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of shrinking inventory,
higher prices, and inflation,
yet relief may well be in sight

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COVID-19 USHERED IN VIRTUAL APPRAISALS,
BUT ARE THEY HERE TO STAY?

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EVEN AS THE INDUSTRY IS POISED TO SURGE AHEAD

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The State of Global Mortgage and Housing

BY M. DIANE McCORMICK

It's a perfect storm of shrinking inventory, higher prices, and inflation, yet relief may well be in sight.

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BY ELLEN RYAN

COVID-19 ushered in virtual appraisals, but as the industry works out the kinks, are they here to stay?



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BY TINA NAZERIAN

Companies are looking for corporate housing as pandemic restrictions lift, but inventory and relational challenges remain, even as the industry is poised to surge ahead.



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About Worldwide ERC®

Worldwide ERC® is the workforce mobility association for professionals who oversee, manage, or support U.S. domestic and international employee transfers. The organization was founded in 1964 to help members overcome the challenges of workforce mobility.

Our Purpose

We empower mobile people through meaningful connections, unbiased information, inspired ideas, and solutions.





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EVENTS Calendar

September
2022

Southeastern Regional Relocation Council Fall 2022 Conference

13-15 SEPTEMBER

St. Pete Beach, Florida
srrconline.com/events

2022 RAC Conference

15-16 SEPTEMBER

Plano, Texas
rac.net

North Texas Relocation Professionals Fall Conference

22 SEPTEMBER

northtexasrelocationprofessionals.org

Rocky Mountain Relocation Council Fall Conference

20 SEPTEMBER

rnrconline.org/events

October
2022

Global Workforce Symposium 2022

25-28 OCTOBER

Las Vegas, Nevada
worldwideerc.org/events-conferences

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It's a Wild Ride

The year 2020 demonstrated to us all that even amid a pandemic, business can continue to function at a basic level. Then, 2021 took on remote work and its many challenges.

The year 2022 has yet to be defined, but we already know it's been a wild ride.

The past two years of the COVID-19 pandemic and the advent of remote work have fed into today's environment of rising mortgage rates, supply chain snarls, and vastly reduced inventories. It's all intersecting at real estate, and the consumer is in control as they decide where they want to live and how they want to work.

It's a dynamic time to be a mobility professional. In other words, buckle up. Crisis and chaos are the name of the game as clients lean heavily on us to take on new roles, develop new policies, and figure out how to keep building up the good work of mobility when our foundation is shifting sand. It's exciting but also an incredible responsibility.

"It's a challenging market, but there are options for transferring employees," says Wells Fargo's Stephanie Simon in our cover feature, "The State of Global Mortgage and Housing," on page 24. "This is about making sure that those options are known and available. Employers will really benefit from working with relocation service providers to understand what those options are and how to provide the best set of solutions to transferees."

More than ever, companies are counting on mobility experts to help them find the right talent, move them to where they need to go, get over the hurdles, and help these employees and their families build their new lives at home. And we at Worldwide ERC® are here for you.

So much of what is happening today is out of our control. We have heard loud and clear that what you want is to be together, as one, to be informed about what every other stakeholder in the value chain is doing. That this information is not just nice to have, but necessary, to keep transferees engaged and satisfied before, during, and after their moves. That you're hungry for details on good policies and practices that could one day turn into industry best practices.

These peer-to-peer stories and real-life scenarios are shaping the sessions and activities for mobility stakeholders



from 25 to 28 October during GWS 2022 at the Wynn Las Vegas. Last year, more than 800 joined us in Chicago for GWS 2020One, and even in just these few short months, the market has changed dramatically. We may be fielding curveballs daily—but we're learning, too. And that is what we look forward to doing side by side when we convene for GWS 2022.

It may be a wild ride, but together, as one, we can navigate the road ahead.

Lynn Shotwell, GMS

President & CEO
Worldwide ERC®



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Furnishing Flexibility

BY LEE LORENZEN, GMS-T, DIRECTOR, CORT GLOBAL

Despite the best efforts at workforce remobilization, the reality of supply chain challenges, delayed household goods shipments, and office shutdowns due to COVID-19 has dramatically increased the complexities of assimilating assignees.

Corporations and employees alike now require new tools to allow work-from-home flexibility, even when on a destination assignment. Furnishing providers have responded with next-generation home office rental solutions.

WHAT'S AT RISK

Global businesses face a new challenge that is disrupting project timelines and goals: pandemic-related office closures mandated by local and regional governments. As worldwide markets continue to wrestle with COVID-related lockdowns, businesses are learning to pivot to work-from-home assignments as a stopgap. This technique ensures continuity of assignments, minimizes project disruption, and has become a new art form in the “now normal.”

Prior to 2020, home office furniture was seldom incorporated into rental furnishing packages, with fewer than 10% of furniture initiations including a basic desk, chair, and table lamp. Today, that number is closer to 60% and rapidly expanding as corporations work to ensure congruity of workforce engagement. And it's not just about efficiency and mitigating employee downtime; it's also about promoting comfort and satisfaction for employees while they remain functionally engaged.

EVOLVED FURNISHINGS FOR THE REMOTE WORKFORCE

Rental furnishings have expanded to match corporate office-level function, and they exceed both

hotel and long-term furnished unit amenities, with offerings such as:

- **Modular workstations.** Sit-to-stand desks, rolling desks, laptop tables, and complete cubicle systems.
- **Monitors and arms.** High-definition (4K+) monitors, articulating/swing mounts, and arms.
- **Videoconferencing devices.** USB video cameras, clip-on monitors, and desk lamps.
- **Power and USB charging integration.** Power-integrated furniture, including desks and lamps, add-on power modules, and mobile battery charging pods.
- **Ergonomic seating.** Multi-adjustable seating, extending all the way to professional-level options such as Aeron chairs by Herman Miller.
- **Screen-share devices.** Amazon Fire TV Stick, Google Chromecast, and Apple TV devices, among others, that allow for screen-sharing to home TVs and electronics.

PLAN FOR FLEXIBILITY

The disruption in supply chains has created procurement challenges in all areas of furniture inventory, and the above items are no exception. The inclusion of home office furniture in standard policies for rental packages can mitigate employee downtime and business disruptions, should office closures later be mandated in that market.

Home office furniture rental additionally can help minimize business capital expense outlay, ensuring operational scalability and supporting corporate sustainability initiatives.

Companies should consult their mobility professional to develop a home office furnishing strategy or connect with an expert in the field to learn more. Dependent on varying factors, the solution could still be as simple as a small desk-chair-lamp-internet combination or a more comprehensive technical workstation package. *m*



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Executive Spotlight



Jeff Hawk



Laura Bayne



Morgan Crosby



Jessica Caligan

AIRINC ANNOUNCES LEADERSHIP CHANGES

Earlier this year, AIRINC announced the creation of a C-suite to pursue its vision of “becoming the world’s source for talent deployment data and insights.” It includes AIRINC’s CEO, Jeff Hawk, and Chief Financial Officer Lisa Reilly, as well as the newly formed positions of chief information officer and chief strategy officer.

Laura Bayne, previously AIRINC’s vice president of technology, has been promoted to CIO. Bayne leverages her extensive knowledge of client requirements to enhance AIRINC’s technology offerings while also taking on responsibility for its research and analytics team.

Morgan Crosby, previously AIRINC’s global growth leader, has been promoted to CSO. She is responsible for helping set AIRINC’s growth and company strategy, as well as marketing, sales strategy, and advisory and benchmarking activities.

In addition, Jessica Caligan is the new deputy Americas Region leader, moving into this role after Hawk transitioned from it to become president and CEO of AIRINC. Caligan brings more than 15 years of client experience working in AIRINC’s headquarters and EMEA regional offices. During her tenure, she has worked with a diverse base of Fortune 500 companies helping with ongoing policy, data, and product development needs. Most recently, she served as the director of product management.

EXP REALTY PROMOTES CONCIATORI

At eXp Realty, a subsidiary of eXp World Holdings Inc., Dawn Conciatori, CRP, GMS, has been promoted from director of relocation to vice president, referral generation.

With more than two decades of experience in the relocation industry, Conciatori is responsible for leading eXp’s global relocation team, building long-term strategic

relationships, and identifying opportunities for continuous business development.

Additionally, Conciatori offers specific expertise in REO asset management, property valuation, portfolio management, property preservation, and employee benefit programs.

ARNOLD, HOXWORTH, AND WARREN JOIN SPRUCE

Eric Arnold, SCRCP, has been named program director, relocation services, with Spruce. Arnold has nearly 15 years of experience in title and relocation. In his new role, Arnold focuses on bringing Spruce’s transparency and proprietary technology to the company’s national relocation customers. Most recently holding multiple leadership positions at two national underwriters, Arnold has been recognized with the Worldwide ERC® Distinguished Service Award numerous times and contributes regularly as an expert to industry publications.

Faye Hoxworth, CRP, GMS, has been named vice president, strategic partnerships, relocation services. Hoxworth brings to Spruce nearly two decades of experience in the title, real estate, and relocation industries. In her new role, she focuses on business development, account management, and customer-focused initiatives for Spruce’s relocation clients. Most recently leading sales, client development, and product development at two national underwriters, Hoxworth has earned recognition as a Houston Relocation Professionals board member and has received the Worldwide ERC Meritorious Service Award.

Kelli Warren, CRP, GMS, has been named director of relocation services. Warren has more than 20 years of experience in the relocation title and closing industry. In her new role, Warren focuses on directing operations for Spruce’s relocation clients. Most recently leading operations and account management at two national



underwriters, Warren is an active member of Worldwide ERC, Houston Relocation Professionals, and the Minnesota Employee Relocation Council.

