



PorchLight

NATIONAL RENTAL SERVICE

PORCHLIGHT RENTAL SERVICE | CASE STUDY

PORCHLIGHT
RENTAL SERVICE
SAVES OVER 2
WEEKS IN
TEMPORARY
HOUSING PER
TRANSFeree

MANAGED RENTAL

FINDING SOLUTIONS REDUCES
TEMPORARY HOUSING WHEN RELOCATING





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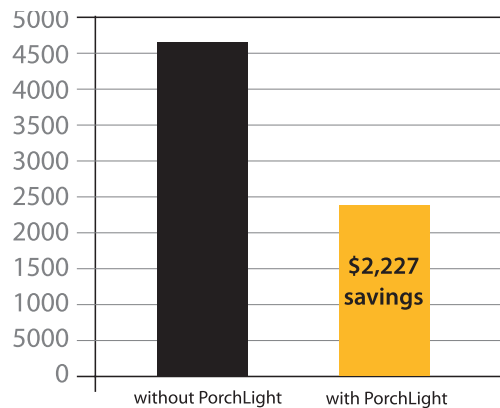
**"The most trusted
name in professional
rental-finding and
destination services...
NATIONWIDE!"**



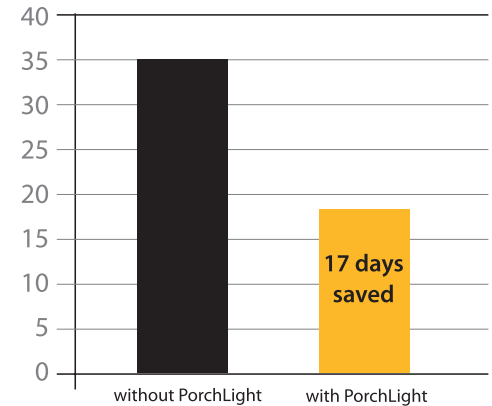
1 Day Rental-Finding Tour vs. 30 Days in Temporary Housing

A 2013 study of 1,214 renters utilizing PorchLight's rental services saved \$2.7 million dollars in temporary housing, or on a per renter basis ~ an average of 17 days in temporary housing (TH) or \$2227* per renter. Comparing the average number of days used to the average TH authorized (35.5 days), this equates to 47.6% cost savings.

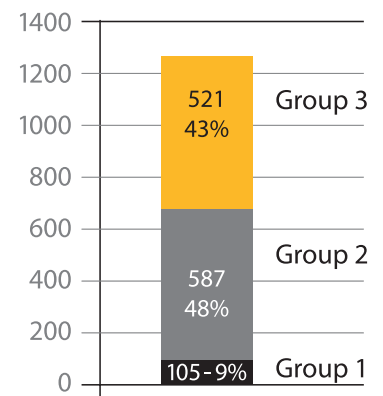
SAVE MONEY



SAVE TEMPORARY HOUSING DAYS



We observed three trends. One group was already in temporary housing when PorchLight began working with them. These people are already in TH and not always motivated to move or begin paying rent on their own. As well, there are most likely TH rental agreements in place. For reference purposes, we'll call them **GROUP 1 – Already in Temporary Housing**. Another group moved without taking a visitation trip, this is **GROUP 2 – No Visitation Trip**. The final group, **GROUP 3 – Took Visitation Trip**, is our target profile and where PorchLight's process can provide the best results – those not in or obligated to TH at the time of authorization. Group 1 – Already in TH prior to PL receiving the initiation represents 9% of the 1,214 authorizations or 105 renters. PorchLight managed to avoid 861 days or 20% of the remaining TH days. (Total TH days authorized for this group was 4,358.)

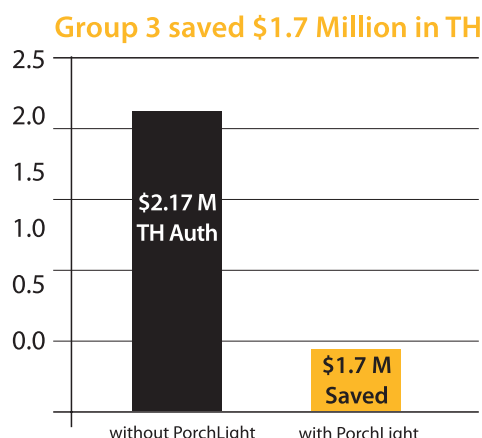
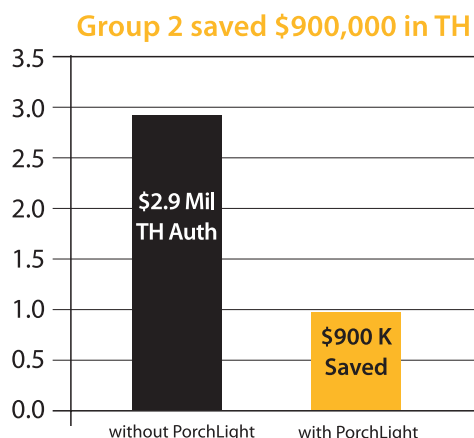


HIGHLIGHT: On an individual basis, the renter used an average of 33 out of 41 days authorized, reducing temporary housing by more than a week.

