# Isle of Skye’s housing crisis deepens as Airbnb landlords drive up prices and empty homes rise



To many, the Isle of Skye is an idyllic postcard destination, famed for its stunning Fairy Pools, rugged mountains, and picturesque fishing villages. These dramatic landscapes have graced the screens in popular series like *Game of Thrones*, attracting a wave of tourists seeking its natural beauty. However, for the young locals of Skye, this picturesque portrayal has evolved into a harsh reality that threatens their aspirations and communities.

Residents are facing a crisis as property prices soar, largely driven by an influx of Airbnb landlords, many of whom have never even set foot on the island. According to local reports, around 60 per cent of properties may lay empty during winter months, having been converted into second homes or short-term lets. This phenomenon has transformed the housing market drastically, disadvantaging long-term residents who are already struggling to purchase a home in their own community. While Skye is the second most-visited destination in Scotland, behind Edinburgh, this tourism boom has come at a steep price for those who live and work on the island.

The average house price on Skye now stands at approximately £260,000, a staggering £60,000 more than the Scottish average of £194,000. Young residents like Ryan Scott, a 17-year-old fisherman, reveal the extent of the problem as they recount harrowing experiences of being outbid by property investors willing to pay exorbitant amounts. One of the most glaring cases involved a property advertised at £110,000 that sold for £150,000, illustrating the fierce competition sparked by these outside buyers. The current mortgage structure in Scotland, which allows loans based only on home valuations rather than sales prices, exacerbates the issue and further shuts out young couples and families who aspire to enter the housing market.

While many locals acknowledge that the Airbnb model bolsters the tourism economy, effectively creating jobs and stimulating local businesses, the overwhelming presence of short-term rentals is eroding the sense of community and local culture. Research indicates that about 18.6% of homes on Skye are now listed on Airbnb, a stark contrast to the national average of 1.2%. This trend raises urgent questions about who benefits from Skye’s tourism boom and what remains for those who call the island home.

Local residents have expressed frustration at the lack of effective oversight and regulation of the short-term rental market. Some councillors have voiced their concerns, highlighting the distressing reality that the system often prioritises profit over community needs. Multiple accounts reveal how families are being displaced, with members often having to seek housing off the island due to the unavailability of affordable properties. One local mother lamented that her daughter had to move nearly 100 miles away after being outbid on properties that were once attainable.

The local economy remains troubled as hospitality businesses struggle to hire staff due to the lack of long-term rental options. As Robert Macaskill, a local café owner, explained, his ability to scale his business has been compromised by the housing shortage, resulting in operational cuts and diminished customer service. Many employees, like summer student Ewan Robinson, are forced to seek makeshift accommodations, illustrating the stark struggles faced by those wishing to remain a part of the community.

Calls for legislative change are growing louder, with community leaders emphasizing the urgent need for controls on short-term lets that prevent local buyers from securing homes. There have been discussions about creating a licensing scheme to regulate the increasing number of Airbnbs, similar to initiatives across other Highland areas. As one councillor noted, the current administrative framework effectively rubber-stamps applications without sufficient scrutiny, putting further pressure on the already strained housing market.

Despite the obstacles, residents continue to rally around initiatives aimed at mitigating the impact of tourism-driven property inflation, with some locals proposing alternative platforms to ensure tourism revenues are reinvested into the community. As the discussion surrounding housing and tourism intensifies, the fate of Isle of Skye hangs in the balance, caught between its allure as a tourist hotspot and the heartbreaking reality of its changing landscape for local inhabitants.

The idyllic nature of Skye may capture the imagination of visitors, but the ongoing housing crisis serves as a poignant reminder of the delicate balance between tourism and community welfare. Without proactive measures to address these challenges, the very essence of Skye's community may be at risk of fading away, leaving behind only a postcard of what once was.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14756557/Locals-picturesque-seaside-town-fighting-Airbnb-crisis-reveal-heart-breaking-loophole-stopping-buying-homes.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/1/)
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* Paragraph 3 – [[5]](https://www.newsweek.com/scenic-island-economy-suffers-lack-affordable-housing-1725578), [[6]](https://www.theguardian.com/uk-news/2017/aug/09/skye-islanders-call-for-help-with-overcrowding-after-tourism-surge), [[7]](https://bellacaledonia.org.uk/2022/06/02/the-highland-clearances-2022/)
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* Paragraph 7 – [[5]](https://www.newsweek.com/scenic-island-economy-suffers-lack-affordable-housing-1725578), [[7]](https://bellacaledonia.org.uk/2022/06/02/the-highland-clearances-2022/)
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## Bibliography