RHEA, KOHNLE, AND MARA APPOINTED AT GRAEBEL

Joleen Rhea, CRP, GMS, has been named vice president, client services, with Graebel. Rhea brings expertise in domestic and global operations, account management, customer service, and project management. She has more than 20 years of progressive experience in the relocation industry, including holding various operations positions with leading providers of global mobility services.

In her new role, Rhea leads the development of Graebel's consultants and associates, ensuring the delivery of exceptional experiences for relocating employees. She utilizes her extensive industry knowledge and resources, as well as workload and performance management systems, to fully engage the team in the success of clients.

Andrea Kohnle, CRP, has been named vice president, client services. Kohnle started in the mobility industry in 2000 as an international assignment consultant and quickly achieved promotions through roles such as international operations manager, global account executive, director of client services, and regional director of client services. She joined Graebel in 2019 as senior director of account management before being promoted to her current role. Kohnle has herself lived and worked in numerous locations in the eastern U.S., bringing a personal knowledge of the complexities of relocation to her role with Graebel.

Michelle Mara, CRP, GMS-T, has been promoted to vice president of mobility strategy at Graebel. Mara has worked in the real estate and relocation industry for more than 20 years and previously had a successful career in mortgage banking, working in

the loan origination and servicing areas of the industry.

In her new role, Mara is responsible for helping companies develop and implement customized mobility strategies, using best practices and data to quantify mobility's value and align with companywide goals. She is also a Data Governance Board member to ensure that Graebel exceeds all its data initiatives. She has received numerous awards, such as the Chairman Circle Award and 100% client and team transferee satisfaction scores.

GLATZHOFFER, CAPOTORTO JOIN TRC GLOBAL MOBILITY

Rebecca Glatzhofer, GMS, has joined TRC Global Mobility Inc. as director, global business development. Glatzhofer has nearly 20 years of experience in the global mobility industry. Her diverse background includes corporate relocation, account management, logistics, and operations, allowing her to create consultative solutions for prospective corporate clients. She is actively involved in mobility and HR industry groups, including serving as director of diversity for a Wisconsin SHRM (Society for Human Resource Management) chapter and chairing the Wisconsin Employee Relocation Council (WiERC).

Leo Capotorto, GMS, has also joined TRC Global Mobility as director, global business development. Capotorto has more than 10 years of experience in the global mobility industry. Previously, he held business development and international account management roles at other companies, including Avenida Suites and IMPACT Group. He is an active member of Worldwide ERC and regional relocation groups, serving on numerous committees, and has also contributed to *Mobility* magazine. Capotorto is originally from Buenos Aires, Argentina.



Dawn Conciatori



Eric Arnold



Faye Hoxworth



Kelli Warren



Kelly Foreman



Jessica Rogers



Julio Yumpe



Michelle Durkin

ATLAS WORLD GROUP ADDS FOREMAN, ROGERS, AND YUMPE

Kelly Foreman has assumed the newly created position of chief diversity officer at Atlas World Group. She also continues as vice president of human resources for Atlas World Group Inc., a role she has held since March 2021.

In addition to her responsibilities in human resources, Foreman provides strategic leadership to Atlas World Group's diversity, equity, and inclusion initiatives and chairs the company's diversity committee. Foreman will work with subsidiary presidents, business leaders, staff, and administration across the enterprise to establish programs and policies fundamental to the advancement of these initiatives. Foreman joined Atlas with an extensive range of experience, including talent acquisition, performance management, employee development, and payroll and compensation, across multiple industries.

Jessica Rogers has been hired as director of claims services at Atlas Van Lines, where she oversees daily activities surrounding the processing of loss and damage claims for Atlas' national account and direct client customers, including monitoring statistical data and review processes to find efficiencies.

Rogers joins Atlas with extensive experience in project management and customer relations. Prior to joining the Atlas team, Rogers served as the customer service and shipping supervisor for SRG Global and had 12 years of experience with Enterprise Holdings Inc.

Julio Yumpe has been hired as senior director of data management at Atlas World Group. In his new role, Yumpe will develop and execute the Atlas World Group data strategy, including the business needs of the company's 10 subsidiaries and stakeholders. He leads a data team

that ensures the security, privacy, integrity, and availability of data in operational, reporting, and analytics data environments. Yumpe is also responsible for the development and communication of key metrics and key performance indicators to consistently show the business value of the company's data investments.

Yumpe joins Atlas with extensive experience in IT architecture and data processing, including his previous role as IT architecture manager at cloud-based loan solution company LenderDoor.

DURKIN, HALL JOIN AIRINC

Michelle Durkin joins AIRINC as senior director, advisory services, leading AIRINC's advisory efforts in the Americas and bringing extensive industry experience to the role. She has worked both in-house and on the supplier side of the industry. She was director of the in-house mobility programs at Honeywell and Teva Pharmaceuticals, in addition to roles at KPMG in its global mobility client services group. She most recently worked as an independent consultant and sat on the Benivo Strategy Council.

Kay Hall returns to AIRINC in a new role as senior director, partnerships. Previously, she had served as AIRINC's EMEA leader and has extensive experience working with RMCs and most recently worked with MoveAssist International. Hall oversees AIRINC's relationships and business development with partners globally.

TAPPER, MUTTER APPOINTED AT BERKSHIRE HATHAWAY HOMESERVICES CHICAGO

Debbie Tapper has been appointed to the position of director of relocation at Berkshire Hathaway HomeServices Chicago. In her role, she leads company-generated business, including relocation,

broker-to-broker referrals, and eLeads.

Most recently, Tapper was co-director of the firm's people and culture department, in which she elevated the levels of personalized service to brokers and brought mindfulness to routine real estate practices. She put processes in place with a goal to ensure that agents enjoy a great experience. She has also served as director of administration, streamlining the administrative functions for all 24 BHHS Chicago offices.

Luke Mutter has been named director of business development for the firm. In his new role, Mutter manages relationships with corporate and third-party companies and works with and expounds upon the firm's portfolio of products and services to benefit its agents and their clients. One example is the firm's new relationship with QuickBuy, which follows the iBuyer model and offers clients a secure, reliable alternative to a traditional homesale and connects home sellers to cash in as little as 14 days.

Mutter understands the needs of relocating families, with firsthand experience moving 15 times in 25 years across Europe and the U.S. Following a career in management consulting, Mutter began his career in residential real estate and was named a 2018 Rising Star by Berkshire Hathaway HomeServices Chicago and a 2018 Rookie of the Year by the North Shore-Barrington Board of REALTORS® (NSBAR). Mutter has also served as a director of NSBAR and has been consistently recognized for sales achievements since his first year in the business.

NEWLAND CHASE APPOINTS MORRIS, DU

Daniel Morris has been appointed director and counsel, advisory services, at

Newland Chase. In his new role, Morris advises multinational corporations on all aspects of employee global immigration and mobility and provides strategic guidance on how to achieve business objectives. He returns to Newland Chase after a two-year hiatus.

Morris brings more than 10 years of experience as a law practitioner, having begun his career with the National Immigrant Justice Center in Chicago. He has a proven track record of winning adjustments of legal status, achieving waivers of inadmissibility, and procuring authorization documents on behalf of migrants both in the U.S. and abroad.

Michael Du was appointed managing director, China. In his new role, Du leads the company's corporate visa and immigration service delivery, under the operating brand Newland Chase-FSG, to its growing client base of foreign companies operating in China and Chinese companies expanding globally. Newland Chase-FSG is part of the strategic joint venture of its parent company, CIBT, and Shanghai Foreign Service (Group) Co. Ltd.

Du brings more than 25 years of experience in the aviation, IT, and travel services industries and has a proven track record of establishing and driving China business growth for multinational companies. Earlier in his career, Du held the role of head of business development and client management at American Express Global Business Travel China. Before this appointment, he was managing director, China, at the travel management company Egencia, Expedia, where he was responsible for establishing the China team and growing China business. *m*



Debbie Tapper



Daniel Morris



Real Estate Solutions

Young professionals today are interested in owning real estate, but they face unique challenges, including being outcompeted by older generations with more equity, the burden of student loans, and the economic downturn. So, we asked: **As a young professional yourself, can you talk about your view of these challenges from both a personal and mobility perspective—and brainstorm some possible solutions?**



Homeownership is one of the toughest challenges facing the millennial generation right now. Unprecedented inflation coupled with low interest rates and skyrocketing demand are the current reality.

The rate at which housing has increased has far outpaced the increase in paid wages, making it harder for younger generations to obtain homeownership.

As a young professional, I do see this from both a personal perspective and a mobility viewpoint. As millennials, it is time to rework our real estate strategy. Purchase what you can, meaning it may not be your dream home, but it could be the opportunity to get into a condominium or pre-starter home. This will give you the ability to then begin building equity and take advantage of increasing home values down the road. Think of paying your mortgage on your starter home as contributing into a savings account for your future “forever home.”

From a mobility view, the current market is going to affect the ability of transferees to find a replacement home of similar value in their destination city. For the first time, many are saying they cannot replace their current home. However, some are using this opportunity to sell their homes in higher-priced cities and use that equity to purchase in a more affordable location offering a better quality of life. If young professionals are renting in the origin city, they could use the move to purchase real estate for the first time—a great way to begin a new chapter.

One of the ways I have found success in real estate is to buy early and even invest with a cohort when possible. Being a landlord is not for everyone, but it is a great way to build wealth for the future. Down the road, that investment property could be used to pay off debt, contribute to a dependent’s education or your retirement, or even serve as a steppingstone to that forever dream home.

TIM NOWAK, CRP, GMS-T
Coldwell Banker Realty
Leads Director
Arizona, Colorado, and Utah





I think the largest factor is the rising cost of real estate across the nation, paired with stagnant wage growth and an increasingly volatile interest rate environment. Average home-sale costs are significantly higher

today for anyone looking to purchase, giving an advantage to those who have already built equity.

