STR INSIGHTS

Top Investable Markets Report 2024

By investment size: $75,000; $150,000; $200,000; $250,000

By destination types: beaches; mountains; lakes; cities

Over 80+ short term rental markets to invest in 2024

Gross ROI
Average Revenue
Optimal Bedroom Count

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Top Investable Markets 2024 by Investment Size and Destination Type

What are the best investable short term rental markets in 2024;
beaches, mountains, lakes, urban
Top investable short term rental markets by investment size;
$75,000, $150,000, $200,000, $250,000

Introduction

Predicting specific short-term rental markets for 2024 involves a level of uncertainty and can be influenced by various factors such as economic conditions, regulatory changes, and unexpected events. Additionally, investment decisions should be based on thorough research and analysis. Here are some general tips on what to consider when looking for investable short-term rental markets:

Tourist Destinations:
Markets with a consistent flow of tourists tend to be good for short-term rentals. Look for cities or regions known for tourism and consider the demand for short-term accommodations.

Economic Growth:
Cities experiencing economic growth often attract business travelers and tourists. Job opportunities and a growing economy can lead to increased demand for short-term rentals.

Regulatory Environment:
Be aware of local regulations regarding short-term rentals. Some cities have strict rules or may impose restrictions, which can impact the profitability of your investment. Although, we accounted for regulations in our initial analysis, please note that regulation can change at any time. Please do your due diligence before investing in any market.

Top Investable Markets 2024

Infrastructure Development

Markets with improving infrastructure, such as new airports, public transportation, and amenities, may become more attractive to travelers.

Tech and Innovation Hubs

Cities with a thriving tech industry or known for innovation and business conferences may offer good short-term rental opportunities due to a steady stream of business travelers.

Festival and Event Cities

Locations that host major events, festivals, or conferences can see spikes in demand for short-term rentals during those times

Seasonal Trends

Consider markets with strong seasonal demand. For example, ski resorts or beach towns may experience higher demand during specific times of the year.

Online Vacation Rental Platforms Data

Analyze data from online platforms like Airbnb or VRBO to understand current trends and demand in potential markets

Affordability and Rental Rates

Evaluate the affordability of a location for both property acquisition and rental rates. A balance between these factors can contribute to a successful investment.

Local Amenities and Attractions

Proximity to popular attractions, restaurants, and entertainment can significantly impact the desirability of a short-term rental property.

Keep in mind that the real estate market is dynamic, and factors can change. It's essential to stay informed about the latest market trends, economic indicators, and regulatory developments in any potential investment location. Consult with local real estate experts and consider seeking advice from professionals before making any investment decisions.

How we calculated the top investable markets?

We used our property-level performance data for STRs and indexed around the pillars listed below.

Supply growth:
How many new STR properties have been added in the past year? This metric calculates the change in the number of listings from last year to this year.

Search interest:
Our Market Finder platform—used by STR Insights customers to predict earning potential for any property in the US—provides us insight into some of the most popularly searched markets. In Q1 2023, we tracked thousands of address searches for U.S. properties. To make accurate comparison between cities of different sizes, we divided the number of searches for each city by the number of active STRs. This provides a ratio of new investment interest versus existing supply.

Pricing growth:
What did properties charge per night this year compared to last? By calculating year-over-year changes in average daily rate (ADR), this metric reflects pricing growth as a result of shifts in demand and guest preferences.

Rental Demand:
How often are rentals booked throughout the year? By using a combination of the trailing 12 months (TTM) occupancy and booked listing growth rates, this metric shows the relative strength of travel demand in each market.

Revenue Growth:
Did properties earn more this year than they did last year? This is calculated by looking at the TTM year-over-year change in revenue per available rental for properties that were booked over the past two years.

Investability:

This metric compares the expected income of a property relative to the cost of buying it. This is calculated by using the average revenue potential of homes in the area, subtracting the average cost for operating the property, and then dividing that by the typical home value in the same area for similar-type homes. We weight home values by the number of short-term rentals in each zip code to make the home values more compatible with the relevant earnings in the same market.

