other factors.



# FINDINGS

## The housing impacts of second homeownership and STRs are intertwined

- STRs are just one source of nonresident demand for Summit County housing.
- An overlapping factor is demand for vacation homes, whether STR'd or not.
- Of Summit's 27,854 free-market condos/SFRs/townhomes, 72.2% are owned by non-Summit owners.
  - As such, nonlocal ownership is a quantitatively larger factor in the housing market (72.2% of units) than STRs specifically (35.4% of units).
- Most nonresident owners don't STR their unit (55.7%); a minority do STR (44.3%).
  - Thus, nonresident owners who don't STR their unit likely have more influence on the market than nonresident STR owners.
  - Nonresident owners who don't STR their unit (40.2% of total units) also account for a larger share of units than all STR owners, local or not (35.4% of total units).
- The WMRA survey indicates that most STR owners in Summit County also use their unit for vacations/personal use (81%).
  - AirDNA data also indicates that most Summit STR owners (83% in 2022) take their units off the market at least 1x/year.
  - Surveys also indicate that, if prevented from STRing their unit, many more STR owners would leave it vacant instead of converting it to full-time rental or selling it – an STR → 'cold bed' scenario instead of a STR → FTR conversion scenario.
  - At the same time, over the longer term, restrictions on STR licenses would likely deter would-be STR owners from entering the market, reducing housing pressure, and increasing affordability and availability for locals – albeit perhaps at the expense of foregone economic and fiscal benefits (resident income, STR taxes/fees on housing, etc.)



# FINDINGS

## **A small share of STRs are used exclusively for investment purposes. Most are also used as vacation residences.**

- As noted previously, most STR owners (81%) use their unit as a vacation home for at least part of the year.
- 90% of STRs are owned by persons who own 1 STR in the county. 10% are owned by persons who own multiple STRs in the county.
  - A higher rate of multiple STR ownership might be expected if STRs were primarily an investment phenomenon.
- The geography of STR owners generally resembles the geography of Summit County visitors, illustrating a connection between visitation and STR ownership.

## **Local buyers have accounted for a relatively steady share of Summit residential transactions across the 2013-2019 and 2022-2023 periods. 2020-2021 was an outlier, with an influx of out-of-county buyers.**

- Local buyers have accounted for 27% of total Summit County real estate purchases over the past 11 years, including a similar 27-28% of buyers in 2022 and 2023.
- The share of local buyers was lower than average in 2020 (21%) and 2021 (23%), when extremely low interest rates and Covid-related market gyrations fueled a boom in sales transactions, particularly among Front Range and out-of-state buyers.
- Overall, the patterns suggest that locals' share of Summit County real estate purchases returned to 'normal' levels in 2022-2023, following the influx of out-of-area buyers in 2020-2021. In a longer-term perspective, the patterns also suggest a relatively steady share of local purchasers over time, notwithstanding concerns that rising prices and STRs are pushing locals out of the for-sale market.



# FINDINGS

## **STRs and second homes have been a strong presence in the Summit housing market for decades.**

- The share of housing units in Summit County that are second homes held fairly steady from 1980 to 2000, before trending down slightly through 2020. Conversely, the share of housing units that are resident-occupied edged up from 2000 to 2020.
- There has been a slowdown in housing construction in Summit County since 2010, which is likely contributing to increased pressure on available housing stock (supply not keeping up with demand).
- Most units currently used as STRs were built prior to 2010 (92%), potentially also suggestive of STRs' long-term presence in the community. Many older STRs were purpose-built for vacation rental.

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# FINDINGS

**A regression analysis of the drivers of Summit County property values indicates that factors such as the number of bedrooms, property grade, property type, age and location tend to have a larger impact on value than STR status of the unit.**

- After controlling for other housing characteristics, single-family homes have higher values than condos and townhomes.
- Increasing the number of bedrooms on a property by 1 is associated with a 23% increase in property value, while controlling for other housing factors.
- Furthermore, net other household factors, increasing the property grade by 1 (on a 1 to 7 scale), is associated with a 29% increase in property value.
- Properties with more scenic views tend to be more valuable than otherwise equivalent properties, at a rate of 8.7% per 1-point rating increment (on a 1-5 scale).
- Older properties tend to be less valuable than otherwise equivalent properties, at a rate of -0.7% per each additional year of age.
- Finally, though STR status itself is not significant in Summit County, the combination of being an STR in the Breckenridge/Blue River area is associated with an 14% increase in property value. This impact is smaller than other factors previously discussed, though it demonstrates minor evidence of a location-based effect of STRs on housing value.



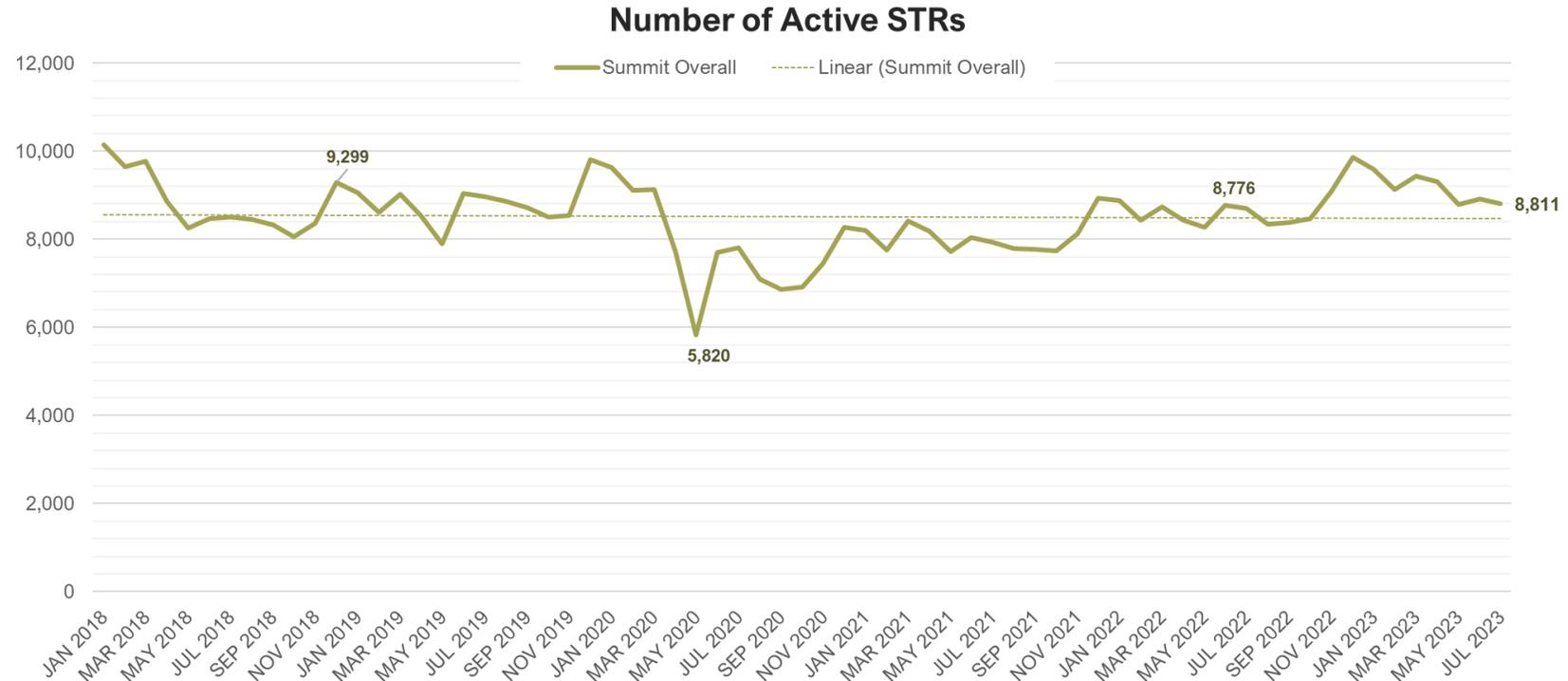
RRC

INNTOPIA



# NUMBER OF ACTIVE STRs IN SUMMIT 2018-2023

- According to data from AirDNA, the number of active STRs (i.e., rented or available for rent in a given month) in Summit County has trended roughly flat over the 2018-2023 period.
- AirDNA data (shown later) also indicates that the STR stock has become more intensively used over time, with increasing occupancy rates and ADRs, causing aggregate STR nights sold and revenues to increase.

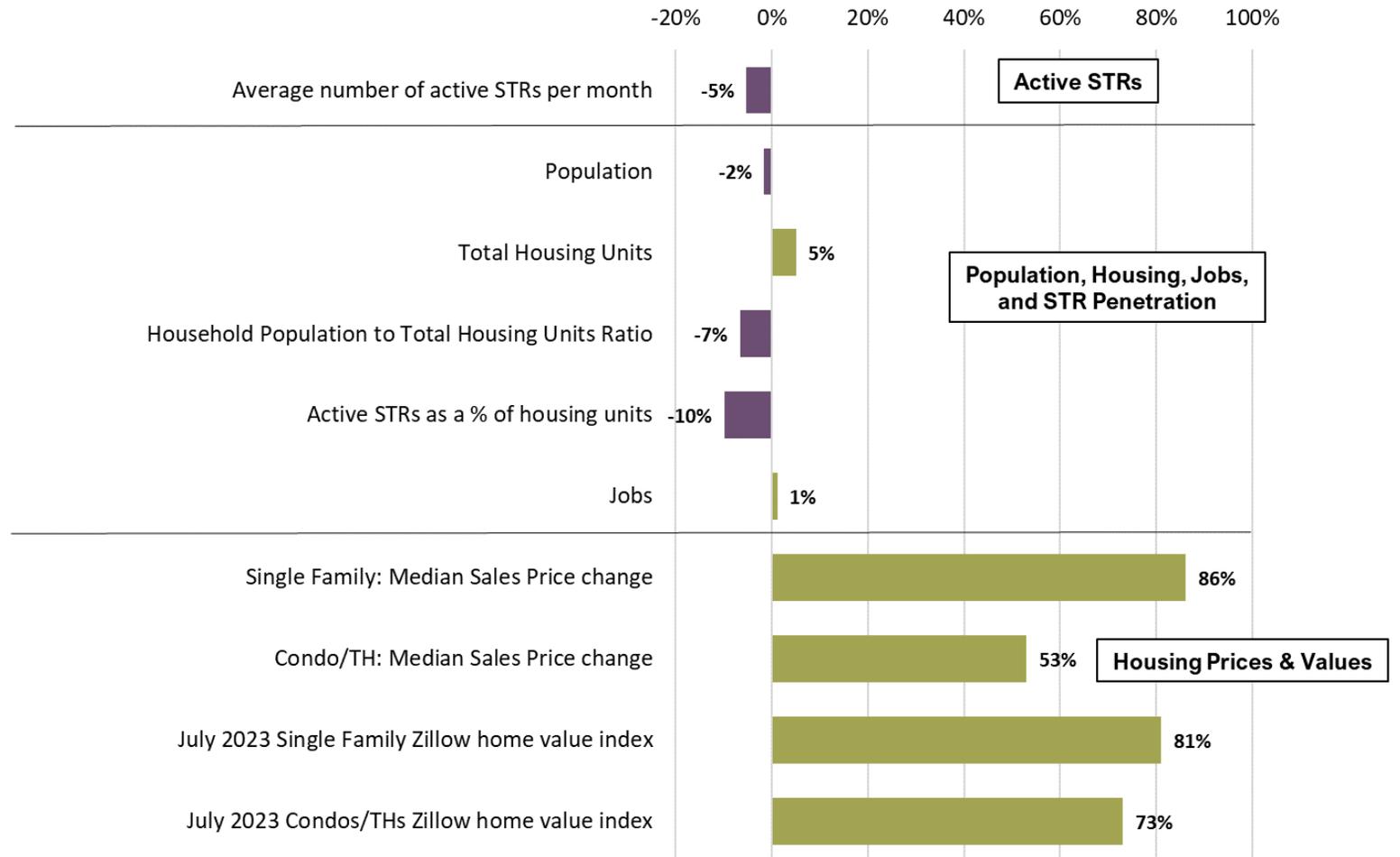




# STRs & HOUSING TRENDS: SUMMIT COUNTY 2018-2022

- Over the 2018-2022 period, active STRs declined 5%, and the share of housing units which are active STRs declined 10%.
- Over the same period, housing sales prices and values jumped 53%-86% (depending on the unit type and measure).
- These data suggest that STR growth was not the primary driver of the surge in housing values in 2018-2022.

### Changes in Selected Summit County Housing Measures 2022 vs. 2018





# STRs AND HOUSING TRENDS: SUMMIT COUNTY

## 2010-2022/23

- This table contains the same data as the previous slide, with history back to 2010.
- Typical home values almost tripled between 2011 and 2022 (up 174-179%).
- Over the 2010-2022 period, job growth (23%) outpaced housing unit growth (8%) and population growth (9%), likely helping drive higher housing costs due to local resident pressure.
- Demand by second homeowners (whether they STR their unit or not) has undoubtedly also helped drive price increases, along with other factors such as low interest rates (until 2022), Covid impacts on live/work dynamics, a strong economy and stock market, etc.

Year	STRs		Population, Housing Units and Jobs					Housing Sales Prices and Values			
	Average number of active STRs per month* (AirDNA)	Licensed STRs throughout Summit County	Population (SDO)	Total Housing Units (SDO)	Household Population to Total Housing Units Ratio (SDO)	Active STRs as a % of housing units (SDO)	Jobs (SDO)	Single Family: Median Sales Price (CAR)	Condo/TH: Median Sales Price (CAR)	Zillow home value index - single family - as of July	Zillow home value index - condos/THs - as of July
2010			28,073	29,861	0.931		22,183			\$ 555,580	\$ 293,812
2011			28,087	29,866	0.930		22,431			\$ 530,645	\$ 284,574
2012			28,385	29,866	0.939		22,691			\$ 537,315	\$ 291,110
2013			28,860	29,882	0.954		23,321			\$ 567,941	\$ 297,734
2014			29,496	30,034	0.969		24,496			\$ 592,856	\$ 302,836
2015			30,268	30,121	0.991		25,702	\$ 725,000	\$ 349,500	\$ 624,524	\$ 321,918
2016			30,817	30,141	1.008		26,227	\$ 800,000	\$ 378,900	\$ 683,689	\$ 359,942
2017			31,133	30,320	1.011		26,647	\$ 930,000	\$ 427,000	\$ 781,124	\$ 417,181
2018	9,093		31,095	30,593	1.000	29.7%	27,003	\$ 990,000	\$ 474,000	\$ 841,575	\$ 472,748
2019	8,734		31,190	31,123	0.985	28.1%	27,634	\$ 1,025,803	\$ 513,000	\$ 905,523	\$ 511,125
2020	8,131		30,996	31,416	0.968	25.9%	24,909	\$ 1,278,500	\$ 545,500	\$ 937,551	\$ 525,231
2021	8,035	9,584	30,994	31,737	0.958	25.3%	26,332	\$ 1,563,500	\$ 639,000	\$ 1,207,255	\$ 627,132
2022	8,604		30,583	32,147	0.933	26.8%	27,341	\$ 1,842,710	\$ 725,000	\$ 1,523,383	\$ 818,353
2023	9,140	10,712	n/a	n/a	n/a	n/a	n/a	\$ 1,792,000	\$ 780,000	\$ 1,363,678	\$ 738,758
2022 vs. 2018	-5%	#DIV/0!	-2%	5%	-7%	-10%	1%	86%	53%	81%	73%
2022 vs. 2010	#DIV/0!	#DIV/0!	9%	8%	0%	#DIV/0!	23%	#DIV/0!	#DIV/0!	174%	179%



# ASSESSOR VALUATION OF SUMMIT STRs

(AS OF 6/30/2022)

- A small share of licensed STRs have values of <\$500,000 in Summit County (4.7%), indicating that most STRs are out of reach of entry level buyers.
- A more significant share of Summit STRs have values of \$500K - \$999K (45.8%), prices which are ‘attainable’ for some more affluent or wealthy Summit residents.

## Number of Summit Condo / SFR / TH STRs

Value	Count	Share
\$100-199K	3	0.0%
\$200-299K	11	0.1%
\$300-399K	144	1.5%
\$400-499K	302	3.1%
\$500-599K	830	8.4%
\$600-699K	1,012	10.3%
\$700-799K	856	8.7%
\$800-899K	918	9.3%
\$900-999K	899	9.1%
\$1M+	4,891	49.6%
<b>TOTAL</b>	<b>9,866</b>	<b>100.0%</b>
<\$500K	460	4.7%
\$500-999k	4,515	45.8%

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# HOW MANY SUMMIT STRs ARE AFFORDABLE FOR PURCHASE BY LOCALS?

- If housing costs=30% of income, following is the share of STRs would be affordable to Summit County HH's earning ...

- 80% AMI: 0.0–0.1%
- 100% AMI: 0.1-1.3%
- 120% AMI: 0.3–3.9%
- 150% AMI: 2.1–12.2%
- 200% AMI: 7.6-31.2%

- If housing costs=40% of income, following is the share of STRs would be affordable to Summit County HH's earning ...

- 80% AMI: 0.1–2.3%
- 100% AMI: 0.7-6.0%
- 120% AMI: 3.0–16.2%
- 150% AMI: 7.6–31.2%
- 200% AMI: 26.8-54.6%

Measure	AMI	People in Household							
		1	2	3	4				
Annual Household Income (2023 AMI - HUD)	80%	\$62,100	\$70,950	\$79,800	\$88,650				
	100%	\$77,600	\$88,700	\$99,800	\$110,800				
	120%	\$93,120	\$106,440	\$119,760	\$132,960				
	150%	\$116,400	\$133,050	\$149,700	\$166,200				
	200%	\$155,200	\$177,400	\$199,600	\$221,600				
Measure	AMI	Monthly Housing Costs=30% of Income				Monthly Housing Costs=40% of Income			
		People in Household				People in Household			
Affordable Monthly Housing Payment (30%-40% of income)	80%	\$1,553	\$1,774	\$1,995	\$2,216	\$2,070	\$2,365	\$2,660	\$2,955
	100%	\$1,940	\$2,218	\$2,495	\$2,770	\$2,587	\$2,957	\$3,327	\$3,693
	120%	\$2,328	\$2,661	\$2,994	\$3,324	\$3,104	\$3,548	\$3,992	\$4,432
	150%	\$2,910	\$3,326	\$3,743	\$4,155	\$3,880	\$4,435	\$4,990	\$5,540
	200%	\$3,880	\$4,435	\$4,990	\$5,540	\$5,173	\$5,913	\$6,653	\$7,387
Affordable Purchase Price (Assumes 30 year mortgage @6.62%, 20% down, 27% of monthly housing costs to insurance, prop tax, HOA, &	80%	\$221,359	\$252,906	\$284,452	\$315,998	\$295,146	\$337,208	\$379,269	\$421,331
	100%	\$276,610	\$316,177	\$355,743	\$394,954	\$368,813	\$421,569	\$474,324	\$526,605
	120%	\$331,932	\$379,412	\$426,892	\$473,944	\$442,576	\$505,883	\$569,189	\$631,926
	150%	\$414,915	\$474,265	\$533,615	\$592,430	\$553,220	\$632,353	\$711,487	\$789,907
	200%	\$553,220	\$632,353	\$711,487	\$789,907	\$737,627	\$843,138	\$948,649	\$1,053,209
Affordable STRs (per 2023 Assessor valuation)	80%	3	10	12	18	14	35	91	224
	100%	12	18	56	126	70	224	382	591
	120%	31	91	240	382	293	475	917	1,596
	150%	205	382	629	1,207	751	1,598	2,424	3,077
	200%	751	1,598	2,424	3,077	2,644	3,497	4,525	5,390
Affordable STRs (as a % of 9,866 total licensed STRs which are condos / SFRs / townhomes)	80%	0.0%	0.1%	0.1%	0.2%	0.1%	0.4%	0.9%	2.3%
	100%	0.1%	0.2%	0.6%	1.3%	0.7%	2.3%	3.9%	6.0%
	120%	0.3%	0.9%	2.4%	3.9%	3.0%	4.8%	9.3%	16.2%
	150%	2.1%	3.9%	6.4%	12.2%	7.6%	16.2%	24.6%	31.2%
	200%	7.6%	16.2%	24.6%	31.2%	26.8%	35.4%	45.9%	54.6%



# CHARACTERISTICS OF SUMMIT STRs\* BY VALUE

- **Most STRs valued under \$500,000 are small units:**
  - 56% are studios and 35% are 1 bedrooms
  - 96% have 1 bath or less
  - 67% are under 500 square feet
- **The limited sizes of these “attainable” STRs would likely limit the market of locals who could live in them.**
  - In most cases, households would be limited to 1-2 people.
  - The small sizes would also limit the potential for housing payments to be split across multiple workers.

		Value of Summit County STRs											Total <\$500K					
		<\$300K	\$100-199K	\$200-299K	<\$300K	\$300-399K	\$400-499K	\$500-599K	\$600-699K	\$700-799K	\$800-899K	\$900-999K	\$1M+	#	%	#	%	
<b>Bedrooms</b>	0		2	2		99	157	352	123	27	2	1	7	772	8%	256	56%	
	1		1	8		44	118	372	622	306	132	75	79	1,757	18%	162	35%	
	2			1		1	26	101	232	481	699	680	1,435	3,656	37%	27	6%	
	3						1	5	34	39	78	133	1,761	2,051	21%	1	0%	
	4+									1	3	7	10	1,609	1,630	17%	0	0%
	<b>TOTAL</b>		14	3	11	14	144	302	830	1,012	856	918	899	4,891	9,866	100%	460	100%
<b>Bathrooms</b>	0						1	1						2	0%	1	0%	
	1		3	11		139	286	716	667	270	93	53	30	2,268	23%	439	95%	
	2					5	15	105	338	546	668	634	1,392	3,703	38%	20	4%	
	3							8	7	39	156	208	1,778	2,196	22%	0	0%	
	4+		0	0		0	0	0	0	1	1	4	1,691	1,697	17%	0	0%	
<b>TOTAL</b>		3	11		144	302	830	1,012	856	918	899	4,891	9,866	100%	460	100%		
<b>Liveable sq ft</b>	0-499		3	9		129	167	333	53	5		1	5	705	7%	308	67%	
	500-999			2		14	134	487	895	635	449	285	229	3,130	32%	150	33%	
	1000-1499					1		9	62	207	448	521	1,514	2,762	28%	1	0%	
	1500-1999						1	1	1	7	20	82	1,120	1,232	12%	1	0%	
	2000+									1	2	1	10	2,023	2,037	21%	0	0%
	<b>TOTAL</b>		3	11		144	302	830	1,012	856	918	899	4,891	9,866	100%	460	100%	

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# CHARACTERISTICS OF SUMMIT STRS\* BY VALUE

- Almost all STRs valued under \$500,000 are condominiums (99%).
- Most STRs valued under \$500,000 are in unincorporated Summit County (71%).
- Most STRs valued under \$500,000 are owned by nonlocal owners (84%), most of whom likely use the unit themselves periodically for vacation purposes.

		Value of Summit County STRs													Total <\$500K		
		<\$300K	\$100- \$200-		<\$30 0K	\$300- 399K	\$400- 499K	\$500- 599K	\$600- 699K	\$700- 799K	\$800- 899K	\$900- 999K	\$1M+	# Total	% Total	#	%
			199K	299K													
<b>Improvement type</b>	Condominium	2	10		144	298	817	969	805	779	717	1,916	6,457	65%	454	99%	
	Townhome					2	6	27	28	88	108	841	1,100	11%	2	0%	
	Single family	1	1			2	7	16	23	51	74	2,134	2,309	23%	4	1%	
	<b>TOTAL</b>	<b>3</b>	<b>11</b>		<b>144</b>	<b>302</b>	<b>830</b>	<b>1,012</b>	<b>856</b>	<b>918</b>	<b>899</b>	<b>4,891</b>	<b>9,866</b>	<b>100%</b>	<b>460</b>	<b>100%</b>	
<b>Location</b>	Blue River					1	4		4	7	10	181	207	2%	1	0%	
	Breckenridge	2	8		28	59	375	301	271	163	294	2,136	3,637	37%	97	21%	
	Dillon					14	8	46	29	41	63	102	303	3%	14	3%	
	Frisco		1			21	14	52	79	139	94	483	883	9%	22	5%	
	Silverthorne					1	2	19	11	13	31	244	321	3%	1	0%	
	Unincorp NOZ	1	2		33	100	110	180	142	112	94	867	1,641	17%	136	30%	
	Unincorp ROZ				83	106	317	414	320	443	313	878	2,874	29%	189	41%	
	<b>TOTAL</b>	<b>3</b>	<b>11</b>		<b>144</b>	<b>302</b>	<b>830</b>	<b>1,012</b>	<b>856</b>	<b>918</b>	<b>899</b>	<b>4,891</b>	<b>9,866</b>	<b>100%</b>	<b>460</b>	<b>100%</b>	
<b>Owner mailing address</b>	Summit County		2		24	48	65	84	77	70	78	515	963	10%	74	16%	
	Elsewhere	3	9		120	254	765	928	779	848	821	4,375	8,902	90%	386	84%	
	<b>TOTAL</b>	<b>3</b>	<b>11</b>		<b>144</b>	<b>302</b>	<b>830</b>	<b>1,012</b>	<b>856</b>	<b>918</b>	<b>899</b>	<b>4,890</b>	<b>9,865</b>	<b>100%</b>	<b>460</b>	<b>100%</b>	

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# STR DENSITY & HOUSING VALUE PER SQFT\*

- Several Summit County communities with similar densities of STRs have significantly different average property values per above-grade square foot.
- For example, Breckenridge, Copper, Keystone, and the Peak 8 area of unincorporated Summit have similar STR densities (57-62%) but exhibit significant variations in value/sqft.
- Likewise, Frisco, Dillon and Blue River also have similar densities of STRs (24-30%), but significant differences in values.
- The variations in values across communities with similar STR densities suggest that factors other than STR densities are important contributors to property values.
- By the same token, communities with higher STR densities also tend to have higher values than communities with lower STR densities.
- A complicating factor is that communities with high STR concentrations also tend to be closest to ski areas and resort amenities – and also have the highest non-local ownership. As such, it is difficult to disentangle the relative effects of STR density and other factors like proximity to resort amenities.

Location (town/county)	Resort Overlay Zone	# Units			% of Units		Avg value per livable sqft			Avg value per livable sqft			% Nonlocal mail address
		Not STR	STR	Total	Not STR	STR	Not STR	STR	Total	Condo	SFR	Townhome	
<b>High STR Concentrations:</b>													
Unincorp - Resort	Peak 8	29	45	74	39%	61%	\$1,069	\$1,038	\$1,050	\$1,211	\$880		89%
Breckenridge	N/A	2,689	3,637	6,326	43%	57%	\$924	\$1,063	\$1,004	\$1,092	\$906	\$874	83%
Unincorp - Resort	Copper Mtn	490	804	1,294	38%	62%	\$845	\$891	\$874	\$883	\$793	\$836	92%
Unincorp - Resort	Keystone	1,422	2,025	3,447	41%	59%	\$776	\$906	\$853	\$915	\$640	\$749	91%
<i>Variation between minimum and maximum value / sqft --&gt;</i>							\$292	\$172	\$197	\$328	\$265	\$124	
<b>Moderate STR Concentrations:</b>													
Frisco	N/A	2,103	883	2,986	70%	30%	\$806	\$832	\$813	\$877	\$763	\$764	73%
Dillon	N/A	936	303	1,239	76%	24%	\$792	\$830	\$801	\$903	\$545	\$633	78%
Blue River	N/A	565	207	772	73%	27%	\$688	\$662	\$681	\$698	\$682	\$541	68%
<i>Variation between minimum and maximum value / sqft --&gt;</i>							\$118	\$170	\$133	\$205	\$218	\$223	
<b>Low STR Concentrations:</b>													
Unincorp - Neighborhd	N/A	7,587	1,641	9,228	82%	18%	\$653	\$681	\$658	\$744	\$629	\$603	59%
Silverthorne	N/A	2,123	321	2,444	87%	13%	\$646	\$719	\$656	\$818	\$616	\$664	56%
Montezuma	N/A	45		45	100%	0%	\$562		\$562		\$562		58%
<i>Variation between minimum and maximum value / sqft --&gt;</i>							\$92	\$39	\$97	\$73	\$67	\$61	
<b>Total</b>		17,989	9,866	27,855	65%	35%	\$735	\$907	\$796	\$919	\$689	\$727	72%

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes units & STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.





# OWNERSHIP OF SUMMIT HOUSING & STRS\*

- It is important to remember that STRs are just one source of non-resident demand for Summit County housing.
- An overlapping factor is demand for vacation homes, whether STR'd or not.
- Of Summit's 27,854 free-market condos/SFRs/townhomes, 72.2% are owned by non-Summit owners.
  - As such, nonlocal ownership is a quantitatively larger factor in the housing market than STRs specifically, which account for a smaller 35.4% share of Summit's free-market housing.
- Most nonresident owners DON'T STR their unit (55.7%); a minority do STR their unit (44.3%).
  - Thus, nonresident owners who don't STR their unit likely have more influence on the market than nonresident STR owners.
  - Nonresident owners who don't STR their unit (40.2% of total units) also account for a larger share of units than all STR owners, local or not (35.4% of total units).
- Surveys indicate that most non-resident STR owners in mountain resort communities also use their unit for vacations/personal use.