In my personal experience, homeownership required a longer-term strategy that involved the purchase of a smaller-footprint condominium while building enough equity and savings to buy a larger home. It takes time, patience, and a plan. This process isn't always easy given the social media-obsessed, *Selling Sunset*-reality-TV-inspired lens that real estate is viewed through, rooted in instant gratification.

One of the biggest advantages I had was access to an experienced loan officer who helped me map out my plan. She understood my goals and was extremely knowledgeable about her company's products as well as grants, closing-cost discounts, and down-payment assistance programs through local or state government or housing agencies. Checking with your employer to see if you have access to any relationships with mortgage companies is a great start to finding one you feel comfortable with and trust.

I also used a program that waived private mortgage insurance for under 20% down. That reduced my monthly payment, which allowed me to build equity and my savings much faster. She also walked me through how my payment schedule works and how I can pay the loan off sooner. Some relocation mortgage providers offer similar programs to this down-payment structure, which can help homeownership become a reality for transfer-ees who are considering it.

With rising rates, many financial institutions will also offer relationship pricing on home lending rates, so asking a bank could be a way

“

Some are using this opportunity to sell their homes in higher-priced cities and use that equity to purchase in a more affordable location offering a better quality of life.

to receive more competitive rates than what's being offered by a mortgage broker. Remember, getting preapproved for a loan on a home is one of the best ways to make a competitive and informed offer. *M*

MATT TOBEL, CRP

Account Executive, Relocation and

Corporate Partnerships

NMLS ID 2156765

Huntington National Bank

Chicago



Changes in Real Estate

BY TRISTAN NORTH

With the mobility industry continuing to respond to changes brought on by the COVID-19 public health emergency, I was pleased to spend some time with Jay Hershman, SCRP, exploring issues impacting the real estate sector, particularly the implications of technology on the homebuying process experienced by transferees.

Hershman is an attorney whose practice concentrates in the areas of real estate and relocation law. He is also chair of the Worldwide ERC® Real Estate and Mortgage Forum, of which he's been a member since its inception.

TN: How do you envision the future of e-notarization and e-closings?

JH: There's no doubt that a more secure, more technologically sophisticated way of conducting business in the real estate space is coming. The question is: How long is it going to take to get there, and what is it going to look like?

When you think about how antiquated our current U.S. system is—we're essentially keeping land records the same way we were when the country was founded—it's pretty unbelievable. There aren't many other industries operating like that. When you look around the world, you see much more sophisticated methods of utilizing technology for land records or real estate transactions. So, I think it's definitely the future. Exactly what that future is going to look like, I'm not sure. But I am sure it will include advanced technology.

People grew accustomed to e-notarization during COVID-19. Many were more willing to try new technologies during the pandemic than they might have been otherwise. E-notarization—which encompasses remote online notarization (RON), remote ink-signed notarization (RIN), and various other methods—was very helpful in keeping the market

going. Many of the emergency orders put in place have now opened the door to permanent legislation, giving us the opportunity to expose buyers, sellers, and other members of the industry to the benefits of e-notarization and other electronic methods.

TR: With e-notarization, what issues were encountered working across state lines?

JH: We did see a lot of issues, particularly in our industry, where transferees were moving and selling a property and the temporary orders didn't allow for documents executed in one state through RON to be accepted by another state. In the future, it would be helpful to have federal legislation to assist with documents being notarized and accepted by a state other than the state in which documents were originally notarized.

The SECURE Notarization Act [Securing and Enabling Commerce Using Remote and Electronic Notarization Act], which Worldwide ERC has been very active in supporting, is an important piece of legislation for the future of e-notarization.

TN: E-notarization is just one change that occurred due to COVID-19. What other changes might become more commonplace in the real estate space?

JH: From a closing perspective, one of the big things is not having everybody physically sitting at the closing table—buyer, seller, real estate agents, mortgage lender. That really stopped during the pandemic, and I don't see that coming back. People are so busy in their personal lives as well as their business lives. So, to fix a time for 10 people, which might have to change if one of them has a conflict, just doesn't make sense. I see online notarization and mobile notaries continuing, and that will make us more efficient.

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Another big thing: Pre-pandemic, you rarely heard of anyone buying a house sight unseen, but technology has allowed people to do that. More agents are FaceTiming through the buying process with transferees who may be 1,000 miles away. With video technology and online mapping, there's so much more information available to help people make a decision; they don't necessarily have to come to the property to see it.

Of course, there are some downsides, but post-pandemic, I think this will continue at some level regardless.

TN: Speaking of those downsides, has technology created an opportunity for scam artists to insert themselves into these real estate transactions so that funds are transferred to them instead of the seller or another party involved in the transaction?

JH: Absolutely. There are a lot of scams out there—more and more every day. Fraud continues to be a major concern of our industry; that includes phishing as well as hacking. Fraudsters are getting into emails and attempting to change wire instructions so that they can intercept proceeds from a closing, mortgage payoffs—anything where there's a lot of money flowing. And in a real estate transaction, there is a lot of money flowing, so the fraudsters are there.

The other thing we're starting to see that we haven't really seen much of in the past is fraudsters attempting to sell a vacant home or a vacant piece of property by posing as the seller, without the true owner realizing what's going on.

TN: Environmental sustainability efforts, such as solar panels, are playing a bigger role in mobility and home sales. What should mobility professionals and transferees know about such home improvements when purchasing a home?

JH: Solar panels are raising issues on both the departure side and the destination side of the relocation process.

If you have solar panels on a property, it's really important to know what's in the solar panel contract, whichever side of the process you're on. A lot of times, there's a power purchase agreement and a separate contract or agreement for the actual ownership of the physical panels. Becoming

“

In the future, it would be helpful to have federal legislation to assist with documents being notarized and accepted by a state other than the state in which documents were originally notarized.

educated on solar panels and being able to counsel your transferees are going to be important tools to have in your toolbox in the next few years.

TN: With the current increase in home prices, do you see any other trends affecting real estate transactions involving transferees?

JH: We're definitely seeing buyers getting creative in their attempts to win bids. Almost every transaction has escalation clauses. In some ways, on the departure side, it's creating more work. There may be 30 bids to sort through, which is great if you want to sell your house but also creates a lot of work for both the seller and the relocation counselor who is working on the transaction.

On the destination side, buyers are having to act fast, so transferees don't have a lot of opportunity for robust due diligence if they want to secure a bid. Typically, transferees on the destination side are pretty attractive buyers because they usually don't have anything to sell—they've already sold their departure residence through a relocation program. And the seller at the destination knows this buyer needs to purchase something—they're moving to a new area, so they need to buy that house.

Another trend to note: For the first time, we're seeing buyers offering to pay seller closing costs, which could create some interesting issues going forward—particularly tax implications related to a relocation transaction. I expect that's something we may be talking about at our fall conference. *m*

Tristan North is government affairs adviser for Worldwide ERC®. He can be reached at +1 703 842 3400.



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Our driver handled everything with care, answered questions and communicated fully throughout the process.

“

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The Numbers

Relocation and Retention

The Great Resignation continues to revolutionize the labor market, sending shock waves through companies around the world. Among the various tactics at companies' disposals for attracting and retaining talent is relocation. That's supported by a survey for Graebel Companies Inc. of 1,500 workers in 11 global markets who resigned from a job in the past two years.

54%

of North American respondents say impacts from cost of living are their greatest influencer in assessing relocation opportunities, compared with 39% of Europeans and 42% of Asians. This could be because, according to the Federal Reserve Bank of San Francisco, "U.S. inflation has risen more quickly and increasingly diverged from inflation in other OECD [Organisation for Economic Co-operation and Development] countries."

67%

of respondents said they would have been more likely to stay with their company if they had had the opportunity to keep their current role but relocate to a different country. And 70% might have stayed if offered a relocation within their home country.

I expect my employer to ...	%
Fully support my request for relocation	39%
Support but expect me to make it work	32%
Oppose	15%
Reluctantly allow	15%

Desire to relocate to a new city or country plays a role in why employees choose to leave a company, by generation

Gen Z	27%
Millennial	24%
Gen X	35%
Boomer	41%

Other influences on moving to another company include better pay and benefits, cited by 60% of Gen Z, 64% of millennials, 46% of Gen X, and 40% of boomers. Respondents could select all that applied.

Top 5

relocation benefits that make an employee feel valued and safe

Paying travel and moving costs	54%
Finding a place to live	47%
Language or cultural adaptation classes	45%
Job search support for my partner	41%
Someone else to handle the move	40%

50%

of respondents who identify as something other than heterosexual were likely to cite health and safety concerns as reasons they left one employer to move to another. That's more than double the number of heterosexuals (24%) who would say the same, underscoring the importance of diversity, equity, and inclusion in mobility programs.

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The State of

GLOBAL MORTGAGE & HOUSING

It's a perfect storm of shrinking inventory, higher prices, and rising inflation, yet relief may well be in sight

By M. Diane McCormick

E

xperienced mortgage lenders have seen tight housing markets come and go. For today's global housing volatility, teamwork between lenders and relocation professionals, they say, is what makes it manageable.

"It's a challenging market, but there are options for transferring employees," says

Stephanie Simon, senior vice president, corporate mortgage programs leader, Wells Fargo. "This is about making sure that those options are known and available. Employers will really benefit from working with relocation service providers to understand what those options are and how to provide the best set of solutions to transferees."

Shrinking inventory, higher prices, and rising inflation create a perfect storm of challenges in homeownership and rental for relocated employees. Industry players say that preparation, partnership, and policies are the keys to rebalancing the equation.

A Challenging Picture

Fueled by pandemic conditions, global housing is submerged under a tidal wave of surging housing prices and cutthroat competition.

