

# Smart, Safe, Sustainable Living for Employees Anywhere in the World

Corporate Accommodation Trends | Q4 2023





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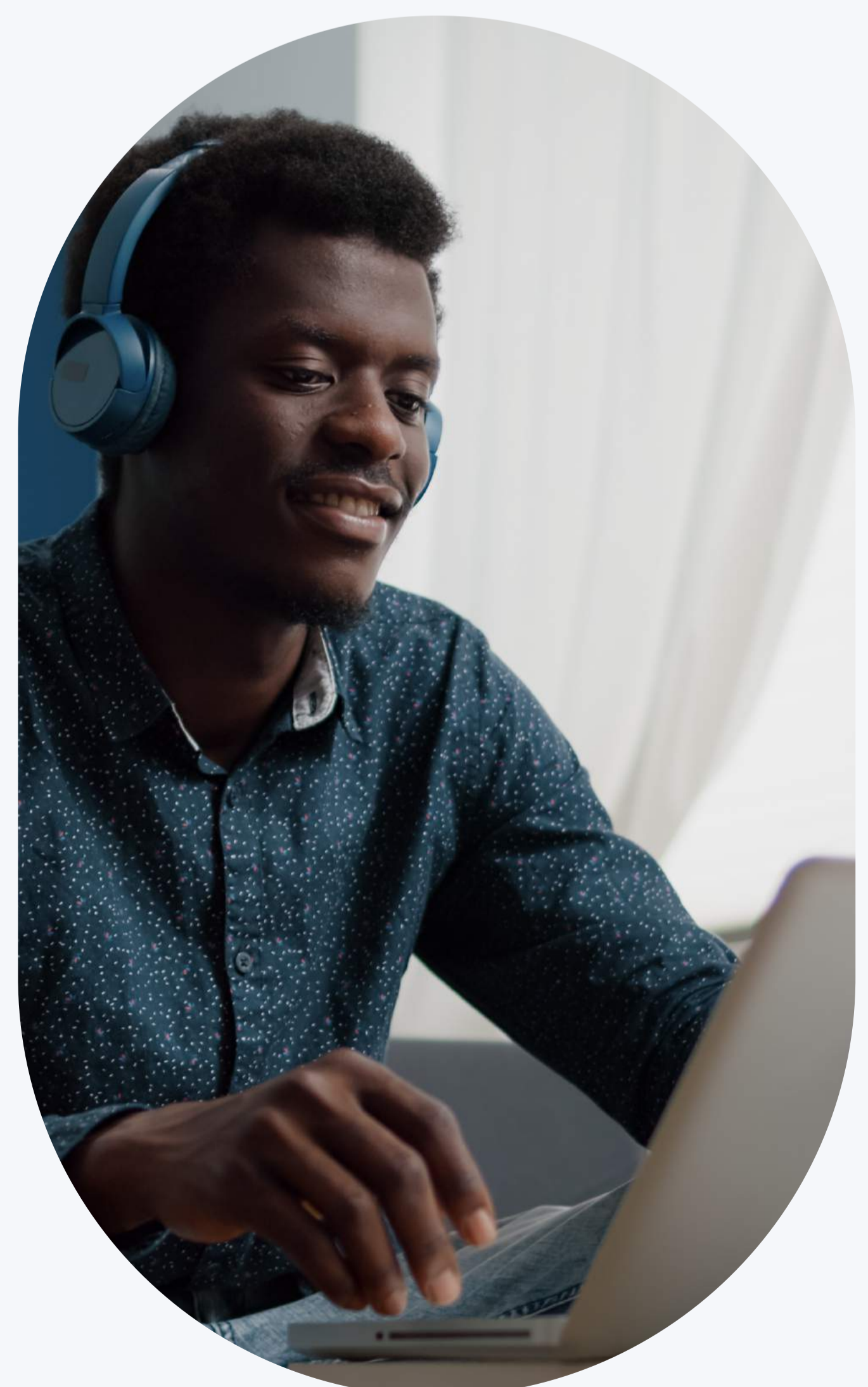
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# TOP 10 Global Corporate Accommodation Trends for Q4



## 1. Middle East Uncertainty

The ongoing conflict across Israel, Gaza and surrounding areas is leading to nervousness around certain parts of the Middle East region. The situation remains extremely fluid and unpredictable, with several countries now advising against all travel to certain parts of the region. As a result some businesses are cautious over relocation and business travel to the region. For example, investment bank UBS told staff not to go on any work-related trips to the Middle East and cancelled business travel and events in the Middle East for “the foreseeable future”, according to Bloomberg.

## 2. Investor appetite for the extended stay sector

There’s been a resurgence in investment for several players in the extended stay sector during the end of the third quarter (and early fourth quarter). Notable numbers include: Numa raised \$59 million in growth equity capital; Apartool raised \$5.8 million in series A funding; and remote worker-focused Anyplace raised \$10.3 million in series B funding. Meanwhile, Your.Rentals raised \$2.8 million via Trind Ventures and Seedrs, and Berlin-based flexible accommodation provider Habyt secured €40 million in a series C round.

## 3. Consumers hold higher expectations for corporate accommodation providers

As major hotel groups step further into the extended stay sector, business travellers will have a higher set of expectations around the design, amenities, and location of corporate accommodation. A bare apartment no longer cuts it. Expect consumers’ increased sophistication to favour corporate accommodation providers that treat each unit like a micro-hotel experience.



## 4. Trust becomes a major factor when booking in the face of new regulations

With increased legislation shuttering the doors of illegal rentals, businesses are looking for operators and booking channels that they can trust, and in line with location regulations and duty of care standards. In essence, they'll want to send their travellers to a new city without worrying that the units might come under inspection due to regulatory side steps.

## 5. Digital VAT to affect prices in Europe

The potential inclusion of VAT on online platforms could escalate prices, affecting demand and profitability in the corporate accommodation sector.

## 6. Data sharing will become a more significant factor in operations

Upcoming regulations around data collection and sharing will impact how providers operate, necessitating adjustments in data management practices. Businesses will also bring more scrutiny to how their accommodation providers are leveraging and storing their data.

## 7. Visa system postponed for non-Europeans

In Europe there may be delays ahead as the European Union pushes back the launch of the new European Travel Information and Authorisation System (ETIAS) travel system for non-EU visitors until spring 2025. Previously ETIAS had been due to be launched in 2024, although originally it was due to go live in 2021. Once introduced, the system will see visitors from outside the EU who currently have visa-waiver status having to apply for an ETIAS authorisation to visit 30 European countries.

## 8. Digital Nomadism takes hold

The debate about who should be returning to offices continues, with two-thirds of bosses saying they believe that workers will return to the office five days a week within the next three years, based on the latest KPMG CEO Outlook. But in the US some 17.3 million American workers currently describe themselves as digital nomads, [according to a report by MBO Partners](#).

The figure has grown by 2% from 2022 after increasing 131% from the pre-pandemic year 2019 to 2022. Today, 11% of US workers are describing themselves as digital nomads.





## 9. Artificial intelligence efficiencies

Artificial Intelligence technology is advancing, with growing numbers of tools and use cases emerging in the travel industry. It's creeping into travel management, with 70% of companies using traditional AI and other "new technology" to manage some aspects of business travel, according to American Express. Its Amex Trendex report found that two-fifths of respondents are now using AI to give them visibility on whether employee expenses are complying with company policy.

## 10. Accommodation rates continue to rise

The fourth quarter will see rates continue to rise into next year, globally, as operators still look to recoup losses following Covid. A pricing forecast from corporate travel agency CWT suggests that while the pace of growth in prices is slowing, it will be leisure demand that dictates by how much. Rates will also climb due to other factors, such as inflation, higher energy costs and hikes in food and beverage, it warns in its 2024 Global Business Travel Forecast.



Global Inventory:

# Current Status and Future Pipeline

Forecasted Inventory Pipeline:

## United States

The extended stay hotel segment is the fastest growing in the US, with pipeline for the segment up 18% year on year, [according to Skift](#). Research from Hostfully also [shows](#) that short-term rental occupancy levels in 2023 are forecast to remain higher than pre-pandemic levels at over 56%, reflecting the fact that demand in the US short-term rental (STR) market is expected to grow by 5.5% year over year.

AirDNA has meanwhile increased STR forecast as of its mid-year report: 14% year-on-year in 2023, up from 9%. Small city/rural and suburban locations are also driving this growth, with larger homes a key contributor, with [3-bedroom rental properties accounting for a larger share of growth](#) than 1-bedrooms, according to AirDNA.

