ListerPros

FREE AGENT GUIDE

FOR ARIZONA AGENTS

The Short-Term Rental Playbook

Arizona does not let a city ban a short-term rental, and that one sentence built a market most agents still refer out. This is the rulebook, the math, and the four conversations that turn vacation rentals into listings.

The statute, in a table · 4 word-for-word scripts · The underwriting checklist · Every stat sourced

WHY THIS MATTERS

Arizona is the friendliest short-term rental state in the country

State law says a city or town may not prohibit vacation rentals or short-term rentals (A.R.S. 9-500.39(A)). That single sentence built one of the deepest vacation rental markets in the country, right in your farm. The agents who understand it get the investor buyer, the listing when it sells, and the referrals in between.

9,292
active short-term rental listings in Scottsdale alone, down 13.9% in a year as owners exit
AirDNA, July 2026

$389
average nightly rate across those listings, booked 59% of the nights they were available
AirDNA, July 2026

8%
of recent buyers already own at least one investment property, and 4% own a vacation home
NAR 2025 Profile

The exits are the opportunity

Scottsdale lost 13.9% of its active listings in a year while rates and occupancy held (AirDNA, July 2026). Owners leaving a business still own the house. Every exit is a listing that goes to whoever was useful during the hosting years.

Wins: listing side

The buyer nobody qualifies properly

A short-term rental buyer is buying a business with a roof on it. Agents who can talk permits, HOA declarations, and honest occupancy math get referred inside investor circles the way listing agents get referred inside neighborhoods.

SAY THIS OUT LOUD, EVERY TIME

This playbook is not legal or tax advice. Rules change by city and by session, and a recorded declaration can override everything a website tells your client. Send every short-term rental client to their broker, a real estate attorney, and a CPA before they remove a contingency. Your job is to know enough to ask the right questions early, while there is still time to walk.

THE STATE RULE

What a city can and cannot ask for

Senate Bill 1350 in 2016 took the ban off the table. Senate Bill 1168 in 2022 handed a specific, closed list of powers back to cities. Everything a municipality may require of a short-term rental sits in one statute, and it comes with caps.

A.R.S. 9-500.39, Arizona Revised Statutes Title 9

WHAT A CITY MAY REQUIRE	THE LIMIT THE STATUTE SETS	SUB
A permit or license	A fee not to exceed the actual cost of issuing it or $250, whichever is less	B.5
A timely decision	The city must issue or deny within seven business days	C
A 24-hour contact	Someone who responds to complaints in a timely manner, in person if public safety asks. Civil penalty up to $1,000 per thirty days out of compliance	B.4
Liability insurance	At least $500,000, or listing through a marketplace that provides equal or greater coverage	B.8
Neighbor notification	Notice to adjacent single-family properties before the first rental is offered	B.6
The number in the ad	The permit or license number, or the TPT license number, displayed on advertisements	B.7
A background attestation	Denial only where the owner or designee is a registered sex offender or was convicted of a felony causing death or serious physical injury	C.5

WHAT THE STATUTE STILL BLOCKS

No ban, and no zoning workaround: A city may not prohibit short-term rentals, and may not restrict them based on classification, use or occupancy except as the statute specifically allows. Reform bills return every session. In 2026, HB 2429 cleared a House committee with overnight occupancy standards attached and then stalled in the Senate, and SB1076, which would have let towns under 70,000 people cap permit counts, did not become law. Preemption is still standing, so check the current session before you quote a rule to a client.

THE THREE YESES

Three permissions, and only two come from government

Every Arizona short-term rental needs a state tax license, a city permit, and, if there is an HOA, a private yes that no state law overrides. Deals rarely die on the first two.

1. **The state TPT license.** Every operator needs a transaction privilege tax license from the Arizona Department of Revenue. Airbnb and Vrbo collect and remit the tax on bookings made through them, but the license stays the owner's obligation, and its number is what goes in the advertisement when a city asks for one.
2. **The city permit.** Phoenix moved from registration to a permit in November 2023 and now requires certified-mail notice of intent to neighboring properties, HOAs and registered neighborhood associations, plus a filed attestation of compliance before the property is offered (City of Phoenix Planning and Development). Scottsdale charges $250 per property per year and requires the license number, the address and a 24-hour emergency contact inside the neighbor letter (City of Scottsdale).
3. **The HOA declaration.** State preemption binds cities. It does not bind a private declaration. If the recorded CC&Rs restrict rentals under thirty days, the state's protection does nothing for your buyer, and the sales office answer is worth nothing without the document.