In the U.S., the National Association of REALTORS® reports:

- Home prices rose 9.1% in 2020 and nearly 17% in 2021.
- As of April 2022, mortgage rates reached nearly 5%, up from 3.1% a year before. Combined with a strong year-over-year home price appreciation of nearly 15%, the median monthly mortgage payment has increased to \$1,900, up about \$600 per month compared with the previous year.
- Buyer traffic is weakening but, as of March 2022, was still outpacing supply and feeding a craze of multiple-offer bidding. “Buyers are still finding it hard to have a successful offer on the first try because of competition, especially with cash buyers, who accounted for 28% of sales (23% one year ago),” wrote Scholastica “Gay” Cororaton, senior economist and director of housing and research with the NAR Research Group.
- The 950,000 homes on the market constitute about a two-months’ supply—well below the desirable level of six months. Tight supply means that home prices will continue to rise by about 5% by the end of 2022.

Internationally, the picture is much the same. Among the 60 countries included in the International Monetary Fund’s October 2021 Global House Price Index, three-quarters saw house-price increases in 2020. Luxembourg, Turkey, New Zealand, Canada, and Denmark topped the list, with percentage increases ranging from nearly 10% to 17%. Many Asian and South American countries fell in the under-5% increase range. Prices dropped in Malaysia, Indonesia, Peru, Serbia, the Philippines, India, and the United Arab Emirates.

Global price-increase drivers included low interest rates, government policy supports, work-from-home needs, and rising construction costs, according to the IMF.

Inflation across the spectrum of consumer spending compounds affordability challenges. A dollar or euro doesn’t stretch as far as it did. In Europe, rising house prices relative to incomes have undermined affordability, reports the IMF.

In the U.S., rising prices in gasoline, food, and other nonhousing items are adding another \$429 to the average household monthly expenditure, but increases in average weekly wages totaled only \$212 per month, for a \$217 monthly shortfall, according to NAR. “The income bracket that will enable people to afford a home at the current rate is about \$90,000,” says Cororaton.

The worldwide squeeze impacts relocation by amplifying the reluctance that potential assignees feel, says Laura Levenson, GMS-T, practice leader, consulting and advisory services, Weichert Workforce Mobility.

“Employers struggle to get people to move,” she says. “When you drill down into why, it’s because employees can see that they can put their house on the market, but they can’t see where they’re going to go. They have to be able to go somewhere, and that alone is driving people out of the market.”

Policy Packages

As if buying a home weren’t pressure-filled enough, corporate relocations typically condense the timeline and heighten the urgency of finding housing and aligning financing, says Simon.

“If you’re moving with family or a significant other or partner, you have to consider the impact on them,” says Simon. “Are their schools changing? Are their jobs changing? You have to get so many more things done in such a concentrated time. You have some accelerated and expanded pressures on individuals that you don’t necessarily have in your typical mortgage move.”

In 40 years of offering relocation mortgage assistance, Wells Fargo has seen competitive housing markets and the swing of mortgage cycles. In these circumstances, advises Simon, a toolbox fully stocked with options makes a challenging climate manageable.



Especially in highly competitive markets, the buyer must be fully prepared with locked-in preapproval and all financing 'ready to go, so you know how much house you can afford and where you can go in case there's a bidding war.' ”

—STEPHANIE SIMON, WELLS FARGO

“Being able to provide surety, being able to provide clear products and programs, being able to provide a knowledgeable and professional team and staff are critical when you have a situation where you’re going to have a lot of people move in a condensed time,” she says.

A rich variety of services and programs from the lender takes on added value when employers adapt their policies to the circumstances, says Simon. That can include subsidies or sliding-scale discount points, by which the employer compensates employees for some of their extra, unanticipated costs. “Take a look at policies,” says Simon. “Are they as flexible as they can be in a rising-rate environment, with some of the competitive pressures that are in the marketplace today?”

While financial institutions can help corporations on the big picture, relocation specialists can work with their clients—the assignees—to find those products that fit their personal needs, Simon adds. Flexible solutions crafted by lenders and employers are still in the early stage, but she anticipates “many more opportunities to work with transferees in offering rate solutions coming in the

near future, particularly if rates continue to be [as high as] or higher than they are today.”

Housing challenges further impact the talent wars by seeding hesitation among potential new hires who consistently rank housing among their top concerns, says Levenson.

“Is it going to be safe? Is it going to be proximate? Is it going to be big enough? Is it going to be comfortable enough?” she says. “It hits on one of the top reluctances to moving, whether it be international or domestic. Part of the root cause of this recruitment challenge does go back to the real estate problem.”

Housing problems are global, and employers’ options are “somewhat limited,” notes Levenson. Some employers are extending the period granted for using housing benefits, perhaps making exceptions that allow assignees to rent before buying.

In these circumstances, company incentives and policies can adjust to meet the moment. Employers might offer incentives that cover “duplicate housing” costs when the assignee is paying two mortgages, says Levenson. She also sees a likely return of assistance programs that help assignees pay mortgages that have risen substantially.

“There will be, I believe, more of those kinds of incentives necessary to get people to move,” she says. In the U.S., she also envisions a rise in temporary assignments, in which employees are relocated to a region for a predetermined amount of time, keeping their homes while living in corporate housing or another temporary situation.

“Someone might say, ‘I’m willing to commit for three to six months, but I’m not willing to commit entirely,’” she says. “We do that already on the international side. Maybe it’s worth considering on the domestic.”

Mobility divisions can prepare assignees to seize opportunity by recruiting mortgage lenders that can help transferees understand the housing markets in their new regions, says Simon. Especially in highly competitive markets, the buyer must be fully prepared with locked-in preapproval and all financing “ready to go, so you know how much house you can afford and where you can go in case there’s a bidding war,” she says.

Remote Work Impact

Though not ideal, remote work allows companies and assignees to postpone moves until housing markets cool down, says Levenson. Hybrid arrangements, in which assignees are relocated to a target region but perform work at the office and at a home within commuting distance, can be a stopgap.

Still, “most people in this industry believe that face-to-face interaction is so much more effective for getting the work done,” she says. “It’s even more essential on the international side.”

As for converting the relocated expat of the past to a business traveler who flies back and forth regularly, the possibility remains complicated due to ongoing COVID-19 restrictions, says Levenson. Companies might consider easing existing limits on the distance between home and office, or extending temporary-living time allowances in 30-day increments, she says. She wouldn’t recommend officially changing policy to enshrine any extensions because most people, given a clock of, say, 90 days, would procrastinate in their search for permanent housing solutions.

Remote work has changed relocation and migration patterns, says Cororaton. “If you had to commute two hours every day, five days a week, I’m sure you would not travel, but if you can work from home and just have to travel twice a week, that tradeoff isn’t as stark,” she says.

NAR recently unveiled its “hidden gems”—10 undervalued U.S. markets where wages and populations are growing but the pace of rising housing prices compares favorably to real estate markets nationwide. The spots are tucked into Texas, Alabama, Arkansas, Missouri, Tennessee, Florida, South Carolina, and Arizona. All, notes Cororaton, are “close to hot markets,” allowing employers to create hybrid office-home work policies.

“Home sales in Austin are hot, but with prices rising, people are starting to move to San Antonio,” she says. “And Nashville is hot, so people are moving to Knoxville.”

Simon agrees that some alternative sites “are more affordable than not,” making remote-work

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Over the next two years, as the Fed tries to control inflation, rising interest rates will dampen demand, but after that, when inflation is controlled and there’s a flatter, smoother uptick in mortgage rates, you’ll see the millennials getting back into the market.”

—SCHOLASTICA “GAY” CORORATON,
NATIONAL ASSOCIATION OF
REALTORS® RESEARCH GROUP

arrangements feasible, but most employers still prefer to relocate employees within their traditional employment hubs.

The Rental Equation

The same pressures squeezing homebuying markets are affecting rental housing and homebuilding.

In the U.S., rental prices are rising 10% to 15%, says Cororaton. Overall, the lack of construction in the for-sale and rental markets is driving much of the trend. Housing permits are running ahead of housing starts, signaling that builders can’t begin construction according to their plans. Culprits delaying starts and driving up construction costs, Cororaton says, include shortages in raw materials and supplies, plus a specialty-trades shortfall of 200,000 people since 2005.

The rental market is “just as out of balance as the purchasing market,” says Levenson. Renting

seems like a good idea in theory, but supply is also low, and “it’s not that great an option if you have pets.”

“At the end of the day, more buildings have to be built,” she adds. “It’s hard to know what’s going to happen.” Even as construction picks up, she says, pre-pandemic and pandemic-era backlogs have yet to be filled.

Simon sees signs that construction backlogs contributing to shortfalls in homes for purchase and rentals are easing. While builders had some challenges during the height of the lockdown, the restored ability to complete projects on time creates opportunity for transferees because new construction adds certainty and reliable options to the process. “Where there is inventory, you know assignees are going to have a house,” she says.