## CONDO / SFR / TOWNHOME COUNTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Summit mailing address	963	6,780	7,743
Non-Summit mailing address	8,902	11,209	20,111
<b>Total</b>	<b>9,865</b>	<b>17,989</b>	<b>27,854</b>

## COLUMN PERCENTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Summit mailing address	9.8%	37.7%	27.8%
Non-Summit mailing address	90.2%	62.3%	72.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## ROW PERCENTS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Summit mailing address	12.4%	87.6%	100.0%
Non-Summit mailing address	44.3%	55.7%	100.0%
<b>Total</b>	<b>35.4%</b>	<b>64.6%</b>	<b>100.0%</b>

## PERCENT OF TOTAL UNITS:

Owner Mailing Address	Licensed STR Status		
	STR	Not STR	Total
Summit mailing address	3.5%	24.3%	27.8%
Non-Summit mailing address	32.0%	40.2%	72.2%
<b>Total</b>	<b>35.4%</b>	<b>64.6%</b>	<b>100.0%</b>



Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes units & STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# HOME VALUES VS. MORTGAGE RATES

Zillow Summit County Home Value Index vs.  
30 Year Fixed Rate Mortgage Interest Rate, Monthly 2006 - 2023



- The spike in Summit home values in 2021 and early 2022 coincided with and were likely significantly spurred by historically low interest rates.

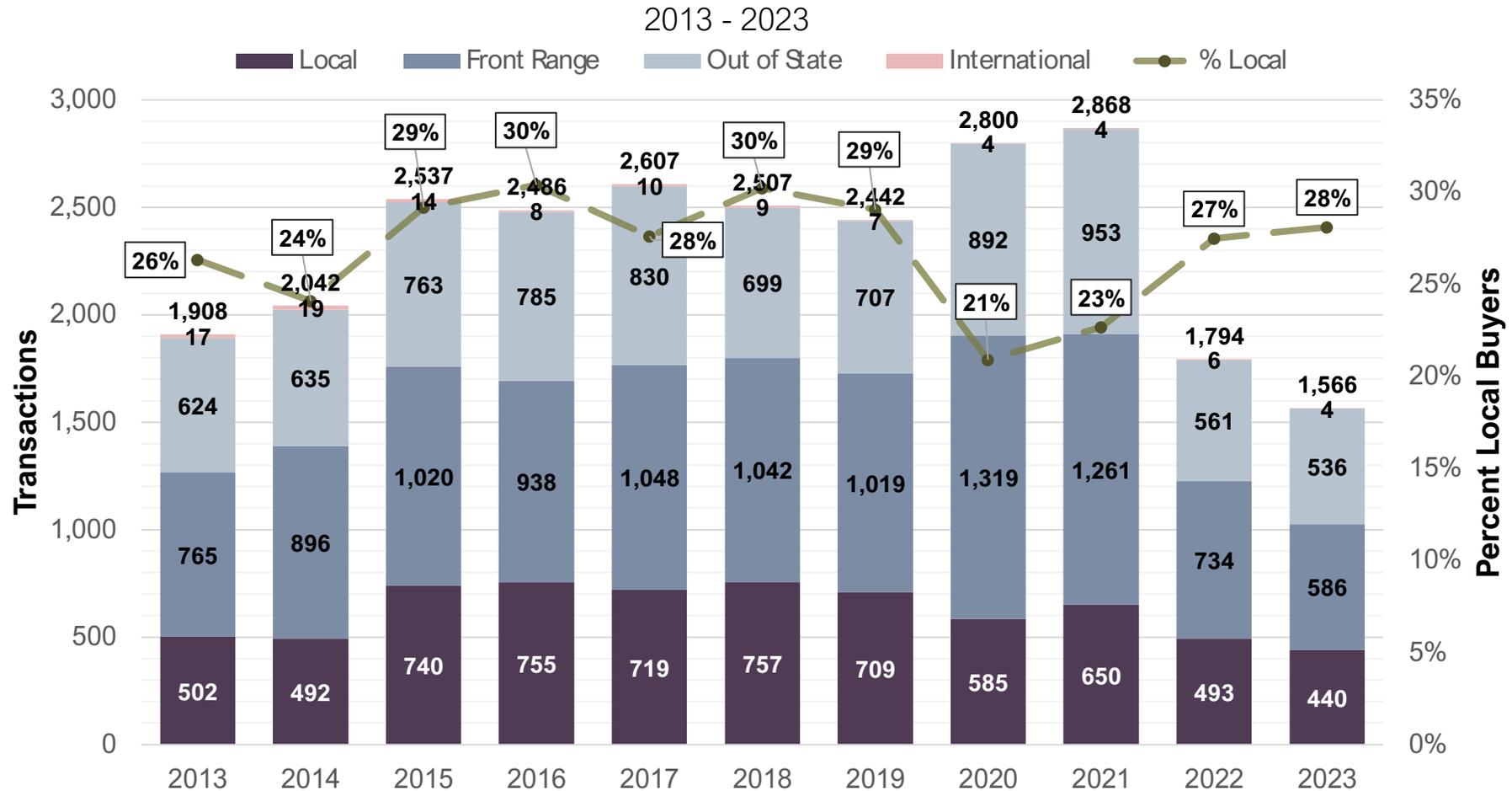
Source: Zillow; Freddie Mac.



# HOMEBUYER ORIGINS

- Local buyers have accounted for 27% of total Summit County real estate purchases over the past 11 years, including a similar 27-28% of buyers in 2022 and 2023.
- The share of local buyers was lower than average in 2020 (21%) and 2021 (23%) when extremely low interest rates and Covid-related market gyrations fueled a boom in sales transactions, particularly among Front Range and out-of-state buyers. This pattern ended in 2022, in part due to higher interest rates.
- Overall, the patterns suggest that locals' share of Summit County real estate purchases returned to 'normal' levels in 2022-2023, following the influx of out-of-area buyers in 2020-2021. In a longer-term perspective, the patterns also suggest a relatively steady share of local purchasers over time, notwithstanding concerns that rising prices and STRs are pushing locals out of the for-sale market.

## Summit County Residential Sales by Buyer Origin



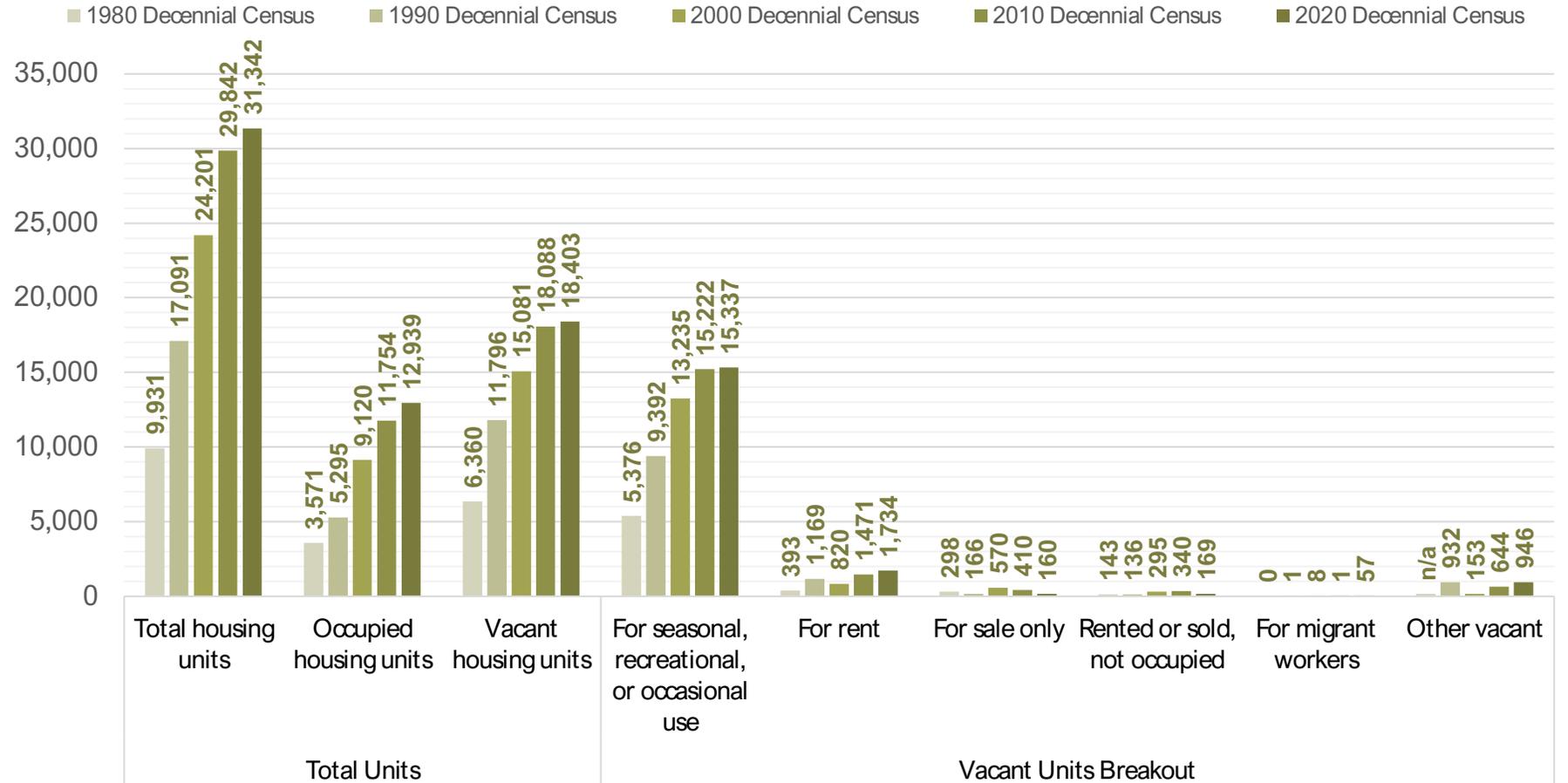
Source: Land Title Guarantee Company.



# NUMBER OF HOUSING UNITS BY VACANCY STATUS

- Housing units for seasonal, recreational or occasional use are primarily second homes and STRs.
- Second homes and STRs have had a strong presence in Summit County for decades.
- Note that the rate of housing construction slowed markedly in 2010-2020 compared to prior decades. This likely contributed to additional demand pressure on the existing stock (and associated higher prices).

**Summit County Housing Units by Occupancy/Vacancy Status**  
1980-2020



Source: US Census.

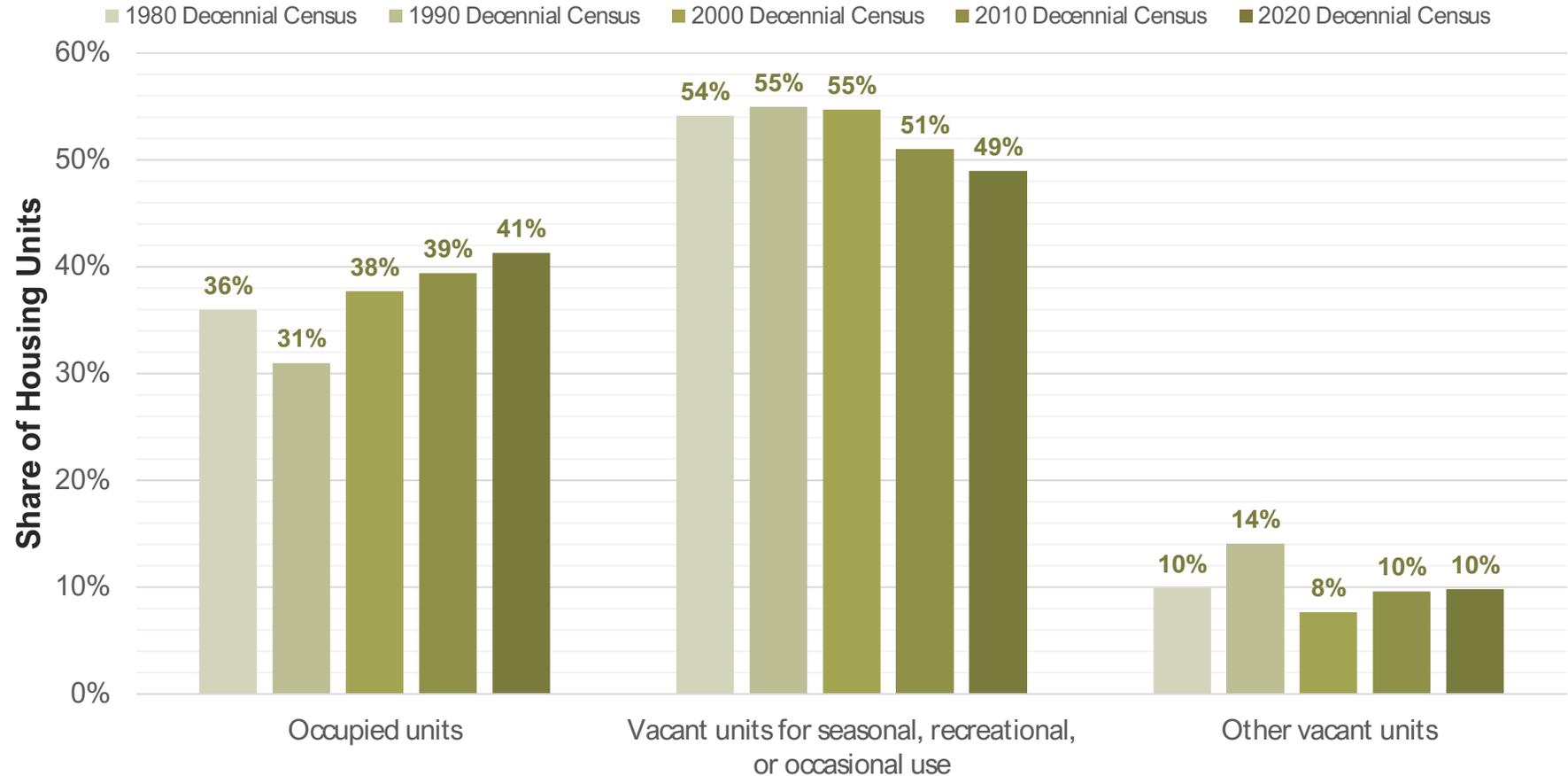


# SHARE OF HOUSING UNITS BY VACANCY STATUS

- This graph shows the same data as the prior slide, in percentage share terms.
- The results indicate that occupied units (i.e., units that house residents) have actually trended up in proportionate terms since 1990, while second homes have trended down since 2000.

### Summit County Housing Units by Occupancy/Vacancy Status

1980-2020

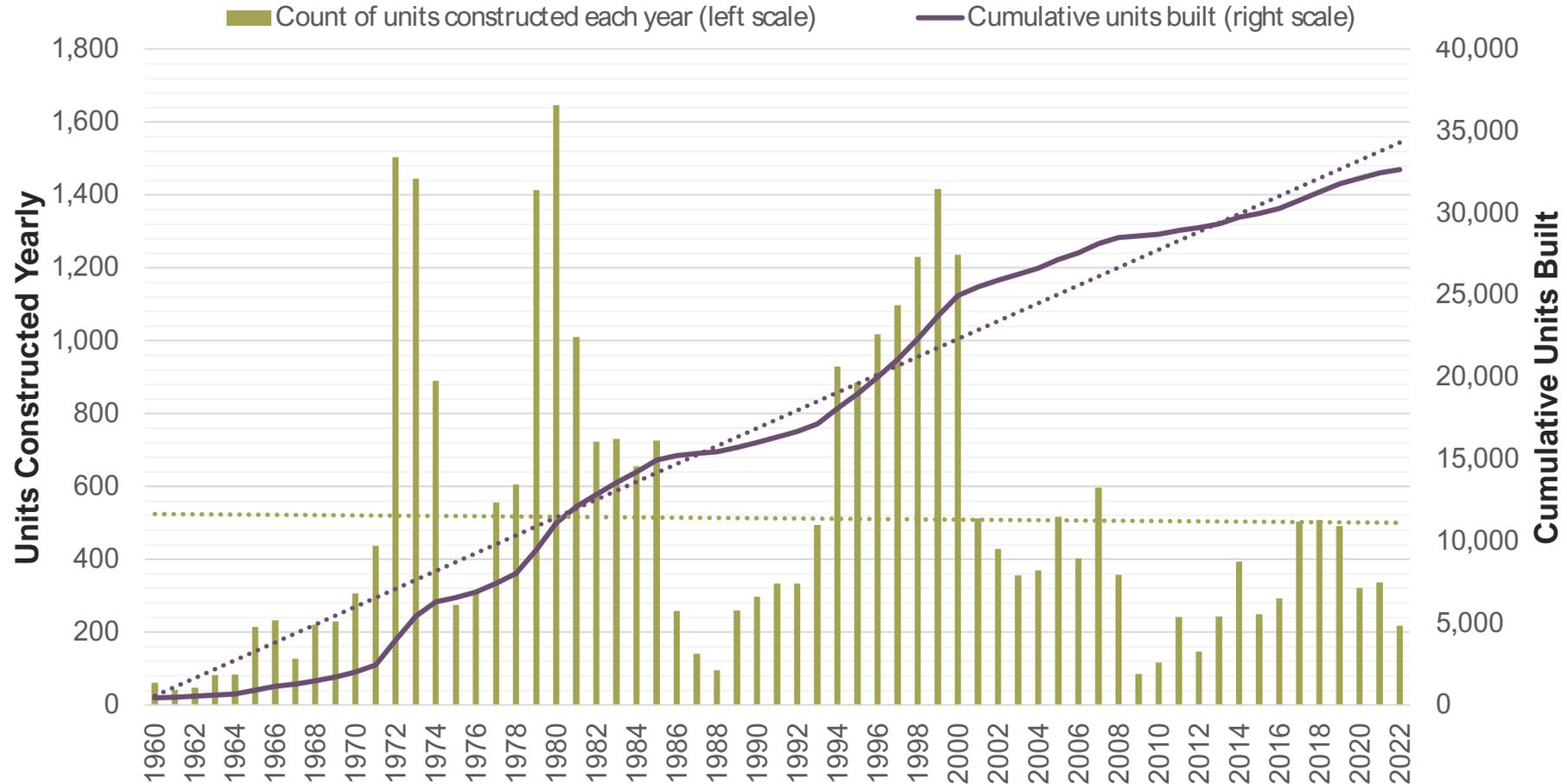




# HOUSING UNITS BY YEAR BUILT (ASSESSOR)

- Summit Assessor data corroborates Census data (shown previously) regarding the growth of the housing stock.
- Summit’s housing stock has grown more slowly since the Great Recession / Housing Bust than in previous decades.

## Current Summit County Residential Units by Year Built

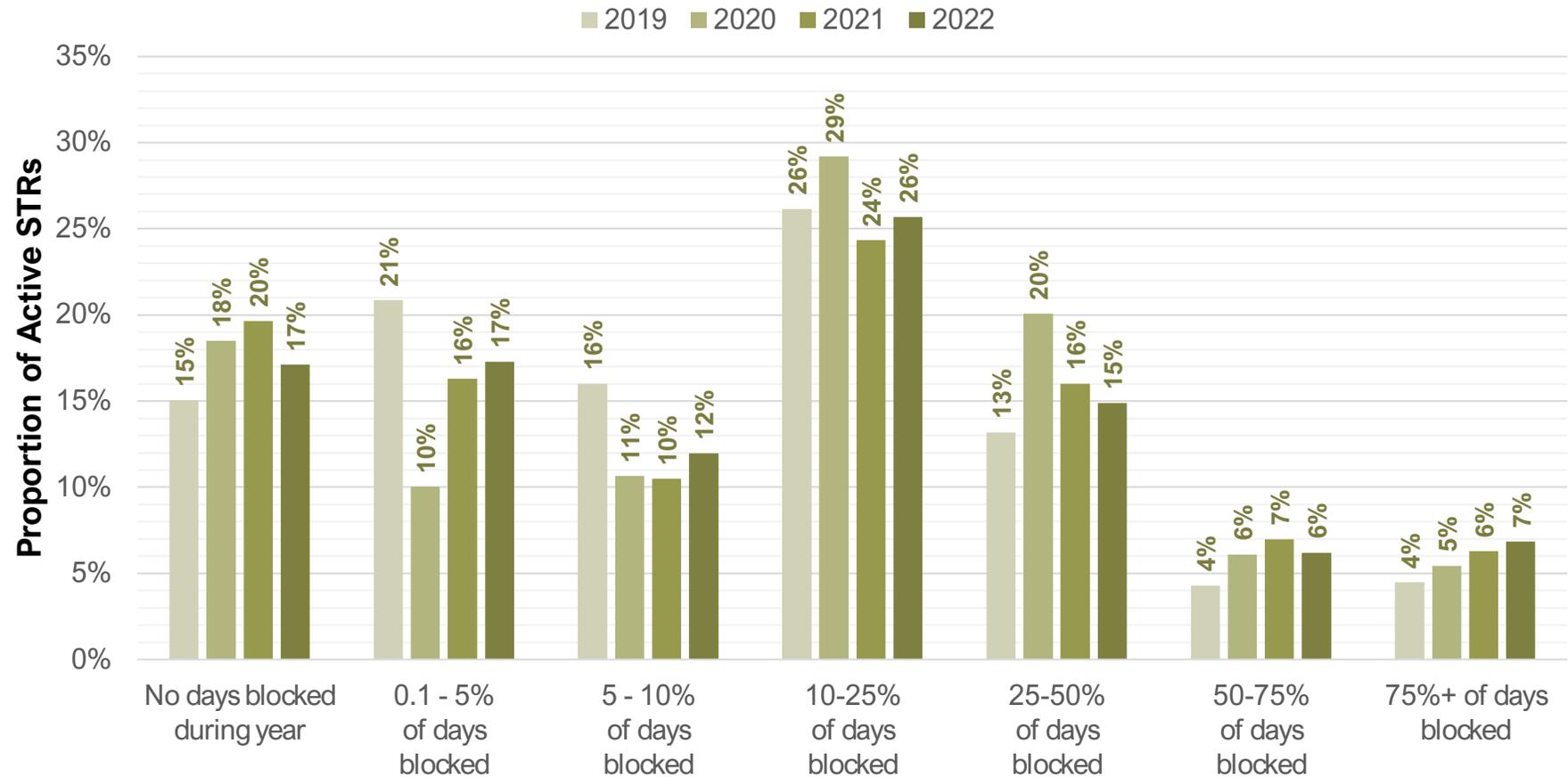




# UTILIZATION OF STRs: BLOCKED DAYS

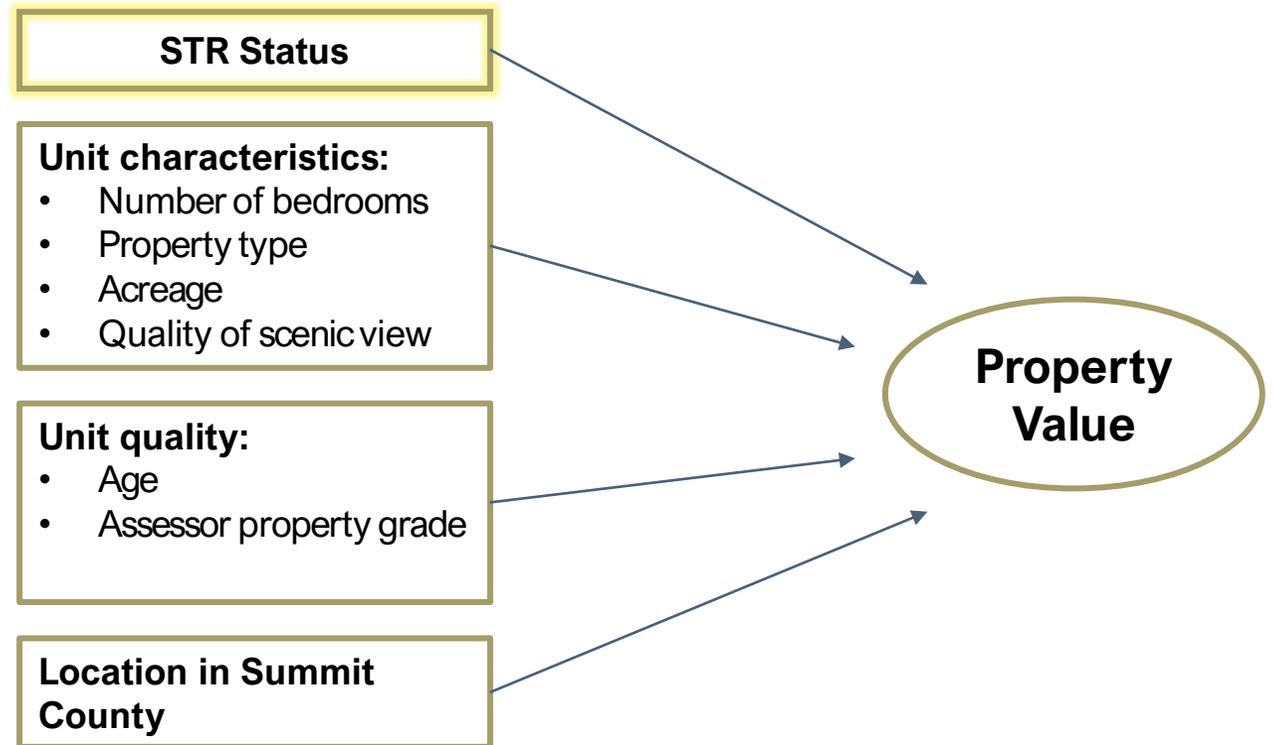
- Per AirDNA, most of the active STRs in Summit County have at least one blocked day (i.e., not available for rental) annually (80-85% in 2019-2022).
- Roughly two-thirds of active STRs have at least 5% of their days blocked (64-71% in 2019-2022).
- Blocked days can be for various purposes, most commonly owner use and maintenance.
- Because blocked days can be for varying purposes, the presence of blocked days should be understood as a suggestive but not definitive indicator of owner use.
- The WMRA survey data (later section) indicates that 81% of Summit STR owners also use their units for vacation home purposes.

### Share of Active STRs in Summit Co. by Proportion of Days Blocked 2019-2022





- The previous slides have shown that STR growth has not kept pace with growth in housing values in Summit county. More so, the multitude of factors that determine housing values in mountain communities make it difficult to completely disentangle the effect of STRs.
- To further investigate this relationship, a hedonic regression model was used to inform the following question: **net of unit characteristics, unit quality, and location in Summit county, what is the effect of STR status on property value?**
- This hedonic model is an application of an Ordinary Least Squares regression model. Hedonic models have traditionally been used to assess the valuation of a property as a combination of the property's collection of tangible and non-tangible characteristics.



Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# STATISTICAL ANALYSIS OF AFFORDABILITY

## HEDONIC REGRESSION MODEL

- These tables show descriptive information from the Summit County Assessor data file used to conduct the hedonic regression. Overall, this sample contained 27,816 free-market condos, townhomes, or single-family residences in Summit County.
  - The outcome variable, total taxable property value, was log-transformed to normalize its distribution to better perform in the regression model.
  - The key predictor of interest, STR status, is a 0/1 indicator of whether the unit is identified as an STR.
  - Extreme outliers were removed from the property value, acreage, number of bedrooms, and property age variables – resulting in the removal of 26 cases (less than 0.1% of the original data).
- Average total taxable property value by location in Summit County is also shown to the right.
  - Average value by location indicates that value is markedly higher in the Breckenridge/Blue River area than in other Summit county areas. Therefore, to capture the effect of location in the model, while also being parsimonious, location is coded as an indicator of in/not in the Breckenridge/Blue River area.

Descriptive Statistics of Sample (N = 27,816)

Variables	Mean / %	Min.	Max.	Std. Dev.
<b>Outcome:</b>				
Total Taxable Property Value	\$1,354,083.56	\$170,500.00	\$12,608,000.00	\$945,016.28
Total Taxable Property Value (Logged)	\$13.94	\$12.05	\$16.35	\$0.57
<b>Key Predictor:</b>				
STR Status (1 = STR; 0 = Not STR):	35.5%	0.00	1.00	
<b>Unit Characteristics:</b>				
<i>Property Type (ref: Single-Family Homes)</i>				
Condo (1 = Condo; 0 = Not Condo)	44.1%	0.00	1.00	
Townhouse (1 = Townhouse; 0 = Not Townhouse)	13.8%	0.00	1.00	
Total Acres	0.41	0.00	48.58	2.08
Number of Bedrooms	2.64	0.00	9.00	1.28
Scenic View (1 = Poor; 5 = Excellent)	3.38	1.00	5.00	0.68
<b>Unit Quality:</b>				
Age of Property	31.1	2.0	100.0	12.8
Property Grade (1 = Poor; 7 = Exceptional)	3.3	1.0	7.0	0.7
<b>Location:</b>				
Breckenridge/Blue River Area (1 = Breck.; 2 = Not Breck.)	36.8%	0	1	

Average Total Taxable Value by Location

Location	Mean Value
Breckenridge/Blue River	\$1,701,129.33
Copper Mountain	\$1,008,493.70
Frisco	\$1,320,017.82
Keystone	\$1,151,408.42
Lower Blue Basin	\$1,092,893.51
Silverthorne/Dillon	\$1,115,107.24
Summit Total	\$1,354,083.56

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# STATISTICAL ANALYSIS OF AFFORDABILITY

## HEDONIC REGRESSION MODEL

Results of the models are shown to the right. Each model shows the effect of STR status on **logged-total value** net of other unit features:

- Model 1 shows that the lone effect of STR status on value, when not controlling for any other factors, is **negative and significant**. In other words, when a property is an STR, average property value *decreases* compared to when it is not an STR. Despite its statistical significance STR status alone explains less than 1% of the total variation in property value.
- Model 2 shows the effect of STR status on value, while also controlling for location and a set of important unit characteristics and quality measures. When controlling for all these factors, STR status now has a **significant, positive effect** on value – when a property is an STR, value *increases*, net of other property characteristics. However, when comparing standardized coefficients, the effect of STR status is much smaller in magnitude than other qualities such as bedroom count (a proxy for livable square footage), property grade, and location.
- Finally, Model 3 adds an interaction term, representing properties that are both STRs and located in the Breckenridge area. The **significance of this interaction**, and the resulting switch to *insignificance* of the STR status main effect, shows that the significant impact of STR status on value (modest in effect though it is) may be limited to the Breckenridge/Blue River area, rather than being equally distributed across Summit county.

