European Holiday Home Association

EHHA Press Release

More Restrictions, Not More Homes: EHHA raises concerns about Proposed Affordable Housing Act

The Commission has assessed the housing problem but not the cost of the remedy. Where short-term rental (STR) restrictions have been applied, homes have not come back to the market and local economies have paid for it.

- *Robust evidence, based on data from the EU STR Regulation, must underpin any restriction and real safeguards put in place to prevent unjustified STR bans*
- *The negative impact of restrictions on STR providers and local communities is real: impact assessments are needed ahead of measures*
- *To improve housing affordability and availability, the focus should be on the real driver: housing supply*

The European Holiday Home Association (EHHA) welcomes the Commission's ambition of making housing more affordable and to improve legal certainty. Unfortunately, the proposed Affordable Housing Act[1] ("the Act") achieves neither and requires close scrutiny by the co-legislators to guarantee that any measures affecting STRs are necessary, proportionate, locally targeted and grounded in robust, comparable evidence.

The Commission rightly identifies housing affordability as a supply-side problem, yet the proposal barely addresses it. STRs account for 1.2% of conventional EU dwellings[2], many of which will never be rented out on a long-term basis, such as primary and occasionally rented second homes. With 20% of dwellings sitting vacant across the EU, the priority should be unlocking existing supply and incentivising new construction. Instead, the Act restricts how people can use the homes they own, discouraging renovation and investment.

On legal certainty, the proposal falls short of what it promises. While it reproduces the Services Directive's three-part legal test – necessity, non-discrimination, proportionality – it drops the procedural safeguards that come with it. The result will be more fragmentation of the internal market, not less.

1. **Any decision to restrict short-term rentals must be supported by solid evidence**

The EU STR Regulation[3] has applied since 20 May 2026, but implementation is still under way and no reliable comparable EU-wide data yet exists. There is a lack of evidence that the Act will improve housing affordability or availability, while the potential harm to citizens, families, SME businesses and local communities is real.

---

1 https://housing.ec.europa.eu/document/35c4d242-60cb-408e-8a96-6ddf8ad18a70_en
2 Joint Research Centre, "Place-based determinants of housing prices in Europe", 16 December 2025 (JRC145033): https://publications.jrc.ec.europa.eu/repository/handle/JRC145033
3 Regulation (EU) 2024/1028 on data collection and sharing relating to short-term accommodation rental services, in application since 20 May 2026 https://eur-lex.europa.eu/eli/reg/2024/1028/oj/eng

9 September 2026

While the Act importantly acknowledges that competent authorities must apply and enforce the EU STR Regulation, it must be clear that data collected under the EU STR Regulation should be the basis for any assessment under the Act, including whether a measure is necessary, proportionate and justified.

Catherine Starkie, EHHA Secretary General said: "*Without the granular data that the EU STR Regulation will generate, no authority can say whether short-term rentals are driving housing pressure - or whether a restriction is proportionate. We therefore consider the Act as premature*".

2. The negative impact of restrictions on short-term rental providers and local communities is real: impact assessments are needed ahead of measures

The Act overlooks the potentially significant consequences of restrictions for the STR industry and local communities. Evidence indicates that while STR restrictions do not improve housing affordability or availability in a meaningful way, they can cause significant local economic impact and job losses.

Recent examples underline the need to assess outcomes rather than assume that restrictions will automatically improve housing affordability. For instance, in Barcelona[4], rents reportedly increased by 72% per square metre despite a freeze on short-term rental licences since 2014. In the French Basque Country, restrictions resulted in 6000 fewer STR properties on the rental market, while only 5% of them returned to the year-round rental market. 2026 projections estimate approximately €230.4 million in lost economic benefits per year and 4000 direct and indirect local jobs at risk.[5]

Under the Act, a ban on non-primary-residence STRs in a qualifying area would, at least in theory, remain possible, if considered to be necessary and proportionate. The Act merely discourages bans, providing no real guardrails and leaving hosts exposed to arbitrary restrictions.

The possibility to maintain an unjustified city-wide STR ban already in place prior to the adoption of the Act, or to introduce one following the adoption of the Act, is a major concern and must be reversible. It is essential that the "procedural safeguards" referred to in the Act are real, so:

- competent authorities consult stakeholders in advance and notify restrictions to the European Commission before adoption, having provided evidence and an impact assessment;
- each measure is reviewed for necessity and proportionality, on the basis of STR Regulation data; and

[4] Barcelona figures: Apartur, "Short-Term Rentals and Housing Affordability: Evidence, Balance and Regulation", May 2026, drawing on Barcelona City Council data and Spanish Tax Agency data on vacant dwellings (see here)

[5] Basque Country figures compiled by UNPLV (Union Nationale pour la Promotion de la Location de Vacances), covering 2023–2025. See also Sudouest (statements from mayors of Hendaye and Saint-Jean-de-Luz), and other relevant information about Hendaye – Ecenarro (Sudouest, TF1) and Saint-Jean-de-Luz – Irigoyen (Sudouest).

European Holiday Home Association

- restrictions already in force are held to the same standards as new rules.

The possibility of restrictions or bans on STRs is a serious worry for STR hosts, many of whom are women over fifty.

Francesca Lourenço, a short-term rental host from Portugal said: "*We are parents - fathers and mothers. What will we do if our source of income is taken away? Most of us are no longer in our 20s or 30s. We will become a burden on the state, because we are too young for retirement and too old to find decent employment"*[6]

3. To improve housing affordability and availability, the focus should be on the real driver: housing supply

Insufficient housing supply, not short-term rentals, is the structural driver of the housing crisis — as the Commission itself recognises. Since 2010, house prices across the EU have risen by 60.5% while rents have risen by 28.8%, with prices climbing faster than rents in 21 of the 26 Member States for which data are available[7]. That gap points to a shortage of homes and to the cost of building them, not to how a small share of the existing stock is used. Member States should prioritise supply-side measures.

The Commission recognises in its European Housing Action Plan[8] that STRs offer many benefits that it wants to preserve. The Act must make housing more affordable without damaging the communities that depend on short-term rentals[9].

Catherine Starkie, EHHA Secretary General said: *"We share the goal of making housing more affordable and look forward to working with the co-legislators to reach that goal, in a way that does not damage the people and communities that depend on the STR ecosystem".*

About EHHA: The European Holiday Home Association (www.ehha.eu) is the collective voice of Europe's short-term rental accommodation (STR) industry. We represent national (regional) STR associations, companies and online platforms, working together to shape a fair, evidence-based and balanced regulatory landscape across the EU, which allows for a vibrant, prosperous, resilient, responsible, and sustainable short-term rental industry.

Contact: Catherine Starkie, EHHA Secretary General: c.starkie@ehha.eu; +32 472 176524

[6] "Short Term Rentals Have a Human Face" 2023 (see here)
[7] Ongoing rise: house prices and rents climb further - News articles - Eurostat, 3 October 2025
[8] European Affordable Housing Plan: https://commission.europa.eu/topics/employment-and-social-affairs/affordability/affordable-housing_en
[9] STRs represent a vital pillar of the European tourism economy, accounting for 23% of the sector, contributing over €149 billion to the EU's GDP, generating €40 billion in tax revenue and supporting over 2 million jobs. See Oxford Economics report, 2024.