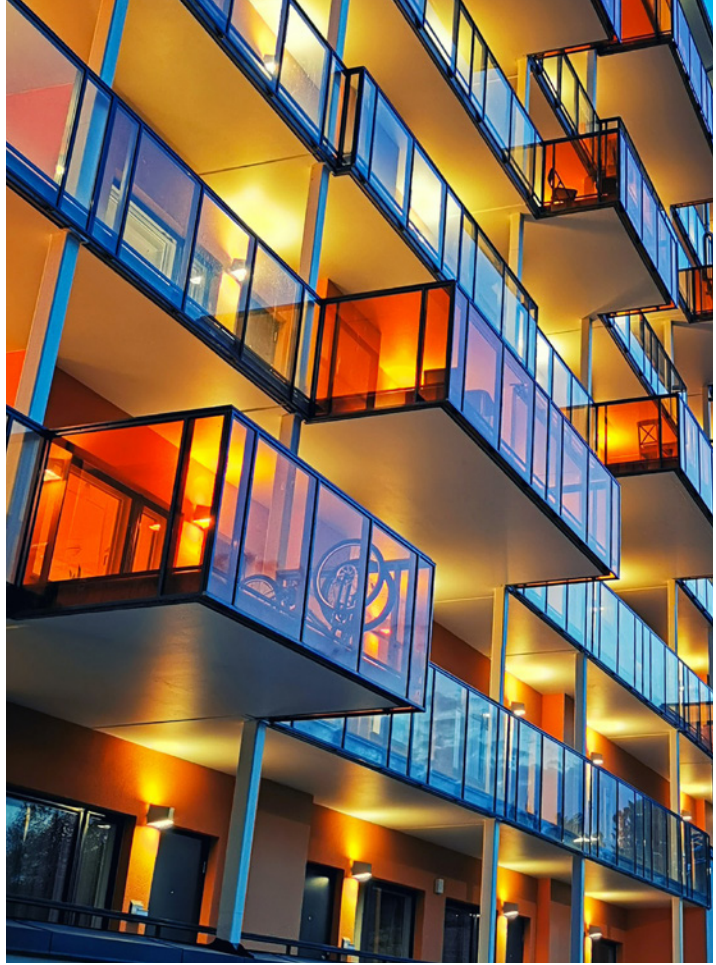
A Look Ahead

In coming years, flexibility will remain the standard as analysts and industry players see a mix of hopeful signs and choppy waters ahead.

Global housing construction is expected to grow 3.1% per year through 2025, with improved access to mortgage financing in developing countries in Asia and Africa, according to the Freedonia Group. Foreign investment is driving expansion in large, developing housing markets, including Brazil, India, and Vietnam. However, new housing construction in many European countries could be stalled by weak growth.

In the U.S., millennials ages 25 to 44 have created a “demographic bulge” that transacts about one-third of U.S. home purchases, says Cororaton. That bulge will continue to drive market trends.

“Right now, buyers are getting a mortgage payment shock due to both rising rates and sustained price appreciation and with inflation still elevated,” she says. “There are now about 4 million renter households headed by 25- to 44-year-olds who have been priced out. Over the next two years, as the Fed tries to control inflation, rising interest rates will dampen demand, but after that, when inflation is controlled and there’s a flatter, smoother uptick in



mortgage rates, you’ll see the millennials getting back into the market.”

As the U.S. Federal Reserve Board gradually increases the cost of borrowing, mortgage rates could reach 6% domestically by the end of 2022, says Cororaton. Home purchases are made unaffordable, in part, by the dichotomy of home prices up 15% to 20% while salaries are up only 6%, so she sees an upside in rising interest rates that “cool down the market.”

Wells Fargo economists expect U.S. housing prices to rise on the coasts, driven mainly by lack of supply and inventory, notes Simon. Against that backdrop, however, is that large millennial group that wants to buy and wants more space and the ease of work from home.

Those circumstances contribute to “the beginning of a bidding war, and when you have a bidding war, you have escalation of housing costs,” says Simon. “Our economists do expect that we are going to continue to see a really tight market with rising housing costs.” *M*

M. Diane McCormick is a freelance writer in Harrisburg, Pennsylvania, and a frequent contributor to *Mobility*.





The Future of Appraisals

COVID-19 ushered in virtual appraisals, but as the industry works out the kinks, are they here to stay?

By Ellen Ryan

It sounds so easy: A home appraiser sits at their desk, checking over numbers and photos and charts, running calculations, and coming up with the perfect result over coffee—while never having to burn carbon-based fuel or spend time on the road.

In reality, an appraiser using today's desktop tools could be spending just as much time and energy—or more—sweating over the piles of data coming in, as might have gone toward physically being at the homesite.

Maybe more photos are needed. Are the photos authentic? If they're at a different angle or distance than those from the listing agent, do they match up? If there are lists of numbers regarding windows and appliances and landings, are all of them necessary and useful—or just noise?

Alternately, if more data is needed, is there a cost? What about the time involved? That's a cost, too. And what if someone has to drive out to the house after all?

It's no surprise that "desktop appraisals" have been on the rise, even prior to COVID-19. "All of us recognized for some time that this is something that's coming," Allen Gardiner, co-owner, Gardiner Ray LLC, an appraisal real estate consulting firm in Dallas-Fort Worth and Lubbock, Texas, told an Appraisal Institute webinar audience in February. However, his clients—smaller mortgage lenders—think the desktop appraisal concept will "kind of go away."

Those two differing viewpoints are complicating an already difficult process—made even more problematic with the pandemic, particularly as transferees and mobility providers are still seeing high home prices and a frenzied market.

Recent Confusion

It's worth emphasizing that the desktop appraisal—as an alternative to traditional in-person appraisals—is voluntary. "No one has to use it," Lyle Radke, Fannie Mae senior director, collateral policy, told the Appraisal Institute audience.

While more of these virtual appraisals are being conducted now than in the past, adoption has been limited so far, in part because both appraisers and clients have been wary. The need to provide computer-generated floor plans and added criteria is one main reason. Appraisers must also be comfortable vouching for the accuracy of all that information—and many aren't.

"I do see the relevance, the positive side of the modernization," certified appraiser Dawn Molitor-Gennrich, president of California's Molitor-Gennrich Consulting, said at the Appraisal Institute webinar. However, what she and colleagues hear from some lenders, builders, assessors, and others seems to be a version of "If it ain't broke, why fix it?"

On the flip side, government-sponsored enterprises (GSEs) and lenders have pointed

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In a pilot program, Fannie Mae is testing a hybrid appraisal in which appraisers will rely greatly on the Multiple Listing Service and listing agents.

out for years that the system *is* broken. Call it inconsistency, human error, bias—assessors and appraisers are getting different numbers for the same criteria.

The Value of the Human Touch

Fannie Mae points out time and energy savings, since assessors do less driving with the new method. Appraisers counter that it takes at least as much time to trace, assess, and verify the data collected from other sources.

Gardiner sums up the problem well. Preferably, appraisers would hear: "Here's data on this house. You can assume it's all accurate. Provide us a value." But the reality is more like: "Here's a pile of data. If you're unsure of it, you have to investigate it, verify it, or ask for more, or just do something else."

Gardiner's assessment is this: "At some point, it's data overload." For example, data collectors can send in dates, models, and serial numbers on all appliances in a house. That can be useful, he allows, but it is also just more information for an appraiser to sift through to determine what it means and how to use it. Though time savings may be achieved, overall, he says, "I'm just not sure how much cost savings [there are]."

Plus, no knock on technology, but appraisers note the value in seeing the property firsthand.



With a pure “desktop” analysis, for instance, appraisers don’t get to see what the buyers, sellers, and agents see on the ground—such as why buyers go for the house with the fourth bathroom or the school two blocks away.

That inherent understanding of the market—of why people buy here as opposed to there—comes only with field experience, Gardiner says: “You remove that experience, clients lose that knowledge.”

The Tech Angle

Desktop appraisers are, however, touting the upsides of new technology. For example, linear regression models—statistical tools used to estimate home values—are now more available, more affordable, and easier to use.

Appraisers also mention data grabbers, sensitivity analyses, and other computer models that can sort cost data in usable ways. It could be the post-COVID affect, but “all of a sudden, more technology is becoming available. We’ve been very busy incorporating new tools,” says Gardiner.

With one mobile app, for example, he says, he can take cellphone photos of properties and receive a computer-generated floor plan the next

day. “I measured a 4,000-square-foot house in less than seven minutes,” he says.

While some appraisers dismiss savings in terms of drive time, the use of technology as Fannie Mae envisions it should mean far less time on the road for appraisers, who can put 30,000 or 40,000 miles on a car annually, more than twice the miles a typical American drives per year. Of course, some efficiencies come in combining house visits, but potential big savings in time and fuel can’t be ignored.

Nor can the usefulness of comparable and reproducible data, which Fannie Mae and Freddie Mac have been pushing for. Overall, that’s hard to argue with, some appraisers have said.

Meanwhile, the twin problems of an aging appraisal population and the mismatch between appraisers (heavily white and male as a group) and their clientele (far more diverse nationwide) loom in the background.

Three years ago, Jacob Williamson, Fannie Mae senior vice president, single-family collateral risk, loan quality, and operational risk, wrote that about half of appraisers were between ages 51 and 65, and only 7% had two years or less on the job. “The present field of appraisers is also lacking in

diversity, as 75% of appraisers are men and 87% are white,” he wrote.

A move toward desktop from in-person appraisals could help, a little, on both counts by attracting younger and more diverse applicants looking for roles that incorporate new technologies and a flexible working schedule. “The adoption of cutting-edge technology and process updates means that ... many companies hire appraisers to determine property value based on a combination of property data gathered by trained professionals in the field and a variety of online data sources. ... This evolution presents intriguing new opportunities for appraisers to work in a variety of different ways, providing flexibility on working hours and location.”

All these changes may help stabilize worker losses, and “we would definitely encourage newcomers,” adds Kathy Hill, vice president, regional sales manager, U.S. Bank Home Mortgage Corporate Programs. “Career changers, young professionals, and diverse candidates can all contribute to new ways of thinking and technological advancements.”

The Appraisal Institute, for one, has launched several diversity efforts, including a women’s scholarship program. And if automation helps stem the need for appraisers—as Fannie Mae publicly suggested as early as the mid-2010s—it will only help offset anticipated industry losses as the U.S. population continues to grow.

Hybrid Approaches?

Meanwhile, in a pilot program, Fannie Mae is testing a hybrid appraisal in which appraisers will rely greatly on the Multiple Listing Service and listing agents. But Fannie Mae recognizes the listing agent as an interested party, not neutral, so appraisers should verify details by using sources such as map-camera views.

“We’re not trying to make this difficult. It’s different,” Radke told the webinar audience. “I think we’ll all get more comfortable with this over time, but it’s going to take some practice, and it’s kind of a new way of thinking in some cases.”

