



# Tourism's big-money niche

Landmark study calculates the economic effect of Osceola's vacation-home rentals.

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An estimated 1.24 million visitors to Central Florida each year stay in resort homes in Osceola County alone, and spend more than \$1 billion. Adding in what the homes' owners spend, that grows to roughly \$1.7 billion as it ripples through the economy, according to a report released Thursday.

The report, commissioned by the Kissimmee Convention & Visitors Bureau and prepared by the Dick Pope

Sr. Institute for Tourism Studies at the University of Central Florida, surveyed the county's vacation-home owners, guests and management companies and asked them about their spending habits, among other things.

"I think that is a great indication of how vibrant the vacation-rental market is in the Central Florida area," said Jeff Chase, executive director of the Central Florida Vacation Rental Managers Association. "That's an amazing number."

The report provides one of the first comprehensive pictures of the effect vacation homes have on the local tourism economy. Long existing in the shadow of the hotel industry, which is monitored by several travel-research companies, resort-home rentals have not been extensively studied.

"At the moment, there's just simply no organization tracking them," said Daryl Cronk, director of research for

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## JUST VISITING

Vacation homes in Osceola County

**At least 7,811**

Total homes

**\$554 million/year**

Spending by owners\*

**1.24 million/year**

Total visitors

**More than**

**\$1.1 billion/year**

Visitor spending\*

\*Total effect on economy, with direct, indirect and induced spending put through a multiple  
SOURCE: Dick Pope Sr. Institute for Tourism Studies, University of Central Florida

# Vacation-home renters spend \$1B plus

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the Orlando/Orange County Convention & Visitors Bureau. "The vacation-home industry is still relatively fragmented compared to the hotel industry."

The homes' owners, according to the study, generate \$554 million in direct, indirect and "induced" spending each year — the "ripple effect" often cited by economists. Their renters generate more than \$1.1 billion in such spending.

Throughout Central Florida, the tourism industry overall is thought to contribute \$30 billion to the economy each year, according to the Orlando/Orange County CVB.

Based on licenses issued by Osceola County, the study identified at least 7,811 vacation homes in the county. As part of the report, 40 home-

owners were surveyed, along with 113 guests and 15 resort-home property managers. Because of the small size of the samples, the authors cautioned that the results needed to be "interpreted with caution."

Those who rent vacation homes in Osceola tend to be repeat visitors: More than 70 percent said they have visited the destination at least three times. They travel in larger-than-normal groups — seven people — and spend an average of eight days in the county.

The county's vacation homes support 20,625 jobs throughout the economy, with an average annual wage of \$29,886. The industry generates \$172 million in indirect business taxes, including \$96 million that stayed with local and state governments.

The study also compared the habits of the vacation-home

owners with those of their renters.

Renters tend to spend big on accommodations during a typical visit — an average of \$2,566 — and also shell out an average of more than \$1,500 at the area's theme parks. The homes' owners, on the other hand, direct more money toward food and beverages — \$1,803 per party per visit — and an average of \$862 on shopping, almost \$300 more than renters do.

"It turned out to be very fascinating numbers," said Tad Hara, an associate professor with the University of Central Florida who contributed to the report. "I don't think anybody else had done something like this before."

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