

Extended stay, lower pay

Short-term leases can be more affordable than hotels

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When businesses expand into a new area, relocate or transfer employees to a new city, they often have to pay for hotel accommodations. Those bills can really add up, particularly for workers on long-term temporary assignments. Now more companies are turning to corporate housing -- renting an apartment, house or condo for employees who may be in an area for four months to a year.

According to the Corporate Housing Providers Association, using corporate housing, fully furnished and equipped rental units, can save up to half the cost of a typical hotel bill. The average stay in a corporate housing unit is 76 nights. "It's more economical for the company and more comfortable for [the employee]; so, it's win-win for everyone," said Linda Lindenmoyer, director of relocation and business development with Prudential Network Realty. CHPA said corporate housing revenue topped \$2.5 billion in 2004, the most recent year for which data is available. More than 600 providers in North America rent nearly 72,000 units a day.

Soliant Health, the health care unit of temporary staffing company MPS Group Inc., works with national leasing companies, as well as private rental owners in more rural areas with fewer rental units, to find temporary furnished housing for its workers.

"The hospital will call and say, 'We need 12 people and we need them in three weeks.' That demands that we find them a rental unit," said David Alexander, president of Soliant. "If our people are temporary, then we need temporary housing as well." Soliant Health has workers such as physical therapists, speech pathologists and radiology technicians in medical facilities across the country. Assignments range from a few weeks to nine months, although the average is 13 weeks. To help make the assignments more comfortable, Soliant will rent apartments or houses for its workers if they live farther than 80 miles from an assigned location. The company rents housing for about 800 of its 1,100 employees. "Imagine, it's enough they are away from family; they don't want to come back to a hotel every night," said Alexander, who estimates savings of about \$1,300 per month, per unit over what would be spent on hotels.

Finding a quality place to live can be quite a challenge. Unless Robert Folia, a computer programmer from Palm Springs, Calif., already knows where he'll be staying, he typically goes to a hotel until he finds a suitable place to rent. He's been in Jacksonville since May enhancing a student loan company's software applications. He's been staying in a fully furnished home owned by RM Enterprises, which has rental properties from South Georgia to Daytona Beach. The company has six fully furnished houses in Jacksonville that cater to traveling executives and professionals such as Folia. As an independent consultant, "I have the flexibility to get any type of job that I'm offered," Folia said. "If I get an offer in another state, say Florida or Ohio or New York, I usually travel to that site and work onsite for sometimes six months, sometimes up to a year. For that time, I need a place to stay and hotels are extremely expensive when you're looking at a six-month or year contract. I might pay \$70 [a day] in a hotel in Jacksonville, \$2,100 per month. I'm paying about \$1,550 [to rent], and utilities are included." He said that in addition to being roughly twice the square footage of a hotel room or studio apartment, a furnished unit has the benefit of convenience. "Basically, I just bring my suitcase, walk in the door and I'm all set."

Husband-and-wife team Scott McEachern and Beth Rivera co-own RM Enterprises. They added their furnished executive units after hearing from corporate professionals moving to the city or working on temporary assignment in the area.

"We started looking at it after we had people calling and complaining about the poor service [and lack] of housing in the furnished corporate housing market," McEachern said. "The people are getting old, used furniture and slim pickings on the silverware. I tend to be full-service. We try to give real nice housing and a fully stocked kitchen. Everything we would want in our kitchen."

Living space that is furnished and ready to occupy, from an entertainment system to linens, makes the temporary assignment more homey. "We're seeing more good-paying jobs coming in; they want a nice home to go to at the end of the day when they are done with their work," Rivera said. And quality corporate housing can become a true home away from home: Because the company rents three- to five-bedroom homes, "their family can come and hang out for the weekend."



Scott McEachern and his wife, Beth Rivera, own furnished rental properties marketed to professionals and executives working in Northeast Florida on long-term, temporary assignments.