1. <https://www.dailymail.co.uk/news/article-14756557/Locals-picturesque-seaside-town-fighting-Airbnb-crisis-reveal-heart-breaking-loophole-stopping-buying-homes.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.gov.scot/publications/research-impact-short-term-lets-communities-scotland/pages/1/> - This Scottish Government report examines the impact of short-term lets (STLs) on communities across Scotland. It highlights that in 2018, each Airbnb listing in Scotland generated an average of 52 visitors annually, equating to over 1.6 million guests nationwide. Specifically, the Isle of Skye's Eilean a' Chèo ward, with a population of 10,500, saw approximately 56,000 annual visitors from STLs, about 5.4 times the local resident population. The report underscores the significant economic benefits of STLs, including increased tourism spend and job creation, particularly in areas like Edinburgh, Fort William, and Skye. However, it also notes the challenges posed by STLs, such as potential impacts on housing availability and affordability for local residents.
3. <https://www.gov.scot/publications/short-term-lets-licensing-scheme-planning-control-areas-consultation-analysis/pages/14/> - This Scottish Government consultation analysis provides data on the prevalence of short-term lets (STLs) in Scotland, focusing on island communities. It reveals that in May 2019, 18.6% of homes in the Isle of Skye were listed on Airbnb, the highest rate in Scotland. This compares to a national average of 1.2%. The analysis highlights the concentration of STLs in specific council wards, with Skye being one of the most affected. The report discusses the implications of this trend, including potential impacts on housing availability and affordability for local residents, and considers the need for regulatory measures to address these challenges.
4. <https://www.theguardian.com/uk-news/2021/dec/05/scottish-islanders-launch-airbnb-rival-in-fight-against-second-homes-crisis> - This article from The Guardian discusses the launch of IsleHoliday.com, a holiday lettings website created by Scottish islanders to compete with Airbnb and ensure more tourism revenue stays within local communities. The platform aims to address the challenges posed by the proliferation of short-term lets, which have led to housing shortages and increased property prices on islands like Tiree. The initiative seeks to balance the benefits of tourism with the need to maintain affordable housing and community sustainability. The article highlights the collaborative effort of islanders to retain economic benefits locally and support community projects.
5. <https://www.newsweek.com/scenic-island-economy-suffers-lack-affordable-housing-1725578> - This Newsweek article examines the impact of housing shortages on the economy of the Isle of Skye. It highlights how the rise in second-home ownership and the prevalence of short-term lets, such as those listed on Airbnb, have led to a lack of affordable housing for local residents. The shortage has particularly affected the hospitality industry, with businesses struggling to recruit staff due to the scarcity of long-term rentals. The article underscores the need for urgent investment in affordable housing to support the local economy and community sustainability.
6. <https://www.theguardian.com/uk-news/2017/aug/09/skye-islanders-call-for-help-with-overcrowding-after-tourism-surge> - This Guardian article reports on the challenges faced by the Isle of Skye due to a surge in tourism. Locals have called for assistance in managing overcrowding and the associated pressures on infrastructure. The article highlights the strain on single-track roads, the impact on local services, and the difficulties in balancing the economic benefits of tourism with the preservation of community life. It underscores the need for sustainable tourism practices and infrastructure development to support both residents and visitors.
7. <https://bellacaledonia.org.uk/2022/06/02/the-highland-clearances-2022/> - This Bella Caledonia article discusses the modern-day housing crisis on the Isle of Skye, drawing parallels to the historical Highland Clearances. It highlights that approximately 18.6% of homes on Skye are listed as short-term lets, the highest rate in Scotland. The article examines the impact of this trend on housing availability and affordability for local residents, particularly young professionals and families. It also discusses the limitations of government schemes in addressing the issue and calls for more effective policies to support community sustainability and affordable housing.