If we look at **GROUP 2 – No Visitation Trip** – all 587 renters, or 48%, had commitments or intentions to move into TH. Even so, PorchLight still saved 6,685 days or 30% of their policy allowance. (Total TH days authorized for this group was 22,190.)

HIGHLIGHT: On an individual basis, the renter used an average of 26.6 out of 38 days authorized, reducing temporary housing by 11.4 days or a total of \$900,000 in temporary housing savings* over 587 renters.





Our final group and target profile, **GROUP 3 – Took Visitation Trip** demonstrates the success PorchLight’s renter program has when working with each renter early in the relocation to better manage the process and avoid TH. This group, or 43% of all authorizations had no TH arrangements at the time we began working with them (521 renters). PorchLight saved 13,013 days, or 78% of the allotted TH. This is a significant change and attributable to early introduction to PorchLight at the onset of the move. (Total TH days authorized for this group was 16,631.)

HIGHLIGHT: *On an individual basis, the renter used an average of 7 out of 32 days authorized, reducing TH by 25 days equating to \$1.7 Million in TH savings* over 521 renters.*

CONCLUSION:

Employers who give PorchLight early authorization prior to engaging TH can save 78% of their benefit cost. Group 3 allows for the most effective cost management and groups 1 & 2 present an opportunity for better management. Taking all groups into consideration, the average savings per renter is \$2,227, minus the cost for rental assistance, a savings of \$1,377 per employee (more than the cost of the service).

Finding the right rental home in the right community that closely replicates a preferred lifestyle is difficult for those needing to relocate quickly. Moreover, when children are involved, the schools are a top priority. Having the right support through the acclimation and rental-finding process is critical to a successful move for the entire family, not just an employee.

In 2003, PorchLight conducted a similar study over 126 renters and was able to save companies 72.5% of the authorized TH. On average, the renter used 8 out of 29 days authorized, reducing TH by 21 days or \$1,638* per renter.

References available upon request



CHALLENGE: *Funding rental finding within relocation policy*

Renting in America is at an all-time high. Many markets are experiencing 3-4% vacancy rates and this rental trend continues to grow. Mobility professionals have few resources to help relocating employees who need or want to rent. Home sale referral fees fund the services provided by Relocation Management Companies. Those fees are not available for rentals.

As a result, HR professionals are spending more time and money on temporary housing and stressed out employees who are looking for a rental property.

There are three large service costs associated with relocating a renting employee: the actual move of the household, the temporary housing expenses, and the associated gross-up dollars. Since household goods must be moved regardless, the opportunity for cost savings comes with reducing the temporary housing costs and the associated gross-up dollars.

CURRENT BUSINESS CLIMATE:

Housing market trends of renting a home have been growing – even accelerating – in many areas of the country. In addition, young mobile professionals increasingly enjoy the flexibility and affordability that renting offers. In 2012 and 2013, the average vacancy rate in the U.S. was only four percent, creating more demand than supply in many areas of the country. As this trend continues to grow:

- Transferring employees will struggle to find housing in a timely fashion.
- They will face more competition securing a rental due to multiple applications.
- Although new apartment inventory will become available as developers complete new projects, less than 40% of relocating professionals want apartments. Most prefer the residential lifestyle of single-family home rentals, town homes and privately listed condos.
- This trend has steadily grown for the past 10 years with renters spanning every generation. The trend will continue.

PORCHLIGHT PROFILE

As the first national rental assistance company in the United States and the only company whose sole focus is serving the renter in transition, PorchLight has been helping corporate mobility professionals since 2003. Their well-developed process, skilled research staff, experienced rental agent network and commitment to work with the transferee until a lease is signed prove effective at:

- reducing the relocation spend for employers sponsoring moves
- achieving 95% transferee satisfaction
- finding 84% of transferees their home

While the primary focus has been on the cost savings, the relocation process itself takes a great deal of the employees' time. With guidance from PorchLight during their visit, employees have professional, skilled help finding appropriate neighborhoods and targeted rental properties. Stress is reduced. A timely, efficient move is achieved. The employees are more productive and corporate temporary housing costs are reduced.

The companies in the 2013 study recognized a significant savings of \$2.7 million dollars in temporary housing.

The savings increases when adding the gross-up dollars into the equation.

PORCHLIGHT SERVICES

- Rental Finding Search
- Area Tours
- Rental Tours
- Settling-in Assistance
- InsideTrak from PorchLight offers solutions for renters receiving lump sum relocation benefits
- Consulting services for creating policies that save days, money and stress



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Interested in testing this in your organization? Contact PorchLight at:

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