Hedonic Regression of Total Taxable Property Value (Logged) on STR Status and Property Features (N = 27,816)

Variable	Model 1				Model 2				Model 3			
	Coef.	SE	S. Coef.	Sig.	Coef.	SE	S. Coef.	Sig.	Coef.	SE	S. Coef.	Sig.
STR Status (1 = STR; 0 = Not STR);	-0.11	0.01	0.03	0.00	0.03	0.00	0.03	0.00	-0.01	0.00	0.00	0.13
Condo (ref. = Single-Family Home)			-0.18		-0.23	0.00	-0.20	0.00	-0.24	0.00	-0.21	0.00
Townhouse (ref. = Single-Family Home)					-0.10	0.00	-0.06	0.00	-0.10	0.00	-0.06	0.00
Total Acres					0.01	0.00	0.02	0.00	0.01	0.00	0.02	0.00
Number of Bedrooms					0.20	0.00	0.46	0.00	0.21	0.00	0.46	0.00
Scenic View (1 = Poor; 5 = Excellent)					0.08	0.00	0.10	0.00	0.08	0.00	0.10	0.00
Age of Property					-0.01	0.00	-0.15	0.00	-0.01	0.00	-0.15	0.00
Property Grade (1 = Poor; 7 = Exceptional)					0.26	0.00	0.29	0.00	0.25	0.00	0.29	0.00
Breck./Blue River Area (1 = Breck.; 2 = Not Breck.)					0.19	0.00	0.16	0.00	0.15	0.00	0.13	0.00
STR x Breck./Blue River Area									0.13	0.01	0.08	0.00
Constant	13.98	0.00		0.00	12.53	0.01		0.00	12.54	0.01		0.00
R2			0.009				0.829				0.832	

### Key findings:

- STR status does not consistently affect property value in a substantial way, despite its significance in some contexts.
- When unit features are considered together, property value is more strongly driven by characteristics such as *size, quality of home, and location* than STR status, which in combination explain 83% of the variation in value (a substantial improvement from the 1% explained by STR status alone).
- Furthermore, the positive (i.e., increasing) effect of STR status on value may be most salient in the *Breckenridge/Blue River area*, rather than in Summit County as a whole.

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



**HOUSING AFFORDABILITY:**

# STATISTICAL ANALYSIS OF AFFORDABILITY

## HEDONIC REGRESSION MODEL

- To compare magnitudes of effect on actual property value (rather than logged property value), we exponentiate the coefficients and subtract 1 to generate the estimated percent impact of each predictor on the outcome, property value. These estimates are summarized in the table to the right.
- Like the raw coefficients, **these percents demonstrate that factors such as the number of bedrooms, property grade, property type, and location have a larger impact on value than STR status.** For example, according to **Model 3**:
  - After controlling for other housing characteristics, single-family homes have higher values than condos and townhomes.
  - Increasing the number of bedrooms on a property by 1 is associated with a **23% increase** in property value, while controlling for other housing factors.
  - Properties with more scenic views tend to be more valuable than otherwise equivalent properties, at a rate of **8.7%** per 1-point rating increment (on a 1-5 scale).
  - Older properties tend to be less valuable than otherwise equivalent properties, at a rate of **-0.7%** per each additional year of age.
  - Furthermore, net other household factors, increasing the property grade by 1 (on a 1 to 7 scale), is associated with a **29%** increase in property value.
  - Finally, though STR status itself is not significant in Summit County, the combination of being an STR in the Breckenridge/Blue River area is associated with an **14%** increase in property value. This impact is smaller than other factors previously discussed, though it demonstrates minor evidence of a location-based effect of STRs on housing values.

**Modeled Impact on Property Value (Exponentiated Coefficients)**

Variable	Model 1		Model 2		Model 3	
	Coef.	Sig.	Coef.	Sig.	Coef.	Sig.
STR Status (1 = STR; 0 = Not STR):	-10.7%	0.00	3.2%	0.00	-0.5%	0.13
Condo (ref. = Single-Family Home)			-20.8%	0.00	-21.7%	0.00
Townhouse (ref. = Single-Family Home)			-9.2%	0.00	-9.9%	0.00
Total Acres			0.7%	0.00	0.7%	0.00
Number of Bedrooms			22.7%	0.00	22.8%	0.00
Scenic View (1 = Poor; 5 = Excellent)			8.3%	0.00	8.7%	0.00
Age of Property			-0.7%	0.00	-0.7%	0.00
Property Grade (1 = Poor; 7 = Exceptional)			29.1%	0.00	29.0%	0.00
Breck./Blue River Area (1 = Breck.; 2 = Not Breck.)			21.5%	0.00	16.4%	0.00
STR x Breck./Blue River Area					13.8%	0.00
R2	0.009		0.829		0.832	

Sources: Summit County Assessor; local government STR license lists; RRC.

\*Free-market condominiums, townhomes and single family residences only. Excludes STRs which are timeshares, mobile homes, agricultural residences, commercially assessed property used as residences, and employee units.



# IMPACTS OF STR REGULATIONS

*How has the new wave of diverse STR regulations impacted Summit's housing and economy so far?*



# FINDINGS – IMPACTS ON HOUSING

## Strategies to regulate STRs differ across the Summit County and vary in extent to which they cap or limit STR use within a community

- Regulations range from outright bans of any/all STRs (Montezuma) to generally unrestricted use once a homeowner purchases a STR license (Dillon and Blue River).
- All communities that allow STRs require licensing fees, either fixed or variable based on size of the home, and most also levy STR-specific taxes on their use (of differing amounts).
- The most restrictive communities which allow STR use are Zone 3 in Breckenridge and Unincorporated Summit County Neighborhood Overlay Zones, as STR caps in these areas are set below current STR licenses. Dillon and Blue River generally have the least restrictive STR policies, with no caps and moderate licensing fees, although Dillon does have a comparatively high STR sales tax rate.

## Despite varying extents of STR regulations, the effects of STR regulations on housing sales volumes and sales prices appear modest so far.

- Regarding sales volumes, Breckenridge's heavily restricted Zone 3 has had a falling share of county home sales in 2022-23 (consistent with a reduction in STR buyer demand). However, on a countywide level, the split of sales between STR-capped vs. uncapped areas has trended relatively stable.
- Study results suggest that the implementation of STR policies has not yet significantly impacted median sales prices or sales prices per square foot. Across the board, all zones and property types experienced a doubling in median sales prices from 2015/2016 to 2023, no matter the amount of STR regulation.





# FINDINGS – IMPACTS ON HOUSING

**While 2020-2022 was characterized by an elevated share of out-of-county home buyers, 2023 showed a resurgence of home purchases by Summit County residents.**

- This pattern has occurred throughout Summit County, including areas which are and are not subject to STR caps, suggesting that the onset of stricter STR regulations in 2022 and 2023 has likely not (yet) significantly impacted buyer origins (and has not [yet] driven an increase in local buyer purchases).
- In longer term perspective, the 2020-2022 period appears to have been an aberration, with a low share of local buyers in that period as compared to the higher share of local buyers in 2015-2019 and again in 2023.

**Survey results indicate that Summit STR owners are likely to leave their unit vacant to an increased degree in the event of a hypothetical STR ban. They are less likely to sell their unit, and very unlikely to rent it to locals.**

- Conversion of current STRs into longer-term rentals for residents and/or the workforce is also challenged because 81% of STR owners also use their unit as a vacation home (for an average of 8.1 weeks per year).

**Most STR owners indicate they would have not purchased their home if STRs were banned at the time of purchase.**

- This suggests that an STR ban (and likely a stringent cap) could be effective in removing STR buyers from a given market, which could reduce pressure on housing prices and availability over time.



# FINDINGS – ECONOMIC IMPACTS

**STR caps/regulations may diminish a community's share of active STRs and reduce its share of STR rental days and rental revenue.**

- From 2018 to 2023, the share of Summit's active STRs which are located in Blue River, Dillon, Frisco, and Silverthorne largely held steady. By contrast, the shares located in Breckenridge and the Unincorporated Neighborhood Overlay Zone-NOZ – with stricter regulations – fell slightly in 2021-2023 from prior years' levels. Conversely, the share of active STRs in the Unincorporated Resort Overlay Zone-ROZ (no cap and less regulations) was elevated in 2021-2023.
- The share of rental days per community tell a similar story, with the shares of rental days falling in the Unincorporated NOZ and Breckenridge in 2021-2023, and rising in the Unincorporated ROZ.
- Rental revenue also may be affected by regulation, as rental revenue fell in comparative terms in Breckenridge and the Unincorporated NOZ in 2023, and rose in the Unincorporated ROZ. However, revenue changes haven't been fully correlated with room night shifts, and are susceptible to changes in ADR, necessitating caution in interpreting the patterns.

**Occupancy rates are at 6-year highs across all communities, with growth irrespective of regulations. ADR is also up from the same period last year for all communities other than Breckenridge.**

- Stronger occupancies and ADRs appear to have been largely driven by increasing demand, given that those trends pre-date the onset of stricter STR regulations and are spread across communities. However, as regulations constrain supply, occupancy rates and ADRs for those STRs which remain could be expected to increase, as appears to be the case.

**The regulations of Unincorporated Summit's NOZ limit the number of stays to a STR owner, leading one to possibly expect owners to prefer and book stays of longer durations there. However, this does not appear to be the case to date, as the average length of stay in 2023 is similar across communities (3.1-3.2 nights), and has edged down slightly in recent years.**

- Within the Unincorporated NOZ itself, AirDNA data indicates that average length of stay held steady at 3.2 nights in both 2022 and 2023, and was 3.3 nights in 2019-2021.



# FINDINGS – ECONOMIC IMPACTS

## **The Summit County taxable sales remain strong, notwithstanding the recent onset of STR regulations.**

- Summit as a whole experienced a boom in taxable sales in 2021 and early 2022, and has retained those gains in the post-Covid period.
- Summit has somewhat underpaced the sales gains observed in other resort counties. However, STR regulations have become stricter in several other counties which have outpaced Summit in taxable sales, suggesting that other factors may be at play.
- Within Summit, the towns of Breckenridge, Dillon, Silverthorne and Frisco all enjoyed strong gains in taxable sales in 2021 and early 2022, and have largely retained those gains since then, despite varying STR regulations.

**As noted previously, STR regulations may be impacting the real estate economy in portions of Summit County, e.g., with a comparative drop in sales activity in the STR-capped Breckenridge Zone 3 area.**

**Many of the STR regulations in Summit just went into effect in 2022 or 2023, and it will likely take an extended period of time for the economic impacts of those regulations to play out. Close monitoring of trends and impacts is warranted going forward.**





# REGULATORY OVERVIEW: STR CAPS

- Unincorporated Summit County, Breckenridge, Frisco and Silverthorne have STR caps of various types and restrictiveness.
- Most or all caps which have been implemented are quite new (2022 or 2023). As such, their effects may take some time to become clear.

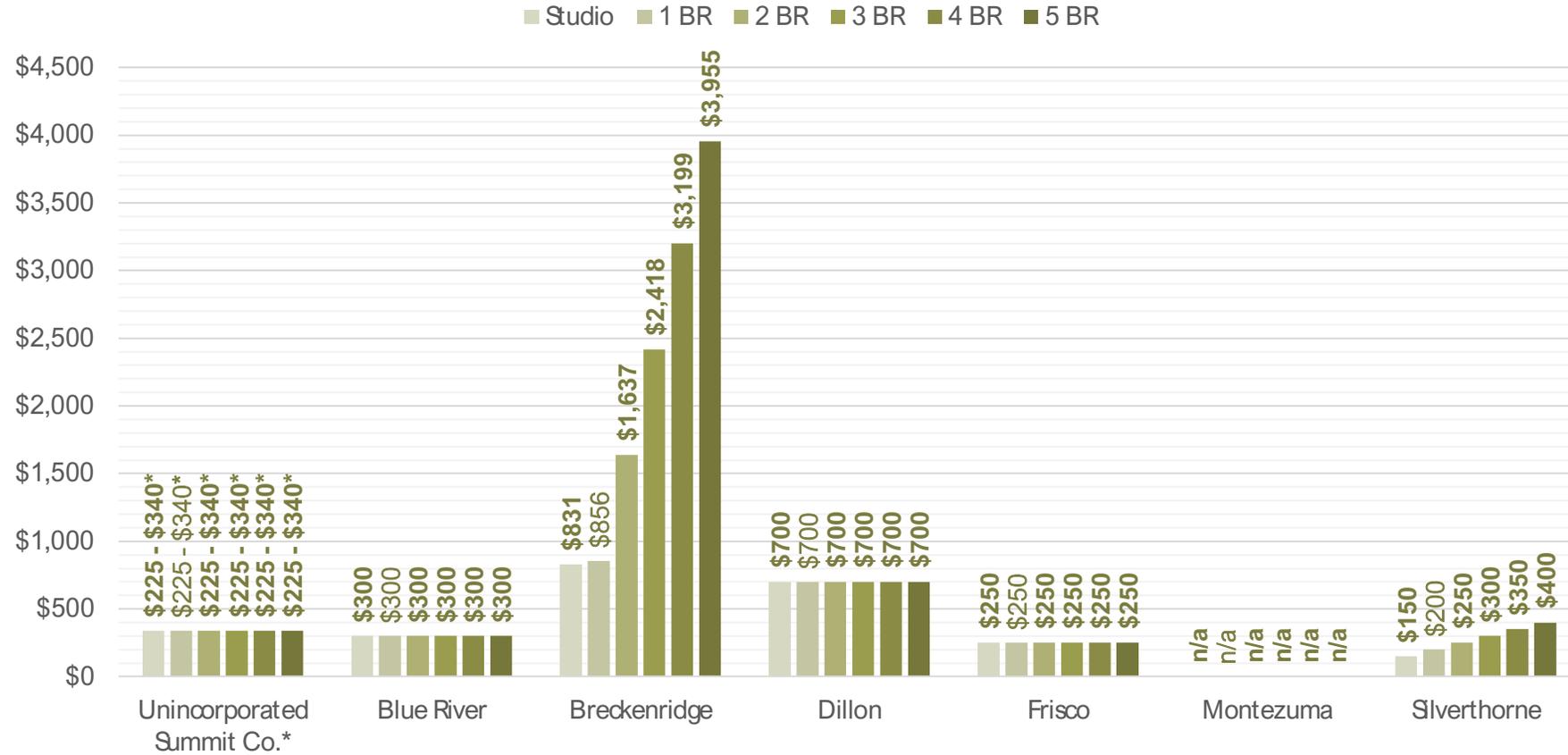
Area	STR cap	Recent STR licenses (2023/2024)	Recent licenses vs. Cap	Limitation on STR use	Recent STR Waitlist
<b>Unincorporated Summit County:</b>					
Resort Overlay Zones	Not applic.	2,975	Not applic.	Not applic.	Not applic.
Neighborhood Overlay Zones, Type I licenses (STR is primary residence)	Not applic.	7	Not applic.	35 bookings/year	Not applic.
Neighborhood Overlay Zones, Type II licenses:					
Lower Blue Basin	550	607	(57)	35 bookings/year	Not applic.
Upper Blue Basin	590	678	(88)	35 bookings/year	Not applic.
Snake River Basin	130	189	(59)	35 bookings/year	Not applic.
Ten Mile Basin	20	30	(10)	35 bookings/year	Not applic.
Total	1,290	1,504	(214)	35 bookings/year	Not applic.
<b>Blue River</b>	Not applic.	213	Not applic.	Not applic.	Not applic.
<b>Breckenridge:</b>					
Resort	1,816	1,688	128	Not applic.	None
Zone 1	1,680	1,283	397	Not applic.	None
Zone 2	130	142	(12)	Not applic.	13
Zone 3	390	1,223	(833)	Not applic.	119
Total	4,016	4,336	(320)	Not applic.	132
<b>Dillon</b>	Not applic.	341	Not applic.	Not applic.	Not applic.
<b>Frisco</b>	900	892	0	Not applic.	37
<b>Montezuma</b>	STRs prohibited		Not applic.	Not applic.	Not applic.
<b>Silverthorne:</b>					
10% STR zone - Area 1	215	184	31	Not applic.	None
50% STR zone - Area 2	526	190	336	Not applic.	None
0% STR zone - Area 3	STRs prohibited		Not applic.	Not applic.	Not applic.
Total	741	374	367	Not applic.	None



# REGULATORY OVERVIEW: STR LICENSING FEES

- Breckenridge has the highest licensing fees and taxes per bedroom, comprised of a regulatory fee and Business Occupation and Licensing Tax.
- Breckenridge’s fees were established at a level designed to offset the affordable housing demand from STR-generated employment.
- A high licensing fee could be a barrier to entry that may have the effect of deterring would-be STR owners who would rent their unit infrequently or who might want to casually experiment with STRing.

## Annual License Fees for STRs



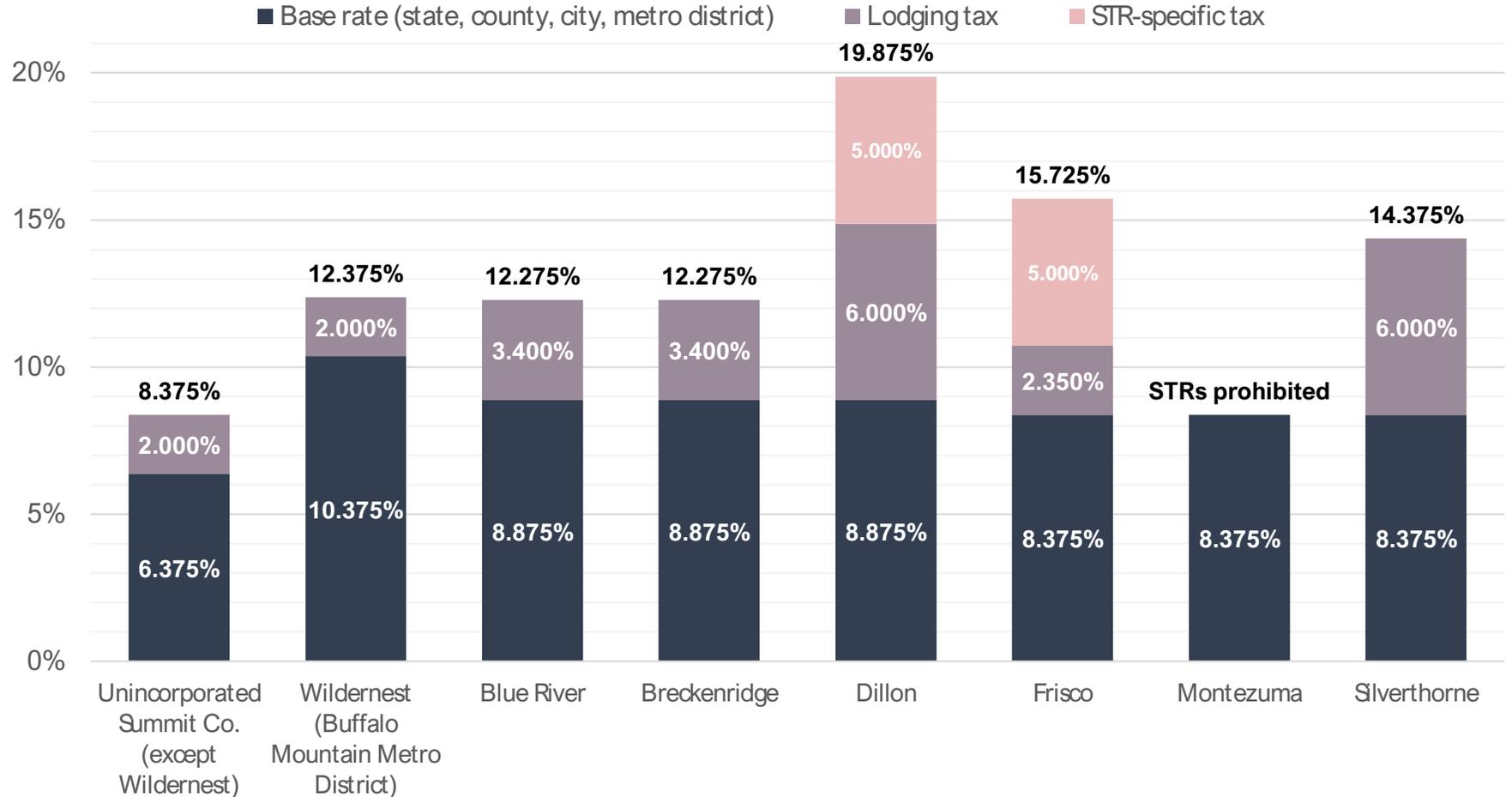
\*Uninc Summit: \$280 Resort Overlay Zone; \$225 Neighborhood Overlay Zone Type I (primary residence); \$340 Neighborhood Overlay Zone Type II.  
 Note: Breckenridge regulatory fees per bedroom became effective on 1/1/2023.



# REGULATORY OVERVIEW: STR TAXES

- Dillon has the highest aggregate tax rates on STRs, followed by Frisco.
- Dillon and Frisco have STR-specific taxes.
- While Breckenridge doesn't have an STR-specific tax, it does levy a higher licensing fee on STRs than other communities.

## Tax Rates on STRs



Dates when current lodging tax rates became effective: unincorporated Summit 1/1/2023; Dillon 1/1/2023; Silverthorne 7/1/2022.  
 Dates when STR taxes became effective: Dillon 7/1/2023; Frisco 6/1/2022.



# OUTLINE OF ANALYSES

## HOUSING IMPACTS:

1. **Within-Summit analysis:** Have home sales volumes, sales prices, and homebuyer geography changed appreciably across geographic areas within Summit County, following the introduction of varying STR caps and fees?
2. **Between-counties analysis:** Have home values and rents varied between Summit and selected other resort communities following implementation of Summit STR caps and fees? How do housing costs in Summit compare to other areas with varying STR policies?
3. **STR owner survey results,** regarding anticipated behavior if STRs were banned.

## ECONOMIC IMPACTS:

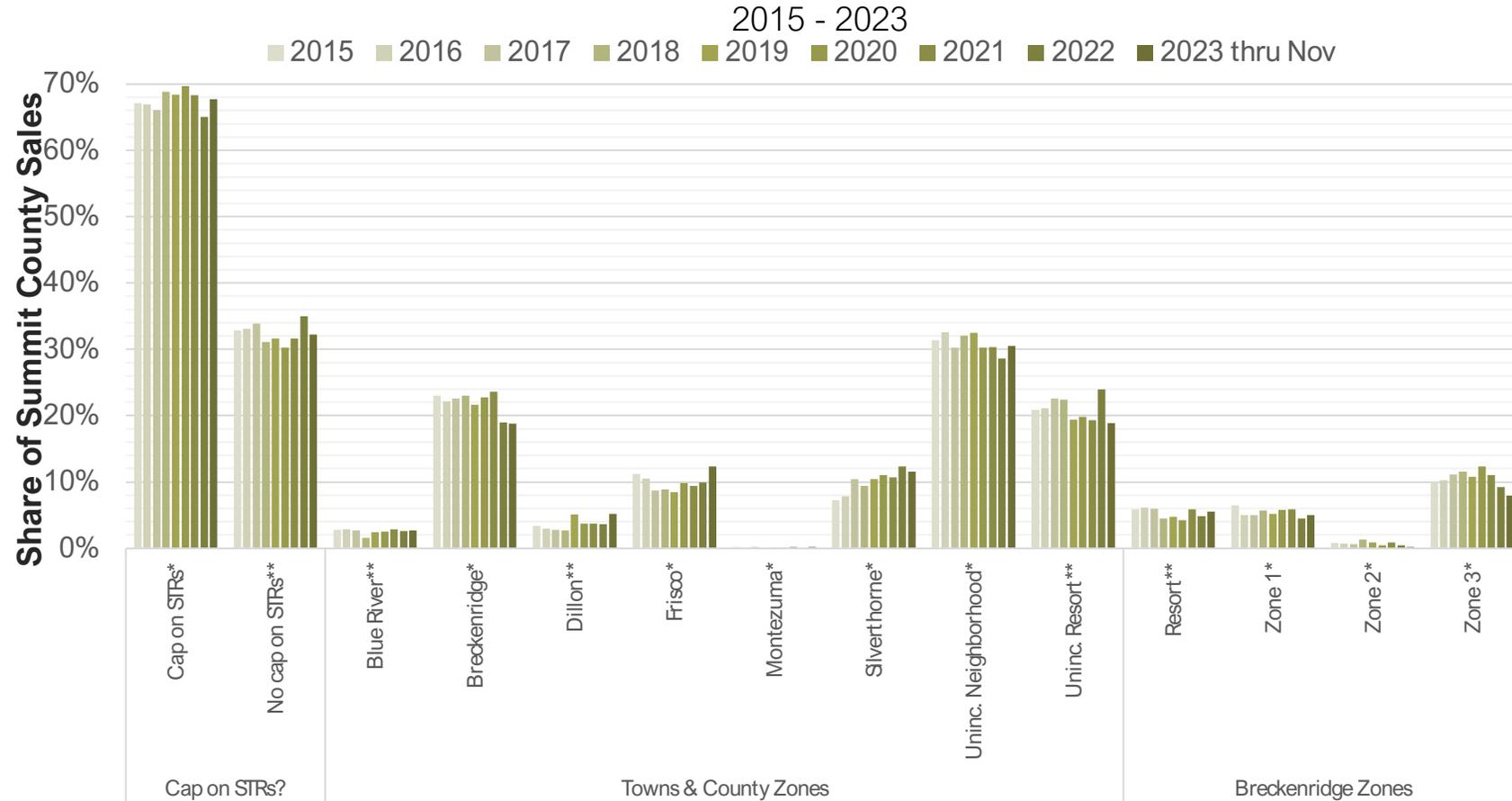
1. **How has STR performance and local economic performance changed following implementation of regulations and taxes/fees?**
  - Any shifts in the share of STR revenues and room nights by Summit County community?
  - Any shifts in the share of taxable sales by Summit County community?
  - Any shifts in Summit County's taxable sales vs. other resort community taxable sales?



# HOUSING TRENDS: SHARE OF PROPERTY TRANSACTIONS BY AREA

- **HYPOTHESIS:** Towns/areas that have more restrictive STR caps, fees and/or taxes will experience a comparative drop in sales as those zones become less desirable to STR buyers.
- **FINDINGS:** Some patterns support the hypothesis; other patterns contradict it.
- Supporting the hypothesis:
  - **Breckenridge** has accounted for a reduced share of sales in 2022-2023. It also has STR caps and relatively high STR fees. The Zone 3 cap is most restrictive, and Zone 3 also had a declining share of countywide sales in 2022-23.
- Countering the hypothesis:
  - The share of sales in **capped vs. non-capped** areas overall held relatively stable in 2015-2023, even after caps were implemented.
  - Some capped areas have had an increasing share of sales (**Frisco and Silverthorne**).
- **CONCLUSION:** The recent dip in home sales volumes in Breckenridge – where STR regulations are comparatively strict – bears watching going forward.

### Share of Summit County Free-Market Condo/TH/SFR Sales by Area



\*Area which has STR cap. \*\*Area which doesn't have STR cap. Source: Summit County Assessor; RRC. Note: Sales universe is limited to free-market condominiums, single-family units and townhomes.



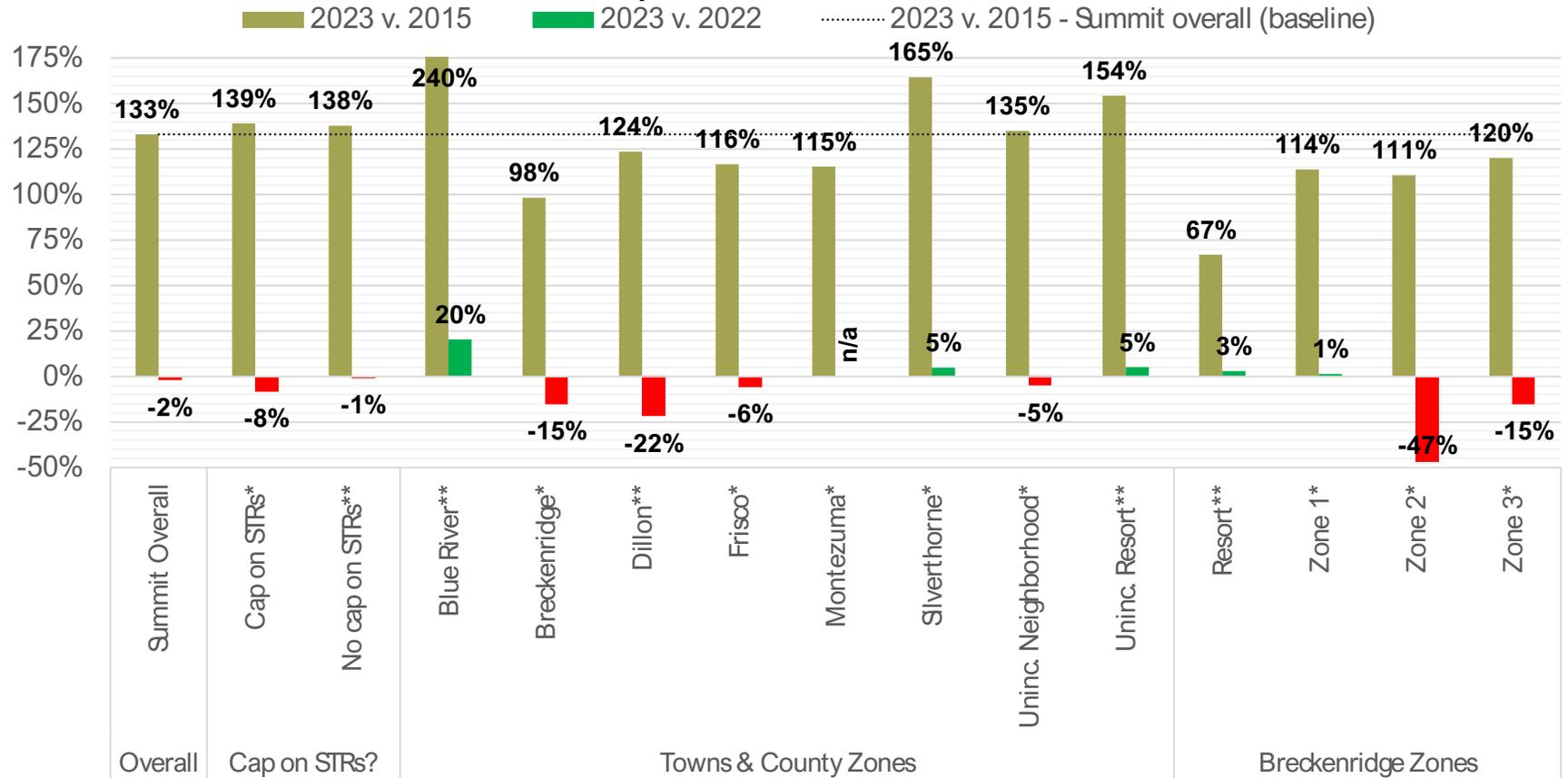
# HOUSING TRENDS: HOUSING SALES PRICE

- HYPOTHESIS:** Towns/areas that have more restrictive STR caps, fees and/or taxes will experience a comparative drop in prices as those areas become less desirable to STR buyers.
- FINDINGS:** Overall, the results suggest that the implementation of STR policies has not yet significantly impacted median sales prices.