THE ONE THAT KILLS DEALS

Read the amendment history, not just the CC&Rs: In Kalway v. Calabria Ranch HOA (Arizona Supreme Court, 2022), the court held that a non-unanimous amendment to a declaration is valid only if the original document gave notice that the restriction could be added. Boards on both sides of this fight cite that case. Translation for your client: pull the recorded declaration and every recorded amendment during the inspection period, and get a real estate attorney to read them before the contingency drops.

- [ ] Searched the city's own site for short-term rental, not a blog summary of it
- [ ] Found the permit fee, the renewal cycle, and the application turnaround
- [ ] Confirmed the 24-hour contact rule and who is legally on the hook for it
- [ ] Pulled the recorded CC&Rs and every amendment from the county recorder
- [ ] Confirmed the state TPT license exists and is current
- [ ] Confirmed whether the address is inside city limits or in unincorporated county
- [ ] Checked whether the city requires neighbor notification, and by what method
- [ ] Asked the seller for the current permit number and its expiration date
- [ ] Asked the HOA in writing, and kept the answer in writing

THE NUMBERS

Underwrite it honestly, or someone else will

Three numbers run a short-term rental, and clients arrive knowing one of them. Teach them in this order, and never hand anyone a citywide average as a projection.

THE NUMBER	WHAT IT ACTUALLY MEANS	WHERE CLIENTS GO WRONG
ADR	Average daily rate: what a booked night actually rented for, after discounts	Quoting the peak-season rate as the year
Occupancy	Share of available nights that booked, not share of the calendar	Blocking dates for themselves and still counting the year at full occupancy
RevPAR	Rate times occupancy: the only number that compares two properties fairly	Comparing a high-rate, low-occupancy home to a low-rate, always-full one on rate alone
Net	What is left after cleaning, management, platform fees, taxes, insurance, utilities and furnishing	Treating gross booking revenue as income

MOST PEOPLE GET THIS WRONG

The data vendors do not agree with each other: In 2026, published counts of active Phoenix short-term rentals ran from 2,821 to 6,162 depending on the vendor and the window, and occupancy ran from 44% to 66% (AirDNA, AirROI and Rabbu, 2026). None of them is lying. They count different listing types over different periods. So a citywide average is a conversation starter, never a projection. Build a comp set instead: eight to twelve real listings within a mile, same bedroom count, same pool situation, and read their actual calendars.

- [ ] Cleaning fee, and what the cleaner really charges in July
- [ ] Platform service fees on every booking
- [ ] A short-term rental insurance rider, not a landlord policy
- [ ] City permit fee and the annual renewal
- [ ] HOA dues, and any HOA rental fee or cap
- [ ] Management, if they are not self-managing, commonly 15% to 25% of revenue
- [ ] TPT plus city transient lodging tax
- [ ] Pool service, pool heat in winter, and the summer electric bill
- [ ] Furnishing budget, linens, and the first replacement cycle
- [ ] Vacancy in the shoulder months, written in before they buy

THE TRANSACTION

Listing a home that is already a rental

An active short-term rental sells like a small business with a roof on it. Four things come up that an ordinary listing never has, and all four are easier handled in the first meeting than in escrow.

Bookings on the calendar

Future reservations do not vanish at close. Decide in the listing appointment who honors them and who refunds them, write it into the contract, and price the assumption in.

Handle it before the offer

Showings around guests

A home with paying guests in it is not a lockbox home. Set the showing window on day one, usually turnover days, and say so plainly in the agent remarks so nobody wastes a trip.

What conveys, and what never does

Furniture, linens, kitchen equipment and the spa cover are personal property, so itemize them. The platform account, the review history and any Guest Favorite status belong to the host account and do not transfer with the house.

What the income proves

Platform payout statements and a Schedule E tell different stories about the same year. Hand the buyer the payout history, disclose what you know, and let their CPA do the arithmetic.