And in its 2023 U.S. Real Estate Market Outlook Midyear Review, CBRE says business travel increased by 7% and 17% year-over-year in the first half of 2023, respectively, both reaching 96% of 2019's levels.

It expects the continued improvement in group and business travel to boost hotel demand in the second half of 2023 and first half of 2024. For example, Blueground recently expanded its footprint in the San Diego metro area, while midscale aparthotel brand StayApt has more than 3 dozen projects in the pipeline, concentrating in mid-sized US markets.

In North America, AltoVita currently offers 22,673 units, with an additional 2,071,595 units available through a curated accommodation platform, which are also instantly bookable. This extensive inventory ensures that we can meet the accommodation needs of businesses and employees across North America.



## New York, New York

New regulations in New York City have impacted the short-term rental market, particularly platforms like Airbnb. Under these rules, renters must register with the city and be present during the rental period. Rentals lasting less than 30 days require hosts to share living quarters with their guests. As a result, Airbnb listings in the city have plummeted 77% in three months, with stringent host registration rules being a major factor. While traditional hotels are seeing mixed predictions on the benefits of these changes, there's an evident shift in the accommodation market dynamics. The decline in Airbnb listings provides a potential opportunity for corporate accommodation providers in New York City.

## Chicago, Illinois

The third quarter saw a notable shift in home sales facing a significant drop. The total statewide home sales, which include single-family homes and condominiums, amounted to 11,483, marking a 17.4 percent decrease from the 13,900 homes sold in September 2022. Simultaneously, the median home price in Illinois saw a substantial increase. The median price in September 2023 was \$270,000, indicating a 6.5 percent rise compared to the previous year when it stood at \$253,594.

## Jacksonville, Florida

Jacksonville, along with Tampa and Miami, are seeing the highest percentage growth when it comes to corporations relocating their headquarters, compared to the number of companies that chose to move their head office out of Florida. But commissioners in Brevard County are seeking proposals from software companies to identify non-compliant vacation rentals, according to the Daily Lodging Report. They aim to enforce rules and ensure tax compliance for short-term rentals, such as Airbnb and Vrbo units. Some 1,000 illegal short-term rentals are operating, the report states.





## Forecasted Inventory Pipeline

# EMEA

Corporate accommodation in Europe, the Middle East and Africa (EMEA) will remain in high demand for the fourth quarter, although it's softening according to some relocation management companies, which report cutbacks from the larger multinational clients.

In Europe, French hospitality group Accor further expanded its extended stay portfolio, and it now boasts 380 properties and 45,000 keys.

All eyes indeed are on the Middle East when it comes to developing accommodation at pace. There's also a focus on sustainable tourism, and it's not only spearheaded by the likes of Saudi Arabia, but also Qatar, the UAE, Bahrain and Kuwait.



**Fatine El Kayyari**  
Bilingual Sourcing  
Manager, AltoVita

**“The dominant brands and suppliers in the Middle East include The Ascott Limited and Rotana, which are still expanding in the Middle East, particularly Saudi Arabia, as well as in Europe. However, some companies are saying they are moving away from working with the bigger brands, and instead prefer local hospitality operators due to cost savings.”**



## Saudi Arabia

In Saudi Arabia's capital Riyadh, Accor has [several luxury serviced apartment projects underway](#) including the 250-key Sofitel Serviced Residences Riyadh. Jean-Jacques Morin, Accor deputy CEO and premium, midscale and economy division CEO, was quoted as saying: "With new travel habits taking hold and more people seeking out longer stays, Accor has continued to do what we do best — lead the markets where we have deep roots, strong relationships, and a powerful presence — such as Europe, the Middle East and Asia-Pacific ... "the escalation of demand for extended stay properties is a global phenomenon, driven by a demographic shift among travellers who are taking longer trips, mixing business with leisure, and exploring destinations more fully."

AltoVita's presence is strong in key cities such as Riyadh (mainly around Al Olaya Street), Jeddah, Medina, Al Khobar, Al Jubail, and Dammam. We've successfully engaged with leads from prominent projects like Neom and Kaust.

In Saudi we offer 2,793 units, with an additional 38,481 units available through our curated accommodation platform. This extensive inventory ensures that we can meet the accommodation needs of businesses and employees across Saudi Arabia.

## Dubai, United Arab Emirates

Established international players continue to enter the serviced apartment space in Dubai, highlighting the demand in the market for this kind of product. [NH Collection Dubai at Palm Jumeirah](#) introduced 306 serviced apartments ranging from studios to one-bedroom units. Equipped for both short and long-term stays, these apartments offer amenities such as kitchenettes and access to the hotel's facilities.



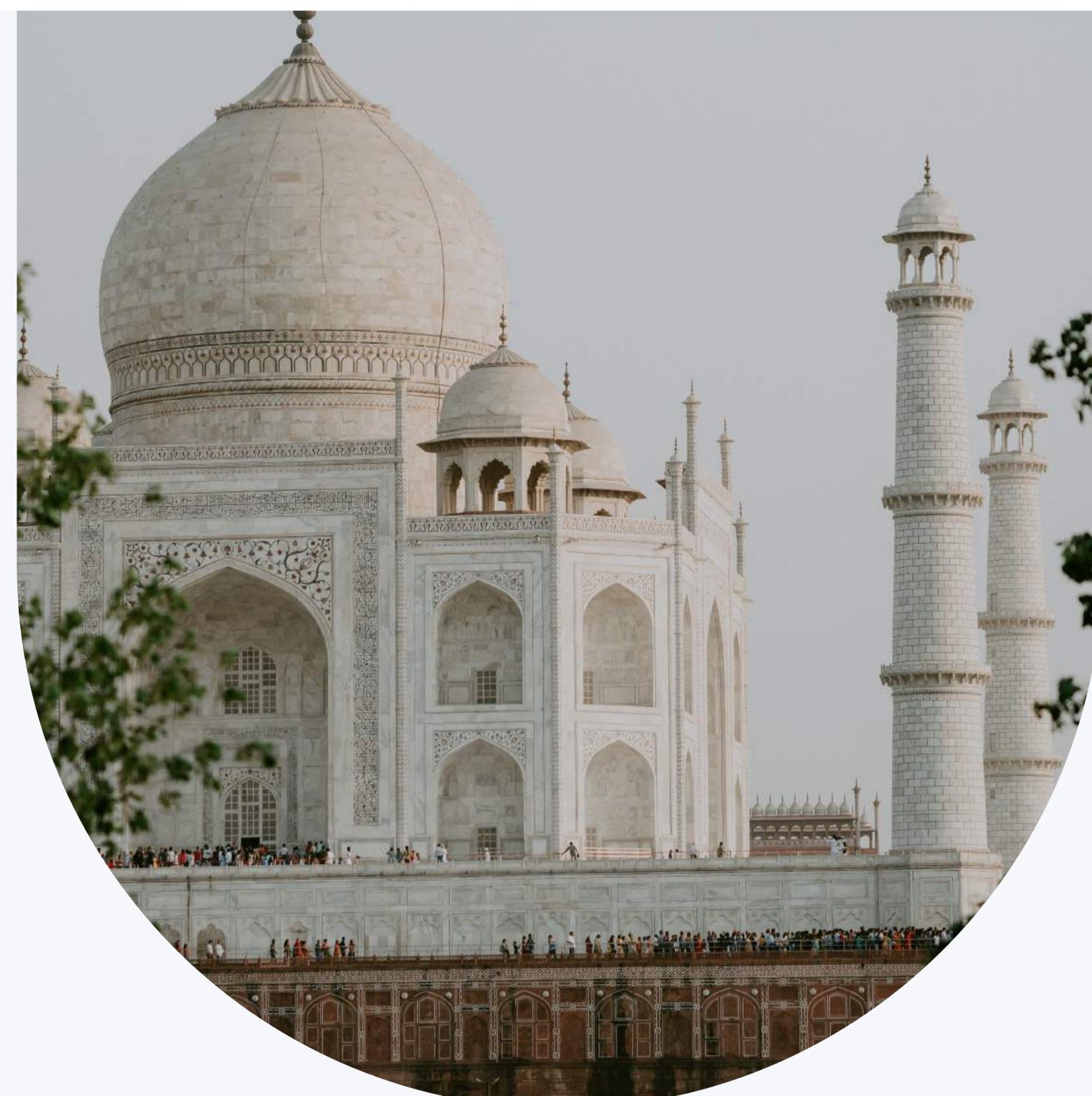
## Forecasted Inventory Pipeline

# APAC

Expect no let-up in expansion across key markets across the Asia Pacific region for the fourth quarter as developers eye healthy returns, although less so for China which is experiencing an economic slowdown. Demand continues to be high, putting pressure costs on businesses. Destinations like the Philippines, Australia, Singapore and India will see high occupancy rates, so as always we advise clients to submit accommodation requests early.

