

REAL ESTATE

# NYC's Airbnb crackdown turned 2, and the rent is still high

The enforcement has cut down on quality of life complaints, but NYC's housing crunch remains.



Dan/Adobe Stock

By Abigail Rubenstein

SEPTEMBER 8, 2025 • LESS THAN 3 MIN READ

If you'd hoped that New York City's crackdown on Airbnb would let you live in the Big Apple like a sitcom character with no discernible job and a giant apartment, you've probably been disappointed.

In passing a law in 2023 to enforce the city's existing ban on short-term rentals, lawmakers said it would get rid of rowdy tourists treating residential buildings like nightclubs and free up housing stock. Two years on, putting the squeeze on Airbnb has achieved the first goal, but not the second. According to the Wall Street Journal:

- A city council member said the law has reduced quality-of-life complaints related to obnoxious short-term neighbors.
- But Manhattan's residential rental vacancy rate stood at 2.45% in July—which is near all-time low levels—while the median rent is at an all-time high of \$4,700 per month.

That could be because in 2023, there were only ~38,500 Airbnb units in the city out of 1+ million rental units overall, per the WSJ.

**Meanwhile, the hotel business is booming.** The cost of a room has leapt 7% to \$283/night, and occupancy has been higher this year than in 2023 during every month except July, according to CoStar.

According to the WSJ, Airbnb has been spending big on New York's mayoral election in hopes of getting restrictions loosened. The company says the law "has not only failed to lower rents or improve New York's housing crisis but it has also priced out families and visitors from staying across the five boroughs. The vast majority of Airbnb stays take place without incident, with just 0.06% of reservations on Airbnb in New York resulting in an allegation of a party in 2024."

**Zoom out:** Other US cities have also barred short-term rentals, as have overtouristed European locales like Spain, which asked Airbnb to take down 65,000 listings in May.—AR