All zones and property types experienced a doubling in median sales prices from 2015/2016 to 2023. Zone 3 has had a slowdown in condo sales prices in 2022-2023 relative to the Resort zone, although longer-term gains in values are substantial in each zone, and may be impacted by factors other than STR policies.

## Change in Median Sales Price, by Area

Summit County Free-Market Condo/TH/SFR Sales



\*Area which has STR cap. \*\*Area which doesn't have STR cap. Source: Summit County Assessor; RRC. Note: Sales universe is limited to free-market condominiums, single-family units and townhomes.



# HOUSING TRENDS: SALES PRICE PER SQUARE FOOT

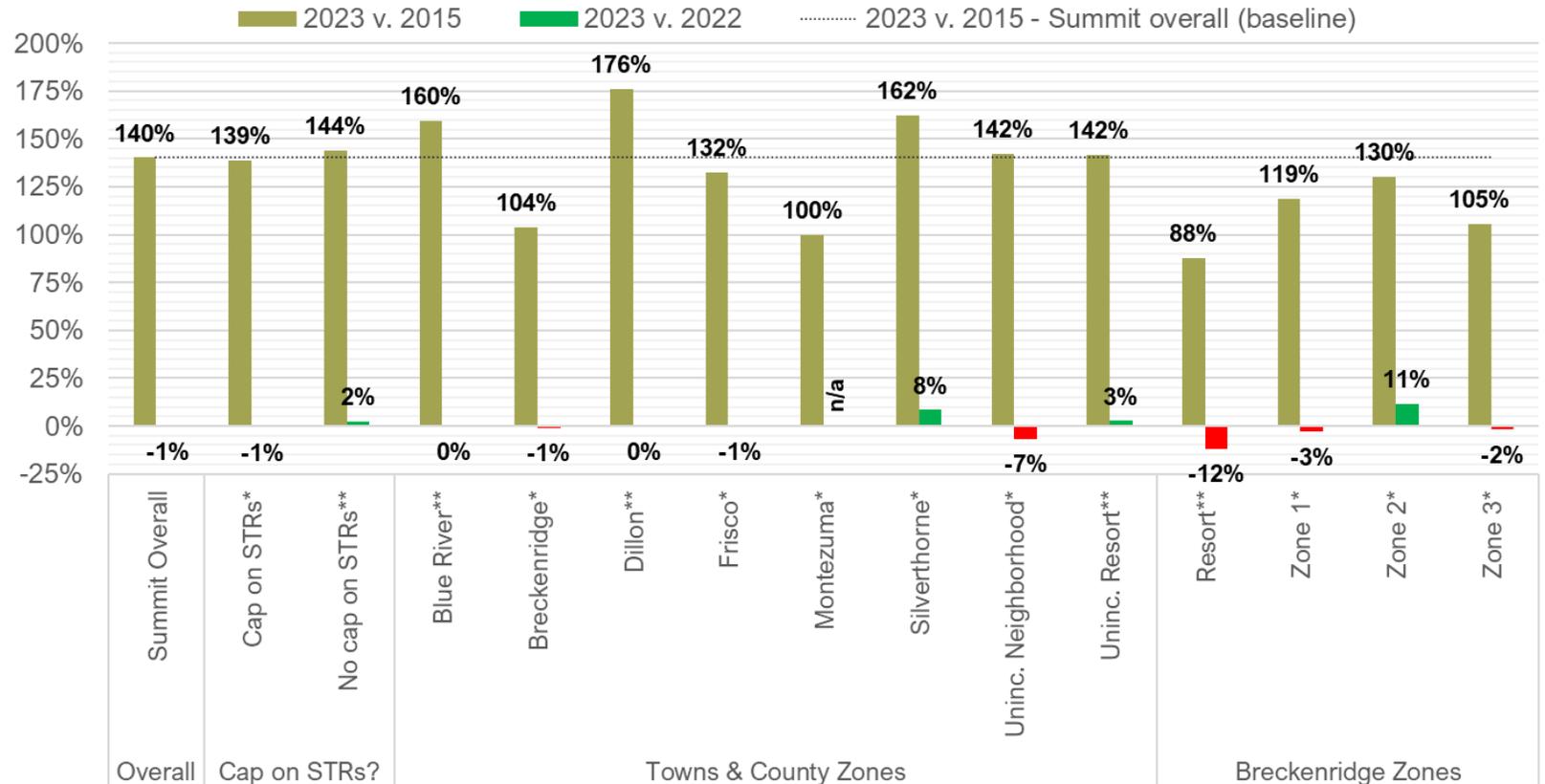
- HYPOTHESIS:** Zones that have more restrictive STR caps (especially Zone 3) will experience a comparative drop in sales price per square foot (for a given unit type) as those zones become less desirable to STR buyers.
- FINDINGS:** Overall, the results suggest that the implementation of STR policies has not yet significantly impacted median sale price per square foot,

All zones and property types experienced large growth in sales price per square foot from 2015 to 2023.

Breckenridge's Zone 3 did show a decrease in prices/sqft in 2023 compared to 2022, but not as much as that of the uncapped Resort Zone and lightly capped Zone 1, implying other factors are likely in play. The restrictively capped Unincorporated Neighborhood Zone also had a decrease in price/sqft in 2023 YOY, which bears watching going forward.

## Change in Median Sales Price per Square Foot, by Area

Summit County Free-Market Condo/TH/SFR Sales



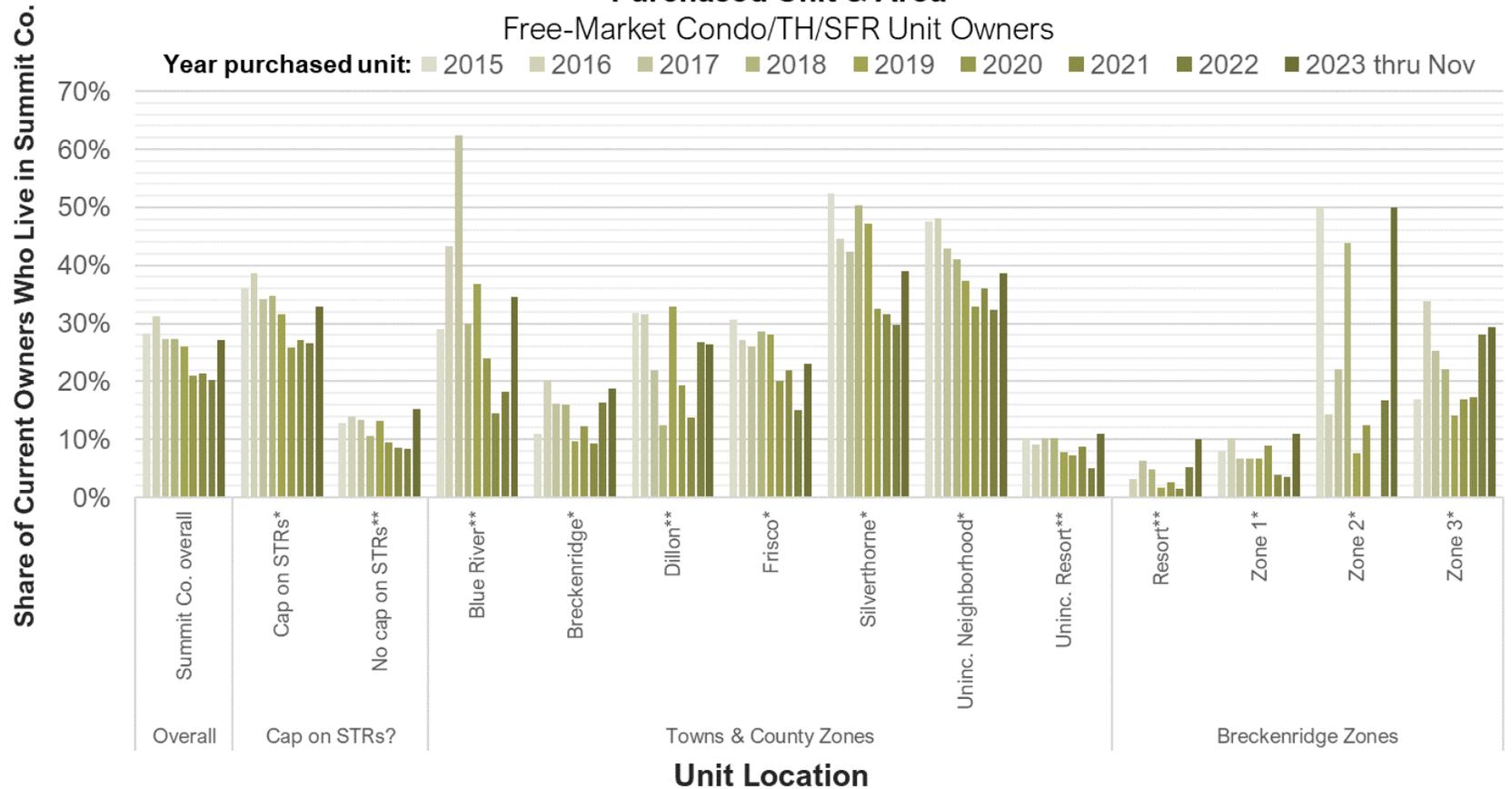
\*Area which has STR cap. \*\*Area which doesn't have STR cap. Source: Summit County Assessor; RRC. Note: Sales universe is limited to free-market condominiums, single-family units and townhomes.



# HOUSING TRENDS: HOMEBUYER GEOGRAPHY

- **HYPOTHESIS:** Communities and subareas that have more restrictive STR caps will experience a comparative increase in purchases from individuals who are Summit County residents.
- **FINDINGS:** Across the board, purchases of free-market condominiums, single-family units, and townhomes by Summit County residents rose in 2023, following a trough in 2020-2022. The extent of the increase in specific areas was variable, with no apparent connection to the presence of a regulatory STR cap or not.
- Overall, it would appear Summit resident home purchases are moving back to pre-pandemic norms in 2023, following the 2020-2022 influx of sales to individuals outside of the county.

### Share of Current (2023) Homeowners who are Summit Residents, by Year Purchased Unit & Area



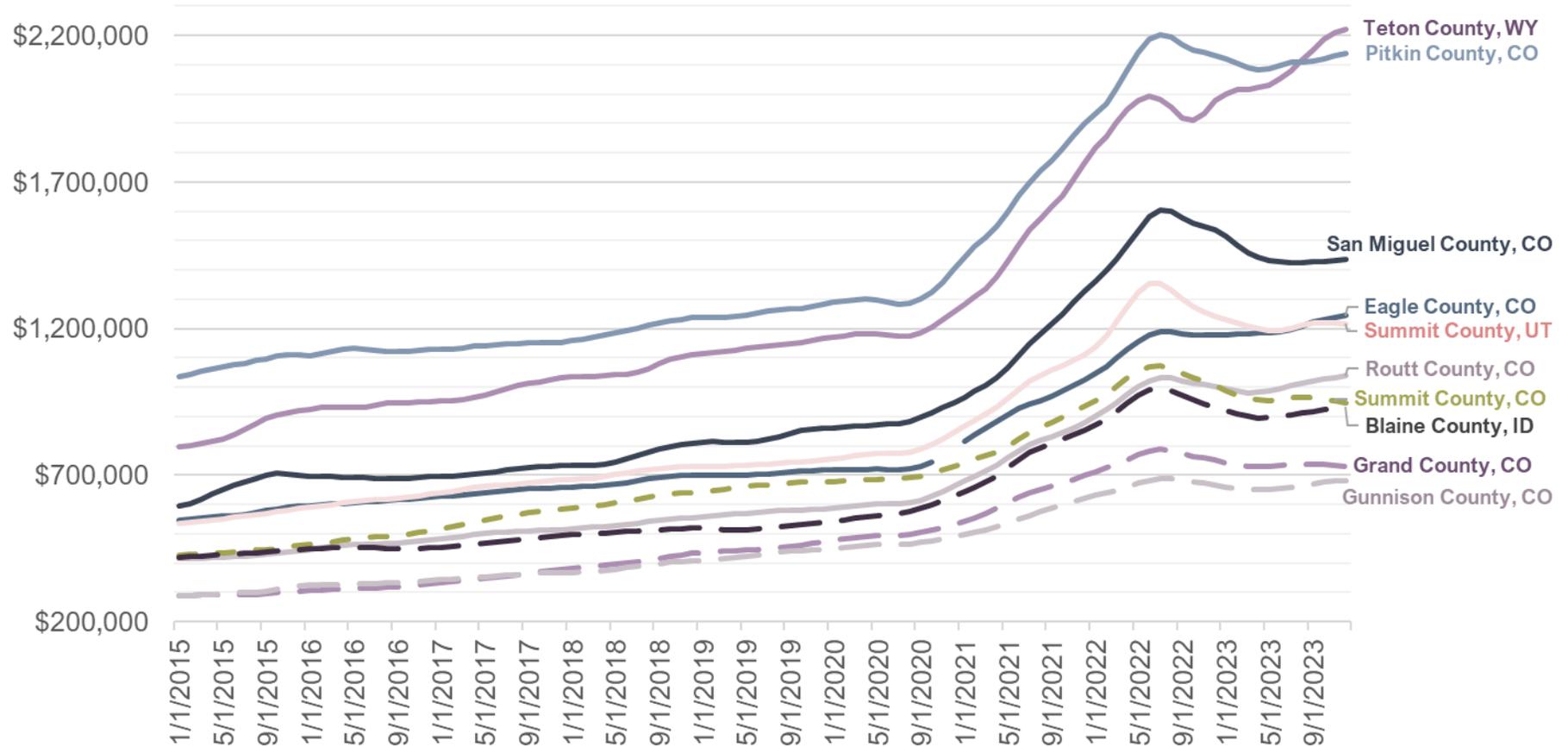
\*Area which has STR cap. \*\*Area which doesn't have STR cap. Source: Summit County Assessor; RRC.  
 Note: Sales universe is limited to free-market condominiums, single-family units and townhomes.



# HOME VALUE TRENDS: COMPARISON ACROSS COUNTIES

- Home values surged in the latter stages of the pandemic.
- Overall, it would appear Summit resident home purchases are moving back to pre-pandemic norms in 2023, following the 2020-2022 influx of sales to individuals outside of the county.

## Zillow Home Value Index - Selected Resort Counties 2015-2023

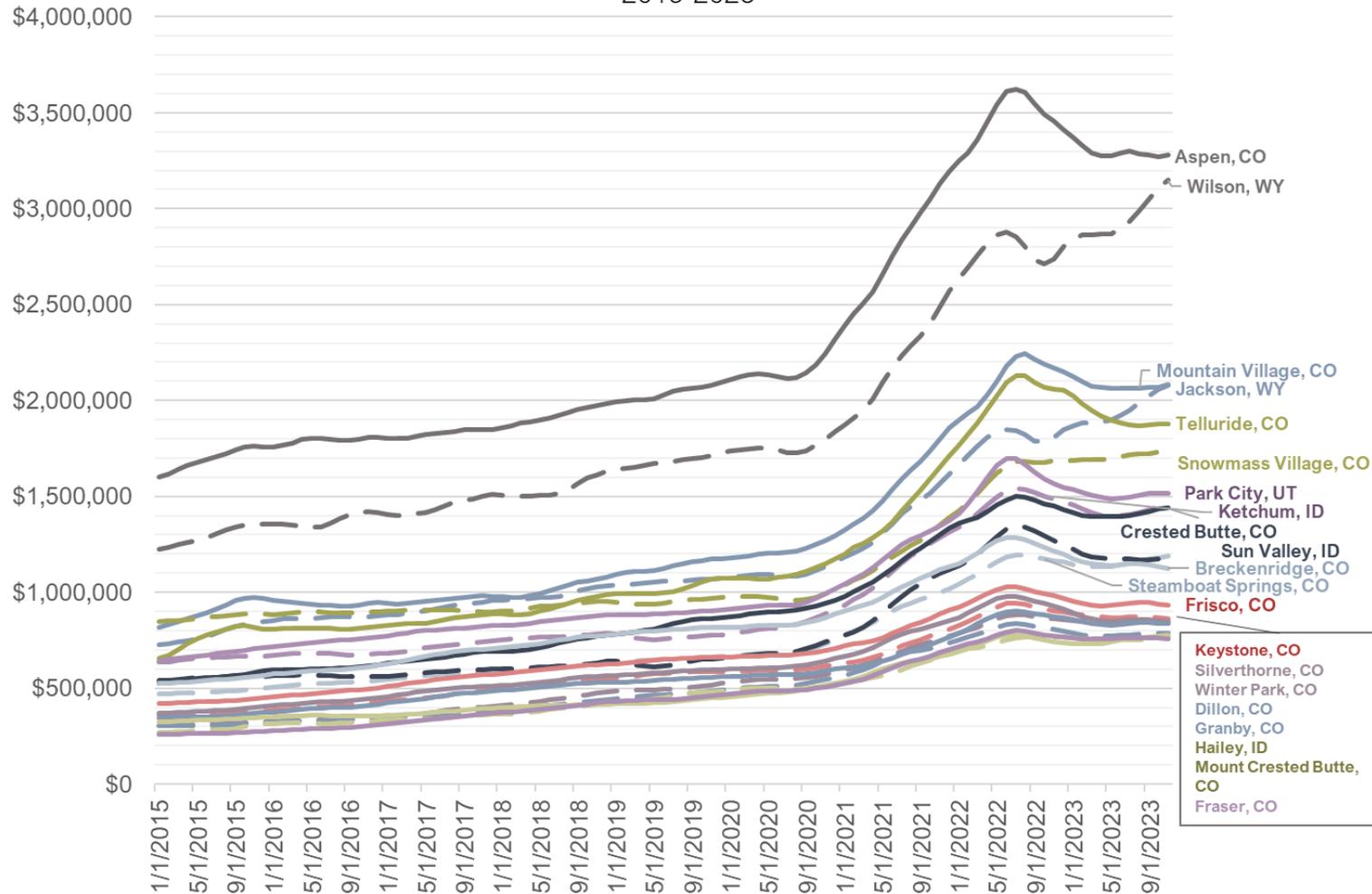




# HOME VALUE TRENDS: COMPARISON ACROSS CITIES

## Zillow Home Value Index - Selected Resort Towns

2015-2023



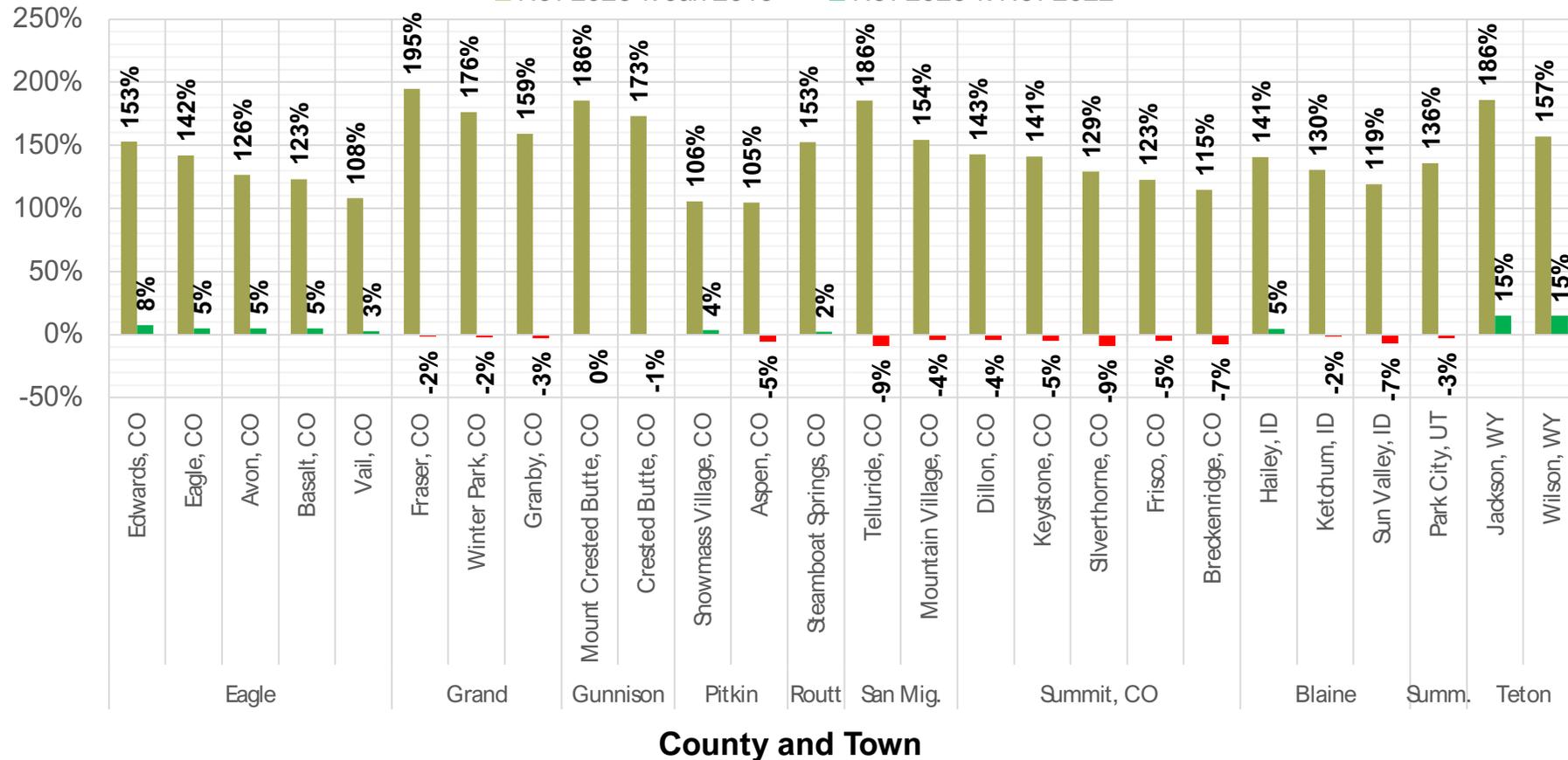


# HOME VALUE TRENDS: COMPARISON ACROSS CITIES

## Change in Zillow Home Value Index - Selected Resort Towns

2015-2023

■ Nov 2023 v. Jan 2015   ■ Nov 2023 v. Nov 2022





PROPERTY USE:

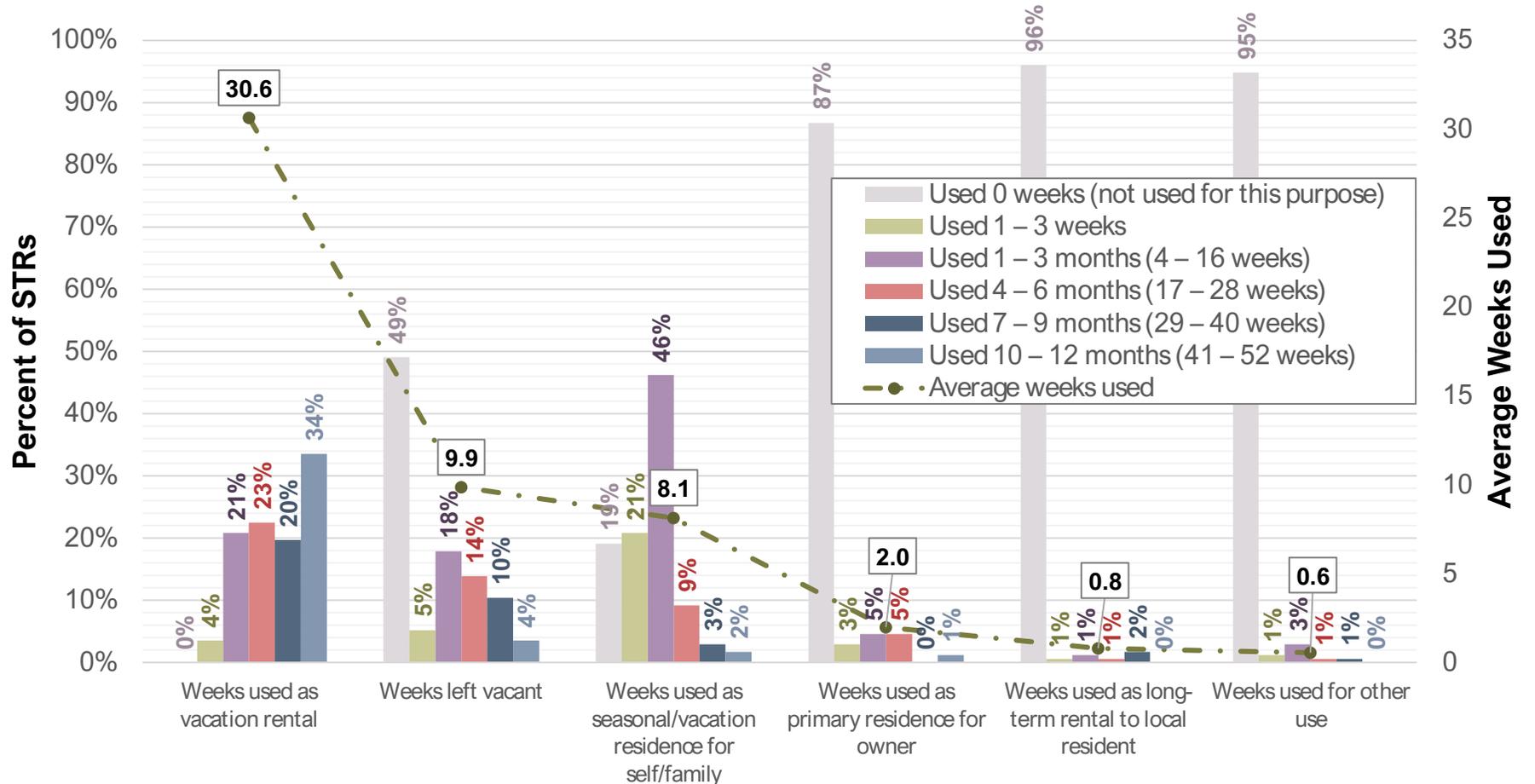
# USE OF STRs IN SUMMIT OVER LAST 12 MONTHS

IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?

- The graph to the right shows the distribution of use types among respondents from Summit county who have used their unit as a vacation rental for at least 1 week within the last 12 months (N=173).
- A third (34%) of respondents used the unit as a vacation rental nearly year-round (10-12 months) of the past year. Approximately 20% each rented their unit between 1 and 9 months.
- When not using the unit as a vacation rental, this group is most apt to use the home as a seasonal residence and/or leave the unit vacant. Fully 81% of STRowners also use their unit as a vacation home.

### Weeks of Use of STRs for Various Purposes in the Past 12 Months

Universe: Summit County Homes Used as STRs 1+ Weeks/Year



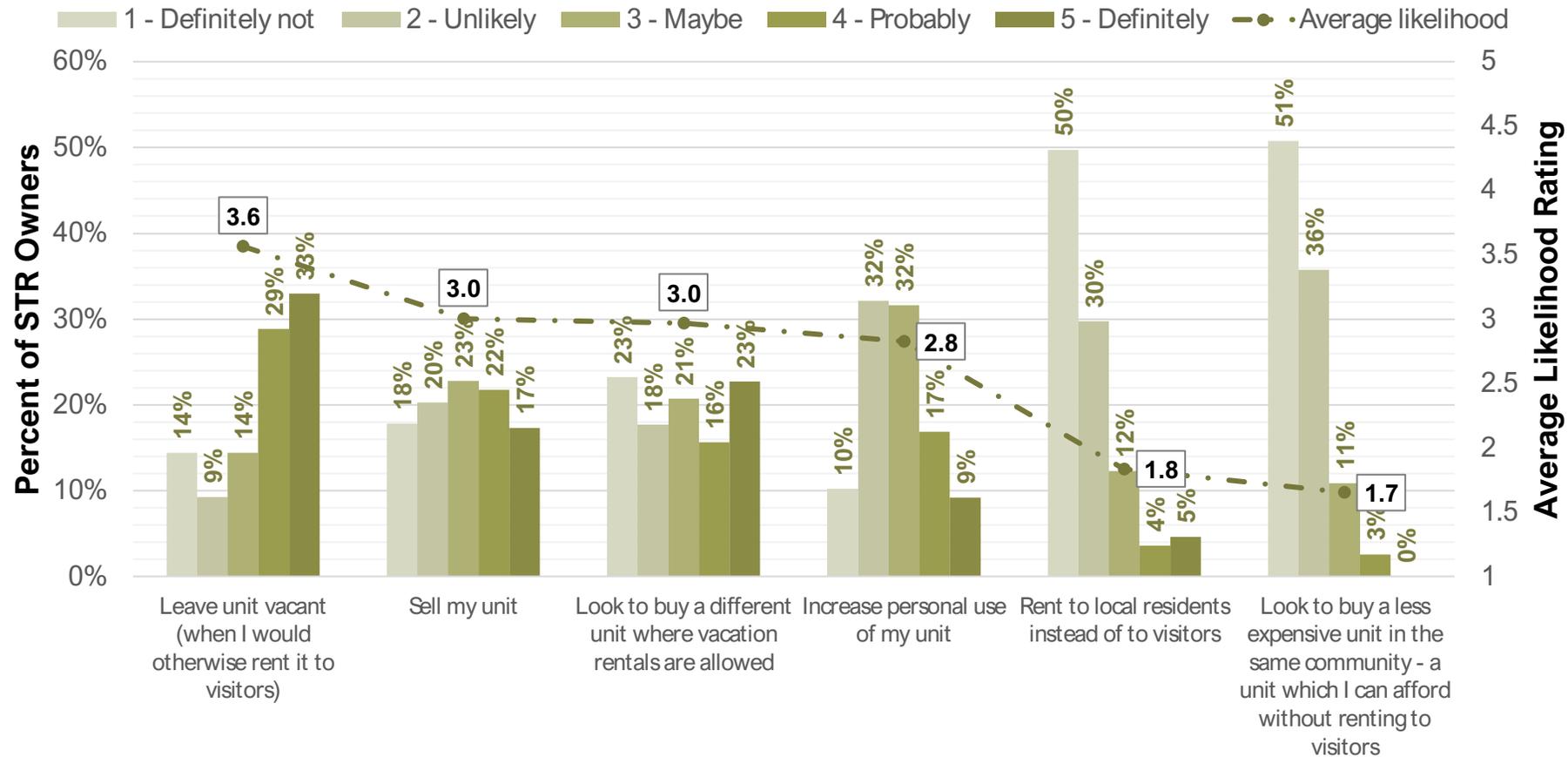


# STR PROHIBITION: SUMMIT DETAIL

- Looking more closely at Summit STR owners, most would “definitely” or “probably” leave their unit vacant (62%) if STRs were banned (when they would otherwise rent it to visitors).
- Additionally, a significant minority of STR owners would definitely or probably sell their unit (39%), look to buy a different unit where STRs are allowed (38%), and/or increase personal use of their unit (26%).
- Very small shares of STR owners would rent to local residents (8%) or look to buy a less expensive unit in the same community [which they could afford without renting it to visitors] (3%).

Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following?

Universe: Summit County STR Owners





# STR PROHIBITION

- When posed with the hypothetical banning of vacation rentals, respondents who have ever used their unit as a short-term or seasonal rental in Summit county indicated that they were **moderately likely to just leave the unit vacant (3.6 out to 5.0)**.
- This subgroup also indicated that they would be moderately likely (**3.0 out of 5.0**) to **sell their unit or look for a different unit elsewhere**.
- Over half of respondents in this subgroup indicated they **would not have purchased the property** if they could not use it as a vacation rental.

[If have ever used unit as short-term or seasonal rental] **Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following? (1 = Definitely not; 5 = Definitely)**

Rating Category	Average Rating					
	Summit		Pitkin		Teton	
Leave unit vacant (when I would otherwise rent it to visitors)	n=194	3.6	n=42	3.4	n=50	3.3
Sell my unit	n=202	3.0	n=43	3.2	n=55	2.6
Look to buy a different unit where vacation rentals are allowed	n=198	3.0	n=41	3.3	n=52	2.6
Increase personal use of my unit	n=196	2.8	n=40	3.3	n=51	3.2
Rent to local residents instead of to visitors	n=195	1.8	n=41	2.1	n=53	2.2
Look to buy a less expensive unit in the same community	n=193	1.7	n=39	1.7	n=52	1.7

[If have ever used unit as short-term or seasonal rental] **Thinking back to when you acquired your property, would you have still purchased it if you were prohibited from using it as a vacation rental?**

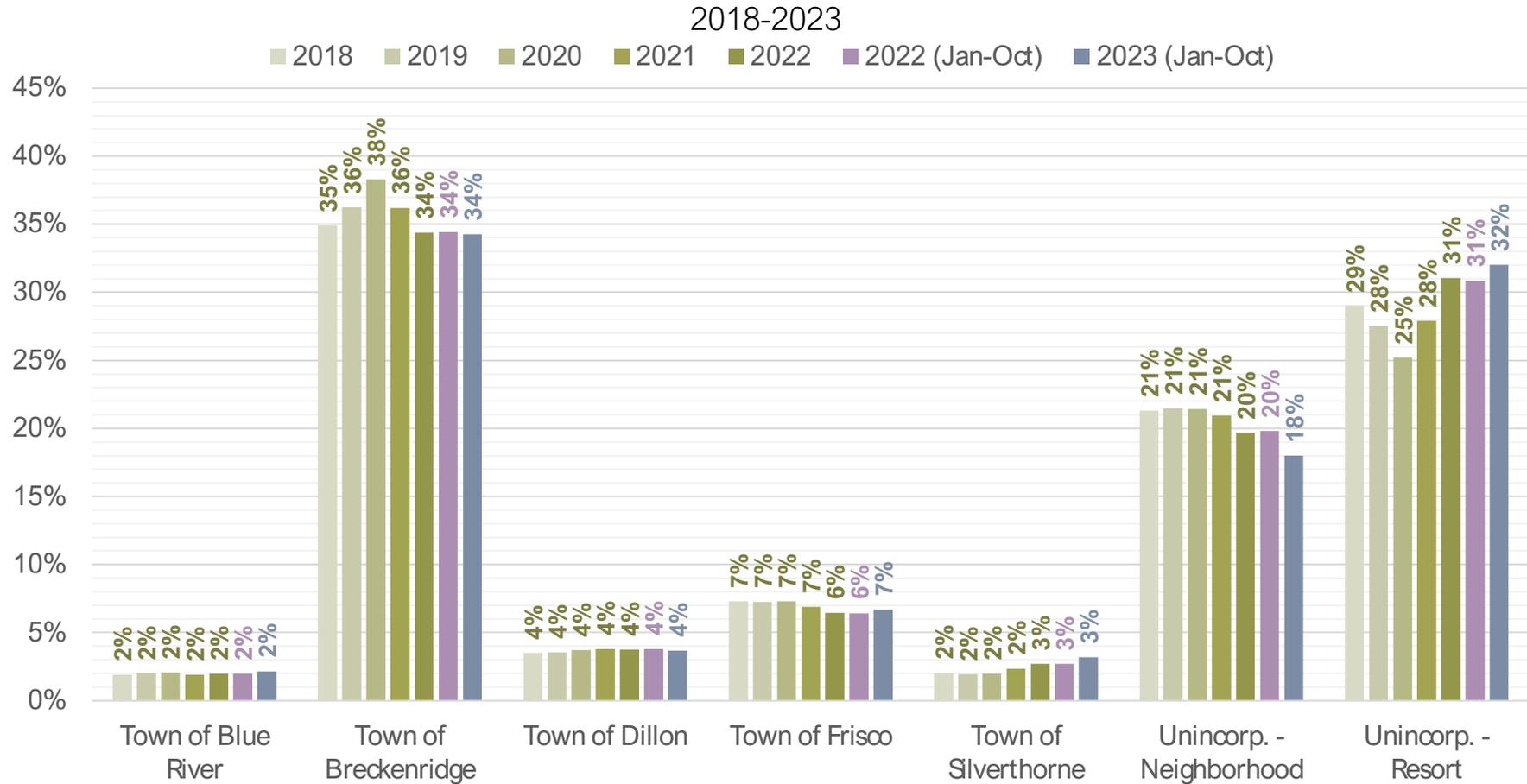
	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Yes	25%	25%	14%	33%
No	55%	57%	67%	37%
Don't know/uncertain	20%	18%	19%	31%
n=	291	199	43	49



# SHARE OF ACTIVE STRs BY COMMUNITY

- When considering the impact of recent regulation on STRs, Breckenridge and the Unincorporated Neighborhood Zone have some of the strictest STR regulations of the area.
- Overall, shares of active STRs per area have been somewhat consistent. Breckenridge's share of active STRs has been suppressed at 34% since 2021 while the share of active STRs in the Unincorporated Neighborhood Zone have dipped from previous years, both possibly due to the stricter STR regulations in these areas.

## Share of Active Summit STRs by Community

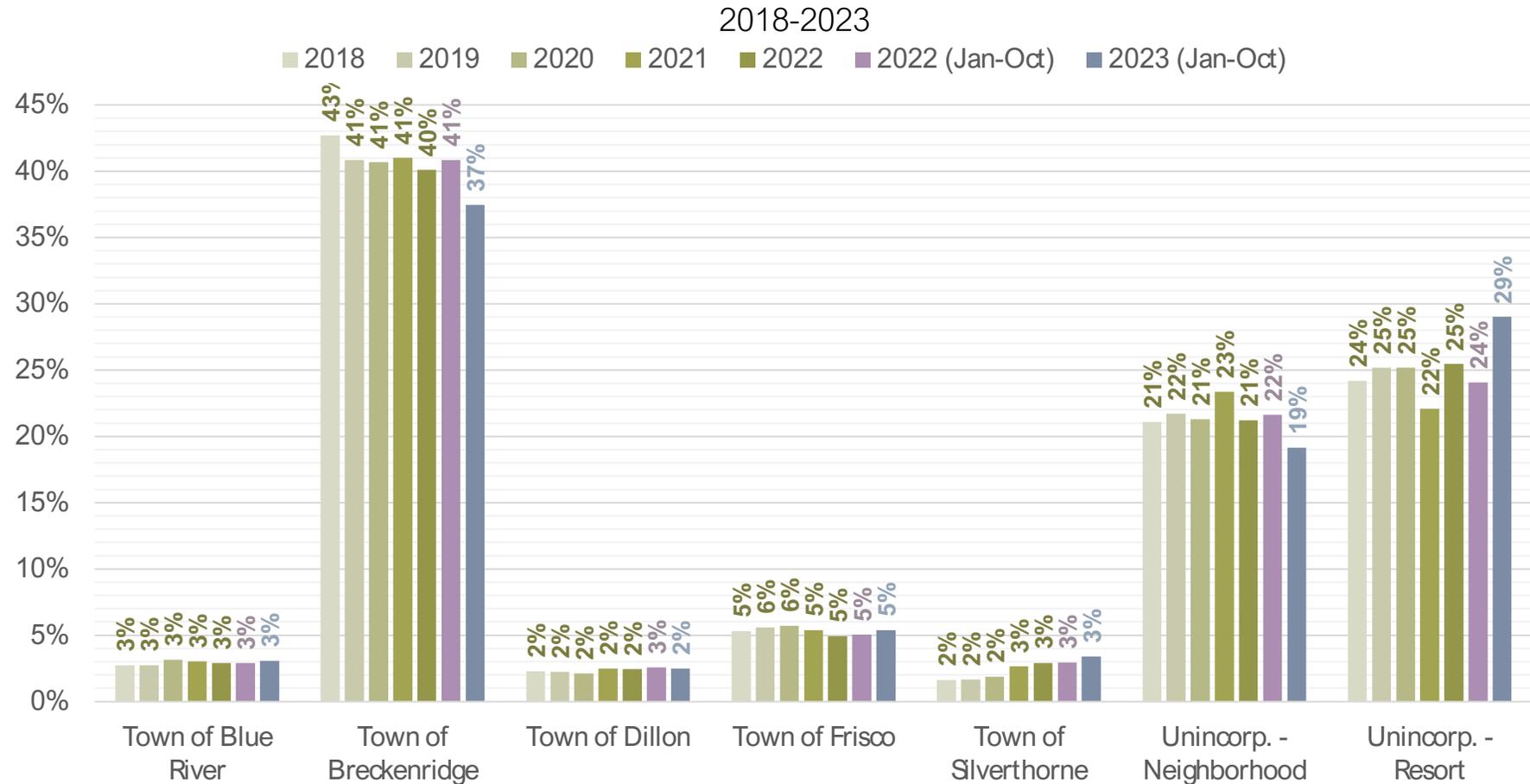




# STR RENTAL REVENUE SHARE BY COMMUNITY

- When looking at the impact of STR regulations on revenue, both Breckenridge and the Unincorporated Neighborhood Zone show decreased shares of STR revenue while the remaining areas' shares held relatively steady or increased.
- Note that Breckenridge's drop in STR revenue is likely attributed to its decreased ADR (as seen in subsequent slides), which is affected by more market aspects than regulation alone.
- ADR comparatively rose for Unincorporated Neighborhood Zone in 2023 while its rental revenue share diminished, suggesting the stricter regulations or other factors determining revenue could be affecting this area more than others.

## Share of Summit STR Rental Revenue by Community



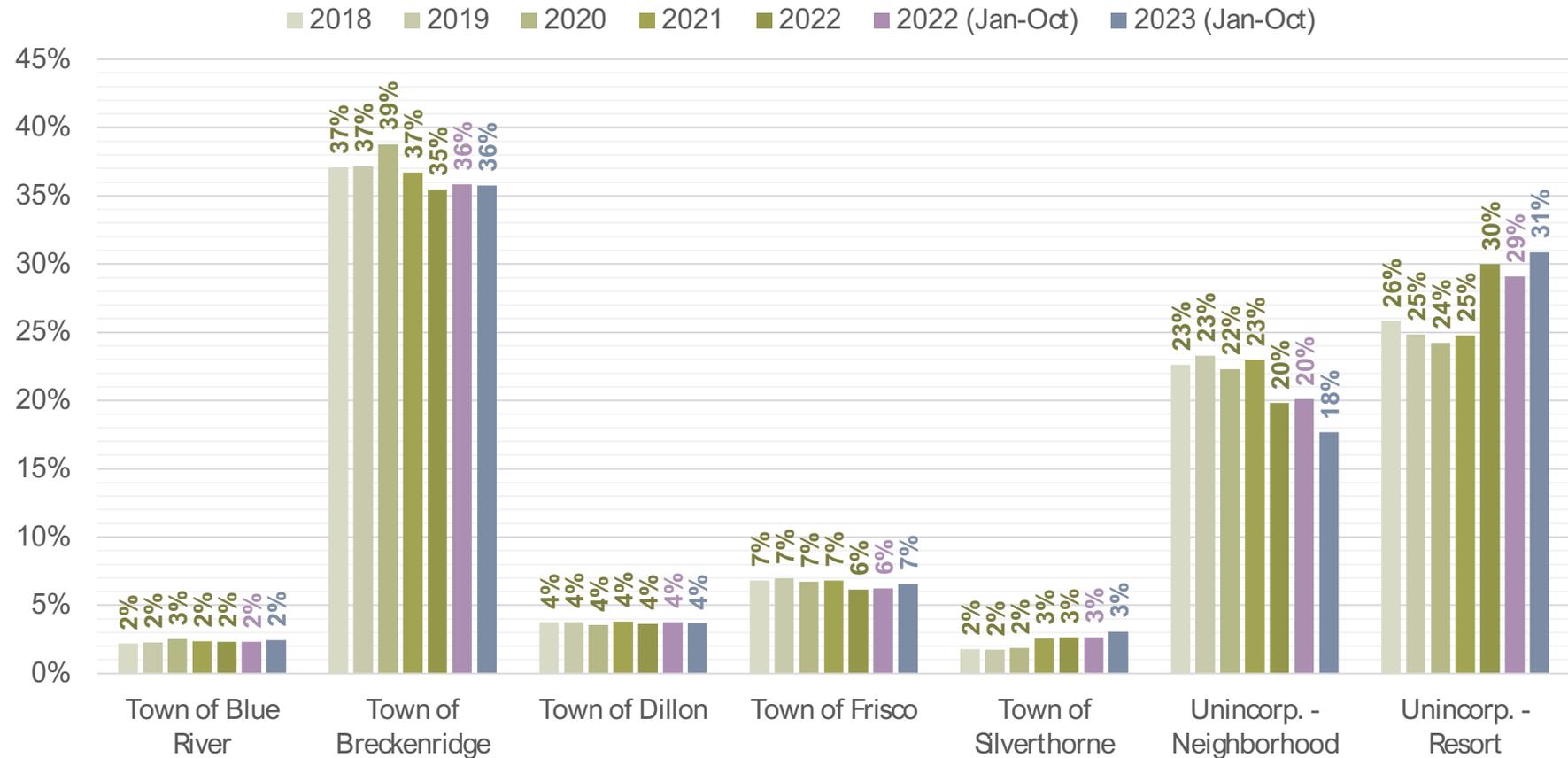


# STR RENTAL DAYS SHARE BY COMMUNITY

- The share of STR reservation days by community has remained relatively consistent since 2018 for all areas other than Breckenridge and Unincorporated Summit, where Breckenridge's share has remained stable over the last two years but down from previously, while the Neighborhood Zone's share fell and Resort Zone's increased.
- It could be expected that the Neighborhood Zone's share might increase from the area's limit on overnight stays (35) from STR owners preferring booking that were for longer durations, but this does not appear to be the case with the data.

## Share of Summit STR Reservation Days by Community

2018-2023



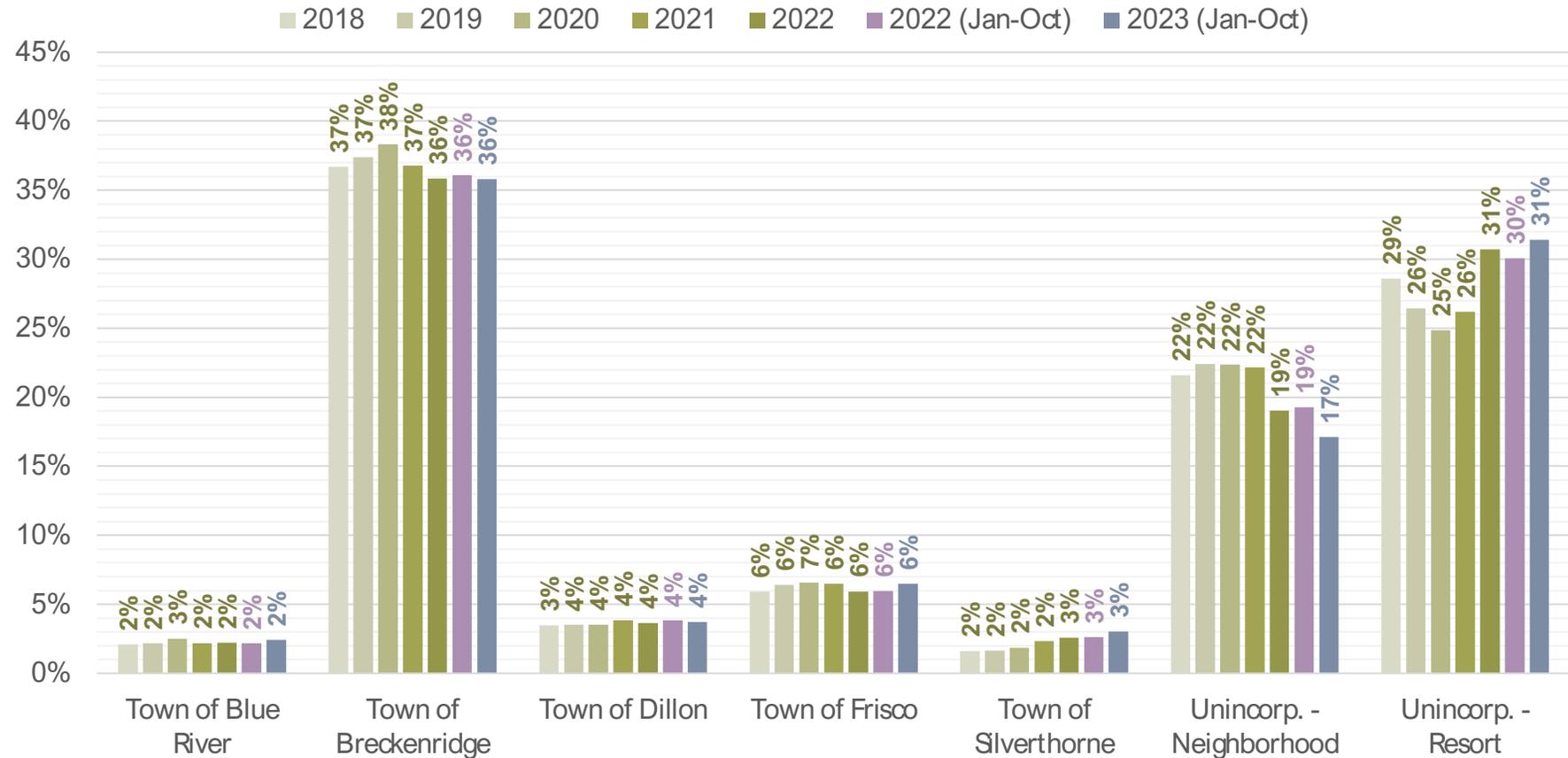


# STR RESERVATIONS SHARE BY COMMUNITY

- Like the previous slide, the share of reservations per community has generally held steady since 2018 apart from Breckenridge and the Unincorporated Zones.
- For those with stricter regulations, Breckenridge's and the Neighborhood Zone's reservation share appear to have fallen from prior, less regulated years (pre-2022)

## Share of Summit STR Reservations by Community

2018-2023



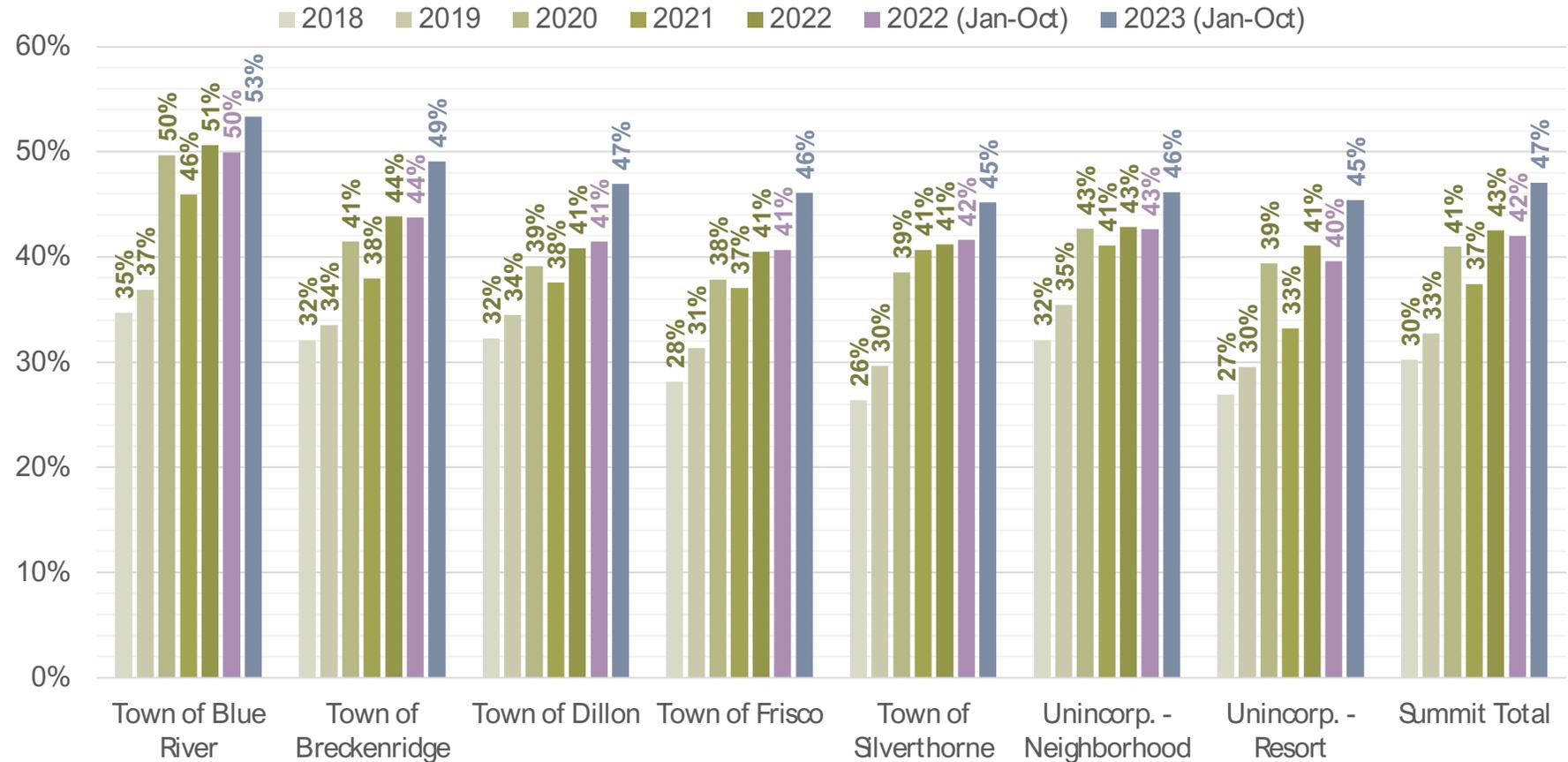


# STR OCCUPANCY RATE BY COMMUNITY

- The occupancy of STRs across all communities is up in 2023 compared to previously by anywhere from three to six percentage points.
- The amount of STR regulation and occupancy does not appear to be correlated, as the occupancy growth is generally similar across more and less regulated areas.

## STR Occupancy Rate by Community

2018-2023



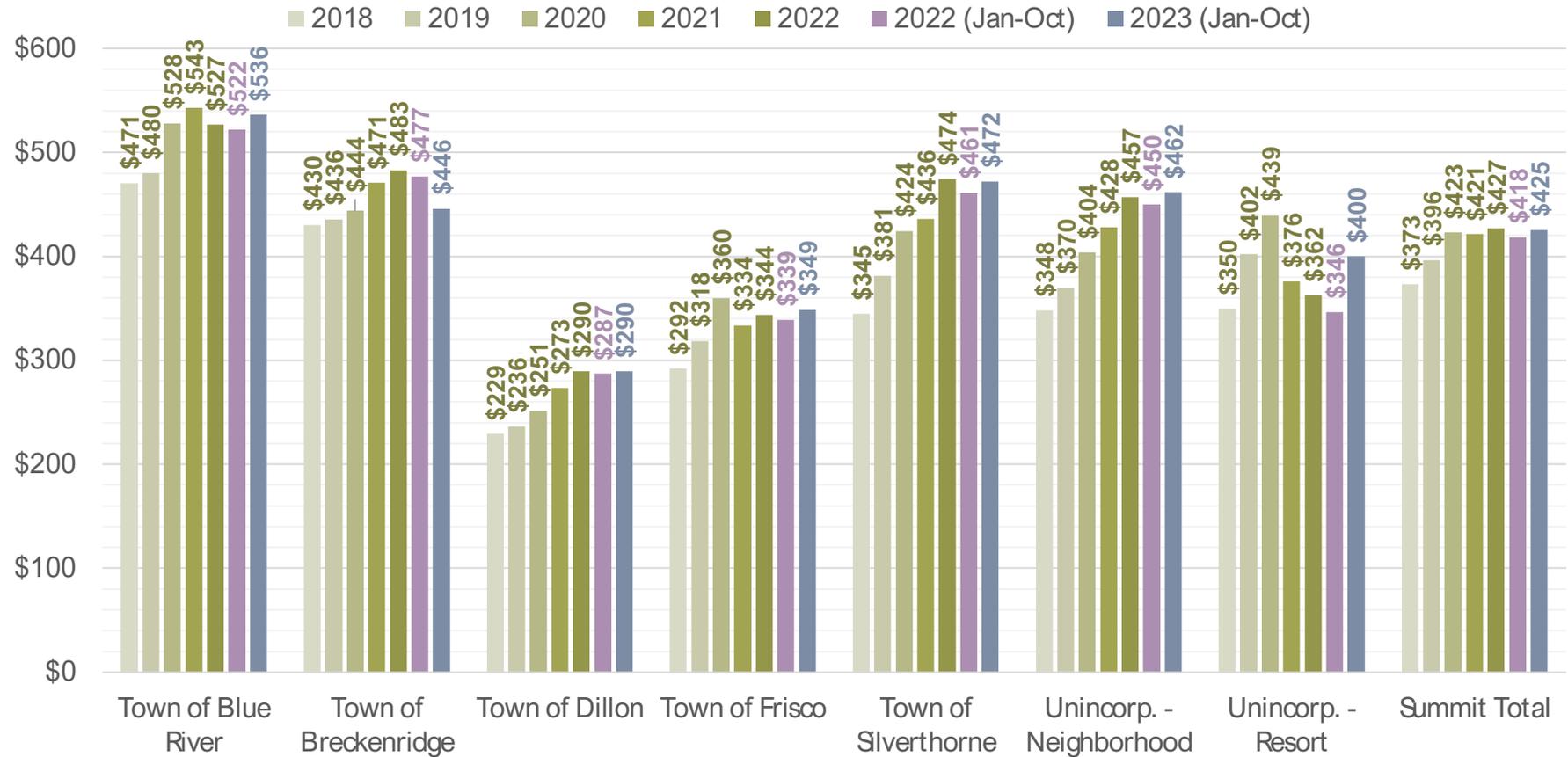


# STR ADR BY COMMUNITY

- ADRs were up from 2022 in all communities except Breckenridge in 2023, which fell to rates like those of 2020.
- The Unincorporated Neighborhood Zone ticked up to its highest ADR since 2018, despite the drop this community experienced in its share of Summit County STR revenues.