Regulation:

New from our 2023 analysis, we incorporated STR Insight's regulation into the analysis. We considered both current regulatory risk for STR investors and the likelihood of increased regulation in the future. Regulations are approached from the view of real estate investors, so municipalities that limit STRs to hosted stays or primary residences are, therefore, deemed highly restrictive from this lens. Please do not invest in any market without first understanding the current regulation.

Together these data points combine to create our ultimate proprietary ranking metric, the STR Insights Score.

Top 10 Best Markets with $75,000

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Beckley	West Virginia	24%	$26,834	3
2	Sandusky	Ohio	24%	$42,053	3
3	Stroudsburg	Pennsylvania	23%	$80,809	4
4	Stanton	Kentucky	19%	$37,606	3
5	Green Bay	Wisconsin	17%	$54,986	3
6	Cadillac	Michigan	16%	$71,484	4
7	Cedar Rapids	Iowa	15%	$23,590	3
8	Memphis	Tennessee	14%	$41,177	3
9	Birmingham	Alabama	13%	$30,146	3
10	Hampton	Virginia	10%	$30,795	2

Top 10 Best Markets with $150,000

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Luray	Virginia	24%	$70,457	4
2	Seneca Falls	New York	21%	$65,884	4
3	Shelbyville	Kentucky	20%	$50,954	3
4	El Prado	New Mexico	17%	$93,644	4
5	Mystic	Connecticut	16%	$73,200	3
6	Empire	Michigan	14%	$76,757	3
7	Payson	Arizona	11%	$36,498	3
8	Bradenton	Florida	10%	$85,288	4
9	Seminole	Florida	10%	$80,128	4
10	Asheville *(Outside)	North Carolina	10%	$77,030	4

Top 10 Best Markets with $200,000

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Penn Yan	New York	22%	$65,029	3
2	Newry	Maine	17%	$91,214	4
3	Keystone	South Dakota	16%	$59,216	3
4	Bloomington	Indiana	16%	$43,181	5
5	Old Orchard Beach	Maine	15%	$75,209	3
6	Garden City	Utah	14%	$53,691	5
7	Osage Beach	Missouri	13%	$62,227	4
8	Hot Springs	Arkansas	13%	$57,778	4
9	Columbia Falls	Montana	12%	$58,760	3
10	Fredericksburg	Texas	6%	$84,380	4

Top 10 Best Markets with $250,000

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Boyne Falls	Michigan	21%	$75,319	4
2	Angel Fire	New Mexico	14%	$44,534	4
3	Pigeon Forge	Tennessee	13%	$69,312	5
4	Portsmouth	Rhode Island	13%	$23,359	4
5	Boone	North Carolina	12%	$49,436	5
6	Oakhurst	California	12%	$58,813	4
7	Oceanside	California	10%	$66,561	3
8	Stowe	Vermont	9%	$78,170	4
9	Jewett	New York	9%	$57,523	4
10	Traverse City	Michigan	8%	$55,698	4

Top 10 Best Markets: Destination Type Beaches

*By gross ROI**

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Old Orchard Beach	Maine	15%	$60,918	3
2	Provincetown	Massachusetts	14%	$84,034	4
3	Hollywood	Florida	12%	$59,549	5
4	Freeport	Texas	11%	$48,595	4
5	Cape Charles	Virginia	10%	$62,449	3
6	Depoe Bay	Oregon	10%	$82,845	4
7	Corpus Christi	Texas	9%	$29,758	4
8	Satellite Beach	Florida	9%	$67,318	2
9	Murrells Inlet	South Carolina	9%	$51,342	4
10	Rehoboth Beach	Delaware	10%	$59,835	4