THE QUESTION	SELL IT TURNKEY	EMPTY IT AND SELL A HOME
Who buys it	Investors and second-home buyers who want the business running on day one	The full buyer pool, including everyone who just wants to live there
The photos	Styled as a stay: beds made, table set, pool at twilight, every amenity shot	Styled as a home: clean lines, less styling, floor plan and room function
The paperwork	Inventory list, payout history, permit status, booking calendar	The ordinary listing packet
The timing	List while it still shows well and the calendar still has bookings on it	List after the last checkout, once the furniture is gone
The risk	A smaller buyer pool, and every buyer re-underwrites your numbers	Losing the income story that justified the price

THE MEDIA PROBLEM NOBODY PLANS FOR

An active rental is only empty on turnover mornings. That is your entire shooting window, and it closes when the next guest checks in. Book the shoot for a turnover morning right after the cleaners finish, and capture everything in one visit: photos, aerial, walkthrough video, 3D tour and floor plan. With photos back within 5 hours of the end of the shoot, the listing can go live between guests instead of waiting for a gap in the calendar.

THE SCRIPTS

The four conversations

Steal these word for word. Fill in the brackets and keep the structure, because the structure is what keeps you out of trouble.

THE INVESTOR QUALIFIER

"Before we look at anything, three questions. One: is this a business you want to run, or a business you want managed? Two: what is the number it has to clear for you to be glad you bought it? Three: if the city added a permit fee and the HOA got stricter next year, does the deal still work? I ask because the homes that pencil at today's best case are the ones people regret. Let's find you one that works at the average."

THE HOA WARNING, BEFORE THEY FALL IN LOVE

"One thing I want in front of you early. Arizona law stops a city from banning short-term rentals, but it does nothing about an HOA. If the recorded CC&Rs restrict rentals under thirty days, the state does not help us. So the first thing I do on any property you like is pull the recorded declaration and every amendment, and I want your attorney reading them inside the inspection period. If that comes back wrong, we walk with your money and we go find the next one."

THE SELLER WITH BOOKINGS ON THE CALENDAR

"Let's handle the calendar before we handle the price. Pull up your bookings through [month]. For each one we have two choices: the buyer honors it and takes the deposit, or you refund it and we free the date. Honored bookings can be an asset in the listing, so I would rather keep the strong ones. Then let's pick our showing days. I would rather show three turnover mornings well than fight for scraps seven days a week."

THE OWNER WHO IS DONE HOSTING

"You have run this thing for [number] years and you are tired of the 11pm phone calls. Totally fair. Two paths, and I am fine with either. Path one, we sell it as a turnkey rental, furniture and all, to a buyer who wants the business. Path two, we empty it and sell it as a home, which usually reaches more buyers. Path one takes different photos and different marketing than path two. Tell me which life you want back and I will build the plan around it."

LISTING REMARK LINES THAT DO REAL WORK

- "Turnkey: furnishings convey per inventory list."
- "Showings on turnover days, Tue and Fri, 11am to 2pm."
- "CC&Rs and amendments in documents tab."
- "Sleeps [number] per current occupancy setup."
- "Active permit in place, transferable per city process."
- "Payout history available to preapproved buyers."
- "Bookings through [month] may be assumed or released."
- "Owner is licensed for short-term use; buyer to verify."

PRINT IT, PIN IT, RUN IT

The short-term rental checklist

- [ ] Pulled the city's current short-term rental page, not last year's blog post about it
- [ ] Confirmed the state TPT license, and that the number appears in the advertising
- [ ] Verified the 24-hour emergency contact requirement and who is actually on that phone
- [ ] Built a comp set of eight to twelve real listings instead of quoting a citywide average
- [ ] Settled the booking calendar and the showing window before the listing went live
- [ ] Confirmed the permit or license, the renewal date, and the fee
- [ ] Pulled the recorded CC&Rs and every recorded amendment, and sent them to the client's attorney
- [ ] Confirmed liability coverage of at least $500,000, or marketplace coverage that matches it
- [ ] Underwrote the net, not the gross, with pool heat and the July electric bill in the sheet
- [ ] Itemized what conveys, and told the seller the reviews do not

ListerPros

ListerPros has photographed Arizona real estate since 2013, for thousands of agents across Phoenix and Tucson. One visit captures photos, vertical video, aerials, 3D tour and floor plan, and everything is back within 5 hours of the end of the shoot. Guaranteed.

Every stat in this guide is sourced: the research named where it appears, 2019 to 2026. Sources on request.

Book your next shoot
listerpros.com

(480) 582-7767
@listerpros on Instagram, Facebook and TikTok