COVID-19’s Effect?

Just after the coronavirus swept the U.S. in March 2020, Fannie Mae and Freddie Mac approached the GSEs about emergency measures for fear that, with the stoppage of in-person appraisals, “the whole mortgage market could shut down,” Lyle Radke told his webinar audience in February.

The GSEs and the markets cobbled together an interim solution that included desktop and exterior-only appraisals. Fannie Mae made certain allowances during the peak of COVID-19, Allen Gardiner explains, “and those allowances are gone now.”

The interim system stayed in place through 31 May 2021. “We did a lot of testing” over those 14 months, Radke says, “and that helped to inform the current rollout.”

That’s the April 2022 rollout of the mandatory ANSI standard for appraisals, which standardizes measurement of gross living area nationwide. It also makes results consistent, reduces bias and retraining, is easy to use, and raises confidence, according to Fannie Mae. Residential property valuations correlate strongly with gross living area, Fannie Mae pointed out, but the real estate industry had not agreed on a consistent way to calculate it.

The pandemic “opened up that option for us,” says Kathy Hill. “It’s definitely fair to say that COVID-19 probably kicked it into gear,” adds Gardiner. Like the rest of the industry, they’re watching for the results.

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If unregulated, hybrid appraisals “could exacerbate inaccurate valuations,” wrote Irimar Waters in *Appraisal Buzz* this past December. “At the same time, this shift could provide more on-the-job learning opportunities for trainees. In time, the approach may solve the appraiser shortage and highlight the most experienced and knowledgeable professionals in the industry.”

From their side, some appraisers think a hybrid might be the worst of both approaches: a slew of sophisticated data on which they still have to perform old-fashioned due diligence. For their part, naturally, the GSEs seem to hope a hybrid—and, eventually, desktops themselves—will combine the best of both in-person and desktop: ease of use, cost savings, and time savings.

Next Steps

Given the level of data available and the growing sophistication of the tools, “it’s very obvious that desktop [appraisals] will at least be in the mix,” says Gardiner.

But how long it will be until lenders universally accept them and the kinks get worked out is anyone’s guess. Right now, pushback on the accuracy of third-party data is slowing that acceptance.

“It seems everyone’s working in their own silos instead of as one cohesive team. Can they find a way to work together on the solution?” asks Hill. “Everyone would benefit from it. It’s an evolving situation.”

Perhaps GSE-led listening sessions would help, especially in markets where builders don’t fully follow ANSI standards and lenders don’t allow certain things to be valued. Then, there are the many other questions: What about certification of data suppliers? Market forces such as filtering out of the less reliable sources over time? Entrepreneurs who accuracy-test the data—for a fee? (But how would that impact any cost savings?)

It will require time and experience, says Fannie Mae’s Radke, who told the Appraisal Institute that it took lenders two to three years to adjust to appraisal waivers in 2016 and reach high adoption

The Bias Debate

Appraisal bias during property valuation is a divisive issue that brings up the specter of homeowner lawsuits and fair-lending problems. Appraisers are vehement that any markdowns are due to condition and location factors. Whether a house is bland from top to bottom or has Black Lives Matter or Pride posters throughout, appraisers say they simply measure square footage and add up the bedrooms.

Indeed, scads of regulations and codes of ethics insist that appraisers remain as neutral as that bland-painted house. And the Appraisal Institute has stated, “We ... continue to equip our membership with tools to recognize and interrupt unconscious bias and ensure they have a deeper understanding of the root of racial inequities.”

What of studies showing that Black-owned homes tend to be appraised at a lower value? That may be true, but a house is not an island. While the case of any one property is always arguable, there’s no denying that a neighborhood and its amenities—or lack thereof—affect value in what can become a vicious cycle. Disguising a home’s ownership may be a good defensive tactic by homeowners, but conditions inside *and* out are harder to account for.

rates. That’s just one example. “Anything new is going to take time,” he says.

Molitor-Gennrich, Gardiner, and others agree. “Over time,” Gardiner says, “the market will work it out.” *m*

Ellen Ryan is a writer based in Rockville, Maryland.



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Companies are looking for corporate housing as pandemic restrictions lift, but inventory and relational challenges remain, even as the industry is poised to surge ahead

AT CA



PACITY



By Tina Nazerian

Workers confined to their homes in the early days of the COVID-19 pandemic now, for the most part, can move globally and work from the locations they please. As in-person and hybrid operations pick back up, though, companies also have cause to request that their workers relocate. Together, these developments present challenges for corporate housing.

Debra Christopher, president of Synergy Global Housing, headquartered in San Ramon, California, spent most of 2021 capacity planning with customers who were “anxious” about having access to enough housing in 2022, given that forecasted demand for relocations was unprecedented. However, the reality is that while intern numbers have jumped, “new hires are not relocating as quickly as many of our clients had hoped.”

As a result, Synergy's clients are "having to ease new hires into the relocation process," says Christopher. "Instead of the flood of demand we expected, we're experiencing more of a steady flow of moves related to new hires." But even what she has deemed a "more tempered" demand in 2022 has had serious implications for the corporate housing industry.

The U.S. Focus

In the U.S., the state of Texas offers a case study of what's unfolding around the nation. The Texas Real Estate Research Center at Texas A&M University tracks information on single-family homes available for sale in the state. Joshua Roberson, the center's lead data analyst, says the combination of increased purchasing demand and low inventory was a challenge even before the pandemic, but the pandemic "amplified" those issues.

"One of the consequences [of the Great Recession] was, with fewer homebuilders and less demand, a lot of people just exited the industry," he says. "There were just not nearly as many homes being built over the course of the next decade as there probably should have been."

Now, Roberson says, there's still an "under-development of new homes in general," but the combination of rising prices of land, a builder shortage, regulations, and other factors meant that even when new home construction did begin to increase toward the latter half of 2010s, it "wasn't the same product offering." The homes tended to be "higher-priced," with fewer starter homes being built.

According to a January 2022 report from the center, "Texas' months of inventory [MOI] fell to 1.4 months, as active listings remained retracted while demand stayed high. A total MOI around six months is typically considered a balanced housing market." Around the U.S., says Roberson, it's "the same story everywhere" to "varying degrees for the most part."

The issue of high demand has also rippled through the corporate housing industry. Jon Lanclos, CRP, founder of Preferred Corporate

“

These are not the peaks and valleys we're used to. Volume is steadily going up. That's what we have seen, and I believe this will continue through the end of the year and stabilize sometime next year.”

—PATRICIA TUREK,
DWELLWORKS LIVING

Housing and a real estate broker, has seen the challenges both real estate and corporate housing are facing firsthand. Lanclos, who is based in Houston, confirms that there aren't many homes available in his state. "You have to look at basically everything when you're looking at rentals, not just apartments, but you have to look at the availability of single-family dwellings for lease as well," says Lanclos. "There's just a lack of inventory."

That lack has upped the competition among applicants, says Lanclos, to the point that his real estate company is "inundated with applicants" whenever they offer a house for lease.

Lanclos says real estate's combination of low inventory and heightened demand has carried over to the corporate housing sphere now that remote work is more widespread. Employees—especially the younger generation—like the idea of frequently moving around. "We are seeing people leaving states like California and New York based on politics and job availability," says Lanclos. "So, they're taking jobs and moving to places like Texas and Florida, and companies are also doing that as well. They're packing up shop and leaving from one city to another."

Additionally, the corporate housing needs of many transferees have changed. Patricia Turek, CRP, GMS, vice president of global operations for corporate housing for Cleveland-based Dwellworks Living, says that prior to the pandemic, many corporate housing requests in the U.S., as well as around the world, were for smaller spaces: one-bedroom apartments and studios in particular. But now, with factors such as working from home and home-schooling, people are thinking bigger. The problem is, “nobody is rebuilding the buildings,” says Turek, and the majority of available units are still those smaller spaces.

Turek’s colleague, Andria LaMantia, Dwellworks Living’s vice president of sales and business development, says another development is that both traditional and transient employees now tend to opt for longer stays.

“This transient traveler that used to go back and forth is now extending their stay and staying longer, occupying an apartment versus a hotel,” says LaMantia. “Before, they would leave their belongings behind and go back home. But that two-, three-day trip is now becoming a longer stay. So, we’re seeing on the transient travel side—where previously we wouldn’t get that business—now they’re interested in corporate housing versus a hotel.”

Inflation has complicated matters, too. “Home prices are up, taxes are up, and rents are up,” says Lanclos. “Those rents directly translate over into the rise in prices in corporate housing. Rent is our largest expense in corporate housing, and when you see an increase in rent, you see an increase in our costs as well.”

According to Redfin’s April 2022 Rental Market Tracker, the “median monthly asking rent in the U.S. increased 17% year over year to a record high of \$1,940 in March, the largest annual jump since at least February 2020.” The company has tracked rental data since February 2019.

Across the Pond

Turek says the impacts of low inventory, increased demand, and rising rents are also affecting non-U.S. housing. She points to

Dublin, Berlin, and London as three examples of international cities facing the same obstacles as the U.S.

Turek explains that when the pandemic first hit Europe in March and April 2020, many companies and employees believed in-person operations would get rolling again in roughly two weeks. Because of that belief, many of Dwellworks Living’s international clients started off by asking for flexible cancellation terms, which increased vacancies. Ultimately, however, many corporate housing operators and suppliers ended up with staggering numbers of vacancies, up to and over 80%. Few employees stayed, she says, and some couldn’t return due to closed borders.

Debbie Woodley, vice president of global supply chain at Dwellworks Living, says that suddenly Dwellworks’ partners around the world started scrambling to figure out what to do with their empty apartments, trying to stay afloat.

“Business just stopped,” says Woodley. “The footprint of corporate housing, all of a sudden, became ‘How do we minimize our risk?’”

