Analysis of rental homes at the regional, island, municipality, and local destination scales: Experiences of the Canary Islands

Raúl Hernández-Martín, University of La Laguna
Carmelo León-González, University of Las Palmas de Gran Canaria

SUSTAINABLE TOURISM OBSERVATORY OF THE CANARY ISLANDS
The Tourism Observatory of the Canary Islands (Spain)
In 2022 The Canary Islands was the first European NUTS-2 region regarding nights spent in tourism accommodation.
Tourism Observatory of the Canary Islands (since 2004)

- Interuniversity research team meeting
- Meeting with stakeholders
- 2022 report available INSTO
- 2023 report available in 3 weeks
Motivation

The Government of the Canary Islands has opened in October 2023 a public consultation for a new regulation on vacation homes.
Possible positive impacts:

- Diversification of accommodation supply
- Dissemination of expenditure
- Redistribution of income
- Dynamicization of neighbourhoods
- Authenticity of the experience
- Demanded by tourists
- Host and guest interaction

Possible negative impacts:

- Uncontrolled growth
- Real estate bubbles
- Rise of large housing holders
- Access to housing, rental prices
- Disturbance to neighbours
- Gentrification and touristification
- Lack of professionalization
- Employees rights
- Quality of service
- Regulation and tax compliance
The role of the Observatory
Provide credible and useful evidence for decision-making

1. Tourism intensity = \( \frac{\text{Bed places}}{\text{inhabitants}} \) for hotels, apartments and rental homes

2. Tourism density = \( \frac{\text{Bed places}}{\text{Km}^2} \) for hotels, apartments and rental homes

3. Share of rental homes over tourism accommodation = \( \frac{\text{Rental home bed places}}{\text{Total tourism bed places}} \)

4. Share of rental homes over total dwellings = \( \frac{\text{Rental homes}}{\text{Total dwellings}} \)

5. Scale of analysis (regional, island, municipality & local tourism destination)

6. Rental home ownership concentration = \( \frac{\text{Houses belonging to large owners}}{\text{Total rental homes}} \)

7. Economic impact of rental homes: housing availability, expenditure, employment, taxes,...
The regional perspective
Ratio of rental home beds per 100 inhabitants. Spanish Autonomous Communities 2023

Source: Population by autonomous communities (January, 2022) and Measurement of the number of holiday homes in Spain (February, 2023) (INE).
The island perspective
Three main tourism accommodation models

Less populated islands

Tenerife

Two capital islands

Gran Canaria

High growth tourism islands

Fuerteventura

La Graciosa

Lanzarote

La Palma

La Gomera

El Hierro
Ratio of holiday home beds per 100 inhabitants by island. Summer 2022

Source: Population by autonomous communities and Measurement of the number of holiday homes in Spain (INE). August 2022
Tourist density and tourism intensity in tourism accommodation

More tourism beds

Higher tourism intensity

Note: The size of the sphere represents the total number of beds in the destination.

Distribution of accommodation beds by type and island

The municipal perspective
Ratio of rental home beds per 100 inhabitants by municipality (August-2022)

Five municipalities have more than 35 rental homes per 100 inhabitants!

Source: Population by autonomous communities and Measurement of the number of holiday homes in Spain (INE).
Some tourism municipalities have more than 50% of rental homes over total tourism accommodation.
The perspective of local tourism destinations (micro-destinations)
Delimitation in the Canary Islands: **47 micro-destinations** nested into 16 tourism areas

3 zones in **Lanzarote**
(coverage 92% of tourist beds*)

4 zones in **Fuerteventura**
(coverage 93.4% of tourist beds*)

4 zones in **Gran Canaria**
(coverage 96.1% of tourist beds*)

5 zones in **Tenerife**
(83.2% coverage of tourist beds*)

Source: Cartographic notebook for micro-destinations (ISTAC, 2015)
Methodology (Hernández-Martín et al. 2016). (*) Only beds in hotels and apartments

Local tourism destinations are being recognised as a necessary scale of analysis by UNWTO (2023)
Measuring the Sustainability of Tourism Statistical Framework Draft
47 micro-destinations in the Canary Islands. 2023

Micro-destinations represent:
1.7% of the territory
91.3% of hotel and apartment beds
45.8% of holiday home beds

Note: Micro-destinations are highlighted in red.
Source: ISTAC and University of La Laguna
Data for hotels and apartments are from the Accommodation Survey (ISTAC)
Data for holiday homes are from the General Tourist Register of the Canary Islands Government
Tourist density and intensity: 20 micro-destinations with most beds

Main micro-destinations, small extension, large tourism figures and small population

Mixed micro-destinations

Luxury micro-destinations, small population

Note: The size of the sphere represents the total beds (hotels, apartments and holiday homes) in the local destination.
What is happening **inside** 47 local tourism destinations?

Combining geolocated bed-places…
- Hotels
- Apartments
- Rental homes

…with population density by 250m grid-cells
Rental home concentration in the village of Corralejo, that used to be a calm spot of Fuerteventura.
Rental homes’ concentration in an intensively populated area in the beach of Las Canteras, in Las Palmas de Gran Canaria, the largest city of the Archipelago.
In the tourist coast of the municipalities of Arona & Adeje, vacation homes are occupying the place that local population used to have in the area of Los Cristianos.
South Tenerife
Vacation homes over total dwellings

In certain census tracts rental homes are over 15-20% of total dwellings
Public consultation on the regulation of vacation homes
Island Government public consultation on rental homes, Oct.-Nov. 2023
Conclusions

- **Different scales of analysis** provide complementary perspectives on rental homes
  - Areas with low population and high tourism intensity (touristification?)
  - Areas with high population and high tourism intensity (congestion?)
  - Areas with low pressure of vacation homes (diversifying positive effect?)

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<th>Scale of analysis</th>
<th>Highest figures for Canary Islands</th>
<th>Rental homes / 100 inhab.</th>
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- Tourism observatories must provide **credible numbers for public debate**

- **Stakeholders' participation** is key for destination management
Thank you very much!!!

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