## India

Currently the world's fifth largest economy, India is poised to overtake Japan to become the world's third-largest economy and the second largest in Asia with a GDP of \$7.3 trillion by 2030, according to S&P Global Market Intelligence. The country's GDP is expected to grow 6.2-6.3% in the fiscal year ending in March 2024. The country is expected to continue to be one of the world's fastest-growing economies over the next decade, partly because many companies will be offshoring IT and business processes to drive down costs. Manufacturing will also grow, with Google recently announcing it would manufacture its Pixel smartphone in India in 2024.





## Singapore

One notable opening is Frasers Hospitality's sixth property in the destination: the Fraser Residence River Promenade. It sits within the site of three preserved warehouses built in 1912, which later became home to the iconic nightclub Zouk. Located along the Robertson Quay, it has 72 apartments and was awarded the Green Mark GoldPlus certification for its reduction of urban heat, and implementing smart tech solutions for energy conservation. The brand said it is "steeped in nostalgia for many Singaporeans".

## China

Domestic tourism dominates, and STR reported that for the week ended October 21, hotel revenue per available room in the country was up 102.9% for the week year-over-year. When compared to the same week in 2019, the number was just 2.8% below. And prior to that, for popular holiday period Golden Week (ending October 7), RevPAR was up 77.2% year over year. Compared with 2019, RevPAR for the week was up 53.2%.

## Thailand

Thailand recently amended its short-term rental (STR) regulations, expanding the definition of "non-hotel accommodation" to include properties with up to 30 guests and eight rooms. This change acknowledges the rise in diverse lodging options, such as tents and treehouses. The update favours smaller, unique operators, potentially driving travel to lesser-known destinations. While Airbnb and the Tourism Council of Thailand view this positively for promoting an authentic Thai travel experience, there are concerns from the Thailand Hotel Association about potential tax evasion and revenue losses for the broader travel sector.



# Spotlight on Australia

**An update on the corporate accommodation market in Australia was provided by Angeli Amante, Convido Corporate Housing's global CEO, during The Altos event in Singapore in September.**

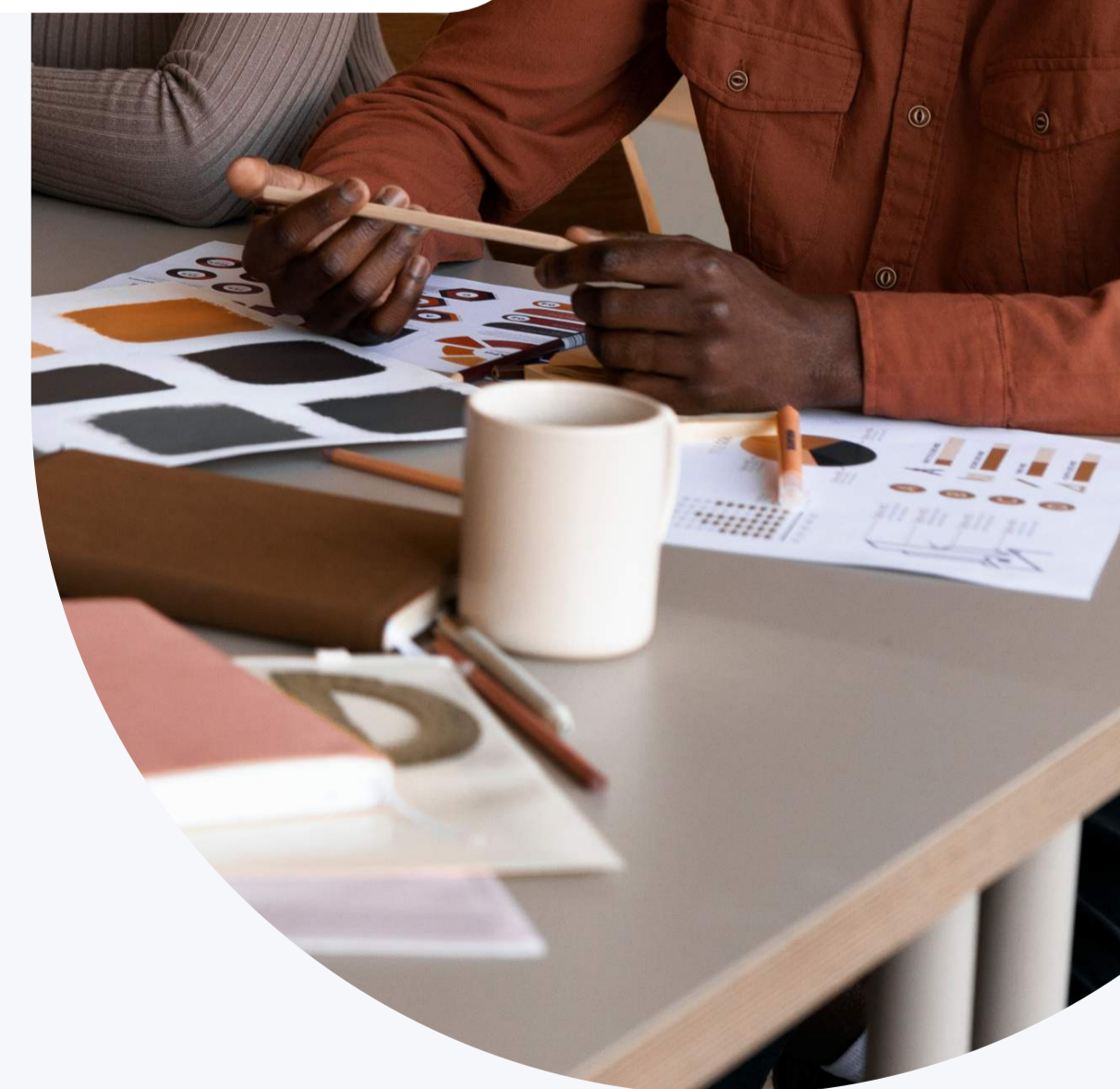
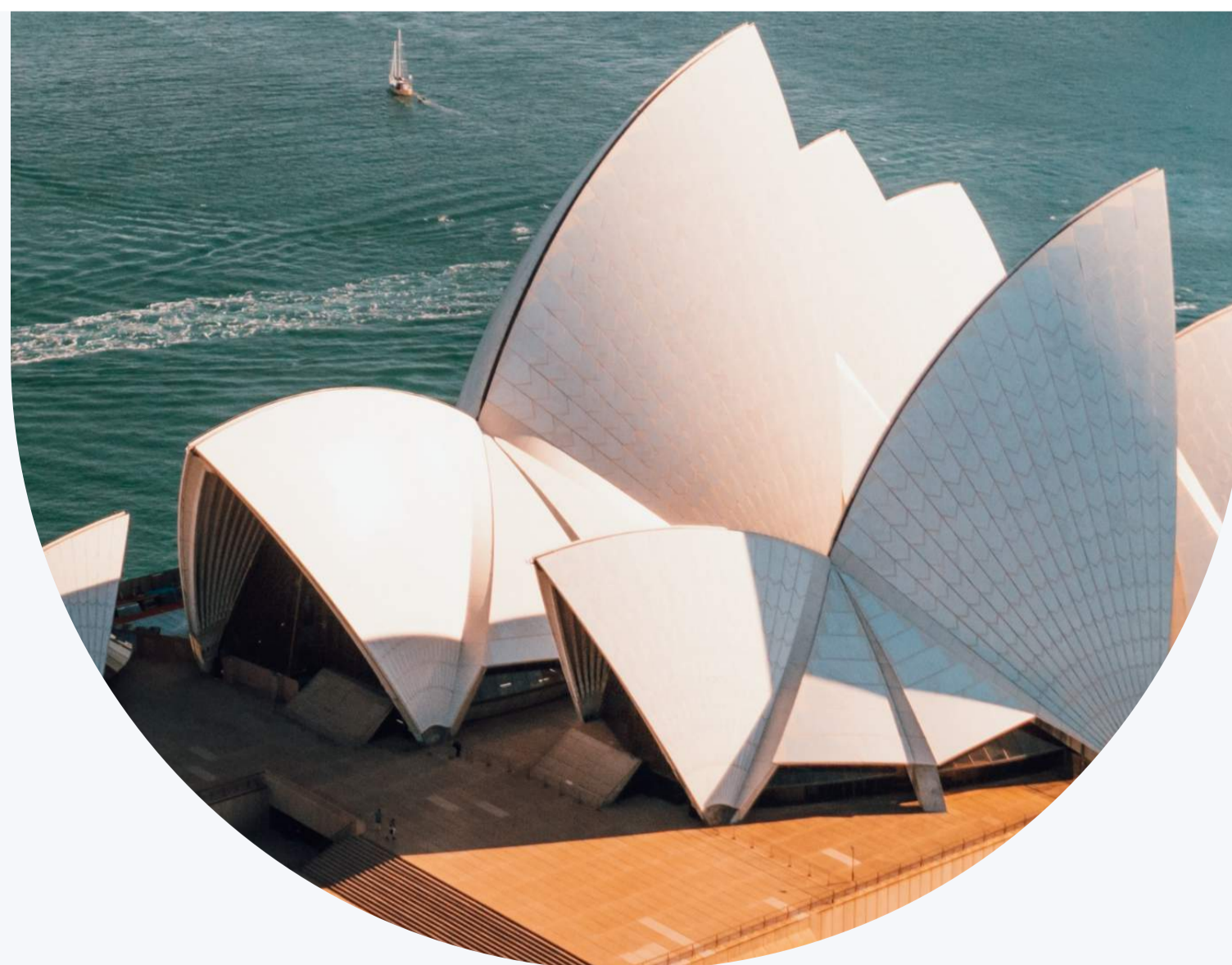
Convido Corporate Housing's head office is in Melbourne, while it also has operations in Sydney, Brisbane, Adelaide, Perth the Philippines, as well as Auckland, in New Zealand. Angeli Amante, global CEO, took part in a debate that explored the outlook for 2024, and identified the following five corporate accommodation trends.