## STR ADR by Community

2018-2023

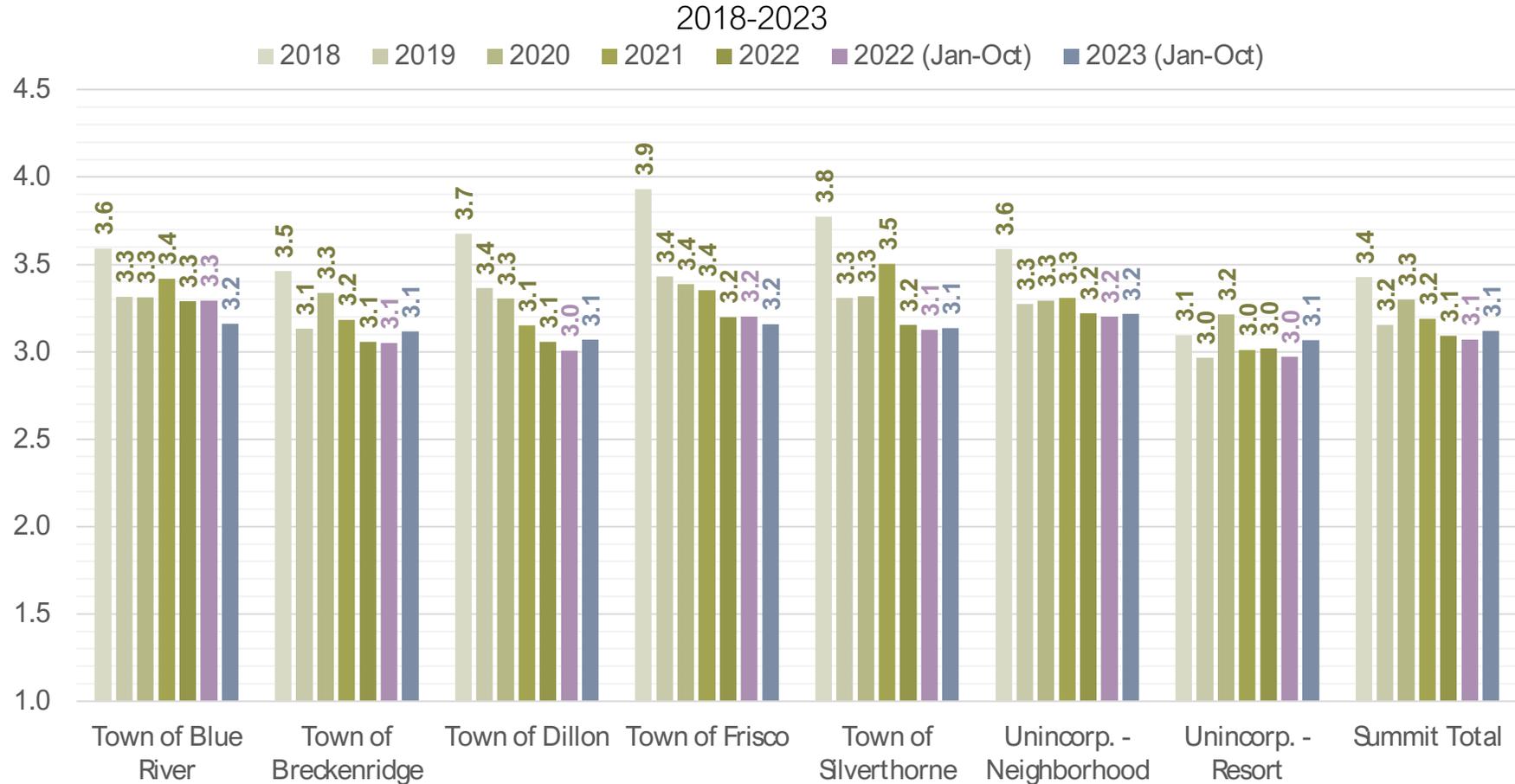




# STR AVERAGE LENGTH OF STAY BY COMMUNITY

- Length of stays are down in Summit from the highs of 2018 in nearly all communities, irrespective of STR regulations.
- As mentioned in the share of STR rental days slide, the Neighborhood Zone’s limit on overnight stays (35) might be expected to drive an increase in length of stay by STR occupants by owners preferring to book longer duration stays. However, this does not appear to have occurred within this community to date.

## STR Average Length of Stay by Community

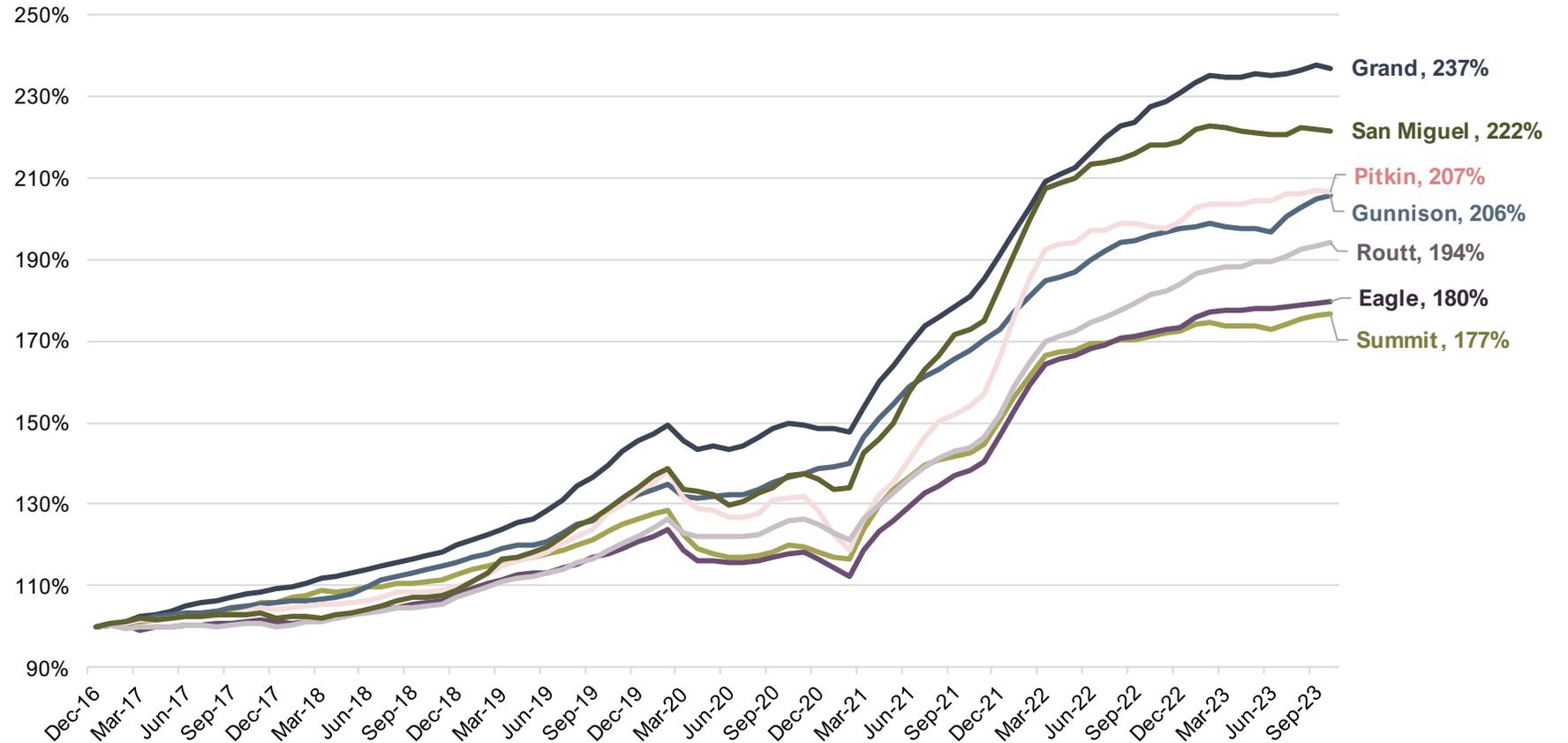




# STATE TAXABLE SALES: COUNTY COMPARISONS

- Compared to other Colorado counties, Summit's taxable sales have kept the course with prior years. The county has generally trailed others, typically occupying the lowest comparative levels of taxable sales.

**Index of State Taxable Sales- Trailing 12 Months**  
 Selected Mountain Counties | Jan-Dec 2016=100% | Thru Oct 2023

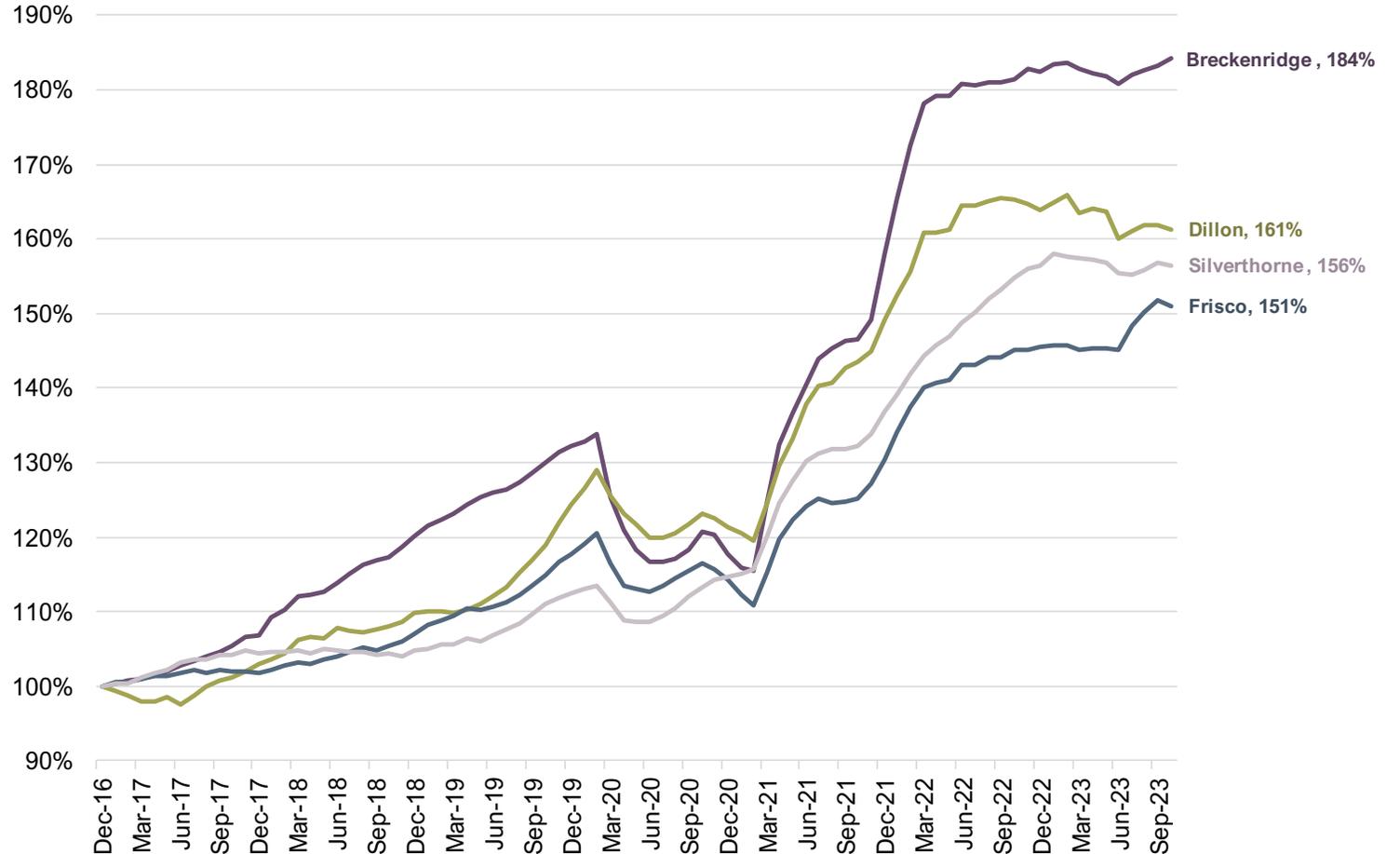




# STATE TAXABLE SALES: CITY COMPARISONS

- On a city level, taxable sales have come surging back since 2020/2021 lows, all exceeding any value prior to the pandemic.
- Breckenridge, which has the most restrictive STR regulations of the compared communities, exceeded the indexed taxable sales growth of the less STR-restricted communities of Dillon, Silverthorne, and Frisco by at least 20 percentage points.
- Both Blue River and Montezuma, compared on the next slide, had higher indexed rates of taxable sales growth but only have records dating back to January 2020.

**Index of State Taxable Sales - Trailing 12 Months**  
 Summit County Cities | Jan-Dec 2016=100% | Thru Oct 2023

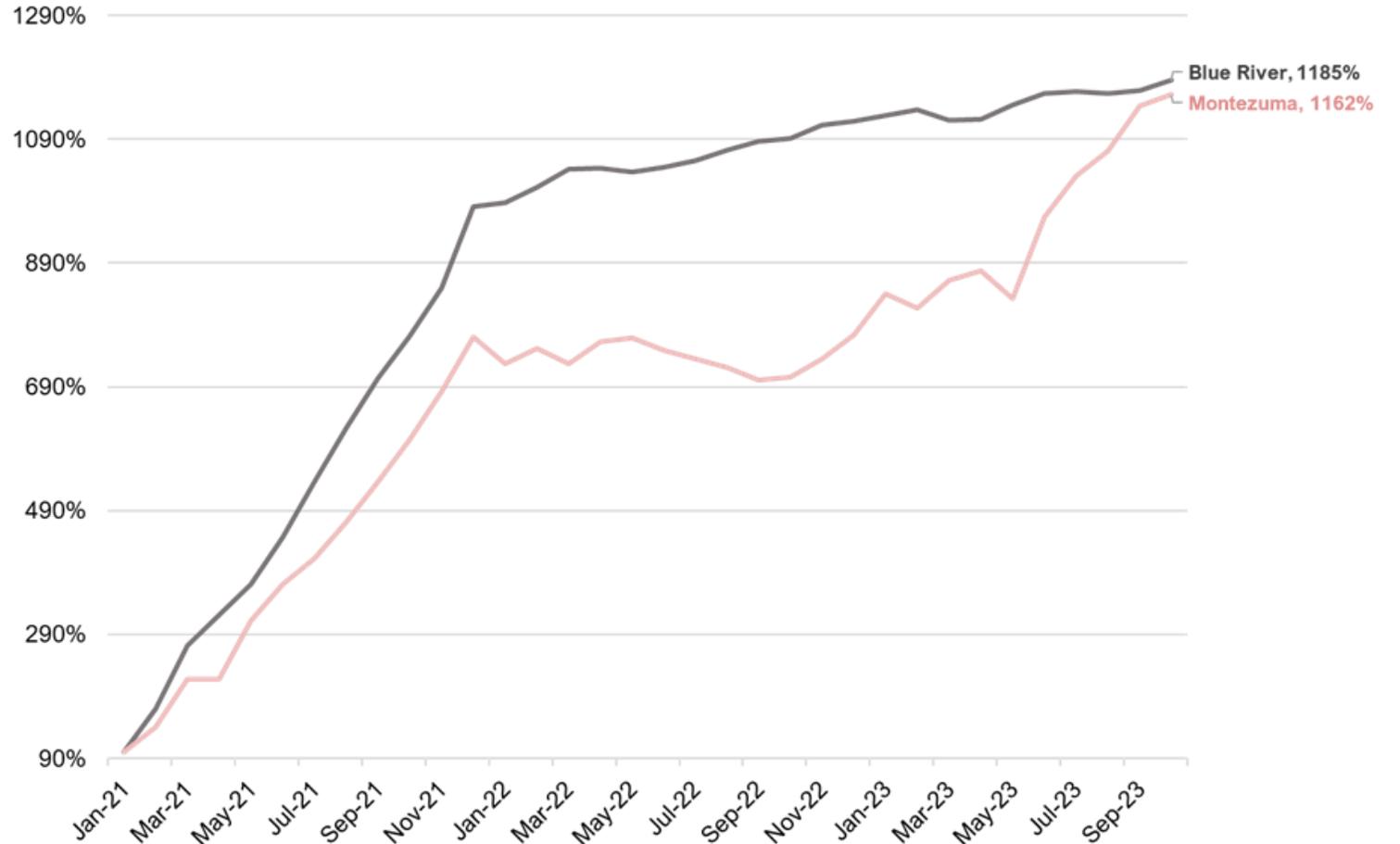




# STATE TAXABLE SALES: CITY COMPARISONS

- In terms of growth in indexed taxable sales, both Blue River and Montezuma posted the largest gains of any Summit County community.
- While Blue River has a large STR supply, Montezuma bans all STRs within city limits via their town code, indicating growth of taxable sales is likely generally unattached to STR regulations overall.

**Index of State Taxable Sales - Trailing 12 Months**  
Summit County Cities | Jan-Dec 2020=100% | Thru Oct 2023





# STR CONTRIBUTIONS TO HOUSING

*How do STRs contribute to governmental efforts to fund and generate workforce housing?*



# CONTRIBUTIONS

## STRs accounted for an estimated 46% of taxes and fees directed toward affordable housing countywide in 2022/2023.

- STR visitors are estimated to have paid \$8.1 million in Summit County 0.725% affordable housing sales taxes in 2022. These funds comprise an important component of the affordable housing budgets in Summit County as well as the towns of Breckenridge, Dillon, Frisco and Silverthorne.
- In addition, in 2022, STR visitors also paid \$483,131 in Frisco STR taxes, funds which are directed to affordable housing. Since Frisco's 5% STR tax only became effective 6/1/2022, full-year tax collections will be greater in 2023 and forward.
- Breckenridge recently implemented an STR regulatory fee charged annually and scaled to the number of bedrooms in an STR. Breckenridge budgeted \$6.4 million of these revenues for affordable housing in 2023.
- Summit County instituted a 2% lodging tax in the unincorporated portion of Summit County effective 1/1/2023, which was projected to generate \$4.7 million in 2023, of which \$2 million was budgeted to be transferred to the county's Affordable Housing Fund. STRs might be conservatively assumed to account for 85% of this housing contribution (or \$1.7 million).
- A portion of the Summit County property taxes associated with the "2010 Fund" are frequently budgeted for affordable housing purposes, including \$1.3 million in 2021, \$4.0 million in 2022 and \$5.6 million in 2023 – collectively representing 82.8% of the \$13.5 million in total expenditures from the fund in 2021-2023.
  - The 2010 fund was budgeted to generate \$2.2 million in revenues annually in 2022 and 2023. STRs accounted for 25% of Summit County assessed valuation as of 6/30/2022. As such, STRs likely generated \$560,000 in total 2010 Fund revenues in both 2022 and 2023, of which \$460,000 each year (82.8% of total funds) were effectively allocated to housing.
- Combined, the above STR taxes/fees generated \$17.2 million in annualized funding in 2022 or 2023 for affordable housing for Summit County and its municipalities. To put this in context:
  - This represents 27% of the \$64.7 million of combined housing funding across the county and towns in 2023.
  - Additionally, STRs generated 46% of the \$37.8 million in combined housing funding stemming from taxes and fees.
  - As such, STRs are responsible for a substantial share of the funding for affordable housing purposes in the county.



# CONTRIBUTIONS

## STRs generate more economic activity – and more funding for affordable housing – than second homes that are not used as STRs.

- Based on the Summit County resident and STR owner survey conducted for this study, Summit STRs are utilized an average of 42.3 weeks a year and left vacant an average of 9.7 weeks per year.
- The 42.3 weeks of utilization include an average of 30.6 weeks as a vacation rental (rented or available for rent), 7.9 weeks as a vacation residence for the owner, and 3.8 weeks for other purposes.
- By contrast, second homeowners who do not STR their unit utilize their home a much lower 24.0 weeks per year, on average (primarily for their personal use). These units are left vacant at a much higher 28.0 weeks per year on average (as compared to 9.7 weeks vacant for STR owners).
- In addition to higher utilization rates for STRs than non-STR vacation homes, visitor surveys indicate that STR guests often have higher spend (and associated tax payments) per unit per day than owners – in part because STR guests pay for lodging (while owners don't), as well as because of other differences in spending patterns and the number of persons occupying the unit. This higher spend per unit per day for STRs than non-STRs also contributes to higher tax generation from STR guests, a portion of which gets directed to housing.
- Additionally, STRs are in some jurisdictions subject to special taxation for housing purposes that non-rented units aren't – including regulatory fees in Breckenridge, STR taxes in Frisco, and a portion of lodging taxes in unincorporated Summit.



# CONTRIBUTIONS

**STRs generate substantial mass transit taxes in Summit County, which helps reduce transportation costs for local residents. STRs also generate substantial other sales, lodging, property, RETT, and other taxes and fees that benefit Summit residents.**

- STR guests paid an estimated \$9.4 million in Summit County mass transit taxes in 2022, helping fund the free Summit Stage which helps reduce transportation costs and enhance affordability for Summit locals.
- All told, STRs generated an estimated annualized \$101.8 million in taxes and fees of various types for Summit County and its municipalities. This includes \$71.2 million in sales/lodging/STR taxes, \$18.9 million in property taxes, \$9.6 million in licensing and regulatory fees, and \$2.1 million in real estate transfer taxes.

**STRs provide jobs and income for local residents, which in turn gets used to pay for housing.**

- As noted in the economic impact section, STRs directly or indirectly generate 7,693 jobs and \$417 million in labor income in Summit County in 2022 – providing a livelihood (and mechanism for paying for housing) accordingly.
- Summit County residents themselves own approximately 1000 STRs in Summit County. For these residents, STRs represent an important source of income and/or wealth, and likely help them achieve economic security in the county.



# STR TAXES & FEES

## Estimated Summit County and Town Taxes and Fees Paid by STR Visitors and Owners, 2022 or 2023

Taxes paid by STR visitors - 2022	Summit County	Town of Blue River	Town of Breckenridge	Town of Dillon	Town of Frisco	Town of Silverthorne	TOTAL
County Mass Transit tax (0.75%)	\$9,398,047	n/a	n/a	n/a	n/a	n/a	\$9,398,047
County Affordable Housing tax (0.725%)*	\$3,234,688	n/a	\$3,050,643	\$361,795	\$637,646	\$845,566	\$8,130,339
County sales tax (2%)*	\$9,493,369	n/a	\$9,278,164	\$1,212,363	\$2,106,795	\$2,970,768	\$25,061,458
City sales tax	n/a	\$552,116	\$10,519,459	\$1,515,454	\$2,106,795	\$2,970,768	\$17,664,591
City/county lodging tax**	n/a	\$521,803	\$7,256,342	\$784,052	\$564,544	\$1,317,405	\$10,444,146
City STR tax**	n/a	n/a	n/a	n/a	\$483,131	n/a	\$483,131
<b>Total sales, lodging &amp; STR taxes</b>	<b>\$22,126,104</b>	<b>\$1,073,919</b>	<b>\$30,104,609</b>	<b>\$3,873,665</b>	<b>\$5,898,910</b>	<b>\$8,104,506</b>	<b>\$71,181,712</b>
<b>Taxes/fees paid by STR owners</b>							
Property tax (2023 tax year, collected in 2024)	\$16,586,267	\$192,952	\$1,974,176	\$51,336	\$55,509	\$0	\$18,860,240
STR licensing fees and taxes (at 2023 STR counts and fee rates)	\$1,572,840	\$63,900	\$7,448,323	\$238,700	\$223,000	\$99,950	\$9,646,713
RETT taxes paid by current (2023) STR owners in 2022 (excl. timeshares)	n/a	n/a	\$1,336,307	n/a	\$786,144	n/a	\$2,122,451
<b>Total taxes paid by STR owners</b>	<b>\$18,159,107</b>	<b>\$256,852</b>	<b>\$10,758,806</b>	<b>\$290,036</b>	<b>\$1,064,654</b>	<b>\$99,950</b>	<b>\$30,629,405</b>
<b>Total taxes/fees paid by STR owners and visitors</b>							
<b>Grand total</b>	<b>\$40,285,210</b>	<b>\$1,330,770</b>	<b>\$40,863,415</b>	<b>\$4,163,701</b>	<b>\$6,963,564</b>	<b>\$8,204,456</b>	<b>\$101,811,117</b>

\*County housing and sales taxes generated in Breckenridge, Dillon, Frisco and Silverthorne have been allocated to those towns.

\*\*Dates when current lodging tax rates became effective: unincorporated Summit 1/1/2023; Dillon 1/1/2023; Silverthorne 7/1/2022.

\*\*Dates when STR taxes became effective: Dillon 7/1/2023; Frisco 6/1/2022.

Note: Food for home consumption is exempt from Breckenridge sales tax, County affordable housing tax, or state sales tax.



# STR TAXES & FEES WHICH SUPPORT AFFORDABLE HOUSING

## STR Taxes and Fees Which Fund Affordable Housing

Taxes paid by STR visitors which go toward housing, 2022	Summit County	Town of Blue River	Town of Breckenridge	Town of Dillon	Town of Frisco	Town of Silverthorne	TOTAL
County Affordable Housing tax (0.725%) - 2022	\$3,234,688	n/a	\$3,050,643	\$361,795	\$637,646	\$845,566	\$8,130,339
City/county lodging tax - 2023	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$1,700,000
City STR tax - 2022	n/a	n/a	n/a	\$0	\$483,131	\$0	\$483,131
<b>Total sales, lodging &amp; STR taxes</b>	<b>\$4,934,688</b>	<b>\$0</b>	<b>\$3,050,643</b>	<b>\$361,795</b>	<b>\$1,120,777</b>	<b>\$845,566</b>	<b>\$10,313,470</b>

## Taxes/fees paid by STR owners which go toward housing

County property taxes - 2010 fund	\$466,315	n/a	n/a	n/a	n/a	n/a	\$466,315
STR licensing fees and taxes (2023 budgeted)	0%	\$0	\$6,439,370	\$0	\$0	\$0	\$6,439,370
<b>Total taxes paid by STR owners</b>	<b>\$466,315</b>	<b>\$0</b>	<b>\$6,439,370</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,905,685</b>

## Total taxes/fees paid by STR owners and visitors

<b>Grand total</b>	<b>\$5,401,003</b>	<b>\$0</b>	<b>\$9,490,013</b>	<b>\$361,795</b>	<b>\$1,120,777</b>	<b>\$845,566</b>	<b>\$17,219,155</b>
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## STR-Derived Affordable Housing Funding as a Share of Total Housing Funding

	Summit Co (Blue River has no housing fund)	Breckenridge Affordable Housing Fund	Dillon Housing 5a Fund	Frisco Housing Fund	Silverthorne Housing 5A fund	SUM	
<b>Workforce housing budgets</b>							
Total housing revenues, 2023	\$10,295,000	\$0	\$30,889,474	\$1,267,692	\$16,525,830	\$5,704,186	\$64,682,182
<b>STR-derived housing revenues as a share of 2023 total housing revenues</b>	<b>52%</b>	<b>n/a</b>	<b>31%</b>	<b>29%</b>	<b>7%</b>	<b>15%</b>	<b>27%</b>
Housing revenues, 2023 - from taxes & fees	\$7,856,000	\$0	\$22,872,414	\$1,096,623	\$2,800,000	\$3,200,000	\$37,825,037
<b>STR-derived housing revenues as a share of 2023 tax- and fee-derived housing revenues</b>	<b>69%</b>	<b>n/a</b>	<b>41%</b>	<b>33%</b>	<b>40%</b>	<b>26%</b>	<b>46%</b>



# COMMUNITY STR SENTIMENT

*What are the opinions of residents, vacation homeowners, and STR owners regarding STRs?*



# COMMUNITY SURVEY INTRODUCTION

## INTRODUCTION

As a part of the overall STR investigation, a statistically valid survey was conducted. Postcard invitations were sent to a random sampling of residents and second homeowners in the three counties of interest, Summit and Pitkin Counties in Colorado and Teton in Wyoming. Additionally, invitations were sent to residents in three other Colorado counties: Eagle, Grand and Routt; these three counties are characterized by major ski resorts and have significant numbers of STR properties within their geographic areas. The surveying effort was conducted cooperatively with the Northwest Council of Governments and Colorado Association of Ski Towns.

## THE SURVEY QUESTIONS

The survey invitation did not speak specifically to the topic of STRs. Rather, it invited respondents to participate in a “community survey” on a variety of topics. The intent was to not directly encourage participation from interest groups either pro or con in their opinions of STRs. Instead, the bank of STR questions were part of a larger survey that elicited input on a variety of topics, of which the STR questions were only a part of the whole. An attempt was made to ask questions in a neutral format without an indication of bias toward the controversial topic that STRs have become.

The following slides summarize results from selected survey questions. A complete set of responses to all STR questions is presented in the Appendix to this report.



**YOU ARE INVITED TO PARTICIPATE IN THE MOUNTAIN COMMUNITY SURVEY!**

**We want to hear from you!**

Complete the survey for a chance to win a \$50 Visa gift card!



# FINDINGS

## **Summit respondents are primarily vacation homeowners or local residents that own their property.**

- 63% of respondents own a vacation home/second home in Summit county and 31% are local residents; nearly all (98%) own their property.
- Two-thirds of respondents (66%) have used the property as a vacation home at any point during ownership and about one-third of respondents have used the property as a primary residence (36%) and/or vacation rental (32%) at any point.

## **A large sample of Summit County owners were asked, “Generally speaking, what is your view of vacation rentals in the community?” Among owners of property, results indicated mixed feelings:**

- 44% of all Summit respondents report that they have “mixed- both positive and negative feelings’ about vacation rentals.
- 71% of all respondents that use their property as a vacation rental indicate that vacation rentals have a mostly positive impact on the community.
- 84% of all Summit respondents indicate that vacation rentals benefit to the local economy; however, over a third of this same group also indicate downsides, namely pertaining to the impact on Summit’s community character (43%) and on the housing supply for locals (39%). Clearly, the survey responses indicate the mixed and complex opinions toward STRs.





# FINDINGS

## Respondents that use their property as a vacation rental do so for use flexibility and additional income.

- Among respondents that have used their property as a vacation rental within the past 12 months, approximately 70% have done so for investment/income purposes and/or because it allows the property to be used personally or as a vacation home.
- On a scale of non-dependence (1) to extreme dependence (5), Summit respondents that rent to visitors are moderately dependent on renting to afford the home (average of 3.3/5). These respondents are less dependent on renting to afford their livelihoods in general (average of 2.6/5).
- Among those that have ever used their home as a vacation rental but not as a long-term rental for local residents, 80% have not rented to locals because it would prevent their own use or use by their family/friends. Over half (59%) have not done so to avoid damage to the unit.
- In a hypothetical situation where vacation rentals were banned, on a scale of definitely not likely (1) to definitely likely (5) to react in certain ways in response to the ban, respondents who have ever used the unit as a short-term/seasonal rental are moderately likely to just leave the unit vacant (average of 3.6/5), sell the unit (average of 3.0/5), or look to buy a different unit where vacation rentals were allowed (average of 3.0/5).
- Over half of respondents who have ever used their unit as a short-term/seasonal rental would not have purchased the home if vacation rentals were prohibited from the area (55%).