Rebuilding Relationships Amid a Different Landscape

As people left apartments during the worst of the pandemic, Dwellworks Living and other corporate housing companies had to exit their leases and return those units to their residential owners—a necessity that ultimately, says Turek, “damaged those relationships between the corporate housing industry and their real estate connections.”

The damaged relationships are now being rebuilt.

Synergy’s Christopher says the industry is currently “dealing with lower corporate caps” from multifamily and management partners.

“By that, I mean properties have tightened up their restrictions on how much inventory they’re allowing out into the marketplace for the corporate housing providers,” says Christopher. “This was in response to providers not following through with their commitments at the onset of the pandemic. Many had difficulty in meeting their



rent obligations and ultimately either went out of business or tarnished their brands' reputations."

Maura Carey, SCRP, Dwellworks' vice president of content and research, says the trust between the two needs to be earned back. She points out, though, that ultimately it's an asset-based business.

"If there aren't enough buildings to go around, there aren't enough buildings to go around," says Carey. "So, even if landlords wanted desperately to offer, 'Would you like to take five or 20 units in my building?', they don't have them to spare. New construction is coming online, though, since investors see resilience and promise in the rental sector. This picture will improve when more properties become available."

In addition to fractured relationships, the corporate housing industry has seen other shifts in the landscape. Lanclos points to BridgeStreet, once a corporate housing mainstay. *Serviced Apartment News* reported in April 2020 that the company's CEO, Kamal Advani, told the publication, "We have curtailed the operation of U.S.-based BridgeStreet-branded and -operated properties where we carry the occupancy risk [at-risk properties] and expect to ultimately cease these operations." Travel industry news site Skift then reported in December 2020 that BridgeStreet had filed for bankruptcy and was selling off its remaining U.S. assets as well as the

European and Asian arms of its business. And in December 2021, *CoStar's Hotel News Now* noted statements from Oakwood's CEO about the company's decision in May 2020 to place its focus on hospitality management instead of only on corporate housing.

Then there's Airbnb, which entered the market with extended-stay offerings. Payments and commerce interactive platform PYMNTS reported in May 2022 that extended stays were one of the fastest-growing offerings of the company.

"That is something that we thought originally was not really going to compete with us because it wasn't considered corporate housing," says Lanclos. "And now, over the last couple of years, we've seen a blur in the two sectors. They are definitely getting into corporate housing."

In fact, Lanclos has recognized Airbnb's market potential: His company has been working alongside Airbnb for the past few years, piloting a program that brings together apartment communities and Airbnb to create on-demand, furnished Airbnb units.

Increased Need for Flexibility and Fast Action

With different market dynamics, Dwellworks' LaMantia says, educating clients has been crucial to maintaining strong relationships. Some

major enterprise clients, for instance, have been asking for rate reductions in a marketplace of tight supply and rising supplier costs and rents. While Dwellworks negotiates competitive terms with suppliers, it cannot offer pricing that risks suppliers' ability to deliver, so instead, they've found another way to help those clients and meet expectations.

"We've made the decision to put a disclaimer in some of our client contract extensions that says that we will provide market data on a monthly basis to support any cost increases," says LaMantia. "Clearly, we want to support our clients and 'control the controllables.' We're not inflating our rates to have more margin in our business. We're being transparent about obtaining the apartments our clients need at rates that are determined by supply and demand."

Given that corporate housing has become harder for companies to secure for their employees, LaMantia says clients need to act quickly in making property selections and be more flexible. She also urges clients to confirm the need for longer stays from the start if they anticipate their employees needing extensions. Doing so "might be a risk" in terms of expenses, but asking for an extension later might not pan out, since those units will likely be "already booked for the next guest. Confirming in advance is the best way to secure pricing and availability."

What's Ahead

For Lanclos, the future of the industry will bring forth even more collaboration among corporate housing providers. That collaboration isn't new—he saw it pick up at the onset of the pandemic and says it's something that makes the industry unique. He says companies like his just want to help people find secure corporate housing.

"We work together, and we compete as corporate housing companies," he says. "Sometimes we share units, and we share availability to make something happen for the client."

Lanclos also believes, however, that the future of corporate housing is going to get "more blurry,"

pointing to Airbnb in particular as the reason why. He poses the question: "Is an Airbnb offered on a two- to three-month lease in somebody's house—is that a corporate apartment?" The answer, he says, is one he doesn't know.

Turek sees a "very bright future" for the industry once it gets through the current spikes in volume, brought on by a surging return to global travel and relocation, along with demands in the European market, driven by world events. "What I think it is—these are not the peaks and valleys we're used to," says Turek. "Volume is steadily going up. That's what we have seen, and I believe this will continue through the end of the year and stabilize sometime next year. The 'new normal' is higher volume overall, with some sharp peaks driven by external events."

Like Turek, Christopher also envisions a bright future for the corporate housing industry, stressing that there is "always going to be a need for corporate housing" and that, moving forward, there will "be a blend of leisure and business travel." In fact, she notes that some companies have seen increased demand for corporate housing and have opted to take on their own housing inventory, securing experienced providers to manage it. Synergy Global Housing, she says, has some clients who have taken that route.

Christopher posits that, in the future, there will likely be more partnerships between providers and suppliers, more consolidation among global corporate housing providers, and greater connectivity among the different parties, all thanks to technology. She also predicts that data will become increasingly important, with more providers forecasting trends and providing clients with data so everyone can better plan ahead.

But even as the industry evolves, Christopher says, there's one thing that won't change: "The hospitality component will not go away," she says. "Guest services are always going to be very important and a big differentiator in our industry." *m*

Tina Nazerian is a writer based in Houston, Texas.



A Question of When

Diminishing buying power and skyrocketing home costs emphasize the importance of local knowledge, guidance from mobility professionals, and patience

BY CATHERINE PAPPAS, CRP, DIRECTOR OF RELOCATION AND CLIENT SERVICES, DICKENS MITCHENER





This year has seen a high volume of relocations, but how busy will it continue to be?

First-time homebuyers and families transferring for a new job are facing rising home prices, unprecedented competition for housing, and rising mortgage rates—a triple whammy. Year-over-year rates have increased to over 5% from under 3%, and every uptick in mortgage rates reduces the buying power of a transferee. This translates to more than US\$200,000 less in buying power for the consumer from January to June. Inflation is also taking a bite out of the transferee's pocketbook, decreasing disposable personal income by 0.2%, or \$7.5 billion, so far this year.

According to Axios, the average new single-family home sold for \$350,000 in April 2020 and less than two years later sold for \$524,000, a nearly 50% increase. All indicators are pointing

toward prices continuing to increase, with several factors placing upward pressure on prices.

Homebuilders are still facing supply chain issues and cannot keep up with demand, and investors are snapping up available homes in any condition at almost every price point. Millennials are entering the homebuying market in droves, while homeowners are cashing in on a hot seller's market and choosing to move to lower-cost housing and/or areas. For example, my sister is taking advantage of the market and has elected to sell her home to be closer to family. She purchased her home in 1995 for less than \$500,000 and just sold it for more than twice that amount.

Enticing a family to move across the country for a new job is challenging. Along with these real estate issues, rental rates and temporary housing costs have skyrocketed. Transferees who may have rented during previous moves so they

could have time to familiarize themselves with their new community are shocked when they view the available options in the new location. They are caught between a rock and a hard place. Finding a rental alone is difficult, and finding a new home even more so. The need for experienced, trained agents who are knowledgeable about the market and are working with buyers and sellers daily has never been greater.

During Worldwide ERC®'s Spring Virtual Conference, I moderated a panel hosted by the Relocation Directors Council, which reported on market conditions across the country. Ashley McEvers from Pacific Sotheby's International Realty said she is seeing a slight softening in her market of Southern California and is also seeing it in the Pacific Northwest. Inventory is up significantly in Orange and San Diego counties. This could lead to greater opportunity, as historically trends start in the West and move east. As an example, California started experiencing an inventory crunch years before we saw it in the South.

In Charlotte, North Carolina, price reductions are popping up, but we still have less than two weeks of inventory. Forty-five percent of all transactions took place in the South last year,

driven by a comparatively lower cost of living, a temperate climate in the winter months, and better quality of life.

Scott Luther from E.E. Ward Moving & Storage reported that consumer volume is up this summer over last. Consumer volume consists of individuals who are electing to self-move versus moving with a relocation package. His greatest challenges are capacity issues due to a driver shortage. Five years ago, the average age of a driver was 55-plus. As these experienced drivers retire, the moving industry is scrambling to train and hire replacements. Scott also shared that when a consumer sells their home before they can buy a new one, all their belongings must go into storage. My sister has the same issue: She sold her home in two days but has yet to find an acceptable home in the new location.

Transferees have never faced greater hurdles. It is our job as mobility specialists to help counsel and guide them. We must understand the added stresses the current market is placing on them and be compassionate and patient with the resulting heightened anxiety. We are hopeful that inflation will ease and prices will start to level out, but the question is when. *m*



Spotlight:

Bali

BY GEOFF WILLIAMS

Some beautiful and exotic locales don't lend themselves well to working remotely. They're either not affordable, have nonfunctioning internet, or both. But Bali, an island and province of Indonesia, is not one of those places.

The island of approximately 4 million residents offers a low cost of living. According to Livingcost.org, one person can be expected to spend US\$658 a month for their living expenses, including rent, utilities, and food. But, of course, none of this would matter if the internet connection were spotty. Ten years ago, that was the case. Today, you probably wouldn't notice any difference with your internet connection if you were living in Paris, New York City, London, or any number of other cosmopolitan cities.

Add in its jungles, sandy beaches, and beautiful oceans, and Bali has become an ideal locale for remote work.



