

167 Second homes in the European Alps – strategies to reduce the significant land take

Ulrike Pröbstl-Haider¹, Aurelia Kogler², ¹University of natural resources and life sciences, Vienna, Austria. ²FH Graubünden, Switzerland

Since several decades spatial planning in the alpine area tries to handle the ongoing enlargement of second home areas and the loss of landscape and natural resources. The negative consequences for the local population are well-known and consist of high property prices, limited space availability, gentrification and districts that are only alive on a few days a year. However, the demand is increasing since real estate can be purchased now by all persons which are inhabitants in the European Union. In addition real estate is known to be a safe investment for the future or for retirement. This trend is currently reinforced by low bank interest rates and the effects of the pandemic Covid 19.

The State of Salzburg serves as an example to illustrate the seriousness of the problem. Due to the mountains, only around one sixth of the area can be populated. In 2018 about 70% of the communities in the state of Salzburg are already subject to a second residence restriction. This is the case if the share of non-main residences is more than 16 percent. Tyrol, another heavily affected state in Austria, decided to introduce in 2020 an annual fee for second homes with payments per square meter. However the measures show little effects.

In contrast to similar development in other parts of the world the European market is still dominated by a significant demand for **second homes** ownership. Other opportunities such as buy-to-let private rental housing or holiday **homes to let** are still unusual business models. These models require less space and provide socio-economic benefits for the local communities such as permanent occupation, an enhancement of the local tourism industry and the local gastronomy.

Against this background a survey will be presented analyzing the preferences of 480 respondents interested in holiday homes in Austria. The investigation is based on a choice experiment offering different opportunities to own a second

home in the European Alps. This methodological approach is helpful in the context of complex issues, trade-offs between different development options and scenarios (Adamowicz et al., 1998, Pröbstl-Haider and Haider 2013, Pröbstl-Haider, Hunt, Haegeli and Rupf 2020). Also non-marketable attributes such as the landscape, hypothetical conditions or possibilities can be processed very well in an intuitively understandable form.

With this survey and the applied choice experiment we are able to understand influencing factors and the basis for decision-making. The results show that the number of rooms, the standard (3*,4*,5*), the price per square meter and the efforts for maintenance are all of high relevance for the overall decision making. The decision is also influenced by the possibility of a community tax. The type of the building, apartment house or single house or single house in a resort, are of less relevance as long they are all in a well-known tourism destination with many outdoor recreation opportunities. The size of the settlement and its population density are also of little importance. For the basic decision making the return and the usable time are also of minor relevance.

The presentation will show that about one third of the potential buyers is under no conditions interested in fractional or buy-and-let forms of ownership. This segment is also older than the average respondents. Younger respondents with less income can be attracted by fractional or buy-and-let. The precondition for them is that the standard should be high (4*) and exceed their actually affordable standard. Finally the presentation shows that community planning is also able to shift the preferences from the "classic second home" in favor of fractional and buy-and-let forms of ownership, if they consider these findings in the planning process.

References

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