# RESPONDENT TYPE

- Over half of respondents to the survey indicated that they **owned a vacation home/ second home** in the area. Summit County contained the largest share of this group (**63%**).
- Full-time residents made up about one-third of respondents in Summit (**31%**).

This survey is intended for residents, employees, second homeowners, and residential property owners in Summit, Eagle, Grand, Pitkin, and Routt Counties. Which of the following describe you? (Check all that apply)

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
I own a vacation home / second home or timeshare in this area	56%	63%	51%	43%
I am a full-time, year-round resident of this area	37%	31%	43%	46%
I own one or more investment residences in this area	13%	12%	8%	19%
I work in this area	9%	6%	9%	14%
I am a seasonal employee living and working in this area for part of the year	1%	1%	2%	1%
I commute to work in this area from a residence located outside of this area	0.5%	0.5%	1%	0.4%
Other	3%	2%	3%	4%
None of the above	0.5%	0.3%		1%
n=	1,106	643	180	283



# OPINION OF VACATION RENTALS

Generally speaking, what is your view of vacation rentals in the community?

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Mixed – both positive and negative	42%	44%	36%	43%
Vacation rentals have a mostly positive impact on the community	32%	37%	35%	18%
Vacation rentals have a mostly negative impact on the community	18%	14%	20%	25%
Vacation rentals have no discernable impact on the community	4%	2%	4%	9%
Other	2%	2%	2%	1%
Don't know / Uncertain	2%	1%	3%	4%
n=	962	572	158	232

- All respondents were asked to give their general opinions about vacation rentals in their community. This important question provides a measure of overall opinion among owners of residential property in the counties.
- While a plurality of respondents in all counties acknowledge the mixed impacts of vacation rentals, having **both positive and negative impacts on the community (44% in Summit)**, respondents in Summit were much more likely to indicate that vacation rentals had a positive impact on the community (37%) than a negative impact (14%).
- Comparatively, respondents in Teton were less likely to note the positive impacts of vacation rentals than respondents in Summit or Pitkin.



# VIEW OF VACATION RENTALS

BY OWNERSHIP/USE

Generally speaking, what is your view of vacation rentals in the community?  
by Ownership/Use of Property

	Grand Total	Own (Detailed) vs. Rent		
		Own - Use as Primary Residence Only	Own - Use as Seasonal Residence	Own - Use as Seasonal Residence and STR
Mixed – both positive and negative	43%	45%	54%	22%
Vacation rentals have a mostly positive impact on the community	32%	17%	22%	71%
Vacation rentals have a mostly negative impact on the community	17%	29%	17%	1%
Vacation rentals have no discernable impact on the community	4%	6%	3%	2%
Other	2%	2%	1%	3%
Don't know / Uncertain	2%	2%	2%	1%
n=	786	307	283	196

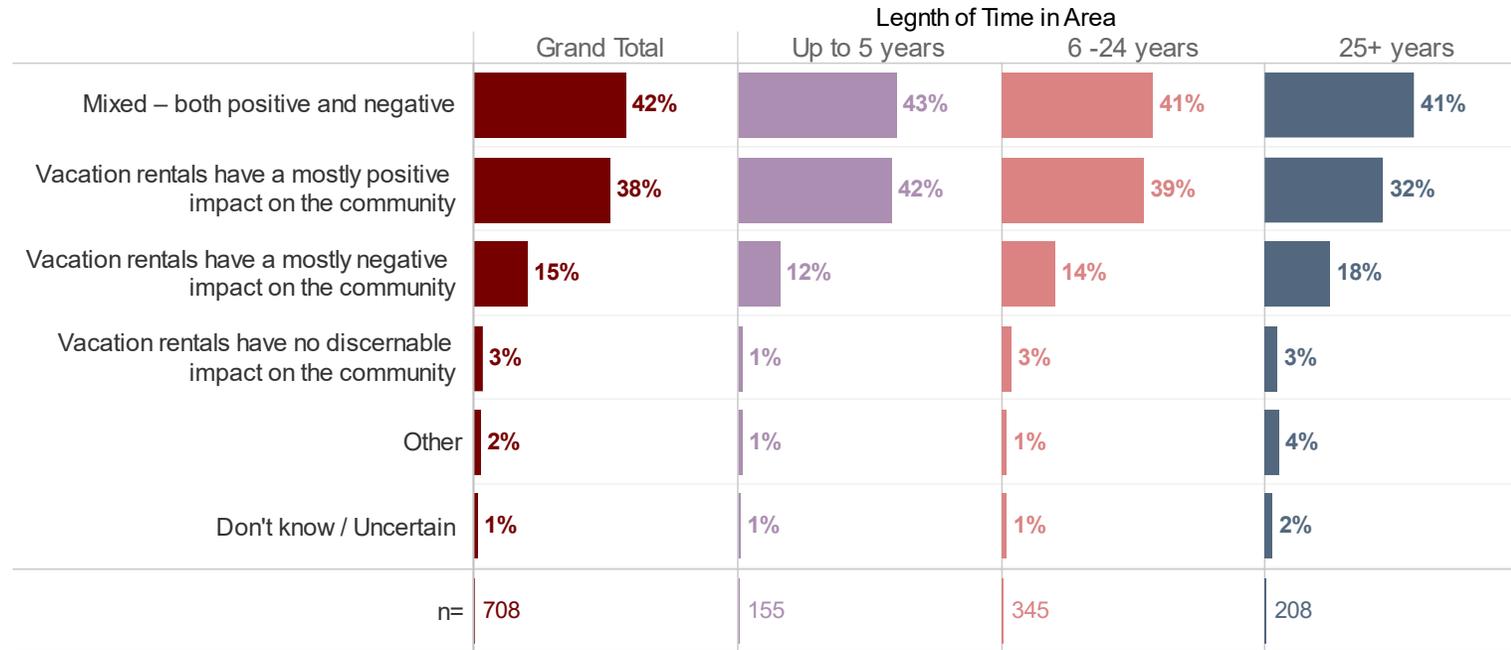
- Among all respondents across Summit, Pitkin, and Teton counties, the general view of vacation rentals in the respective communities was influenced by home ownership and use patterns.
- Most notably, nearly three-quarters of respondents (**71%**) who owned their property and used it as a seasonal residence as well as an STR viewed vacation rentals as having a mostly positive impact on the community.
- Conversely, homeowners who *did not* use the property as an STR were more mixed in their opinion.



# VIEW OF VACATION RENTALS

BY LENGTH OF TIME IN AREA

Generally speaking, what is your view of vacation rentals in the community?  
by Length of Time in Area



- The share of respondents that noted a **negative impact** of vacation rentals on the community increased slightly with time in the area (6 percentage point difference between shortest and longest time span). However, the difference by length of time was less pronounced than the difference by ownership and use patterns.



# PROS/CONS OF VACATION RENTALS

- To delve more into the mixed feelings regarding vacation rentals, respondents were also asked to note the concerns and benefits rentals bring to the community.
- 84% of Summit respondents found the economic contributions of vacation rentals beneficial** – much higher than Pitkin or Teton respondents. Over half of Summit respondents also indicated that **vacation rentals enabled the community to have more amenities (64%)**.
- Conversely, over a third of Summit respondents were **concerned about the impacts of vacation rentals on the character and quality of life (43%)** of the community and on the **housing supply for locals (39%)**.

What benefits, if any, do you feel that vacation rentals bring to the community? (Check all that apply)

	Grand Total	Summit	Pitkin	Teton
Contribute to the local economy	76%	84%	64%	65%
Enable the community to have more amenities	55%	64%	45%	42%
Support property values	39%	47%	33%	24%
Add vitality and energy to the community	27%	30%	27%	20%
Other benefits	6%	7%	4%	7%
No benefits	10%	6%	14%	19%
Don't know / Uncertain	4%	2%	8%	7%
n=	1,011	596	166	249

What concerns, if any, do you have about vacation rentals in the community? (Check all that apply)

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
Impacts on community character and quality of life	46%	43%	36%	59%
Impacts on the housing supply for local residents	42%	39%	46%	45%
Increases to the cost of housing	31%	28%	31%	40%
The number or density of vacation rentals	30%	30%	32%	29%
Other concerns	9%	11%	7%	6%
No concerns	22%	22%	29%	15%
Don't know / Uncertain	4%	3%	4%	5%
n=	1,008	593	168	247



# UNIT OWNERSHIP

- Nearly all respondents in Summit (98%) indicated that they **owned their residence** in question, as opposed to renting or otherwise.

Do you own or rent the residence that you occupy in this area?

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
I own my residence	97%	98%	89%	100%
I rent my residence	3%	2%	10%	
Neither - I am currently looking for housing	0.2%	0.3%		
Other:	0.1%		1%	
n=	1,081	635	174	272



# UNIT TYPE

- **Single-family homes, condominiums, and townhomes** were the most common residence types among all respondents. A collective **77%** of Summit respondents lived in either a single-family home or a condominium.
- Residences tended to have between **2-4 bedrooms**, with **81%** of residences in the Summit sample falling in this size group.

What type of unit is this residence?

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
Single family detached home	48%	39%	43%	69%
Condominium	33%	38%	40%	17%
Townhome	15%	18%	10%	12%
Duplex or triplex	2%	2%	2%	1%
Mobile home	0.3%	0.2%	1%	
Apartment with 4 or more units	0.2%	0.2%	1%	
Other:	2%	2%	3%	1%
n=	975	575	141	259

How many bedrooms does your residence have? (If your property includes an ADU, please respond for the primary unit only.)

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
1	9%	9%	10%	7%
2	25%	27%	22%	20%
3	35%	35%	25%	41%
4	21%	19%	23%	26%
5	6%	6%	10%	5%
6	1%	1%	3%	1%
7	0.4%	1%		0.5%
8 or more	0.4%	1%	1%	
None – studio / efficiency	2%	2%	5%	0.5%
n=	899	553	129	217



# ADU INCLUSION & USE

- **ADUs were not highly common** within the sample, with only **16%** of Summit respondents reporting one on their property.

Does your property include a garage apartment or onsite accessory dwelling unit (ADU)?

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Yes	17%	16%	11%	23%
No	82%	83%	88%	76%
Don't know/Not sure	1%	2%	1%	1%
n=	970	572	140	258

[If unit includes ADU] For what purpose(s) do you use your garage apartment or ADU? (Check all that apply)

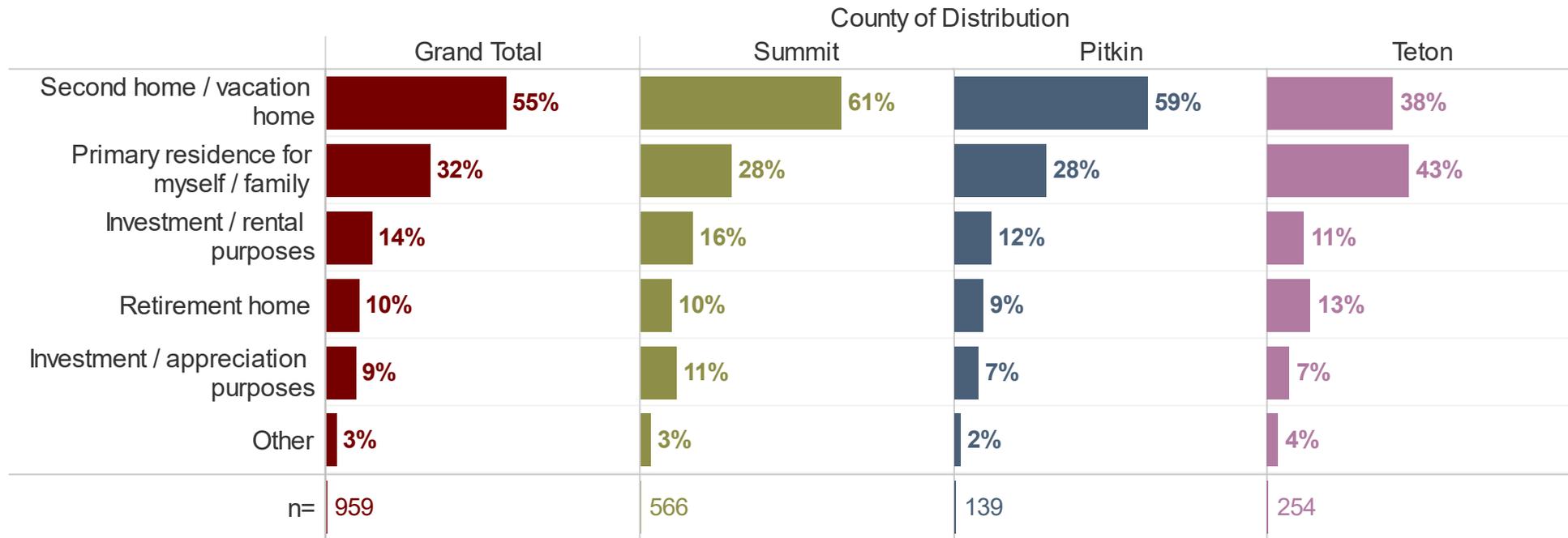
	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Personal use	49%	46%	67%	49%
Vacant / not used	14%	16%	8%	10%
Rental to local residents	13%	11%		18%
Rental to visitors	11%	14%	8%	6%
Occupied by my relatives	4%	1%	17%	6%
Other	17%	20%	17%	12%
n=	140	79	12	49

- Of properties that included an ADU, the largest share of respondents used them for **personal use (46% in Summit)**.



# PURPOSE OF ACQUISITION

For what reason(s) did you originally acquire your residence? (Check all that apply)



- Nearly two-thirds (**61%**) of Summit respondents indicated that their property was originally acquired for **use as a second home/ vacation home**.
- Just over a quarter (**28%**) of Summit respondents indicated that their property was purchased as a primary residence.
- Summit was very similar to Pitkin in this regard.



# USE PURPOSES OVER TIME

- Aligning closely with the original purpose of acquisition, two-thirds (66%) of Summit respondents have used the property as a **seasonal/vacation residence** over the entire period of ownership.
- Approximately a third have also used the property as a **primary residence (36%)** and as a **short-term rental (32%)**.

Over the entire period you have owned your residence, what purpose(s) have you used it for? (Check all that apply. If your property includes an accessory unit, please respond for the primary unit only.)

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Seasonal or vacation residence for myself / family	61%	66%	63%	46%
Primary residence for myself / family	39%	36%	37%	49%
Short-term rental of entire home to visitors	28%	32%	31%	17%
Seasonal rental of entire home to visitors (rental for 30 consecutive days or more)	10%	12%	7%	6%
Long-term rental of entire home to local residents	8%	7%	4%	12%
Long-term rental of a bedroom (but not entire home) to local residents	3%	3%	1%	3%
Rental of a bedroom (but not entire home) to visitors	2%	2%	3%	1%
Other	2%	1%	1%	2%
n=	864	540	134	190



PROPERTY USE:

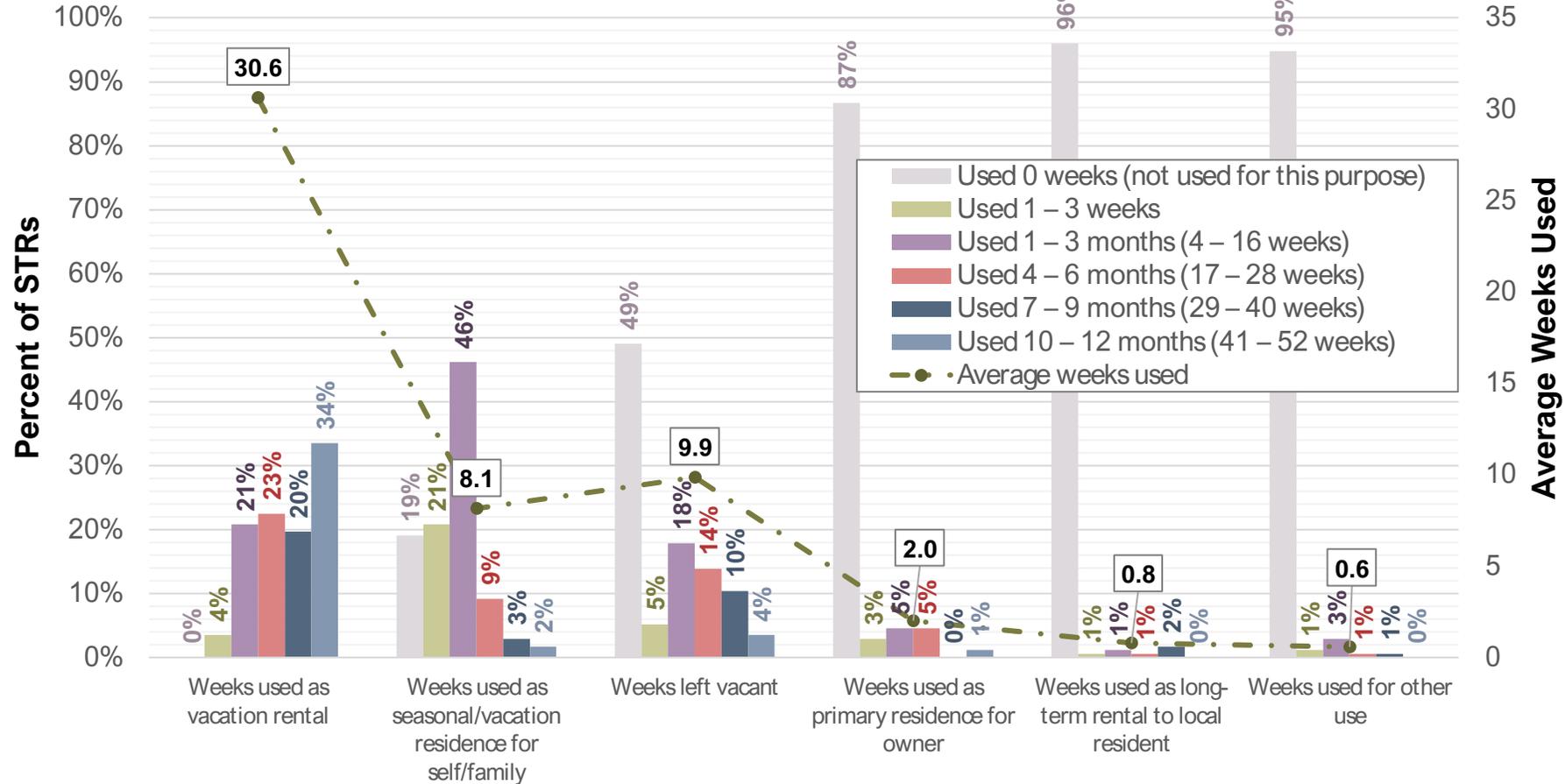
# USE OF STRs IN SUMMIT OVER LAST 12 MONTHS

IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?

- The graph to the right shows the distribution of use types among respondents from Summit county who have used their unit as a vacation rental for at least 1 week within the last 12 months (N=173).
- A third (34%) of respondents used the unit as a vacation rental nearly year-round (10-12 months) of the past year. Approximately 20% each rented their unit between 1 and 9 months.
- When not using the unit as a vacation rental, this group are most apt to use the home as a seasonal residence and/or leave the unit vacant.

## Weeks of Use of STRs for Various Purposes in the Past 12 Months

Universe: Summit County Homes Used as STRs 1+ Weeks/Year





**PROPERTY USE:**

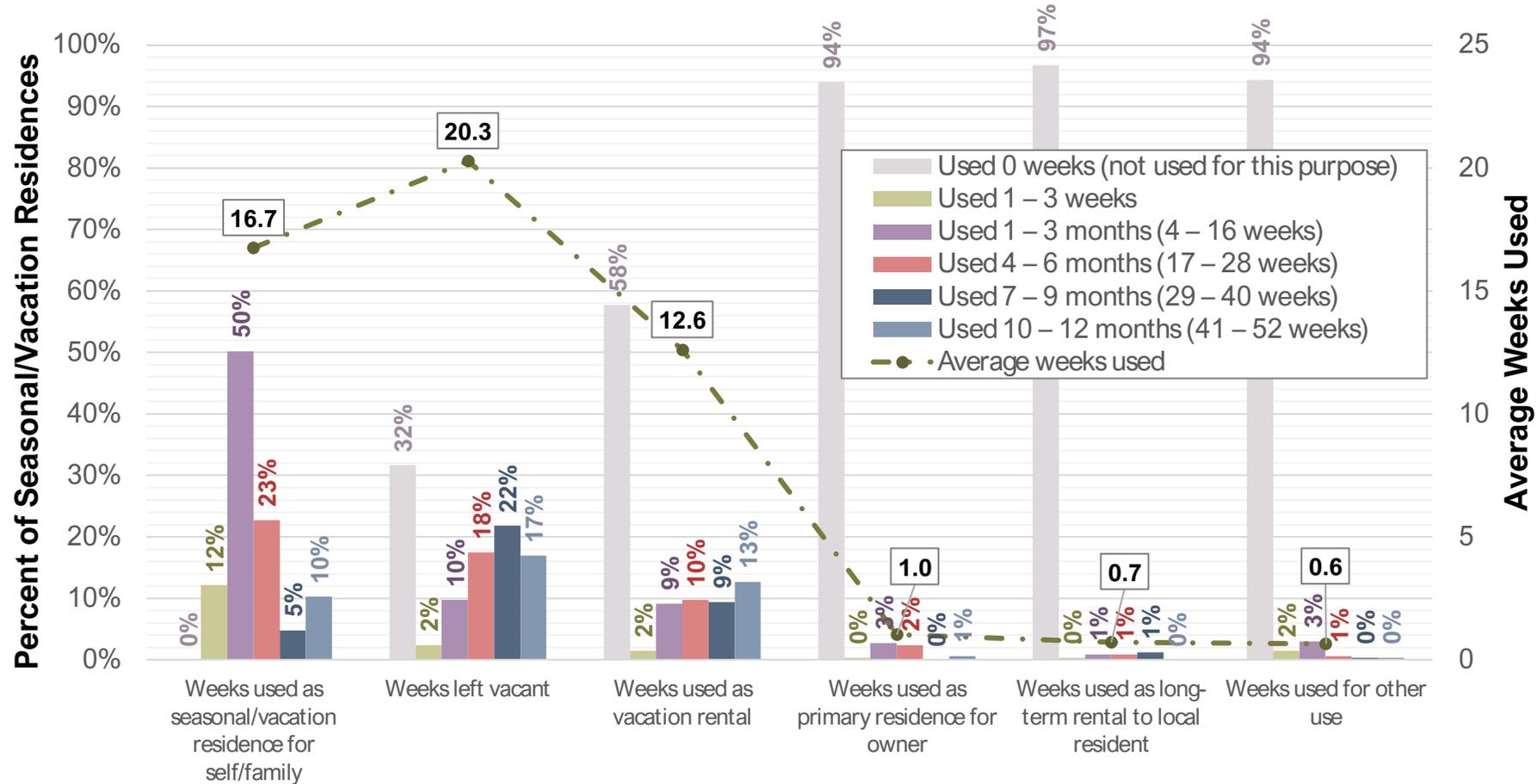
# USE OF VACATION RESIDENCES IN SUMMIT OVER LAST 12 MONTHS

**IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?**

- The graph to the right shows the distribution of use types among respondents from Summit county who have used their unit as a seasonal/vacation residence for at least 1 week within the last 12 months (N=331).
- Half of respondents used the unit as a vacation residence for **1-3 months** of the past year (50%).
- When not using the unit as a vacation residence, this group are most apt to **leave the home vacant** and/or as a **vacation rental**.

## Weeks of Use of Vacation Homes for Various Purposes in the Past 12 Months

Universe: Summit Homes Used as Vacation Residence by Owner 1+ Weeks/Year





PROPERTY USE:

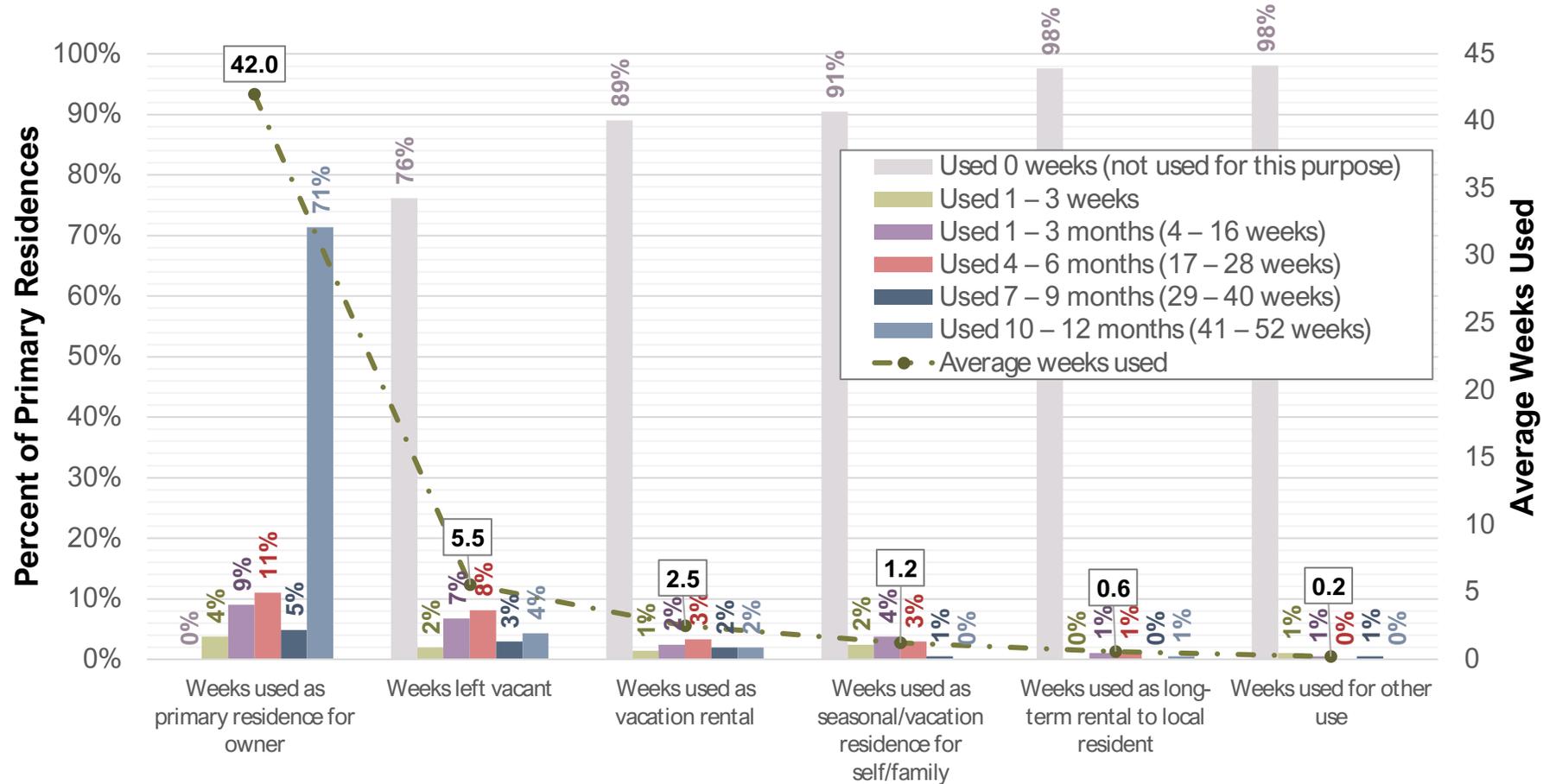
# USE OF PRIMARY RESIDENCE IN SUMMIT OVER LAST 12 MONTHS

IN THE PAST 12 MONTHS, HOW MANY WEEKS WAS YOUR ENTIRE HOME (NOT JUST A BEDROOM) USED FOR THE FOLLOWING?

- The graph to the right shows the distribution of use types among respondents from Summit County who have used their unit as a primary residence for at least 1 week within the last 12 months (N=210).
- Nearly three-quarters (**71%**) of respondents used the home as a primary residence for **10-12 months** of the past year.
- When not using the unit as a primary residence, this group is most apt to **leave the home vacant** and/or as a **vacation rental**.