1.

Accommodation features have significantly changed after the pandemic. Internet bandwidth is required to be stronger now in apartments because people increasingly work from home. The “hybrid setup” is here to stay, and smart TVs are also required, so guests can stream using their own platforms.

2.

The emphasis on safety and comfort in terms of health remains.







### 3.

Clients are also demanding more flexibility. “They want things yesterday,” she said. Corporate budgets have reduced, but they want more want more for their money. It’s critical for hospitality operators to keep discussions open with corporate clients, as 2024 will be a very challenging year, before a slow “tapering off” in demand as more people begin to realise costs are just too high.

### 4.

Australia was one of the first countries in APAC to open up to tourism, and apartment availability still remains restricted due to the high amount of students studying there

### 5.

The CEO also repeated a common theme — that suppliers need to showcase their sustainability credentials, not least because of social media pressure, with guests actively seeking greener stays and environmentally friendly practices.



# Smart, Safe, Sustainable Summit Singapore 2023

On September 6 in Singapore, the Smart Safe Sustainable Summit, a unique event series, shifted its lens to the burgeoning Asia Pacific region. This pivotal gathering came at a time when the area had been witnessing a surge in employee relocations and corporate travel following the easing of pandemic restrictions. The summit convened experts from talent mobility, corporate travel, relocation, and extended stay sectors. They delved into the evolving trends and shared best practices in harnessing data and technology to spur innovation. With corporate accommodation costs having skyrocketed in many destinations, discussions revolved around balancing these rising costs with business goals and sustainability pledges. Topics ranged from leveraging technology for sustainable accommodation choices, strategies for cost reduction, broadening accommodation options while ensuring safety, to effectively integrating diversity, equity, and inclusion in corporate housing initiatives.





# THE ALTOS

SINGAPORE 2023

## The Altos Singapore 2023

On the same day in Singapore, AltoVita successfully hosted The Altos, a distinguished awards-themed event exclusively for corporate housing accommodation operators and hospitality software platforms. Beyond the much-anticipated recognition ceremony, attendees benefited from a rich itinerary, including an enlightening keynote presentation, thought-provoking panel discussions, and ample networking opportunities, all complemented by a delightful drinks reception. The essence of the event was to champion industry excellence, facilitating meaningful connections among hospitality operators, corporate entities, and seasoned industry experts. The discussions brimmed with invaluable insights, touching on contemporary subjects like sustainability data, the influence of design in hospitality, and the ramifications of remote work. A special segment was dedicated to delving deep into specific Asia Pacific destinations, shedding light on pivotal data, insights, and emerging trends in relocation and corporate travel.





# Legislation Updates

## Market Update

### Middle East and North Africa

The Middle East and North Africa (MENA) region witnessed several legislative shifts aimed at enhancing travel, residency, and business processes in 2023. One noteworthy change comes from the UAE, where the government launched an online entry permit system specifically for residents of GCC countries. This move is designed to streamline and expedite the entry process for these residents, with a clear focus on ensuring a smooth transition for those travelling for business to the UAE.

This legislative change reflects the broader trend in the MENA region to adapt and evolve in response to the needs of the global business community, a movement that holds significant implications for the corporate accommodation sector in the UAE and beyond.





## Dubai, United Arab Emirates

An increase in international travellers, a focus on sustainability, international events, and the expansion of luxury serviced apartments indicates a robust growth trajectory for Dubai's corporate accommodation market. Corporate accommodation providers can leverage these trends to enhance their offerings, adopt sustainable practices, and align with the demands of the modern business traveller or relocated employee.

Dubai continues to break pre-pandemic records for travel. Underscoring the upward trajectory in Dubai, international airport DXB witnessed significant growth in the first half of 2023 and surpassed its pre-pandemic footfall. The airport recorded 41.6 million passengers in the first half of the year, a 100% increase from the same period in 2019 and a 49.1% surge from the first half of 2022. The surge in international travellers, including business professionals, will likely drive the demand for corporate accommodation, especially for those seeking short to medium-term accommodations in Dubai.

Ahead of COP28 (UN Climate Change Conference in UAE), The Department of Economy and Tourism (DET) launched the "Dubai Sustainable Tourism Stamp" to recognise hotels adhering to DET's sustainability standards. Corporate accommodation providers may be incentivised to adopt sustainable practices to attract environmentally-conscious businesses and clients.





## Saudi Arabia

Saudi Arabia is undergoing significant reforms as part of its Vision 2030 initiative, aiming to diversify its economy away from oil dependence. Saudi Arabia's infrastructural developments, sports initiatives, and tourism growth present ample opportunities for the corporate accommodation market, necessitating providers to be prepared for a potential surge in demand.

Saudi Arabia reported tourism revenues of \$10 billion in Q1 2023, marking a 225% growth compared to Q1 2022. The country welcomed approximately 7.8 million tourists during this period, showcasing the highest quarterly performance ever and a growth of 64% compared to pre-pandemic figures in 2019. This boost aligns with the National Tourism Development Strategy and the broader objectives of Saudi Vision 2030.

Saudi Arabia's Jeddah Economic Company has restarted the construction of Jeddah Tower, which is set to become the world's tallest structure, surpassing 1,000 metres in height. This tower will outshine Dubai's Burj Khalifa by over 172 metres.