Snapshots:



Playa del Carmen, Mexico



Canary Islands

Doing Business in Bali

This island province may attract tourists for its beaches and wildlife, but there are plenty of work-focused cities, such as the capital of Bali, Denpasar, near the southern end of the island; and Ubud, a popular town for tourists and expats. In Bali, many international companies, such as Marriott International and Starbucks, have a strong presence. In fact, Bali has the largest Starbucks in Southeast Asia. It's known as the Starbucks Dewata Coffee Sanctuary and has been described as feeling more like a luxury hotel than a coffeehouse—there's valet parking, a concierge desk, and an indoor coffee farm, all on the property.

Co-working spaces are popular in Bali, too, probably due to the island being a magnet for many startups in the past decade or so.

If Bali has anything to do with it, more startups and established businesses will be coming to the island. Sandiaga Uno, the minister of tourism and creative economy, recently announced plans for a long-term work visa.

The internet, as noted, has improved a lot over the years, attracting young talent to the region, to the point where some people have dubbed the island “Silicon Bali.” In recent years, however, the COVID-19 pandemic sent many digital nomad expats back to their own countries, in part because of difficulties with short-term visas and travel restrictions in general. Many of those restrictions have been lifted, at least at the time of this writing.



EDITORIAL CREDIT: CHAKKAPHONG JINTHAWET / SHUTTERSTOCK.COM



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Family and Living

While Bali may attract the young and carefree, it also offers plenty for families. There are numerous international schools, including the Australian Independent School, the Lycée Français de Bali (French), and the ProEducation School, based on the British curriculum.

Meanwhile, in your kids' downtime, they won't exactly be bored. Bali is a water lover's mecca, with sports such as surfing, sailing, and snorkeling. Or, on land, families can hike its river valleys, learn about Balinese culture through many available experiences, and enjoy the laid-back scene on its breathtaking beaches.

Immigration and Permits

You'll probably end up applying for a B211A Single Entry e-Visa, which can be used for activities ranging from business to tourism.

Assuming you work for a company that is sending you to Bali or allowing you to work there remotely, your employer will need to apply for a KITAS (*Kartu Izin Tinggal Terbatas*), a temporary, limited stay permit card, which is generally valid

for six to 12 months. You may also have to apply for an IMTA, which is a work permit.

Other permits that could be necessary include the RPTKA (*Rencana Penggunaan Tenaga Kerja Asing*, or Foreign Worker Utilization Plan). You will also have to pay a tax of US\$1,200 to the Skills & Development Fund, made out to the Ministry of Manpower.

Unexpected Bali

There's no shortage of places to explore on Bali. With an average temperature of 83°F (28°C), Bali is truly an island paradise of temples, lush forests, picturesque caves, and waterfalls. If you go off the beaten path to Menjangan Island, a tiny island 8 miles (13 km) off the northwestern coast and part of West Bali National Park,

you'll find one of the best diving and snorkeling areas in Bali.

Then there are the macaques, adorable and tiny monkeys, which roam the island.

Fans of cute primates will want to check out the Ubud Monkey Forest, a holy site with three ancient temples that are home to more than 1,000 long-tailed Balinese macaques.





EDITORIAL CREDIT: PATRYK KOSMIDER / SHUTTERSTOCK.COM

Playa del Carmen, Mexico

With numerous co-working spaces, coffee shops, beachfront restaurants, and plenty of nightlife, Playa del Carmen—a coastal town on Mexico’s Yucatán Peninsula—is an idyllic place for digital nomads looking for an exotic locale.

For example, Wi-Fi is abundant, and download speeds of 10 Mbps are common, with plenty of co-working spaces offering 100 Mbps.

Employees can obtain a work visa through a job offer from a Mexican employer or by opening a business there. Visas are processed through the Instituto Nacional de Migración (INM) and may be exchanged for a work permit within 30 days. When it comes to living, two people in Playa del Carmen can expect to spend about US\$2,170 on monthly expenses, including housing, utilities,

groceries, entertainment, housekeeping, medical services, and transportation.

For families, tuition to any one of the several highly regarded private international schools runs about MX\$4,000 to \$10,000 (Mexican pesos) monthly, or US\$200 to \$500. The curriculum is either bilingual or Spanish-only.

As you might expect, Playa del Carmen is home to several stunning public beaches with electric blue water and white sand. But the best places to swim, according to locals, are in cenotes, underground swimming holes that form when an underground cave collapses on itself. Visitors can take a dip or even go diving in Cenote Azul, one of Playa del Carmen’s most popular cenotes, fed with refreshingly cool water from underground springs.



Canary Islands

The cost of living is low, and the quality of life is high on the postcard-perfect Canary Islands, a Spanish archipelago just off the coast of northwestern Africa. With eight main islands, the Canary Islands are home to 2 million residents and approximately 200,000 expats—who must apply for a work visa if they aren't from Europe. It's also a place that about 15 million people visit every year for the tropical beaches, palm trees, volcanoes, and exotic wildlife.

For those doing business there, it's been estimated that 84.5% of the Canary Islands has high-speed internet coverage said to rival what you'd find in the rest of Europe. Meanwhile, there are approximately two dozen

international schools scattered across some of the most populous islands, such as Tenerife and Gran Canaria.

Outside of work, you'll find lots to do, thanks to plentiful parks, beaches, zoos, and aquariums. You'll have to check out Teide National Park, home of Mount Teide, tallest of Spain's mountains, surpassing even the Pyrenees. Teide National Park is also home to an active volcano, the largest solar observatory in the world, and a cable car that will take you all the way to Mount Teide's summit. *m*

Geoff Williams is a freelance writer based in Ohio.

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Thinking Inside The Box

CUSTOM MOVING SOLUTIONS TO PROPEL YOUR TALENT FORWARD

BY KAREN BANNON, DIRECTOR OF GLOBAL MARKETING AND ESG, ARPIN INTERNATIONAL GROUP

As a privately-owned and innovative independent moving and storage company, Arpin International Group brings agility, flexibility, and scalability to its clients. Our commitment to continuously reinvest in the company enables us to anticipate and respond to the rapidly changing global business requirements of our customers. One shared pain point experienced by both corporate and RMC clients is how to achieve a timely, exclusive, and more streamlined moving experience for employees relocating during peak moving season — especially new hires and those employees receiving a lump-sum moving allowance.

Arpin's solution — FastPACSM! For over a decade, Arpin's innovative FastPACSM (Planned Arrival Containerization) program has taken the worry out of moving transferees domestically during peak season when capacity issues — exacerbated by the ongoing driver shortages — have frustrated those responsible for getting talent in place for their new assignment. By simply applying our expertise in international moving to the domestic moving process, we have perfected a system that provides an efficient, cost-effective, and more streamlined move for our customers.

Benefits include:

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- Simplified pricing allows for improved budgeting accuracy.
- Sealed containers ensure the protection and safety of household goods during transit.
- Enhanced international pack and wrap service provides added protection from loss or damage.

- Containerized shipments packaged for safe and easy transfer.
- First 30 days of storage are free; No warehouse handling fee; No re-delivery charges.
- One for one replacement of the value of goods if lost or damaged.

Moreover, we also know that many customers are still concerned with moving during the ongoing pandemic. FastPACSM gives them added peace of mind that their household goods won't be commingled with other household goods shipments.



So, what are you waiting for? Contact Michael Hughes, VP Global Business Development, via email at mhughes@arpinintl.com or by calling +1 (718) 427-0438 to

learn how your organization can take advantage of Arpin's containerized shipment solution before the summer rush begins. In the meantime, scan the QR code to discover how FastPACSM compares to a traditional van line and what you might be missing out on by not using Arpin's FastPACSM containerized moving solution.



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Mobility Matters

Interesting, challenging, and surprising stats and finds around the globe

BY JON FERGUSON

Sitting down and sharing a meal together is one of the surest ways to bridge cultural differences. Different cultures, however, have varying customs and attitudes toward food that must be understood and respected.



1

1

The people of South Korea demonstrate enormous respect for their elders, and this aspect of their culture carries over to the dining room table. When taking seats at the table, the youngest person sits at the place closest to the door and the eldest at the spot farthest away, the place of honor. When the food arrives, the eldest diner starts eating first, and the rest follow. When the meal is over, tradition calls for everybody to stay seated until the eldest person rises to leave.

Source: theculturetrip.com



2

2

In the Middle East and some Asian countries, it is a critical error to eat with your left hand. The right is considered clean and the left unclean, because it's viewed historically as the one used for toilet duties. So even if you're left-handed, keep it on the lap and away from the food.

Source: thetravel.com



3

3

Italians love their food, and multicourse meals can take hours to prepare. This means diners are also expected to spend hours consuming and savoring them. In addition, there are a couple of potential missteps you should avoid. First, don't order a cappuccino after a meal, because Italians believe drinking milk, cappuccino's primary ingredient, can hinder proper digestion and should be indulged only at breakfast. And don't douse your food with Parmesan cheese unless it's offered. That's especially true of seafood, because it's believed that Parmesan stifles the aroma.

Source: foodnouveau.com

4

Traditionally, the Chinese serve fish whole, with head, tail, and bones all intact. When finishing one side of the fish, the Chinese never flip it over, something many Americans might do. Instead, after finishing the meat on one side, the Chinese carefully remove the backbone so they can feast on what's underneath. This custom originated in Chinese coastal areas, where fishing is the primary occupation. Residents view flipping a fish as something that brings bad luck because it is akin to overturning a boat.

Source: culinarylore.com



4



5

5

Forks are frowned upon in Thailand but are an absolute necessity in Chile. In Thailand, go ahead and use a fork to put food on a spoon, but never stick it in your mouth, as that's considered offensive. And while in some countries people might believe it's OK to eat food with your fingers, that's not the case in Chile. There, utensils are a must when dining, even when the meal includes a so-called finger food such as french fries.

Source: smartertravel.com

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