Top 10 Best Markets: Destination Type Mountains

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Deadwood	South Dakota	28%	$63,364	3
2	Berkeley Springs	West Virginia	25%	$46,477	2
3	Gettysburg	Pennsylvania	21%	$45,613	6
4	Homer	Alaska	18%	$49,937	5
5	Bethel	Maine	16%	$68,274	4
6	McGaheysville	Virginia	16%	$61,656	4
7	Wilmington	New York	15%	$71,920	4
8	Boone	North Carolina	12%	$49,436	5
9	Candler	North Carolina	9%	$35,826	4
10	Taos	New Mexico	8%	$38,651	4

Top 10 Best Markets: Destination Type Lakes

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Geneva	Ohio	24%	$46,108	4
2	Michigan City	Indiana	23%	$62,011	4
3	Eufaula	Oklahoma	20%	$34,054	5
4	Wisconsin Dells	Wisconsin	20%	$60,526	5
5	Lutsen	Minnesota	19%	$81,503	4
6	Seneca Falls	New York	21%	$65,884	4
7	Pentwater	Michigan	18%	$43,342	3
8	Garden City	Utah	13%	$53,691	4
9	Hot Springs	Arkansas	10%	$39,079	4
10	Osage Beach	Missouri	8%	$41,879	5

Top 10 Best Markets: Destination Type Urban

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Green Bay	Wisconsin	15%	$49,792	4
2	Greensboro	North Carolina	12%	$28,413	4
3	Memphis	Tennessee	12%	$29,975	3
4	Jacksonville	Florida	11%	$26,561	5
5	Columbus	Ohio	11%	$25,860	5
6	Lexington	Kentucky	10%	$38,230	4
7	San Antonio	Texas	10%	$28,619	5
8	Cincinnati	Ohio	9%	$27,351	4
9	St Louis	Missouri	9%	$26,720	5
10	Birmingham	Alabama	8%	$27,912	4

Kenny's Top 10 Picks 2024

By gross ROI*

Rank	City	State	Gross ROI	Average Revenue	Optimal Bedroom Count
1	Logan	Ohio	19%	$62,182	4
2	Slade	Kentucky	17%	$44,355	3
3	Newry	Maine	17%	$91,214	4
4	Fletcher	North Carolina	16%	$49,281	5
5	Waynesville	North Carolina	15%	$55,620	4
6	Mammoth Cave	Kentucky	13%	$66,150	5
7	Boyne City	Michigan	12%	$63,841	5
8	Hot Springs	Arkansas	10%	$39,079	5
9	Angel Fire	New Mexico	10%	$78,764	4
10	Bradenton	Florida	10%	$47,018	4

Conclusion

Who is Kenny? Kenny is the founder and CEO of STR Insights. He invests in and owns several STR's. Consider Kenny to be one of the best deal finding and STR markets experts in the industry.

Kenny's Top 10 list is a list of markets where Kenny has found consistent deals in the last 6 months.

He believes that choosing one market isn't enough but we have to look in multiple markets to increase our probability of finding a deal.

For more free content and education about how to find the best deals, be sure to follow Kenny on Instagram @Kenny_Bedwell or subscribe to the STR Insights Youtube channel.

Next Steps

Did you know that STR Insights can help you find a deal in 45 days or less guaranteed???

Schedule FREE 1:1 consultation HERE

Speak with a STR Insights Expert and let us help you in finding your next short-term rental purchase!

If you want to know more about how STR Insights can help you - watch this video

FAQs

Where did you get this data?

We get the data from 1. Airbnb and VRBO 2. Extracting addresses of short term rentals to get an estimated value of each property. You can access the same data in our software at strinsights.com

Where can I learn more about the markets listed in this report?

There are many different data points you'll want to know before investing in a market. You can check out the necessary data for any market at strinsights.com

What does *(Outside) mean?

Some cities have regulation in the downtown area that restricts new STR's from entering, however, the entire city isn't off limits. Asheville, NC is perfect example of this. Please do your due diligence before purchasing any property.

How are you different from other data providers?

We prefer to work with clients 1:1. We do provide software but also consulting services. We do NOT provide paid courses or masterminds. We are a consulting and data service here to help you individually obtain your goals. Schedule a call to learn more about our services.