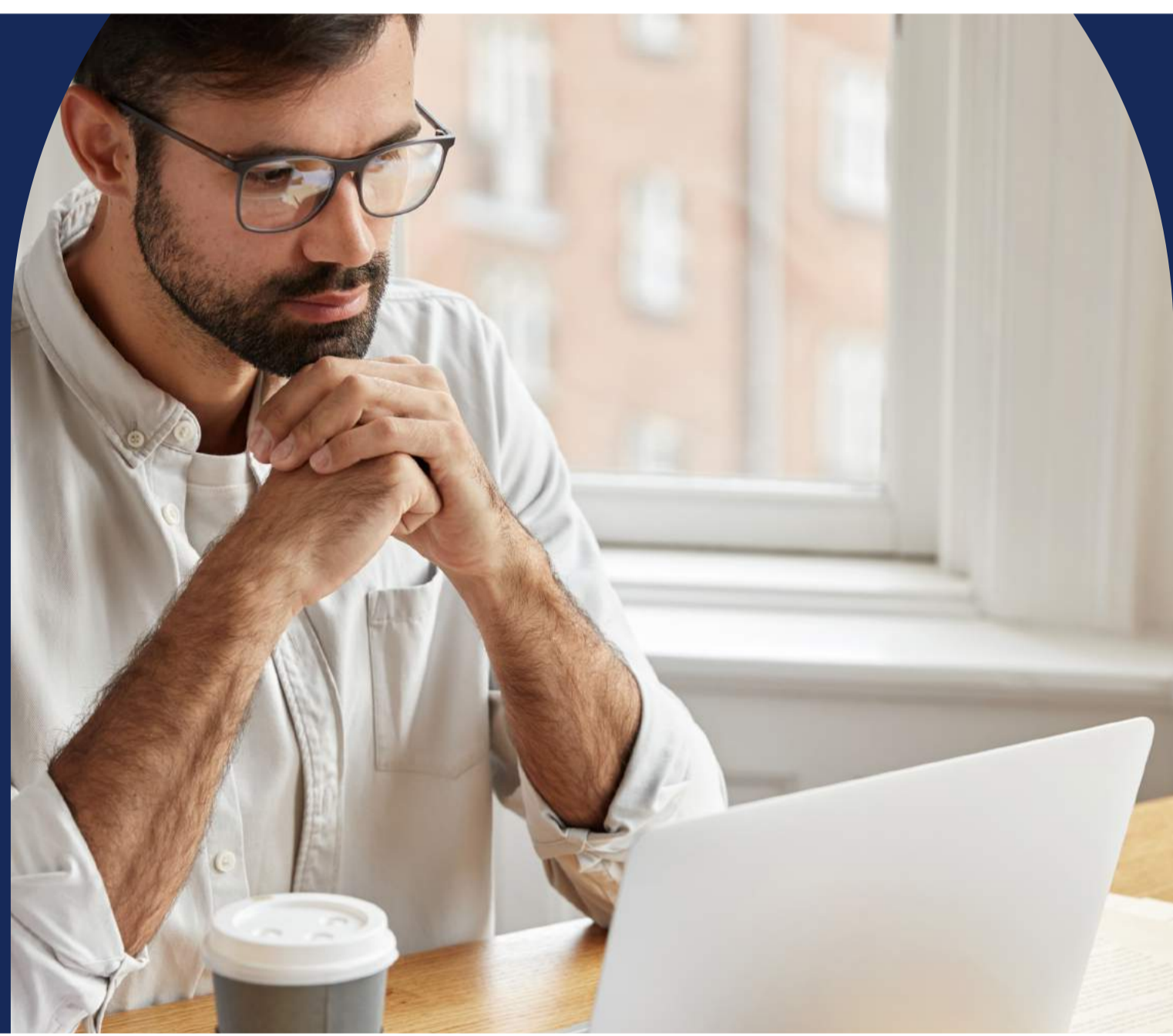
Saudi Arabia is also embarking on an ambitious mega-project, NEOM, which is envisioned as a cross-border city, integrating with parts of Jordan and Egypt. Part of NEOM, THE LINE seeks to redefine the concept of urban development and what cities of the future will look like. With no roads, cars or emissions, it will run on 100% renewable energy and 95% of land will be preserved for nature.





Saudi Arabia also announced its intention to bid to host the 2034 FIFA World Cup. Following controversies surrounding the World Cup in Qatar, FIFA has instituted new regulations emphasising sustainability and human rights adherence for potential hosting countries. Saudi Arabia is emphasising its ongoing social and economic transformation and its enthusiasm for football as part of its bid.

The remarkable growth in tourism revenues and the surge in tourist numbers reveal Saudi Arabia's appeal as a burgeoning tourism destination. As the country expands its tourism offerings, there's a likely increase in the number of international businesses and professionals entering the country, either for short-term projects or longer-term investments in the tourism sector.



## Qatar

Qatar has been making significant legislative changes over the past few years to promote foreign investment, improve its business environment, and prepare for events like the FIFA World Cup.

Since winning the bid to host the 2022 FIFA World Cup, Qatar made significant investments in infrastructure and tourism, spending an estimated \$220 billion. This includes the construction of new stadiums, enhancement of road networks, the Doha metro, the Lusail real estate project, and the expansion of Hamad International Airport and Hamad Port. The World Cup, being the most viewed in its history, brought in a surge of foreign direct investment (FDI) to the country. In 2022 alone, Qatar attracted \$29.8 billion in FDI, with 135 new projects and over 13,000 new jobs.



The World Cup has not only boosted Qatar's global reputation but has also set the foundation for its future economic growth, aligning with the Qatar National Vision 2030. Qatar aims to diversify its economy beyond the energy sector, focusing on becoming a hub for sports events and technology. Upcoming events like the Asian Cup 2023, World Swimming Games 2024, and the Asian Games 2030, coupled with tech giants like Google and Microsoft setting up data regions in the country, further amplify Qatar's appeal to global investors.

The massive infrastructural developments and the surge in FDI indicate a booming demand for corporate accommodation. The influx of international tourists, business professionals, and the establishment of international companies will lead to an increased need for quality temporary accommodation solutions.

The successful hosting of the World Cup has also showcased Qatar's capability to manage large-scale events, suggesting a continued trend of international events and business opportunities ahead. Moreover, with Qatar positioning itself as a sports and tech hub, there will be consistent demand from professionals, athletes, tech experts, and international delegates seeking short-to-medium term accommodation.





## Abu Dhabi, United Arab Emirates

Abu Dhabi is set to open its new airport terminal in November 2023. Once operational, Terminal A is anticipated to handle up to 45 million passengers annually, processing 11,000 travellers per hour, and accommodating 79 aircraft simultaneously.

This terminal underwent extensive live trials involving over 6,000 volunteers this fall to rigorously test its various systems and processes such as check-in, baggage handling, security screening, boarding gates, immigration, and customs. The terminal boasts advanced features, including interconnected biometric systems, self-service kiosks, streamlined security checkpoints, and modern baggage handling systems.

The new terminal indicates a significant boost in travel to and from Abu Dhabi. This influx of business travellers will likely increase the demand for corporate accommodation in the region. The advanced facilities and streamlined processes at the terminal will enhance the overall travel experience, making Abu Dhabi an even more attractive destination for business and corporate events.

As the national carrier Etihad Airways transitions its operations to this terminal, there's potential for increased international business routes, further bolstering the need for corporate accommodation solutions. Corporate accommodation providers should prepare for this surge in demand, ensuring they offer competitive and high-quality accommodations to meet the needs of this growing segment of travellers.





## Market Update

# United States

Extended stay hotels in the US have consistently outperformed the general hotel sector throughout 2023, with upscale extended stay segments witnessing the largest growth. Evidence of this broader trend in the hospitality industry, Hyatt Hotels announced its venture into the short-term home rental market with the "Homes & Hideaways by World of Hyatt" platform. Other major hotel chains like Marriott and Accor launched their own short-term rental platforms in recent years.