## Weeks of Use of Primary Residence for Various Purposes in the Past 12 Mo.

Universe: Summit Homes Used as Primary Residence by Owner 1+ Weeks/Year



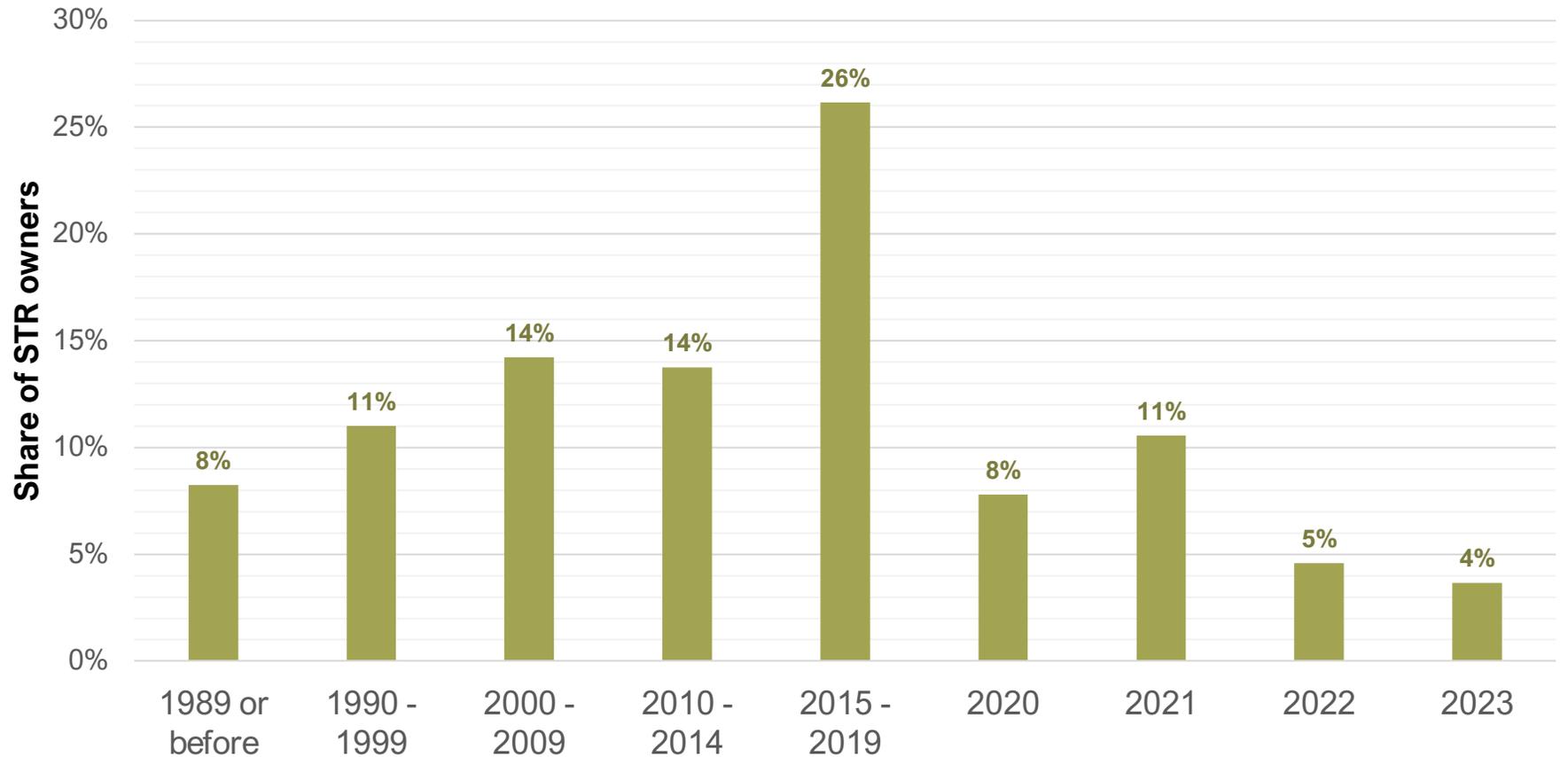


**PROPERTY USE:**

# **STR OWNERS: WHEN DID YOU FIRST RENT YOUR HOME TO VISITORS?**

- Most STR owners responding to the survey have been renting for several years.
- 73% began STR'ing pre-Covid (2019 or before).
- 27% began STR'ing in 2020 or later.

**[If used unit as vacation rental for 1 week or more in the last year] In what year did you first rent your home to visitors?**

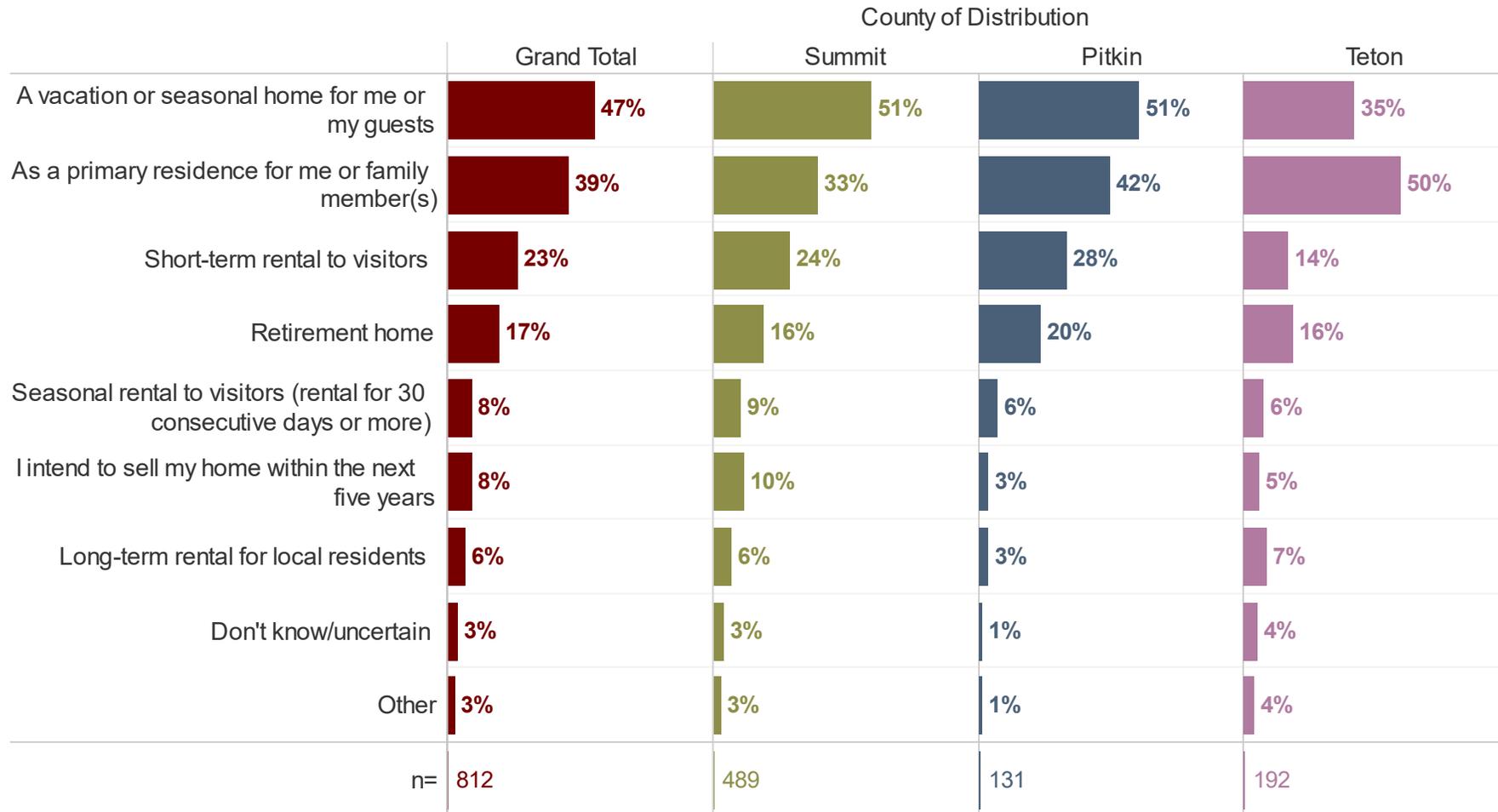




# EXPECTED USE

- Respondents' expected uses follow in accordance to their original purpose of acquisition and use thus far.
- Summit and Pitkin respondents align closely in their top expected future uses of **vacation home, primary residence, and short-term rental to visitors.**

How do you expect to be using your home five years from now? (Check all that apply)





# MAINTENANCE & OPERATION

Which of the following do you use to maintain and operate your residence (including vacation rental management, if applicable)? (Check all that apply)

County of Distribution

	Grand Total	Summit	Pitkin	Teton
Use or belong to a homeowners association	59%	62%	60%	50%
Work is performed by myself or family members	55%	57%	39%	58%
Hire contractors/employees/specialty services	35%	37%	29%	33%
Hire a property management company	31%	30%	39%	28%
Hire an on-site caretaker	4%	4%	3%	5%
Other	3%	2%	2%	4%
n=	800	468	127	205

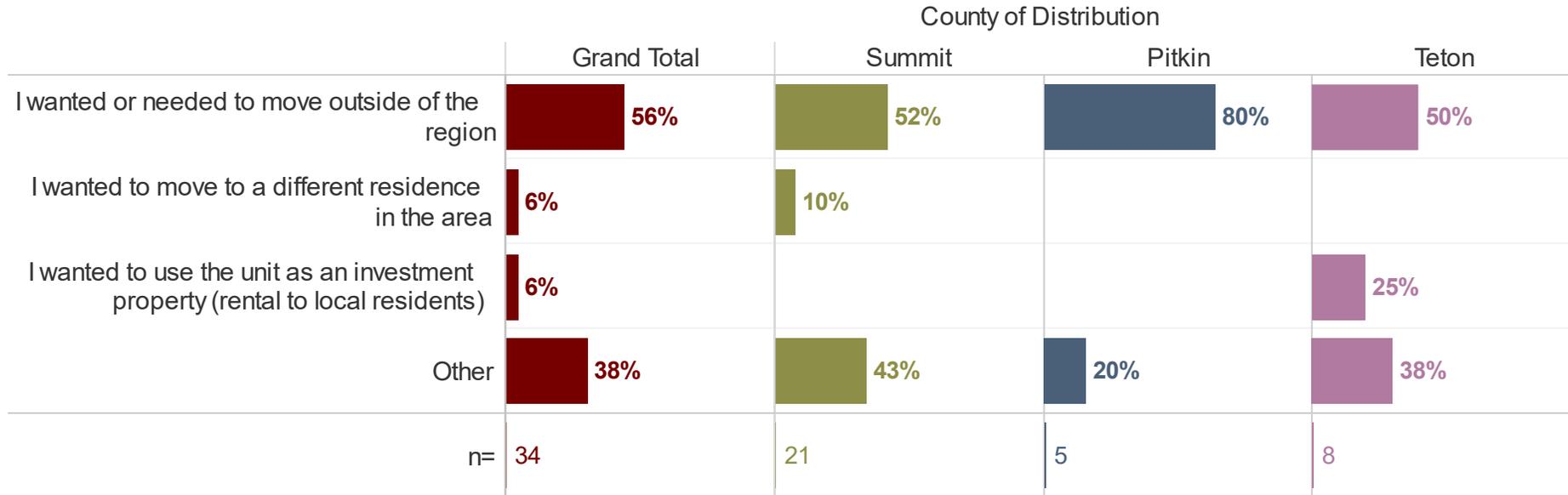
- Two-thirds of Summit county respondents (62%) maintain their residence with the assistance of a **homeowners association (HOA)**. HOA use had the highest share of users in Summit.
- Over half of Summit respondents (57%) performed maintenance/operation **work themselves**.
- Approximately a third of respondents also made use of hired contractors or property management companies.



PROPERTY USE:

# SWITCH FROM PRIMARY RESIDENCE

[If weeks used as primary residence = 0, but have used unit as primary residence in the past] **Why did you stop using your property as your primary residence? (Check all that apply)**



- Respondents do not always use their property in the same way over time.
- Among those that have once used the property as a primary residence but have not done so in the last 12 months, over half of Summit respondents (52%) explained this switch as **wanting/needing to move outside of the region**. This was the most commonly selected explanation across all surveyed counties, *though small subsamples limit wide generalizations*.



# SWITCH TO PRIMARY RESIDENCE

[If weeks used as primary residence > 0, but have not used unit as primary residence in the past] **Why did you begin using your property as your primary residence? (Check all that apply)**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
More flexibility to live where I want due to retirement	46%	39%	73%	50%
More flexibility to live where I want due to ability to work remotely	26%	28%	27%	23%
More flexibility to live where I want due to other personal reasons (e.g. became empty nester, etc.)	24%	28%	18%	18%
I had to sell or vacate my previous primary residence	2%	4%		
Other	16%	17%	9%	18%
n=	87	54	11	22

- Conversely, among those that have only recently began using their property as a primary residence, **39%** of Summit respondents did so in seeking **more flexibility due to retirement**. **28%** of this same group, also sought flexibility due to remote work or personal reasons.
- Comparatively, Summit respondents were more diverse in their reasoning than Pitkin or Teton respondents, *though small subsamples limit wide generalizations*.



# RENTING TO VISITORS

- Among respondents who have used their property as a vacation rental, many do so for a combination of reasons, including **investment / income (69%)**, **personal flexibility (70%)**, and **general enjoyment (45%)**.
- Summit respondents in particular were more likely to report renting to visitors because of enjoyment than Pitkin or Teton respondents.
- This subsample was moderately dependent on renting to **afford the unit (3.3 out of 5.0)**, but less so to support their livelihood (2.6 out of 5.0).

[If weeks rented as vacation rental > 0] **What are the main reason(s) you have rented your home to visitors? (Check all that apply)**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Investment / income purposes	74%	69%	76%	90%
It allows me/my family the flexibility to use the home for vacations or other personal use	65%	70%	60%	51%
I enjoy providing a positive experience to visitors	37%	45%	21%	20%
Investment / appreciation purposes	23%	27%	19%	12%
I am required or encouraged to rent my unit to visitors by my HOA	3%	1%	10%	4%
Other	7%	8%	5%	8%
n=	261	170	42	49

[If weeks rented as vacation rental > 0] **To what extent do you depend on renting to visitors to financially support your livelihood and to afford your unit? (1 = Not at all dependent; 5 = Extremely dependent)**

Rating Category	Average Rating		
	Summit	Pitkin	Teton
Dependence on renting to afford my unit	n=162 3.3	n=41 3.5	n=48 2.7
Dependence on renting to support my livelihood	n=167 2.6	n=41 2.6	n=48 2.0



# RESIDENT -> VISITOR RENTAL CONVERSION

- Among respondents who have used their property as a vacation rental recently, but rented to locals in the past, the largest share of respondents made this switch away from renting to residents out of a **desire for personal use of the unit (64%)**.
- Some respondents have selected a variety of other reasons for this switch, but *small subsamples limit wide generalizations*.

[If weeks rented as vacation rental > 0, but rented to local residents in the past] **You responded that you've rented to visitors in the past 12 months, and rented to residents in the past. Why did you switch from renting to residents to renting to visitors? (Check all that apply)**

	Grand Total	County of Distribution		
		Summit	Teton	Pitkin
Vacation rental allows for personal use of unit by me/family	63%	64%	67%	50%
Difficulty finding and screening good long-term renters	32%	36%	33%	
Less damage or wear-and-tear to unit from renting to visitors than residents	26%	21%	33%	50%
Poor experience renting to resident(s) (e.g. damage to unit, rent late, etc.)	26%	21%		100%
Greater net income from renting to visitors	26%	14%	100%	
Online vacation rental platforms have made it easier to rent to visitors	21%	21%	33%	
The unit is a better fit as a vacation rental than a resident rental (e.g. due to level of finish, amenities, or other reasons)	16%	7%	33%	50%
Other reason(s)	26%	29%		50%
n=	19	14	3	2



# VISITOR -> RESIDENT RENTAL CONVERSION

- Among respondents who have rented to residents recently, but have rented to visitors in the past, over half have started to rent to locals **out of a desire to help out the community (58%)**.
- **38%** of Summit respondents also noted there was **less work involved in renting to residents** than visitors.
- Other relatively common reasons were out of concern for community impact, desire for more control over the unit, and not needing to personally use the unit.
- *Caution: small sample sizes.*

[If weeks rented to local residents > 0, but used as vacation rental in the past] **You responded that in the past 12 months, you've rented to residents but not visitors. What are the primary reason(s) you have rented to residents instead of visitors? (Check all that apply)**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Want to help out local residents / the community	65%	58%	67%	71%
Less work involved in renting to residents	39%	38%	33%	42%
More control over my unit from renting to residents than to visitors	33%	25%	67%	38%
Concerned about neighborhood or community impacts of renting to visitors	25%	29%	33%	21%
The unit is a better fit as a resident rental than a vacation rental	25%	13%	33%	38%
I don't want to use my unit for vacations or other personal use	18%	25%		13%
Restrictive local regulations or high licensing fees on vacation rentals	16%	21%	33%	8%
Better financial return from renting to residents	14%	13%	33%	13%
I haven't seriously explored renting to visitors	6%			13%
Local incentives to shift from visitor rental to resident rental	4%	8%		
Other	10%	13%		8%
n=	51	24	3	24



# WHY NOT RENT TO VISITORS?

- Over half of Summit respondents who own a second home but have *never rented to visitors* have not done so because of **wanting to avoid damage to the unit (72%)**, **valuing privacy (69%)**, and **not needing additional income (56%)**.
- Summit respondents (more so than Pitkin or Teton respondents) also indicated that they did not rent to visitors because of frequent use **(42%)**.

[If use property as seasonal residence, but have never used it to rent to visitors] **Some second homeowners rent their unit to visitors when they are not using it. Why have you chosen not to rent your unit to visitors? (Check all that apply)**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
I don't want to risk damage or wear and tear to my unit	72%	72%	76%	67%
I value the privacy of my unit	67%	69%	71%	58%
I don't need rental income to afford my unit	51%	56%	50%	37%
I use the unit frequently enough that renting it to visitors would be impractical or uneconomical	39%	42%	29%	39%
I don't want to expend the time / effort	23%	28%	10%	21%
I'm concerned about neighborhood or community impacts from renting to visitors	22%	18%	36%	23%
Restrictive local regulations or high licensing fees on vacation rentals	18%	20%	17%	14%
Vacation rentals are prohibited where my home is located	10%	5%	7%	26%
The unit wouldn't be a good fit for visitors	4%	3%	5%	4%
It hasn't occurred to me to rent to visitors	3%	3%	2%	4%
Other reason(s)	4%	3%	5%	9%
n=	247	148	42	57



# WHY NOT RENT TO RESIDENTS?

- Among second homeowners in Summit County that have *never rented to local residents*, over half have not done so due to **prevention of personal use (80%)** or **not wanting to risk wear and tear to the unit (59%)**.
- Closely following were reasons regarding **privacy (44%)** and **not needing the supplemental income (41%)**.
- These were the top 4 reasons within all counties, and it is apparent that the main deterrent to renting to local residents is the desire to keep the property available for personal or familial use.

[If use property as seasonal residence, but have never used it to rent to local residents] **As a second homeowner, why have you chosen not to rent your unit to local resident(s)? (Check all that apply)**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
It would prevent personal use of the unit by me / family / friends	74%	80%	61%	64%
I don't want to risk damage or wear and tear to my unit	57%	59%	54%	53%
I value the privacy of my unit	44%	44%	46%	40%
I don't need rental income to afford my unit	38%	41%	31%	34%
I don't want to expend the time / effort	15%	16%	9%	19%
Difficulty in finding and screening good long-term renters	14%	14%	7%	17%
Insufficient financial returns from renting long-term	13%	15%	11%	5%
I'm concerned about neighborhood or community impacts from renting long-term	10%	10%	9%	10%
The unit wouldn't be a good fit as a resident rental	8%	8%	7%	8%
It hasn't occurred to me to rent to local residents	6%	4%	10%	8%
Other reason(s)	8%	6%	16%	10%
n=	397	250	70	77



# STR PROHIBITION

- When posed with the hypothetical banning of vacation rentals, respondents who have ever used their unit as a short-term or seasonal rental in Summit County indicated that they were **moderately likely to just leave the unit vacant (3.6 out to 5.0)**.
- This subgroup also indicated that they would be moderately likely **(3.0 out of 5.0) to sell their unit or look for a different unit elsewhere**.
- Over half of respondents in this subgroup indicated they **would not have purchased the property** if they could not use it as a vacation rental.

[If have ever used unit as short-term or seasonal rental] **Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following? (1 = Definitely not; 5 = Definitely)**

Rating Category	Average Rating					
	Summit		Pitkin		Teton	
Leave unit vacant (when I would otherwise rent it to visitors)	n=194	3.6	n=42	3.4	n=50	3.3
Sell my unit	n=202	3.0	n=43	3.2	n=55	2.6
Look to buy a different unit where vacation rentals are allowed	n=198	3.0	n=41	3.3	n=52	2.6
Increase personal use of my unit	n=196	2.8	n=40	3.3	n=51	3.2
Rent to local residents instead of to visitors	n=195	1.8	n=41	2.1	n=53	2.2
Look to buy a less expensive unit in the same community	n=193	1.7	n=39	1.7	n=52	1.7

[If have ever used unit as short-term or seasonal rental] **Thinking back to when you aquired your property, would you have still purchased it if you were prohibited from using it as a vacation rental?**

	County of Distribution			
	Grand Total	Summit	Pitkin	Teton
Yes	25%	25%	14%	33%
No	55%	57%	67%	37%
Don't know/uncertain	20%	18%	19%	31%
n=	291	199	43	49

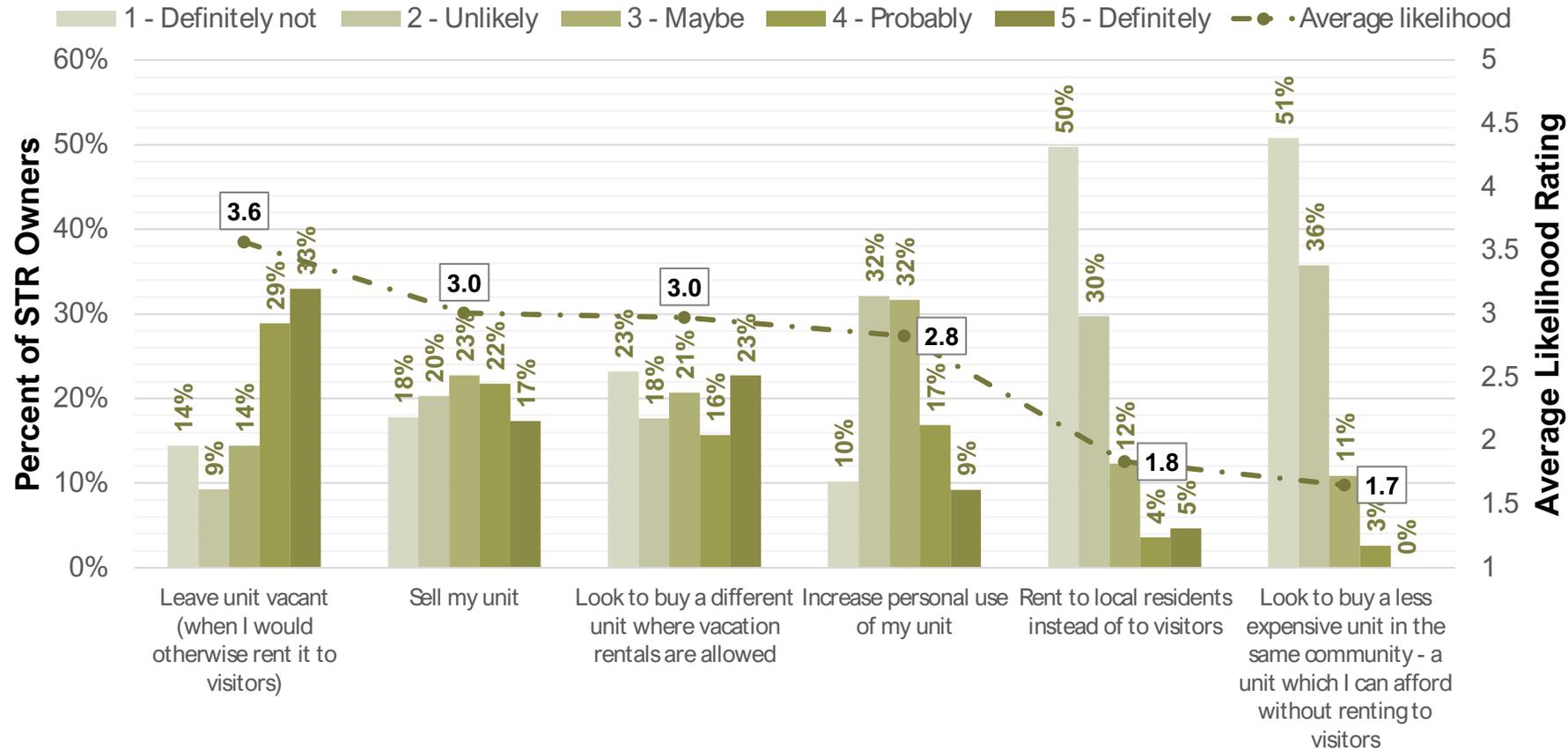


# STR PROHIBITION: SUMMIT DETAIL

- Looking more closely at Summit STR owners, most would “definitely” or “probably” leave their unit vacant (62%) if STRs were banned (when they would otherwise rent it to visitors).
- Additionally, over a third of STR owners would definitely or probably sell their unit (39%), look to buy a different unit where STRs are allowed (38%), and/or increase personal use of their unit (26%).
- Very small shares of STR owners would rent to local residents (8%) or look to buy a less expensive unit in the same community [which they could afford without renting it to visitors] (3%).

Hypothetically, if vacation rentals were banned in the area where your home is located, how likely would you be to do the following?

Universe: Summit County STR Owners





# EMPLOYMENT STATUS

- The majority of respondents were either **retired or were employed by a firm located outside the region (68% combined in Summit)**.
- Summit and Pitkin had a similar distribution of work from their mountain home – with about half **(51%)** working there **some of the time**.

Which of the following best describes your current employment status ?

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
Retired	39%	41%	34%	39%
Employed by a firm located outside the region	24%	27%	18%	19%
Self-employed	20%	17%	23%	25%
Employed by a firm located in or near the mountain community where my residence is located	13%	12%	20%	13%
Not working and not looking for work	2%	1%	3%	1%
Not working but looking for work	1%	1%	1%	0.4%
Other	1%	1%	1%	3%
n=	1,026	599	174	253

[If currently employed] How frequently do you work from your mountain home ?

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
All the time	19%	17%	17%	24%
Some of the time	47%	51%	46%	39%
Rarely	20%	20%	21%	19%
Never	14%	12%	15%	17%
n=	550	324	99	127



# AGE & INCOME

- Nearly three-quarters (72%) of Summit County respondents were 55 or older.
- While many respondents preferred not to provide their income, incomes tended to range from \$100K – 499K.

## Respondent age

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
18 - 24	0.1%		1%	
25 - 34	2%	2%	5%	1%
35 - 44	8%	9%	5%	7%
45 - 54	17%	18%	12%	18%
55 - 64	28%	29%	36%	24%
65 - 74	29%	29%	27%	31%
75 and over	15%	14%	15%	19%
n=	883	505	146	232

## Which of these categories best describes the total gross annual income of your household (before taxes)?

	Grand Total	County of Distribution		
		Summit	Pitkin	Teton
Under \$50,000	3%	3%	3%	3%
\$50,000 - \$99,999	11%	11%	12%	11%
\$100,000 - \$149,999	14%	16%	14%	11%
\$150,000 - \$199,999	11%	13%	6%	9%
\$200,000 - \$299,999	11%	11%	14%	10%
\$300,000 - \$499,999	12%	13%	11%	11%
\$500,000 or more	11%	8%	16%	14%
Prefer not to respond	27%	26%	25%	31%
n=	966	560	159	247





# HOME, VACATION RENTALS, OR OTHER LOCAL HOUSING ISSUES

## THEME 1: PROPERTY TAX CONCERNS & GOVERNMENT SPENDING

The analysis of comments found that the steep rise in property valuations and associated taxes in Summit County has become a major point of contention among homeowners. Many feel that the increased tax burden is unjustifiable and question the effective utilization of these funds by local authorities. There is a widespread perception of these measures as excessive and potentially detrimental to both resident and non-resident property owners. Some selected verbatim responses are highlighted below to further exemplify this theme.

- “Due to the recent increase in property valuations across Colorado, I am wondering how many people will be forced to sell because they will not be able to afford the increased taxes.”
- “As a non-resident owner, I feel local authorities are taking advantage of our inability to vote to raise property taxes to unjustifiable rates.”
- “Any government movement to extract funds via taxation or fees for public use and low-income housing, should target every local business, not just those involved with short term lodging. Summit County is a tourist economy, as such every business is supported by tourism directly or indirectly.”
- “In terms of funding housing for locals, I think for people who have a second home, we need to pay a lot of taxes. Way more than we currently do. I have another property in a different state and the taxes for it are \$5,700 for 2 acres. It’s a lot higher than the taxes for my Summit County property (\$2100, 1.8 acres). We need to fund housing that has capped appreciation for locals. I come to Summit County to ski and raft. My primary home feels a little too far away to do that easily. Thank you for taking the time to survey residents!”
- “Proposed increases in property taxes for STRs would force us out of business, so paying them is not an option. We would likely attempt to limit rentals to less than 90 days and take it off the market in low seasons and raise the rates in high seasons. If this didn't generate enough revenue we would attempt to sell the property and buy something in a more business friendly area.”



# HOME, VACATION RENTALS, OR OTHER LOCAL HOUSING ISSUES

## THEME 2: SHORT-TERM RENTAL REGULATIONS & LOCAL HOUSING

Regulations around short-term rentals have sparked significant debate, with many property owners feeling targeted by what they view as unfair and restrictive policies. The concerns center around the limitations imposed on rental licenses, the perceived inequality in their distribution, and skepticism about the effectiveness of these regulations in addressing local housing issues. The sentiment is that these rules could be harming the real estate market and altering the traditional dynamics of property ownership in resort areas. Some selected verbatim responses are highlighted below to further exemplify this theme.

- “Too many housing units have been turned into STRs. It erodes the community.”
- “Too many homes are not being built to live in full time. As well they are way too large for the community, we need smaller local type homes.”
- “Unregistered short-term rentals are driving up rents and contributing to the lack of housing for local workers.”
- “All STR Regulations in towns and Counties have occurred on the false premise that by decreasing STR's will increase local's housing.”



# HOME, VACATION RENTALS, OR OTHER LOCAL HOUSING ISSUES

## THEME 3: IMPACT ON LOCAL COMMUNITY & ECONOMY

The impact of recent developments on the local community and economy is a recurring concern. Residents express worries about the increasing cost of living, the strain on local infrastructure, and the potential for overdevelopment to erode the character and livability of the area. There is a sense that the unique charm and appeal of Summit County are at risk amidst these changes, with potential long-term consequences for both the local populace and the attractiveness of the region to visitors and new residents. Some selected verbatim responses are highlighted below to further exemplify this theme.

- “Our whole community is being severely impacted by short term rentals. Neighborhoods are being turned into thoroughfares. Parking is out of control and most visitors have no investment in recycling properly or even making an effort not to litter.”
- “Residential homeowners provide the solid foundation of our community. Most of us worked 2 jobs each, for years, to afford homeownership. Don’t tax us into poverty to subsidize government housing.”
- “I’ve lived here 50 years, community is overcrowded, too much traffic, roads are always in disrepair, restaurants, grocery stores always crowded and undersupplied, and getting worse annually”
- "as a low-income senior, I am concerned about the high and growing property taxes, and general cost of living going up faster than incomes for some of us, and am also worried about running out of water, and future traffic gridlock as more and more people overwhelm our roads.“
- "Communities probably need to manage the amount of new housing allowed to prevent a lot of issues that I believe result in the need for this survey."



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