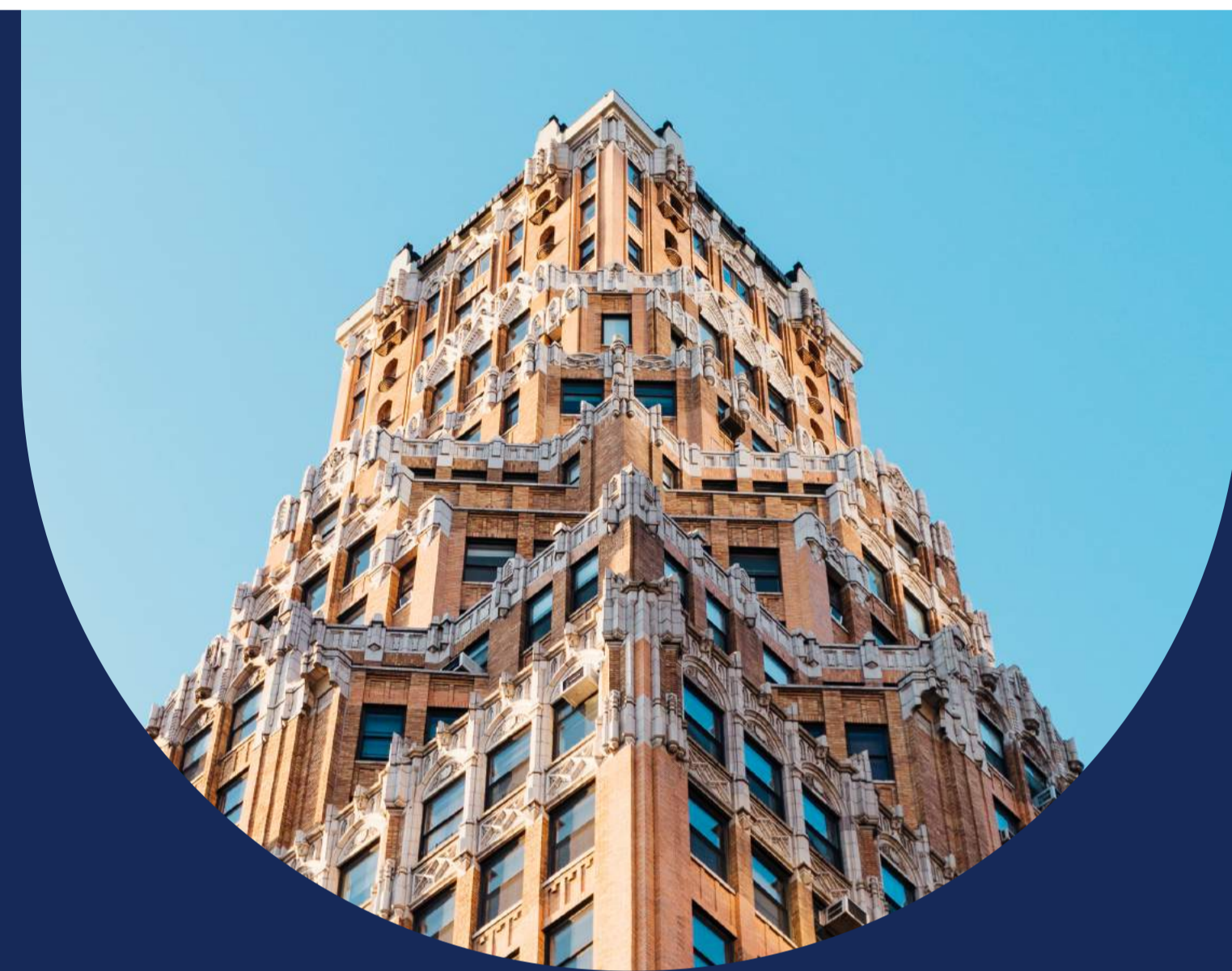
The success of extended stay hotels indicates a robust demand in the corporate accommodation segment in the US, suggesting a ripe market for corporate accommodation providers to capitalise upon. As prominent hotel chains like Hyatt pivot towards the short-term rental market, corporate accommodation businesses can anticipate increased competition. As traditional hotel and rental experiences blend, there will be more demand and avenues for innovation and potential collaborations in the corporate accommodation sector.





## New York, New York

Just weeks into New York's Local Law 18, which almost bans Airbnb properties in the city, the impacts are being felt. Online travel agency Trivago has reported that the average room rate in New York City reached \$502 in October, which is up 2% from the previous month and nearly 8% from the year before. Daily rates for short-term rentals also in the city increased 15%, due to lower-priced listings leaving the market, based on STR data. And between August and October, the number of short-term rentals dropped 85%, reckons Inside Airbnb. Extended stay rates look likely to climb further in the fourth quarter and into next year as the supply won't be there to meet demand.



## Dallas, Texas

The City of Dallas is currently entangled in a legal dispute with the Dallas Short-Term Rental Alliance and several short-term rental operators over newly introduced rental ordinances. These regulations, set by the Dallas City Council, prohibit short-term rentals in single-family neighborhoods, limit rentals to one unit, and impose additional restrictions such as off-street parking for guests. While supporters of the new rules cite disturbances like noise as a concern, the Alliance and operators argue that these ordinances violate the Texas Constitution and are detrimental to property owners who have invested heavily in the short-term rental market.

If the new ordinances are upheld, corporate accommodation providers may face reduced short-term accommodation availability, prompting them to seek alternative solutions. However, if the regulations are overturned or modified, it could ensure a steady supply of short-term rentals, catering to corporate clients' needs.



## Richmond, Virginia

Richmond, Virginia, recently instituted a series of stringent regulations for short-term rentals (STRs) after prolonged deliberations. A primary focal point of these regulations is the 'owner occupancy clause', stipulating that hosts can only offer short-term rentals on properties that are their primary residence, and they must reside there for a minimum of 185 days annually. This clause has garnered significant debate, with many Airbnb hosts concerned about their ability to sustain their businesses.

The new provincial legislation, slated for implementation next May, will further tighten restrictions on STRs, mandating that they can only be offered in the operator's principal residence. With fewer STRs available, corporate accommodation providers may see an uptick in demand as both businesses and individuals seek compliant, longer-term accommodation solutions in the city.

## Anchorage, Alaska

Anchorage Assembly members have proposed a new city licensing initiative for short-term and vacation rentals amidst rising concerns over Anchorage's accommodation shortage, escalating rental rates, and a diminishing supply of affordable housing.

The proposal does not seek to limit the number of short-term rentals but aims to establish a city permitting system to collect data on the influence of such rentals on the housing market and to ensure these units meet safety and management standards. The licensing system, set to start on May 1, 2024, requires a two-year renewable licence at a \$400 annual fee per rental unit. However, a substantial portion of this fee can be waived under certain conditions, such as if the short-term rental is part of the owner's primary residence or if it has been rented for over 180 days in the past year.



As a result, there might be a shift towards longer-term rental options, benefiting corporate accommodation providers. Furthermore, the data collected through this program can offer valuable insights into accommodation trends, allowing corporate housing businesses to better tailor their offerings. The proposal is still in its introductory phase, and its final form after public and assembly feedback might further influence its impact on the corporate accommodation market.



## Philadelphia, Pennsylvania

Philadelphia has ramped up its regulation of the short-term rental industry, leading to a significant decrease in Airbnb and VRBO listings. Since July, over 1,850 hosts have been delisted due to non-compliance with new regulations emphasizing the need for a hotel licence for short-term rentals where owners don't reside. Additionally, hosts are now mandated to acquire a specific Short-Term Rental License and adhere to city zoning, safety, and health standards.

For the corporate accommodation market, this regulatory shift presents both challenges and opportunities. The transition of many hosts from short-term to long-term rentals indicates a potential expansion in available options for corporate accommodation, offering more stability. However, providers must ensure stringent compliance with city regulations. The reduced number of short-term listings might also influence rental pricing, potentially affecting the strategies of corporate accommodation providers like AltoVita.



## Telluride, Colorado

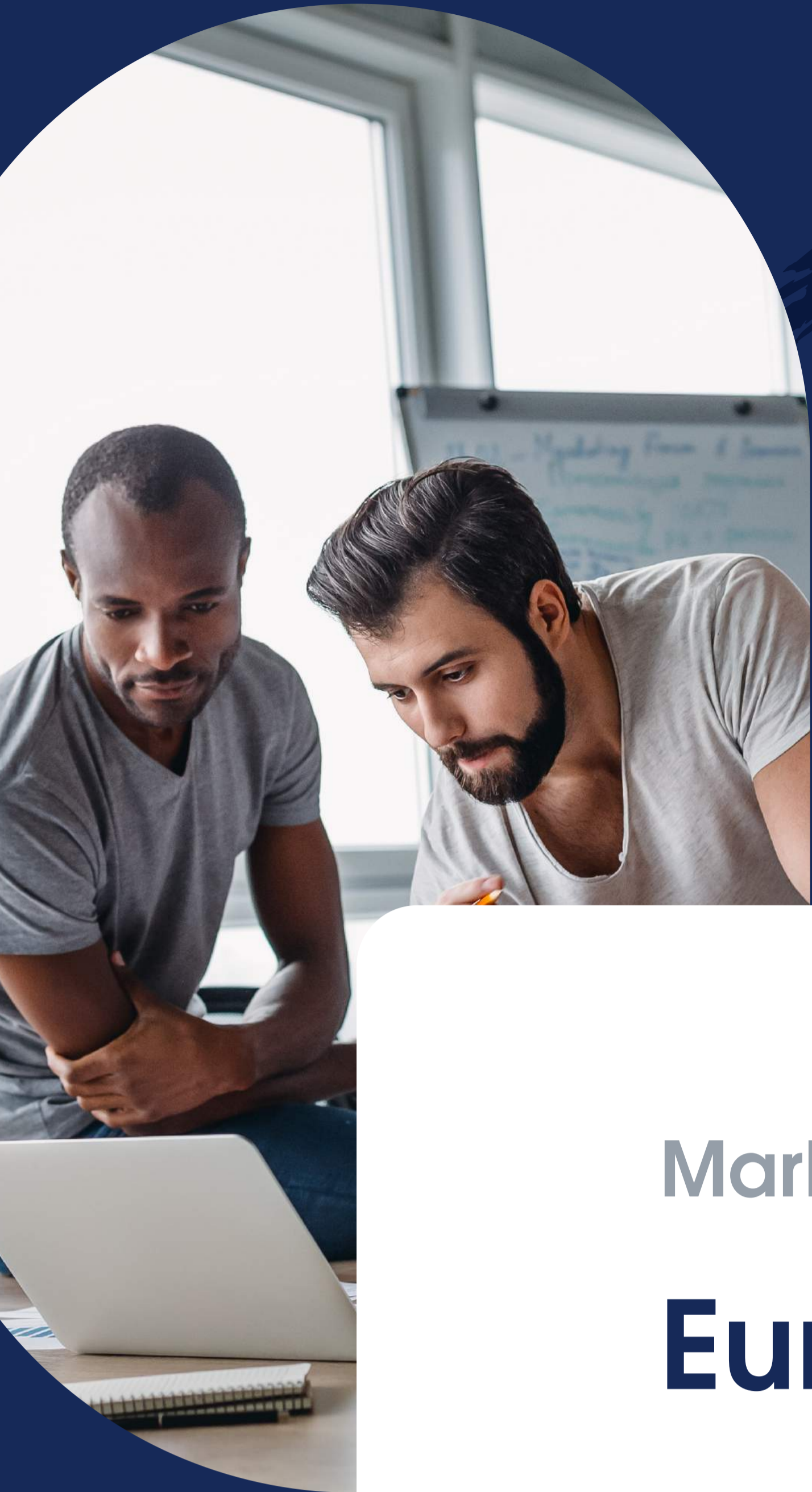
After two years of intense regulation on short-term rentals in Colorado's Western Slope mountain communities, Telluride is among the first to ease caps and limits imposed at the height of the pandemic.

Telluride, Colorado, lifted its moratorium on new short-term rental licences, instituting a \$857 annual per-bedroom regulatory fee for vacation rentals. This strategy is to generate funds for housing projects and address housing shortages. Additionally, a three-tier licence system has been introduced, with residents renting out for fewer than 29 days annually exempt from the new fees, while standard licence holders will incur the full charges.

For the corporate accommodation market in Telluride, this regulatory shift could pave the way for increased opportunities. As property owners might transition from short-term to long-term rentals due to the hefty fees, corporate accommodation providers could capitalise on this shift.





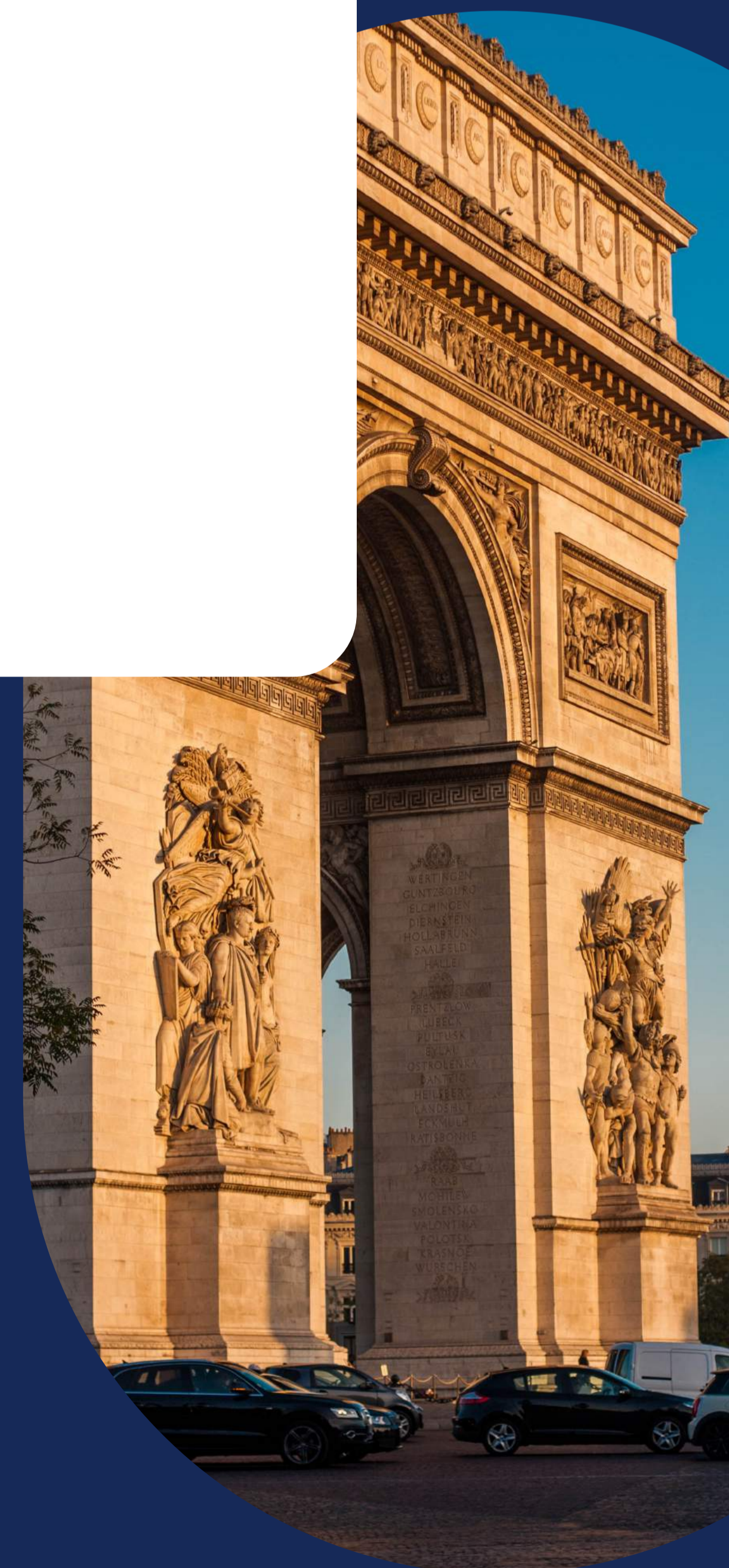


## Market Update

# Europe and Middle East

Corporate accommodation providers across Europe need to stay agile, adapting to a continuously evolving regulatory landscape. Recent proposed regulations across Europe emphasise enhanced accountability and transparency, which could lead to increased compliance costs and operational changes for corporate accommodation providers. This increased transparency will, however, boost consumer trust and further shape how providers operate.

The potential inclusion of VAT on online platforms could escalate prices, affecting demand and profitability in the corporate accommodation sector. Upcoming challenges include the adoption of regulations for data collection and sharing, set to be implemented in December 2023.





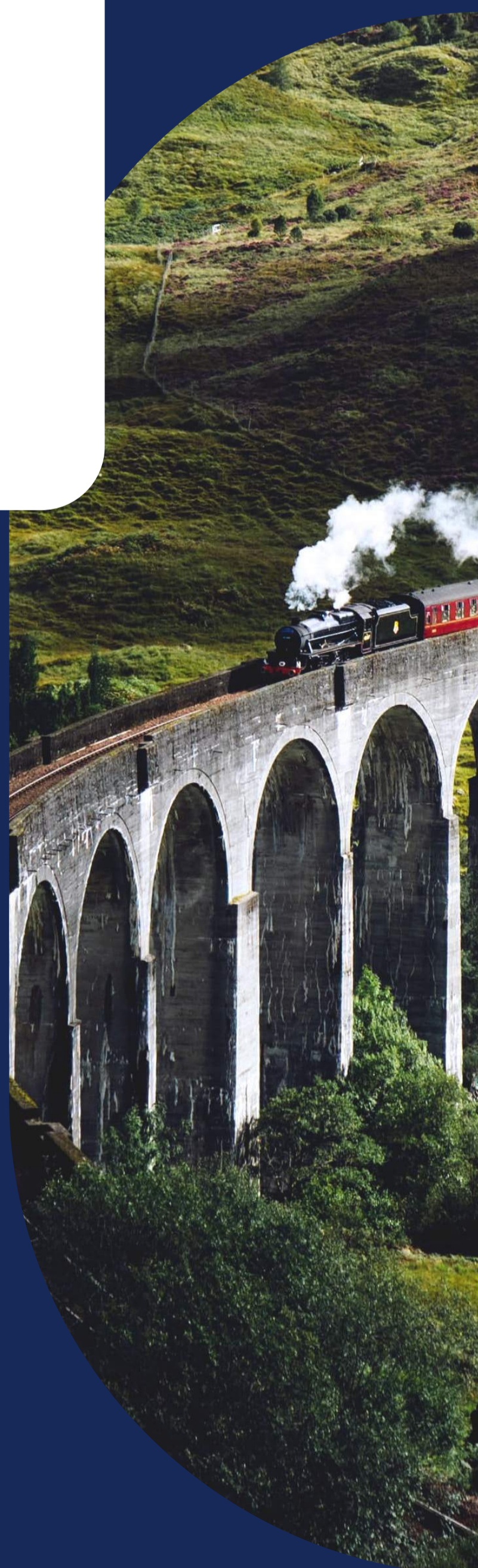
## Portugal

High demand for short-term rental drove a 6.1% spike in rental values in Q2 2023, resulting in a limited accommodation supply. To address these challenges, the Portuguese government capped advance rent to two months and introduced the "Mais Habitação" law, which incentivises long-term rentals through tax benefits.

## Scotland, UK

Scotland introduced "Short-Term Lets Licensing" legislation that mandated licensing for private and commercial properties used for short-term rentals, which existing operators had until September 29, 2023 to apply to with proof of planning permission.

For Scotland's corporate accommodation sector, this new licensing introduced additional regulatory compliance. Properties designated for short-term corporate rentals, regardless of the letting platform, must secure the licence and the planning permission could potentially delay some corporate accommodation providers in operations. Non-compliance risks criminal offence repercussions, emphasising the importance for corporate accommodation entities to understand and adhere to these regulations, ensuring safety and community responsibility.







## Estonia

With short-term rental legislation sweeping across Europe, Estonia presents a unique opportunity with little regulatory tape stopping operators from building and growing rental properties.

## Florence, Italy

One of Italy's most popular tourist destinations, Florence, implemented a ban on new short-term residential listings on platforms like Airbnb within its historic centre in October. This move aims to make more residences available for the local population.

This may present an opportunity for corporate accommodation providers to fill a growing demand for mid-to-long-term stays, especially if they can offer a more stable and compliant accommodation solution. With the potential national legislation on the horizon, corporate accommodation providers equipped to meet these requirements, such as offering stays longer than two nights and complying with identification codes, will gain a competitive advantage.



## Market Update

# APAC

AltoVita's Smart, Safe, Sustainable Summit and Altos event both took place in Singapore on September 6. Here's an overview of the global mobility and corporate accommodation landscape in the Asia Pacific region, based on key discussions that took place during the two events.

## Cost still the number one challenge

Demand appears to be outstripping supply in Asia, with the inevitable result being accommodation prices rise. Companies need to contain costs, and Singapore in particular is becoming an increasingly expensive destination when it comes to corporate accommodation.

Companies were therefore encouraged to look towards different types of accommodation. "Co-living is something that can be acceptable," said Arabelle Chaw, Director Global Account Management at Sirva. She added co-living meant assignees could be "connected to different opportunities."





Singapore is also a destination that “jumps out” because the cost has increased so much, according to Spencer Reynolds, Head of Global Mobility Strategy at Takeda Pharmaceutical Co. The Tokyo-based mobility leader said that generally speaking remote work, and shorter durations for “international experiences” were on the rise, following a reluctance by some workers to entirely relocate to a new country, which was compounding the pressure on housing stock.

“Organisations are enabling people to work remotely, not necessarily permanently, but three months, six months, so you’re going to have a pressure on the supply,” he said during the Innovative Accommodation Sourcing panel debate. “It will be a real challenge for the industry.”

Rowen Wong, APAC Client Services Manager at relocation management specialist WHR Global said that a common topic she was hearing from clients was the need to strike a balance between providing superior employee experience, versus rising costs.

## Sustainable accommodation demand

Sourcing greener travel and accommodation is becoming a priority for many multinational companies, including payment company Stripe. Guia Trinidad, Talent Mobility Partner, said she was having “constant conversations with internal stakeholders, and external partners, putting systems and solutions in place that are not just interim solutions or efforts, but are also paths for long-term sustainability initiatives in the future.”





At Sodexo. Chief Human Resources Officer Suvarna Mishra said the firm was integrating sustainability into its decision making and business strategy: "Alpha employees want to work for companies with purpose, and so want to stay in greener accommodation whenever they can."

Naveen Marshal, Senior Manager Global Mobility at Siemens, revealed management was taking this topic "very seriously," not least because his organisation was already working with governments across the globe on sustainability related projects. The business's mobility department has an additional responsibility to think more about this area, with initiatives including moving to electric cars and remote working.



## The link with talent

WHR Global's Rowen Wong also pointed to the fact that better accommodation can be leveraged in the battle to retain talent, in the wake of The Great Resignation, where many employees quit their jobs in the wake of the pandemic. "We've all seen over the last two years with the Great Resignation, even in China with the Tang Ping or 'Lying Flat' movement, people are shunning the nine nine six culture, working from 9am to 9pm six days a week," said WHR Global's Wong. "That is no longer acceptable." This all results in a global war for talent, she added



# Major Events to Impact Pricing in Q4 2023

Many significant events are planned for the coming months and years that could stimulate demand in the hospitality and tourism sectors. Keep an eye out for the following events:

## United States

### Sports Events

The USA hosts numerous sporting events in Q4, including the culmination of the NFL season leading up to the Super Bowl, NBA games, and NHL matches. These events draw significant domestic and international attention.

- NFL season: September to early February (Super Bowl likely in early February 2024).
- NBA games: Regular season typically starts in October and goes through April.
- NHL matches: Regular season typically starts in October and goes through April.

### Thanksgiving and Black Friday

A major holiday season in the US which sees a surge in travel as families gather and shoppers travel for deals.

- Thanksgiving: November 23, 2023
- Black Friday: November 24, 2023

### Hollywood Film Releases

The end of the year is traditionally a time for major film releases, potentially drawing tourists to Hollywood and related locations.





## Year-End Festivals

Various cultural and music festivals that happen around the country, including some famous ones in cities like New Orleans and Nashville.

## Holiday Season Travel

December sees a spike in travel due to Christmas (December 25, 2023) and New Year (January 1, 2024) celebrations.



## Business Conferences in the United States

### Asia-Pacific Economic Cooperation (APEC) CEO Summit

A premier business event in the Asia-Pacific region, drawing top business leaders and policymakers, will take place November 14 - 16, 2023, in San Francisco.

### AWS re:Invent

Amazon Web Services' annual cloud computing conference is one of the largest of its kind, taking place November 27 through December 1, 2023, in Las Vegas.

### Gartner IT Symposium/Xpo

Tailored for CIOs and IT executives, this conference provides insights into the latest trends and technologies in the IT world on December 5-7, 2023, in Las Vegas.

### The Neural Information Processing Systems (NeurIPS) Conference

One of the most significant conferences in machine learning and computational neuroscience, it takes place December 10-16, 2023, in New Orleans.



# EMEA

## Oktoberfest (Germany)

Although Oktoberfest takes place September 16 to October 3, 2023, its impact on tourism extends into Q4.

## Christmas Markets

Many European cities, especially in Germany, Austria, and France, are known for their festive Christmas markets which attract tourists from late November to late December.



## Business Conferences in EMEA

### Web Summit

This massive tech conference attracts startups and tech giants to Lisbon on November 13 -16, 2023.

### AfricaCom

Held in Cape Town, South Africa, it's the continent's largest telecoms and technology event, taking place November 14-16, 2023.

### UN Climate Change Conference (COP 28)

Gathers global leaders, environmental experts, and stakeholders to discuss and negotiate measures to combat climate change, assess progress on previous agreements, and set future environmental targets to mitigate the impacts of global warming. It will take place November 30 to December 12, 2023, in UAE.



# APAC

## Diwali Festival

Celebrated in India, Diwali is one of the biggest festivals which sees a huge domestic travel surge and some international tourism in November.

## Year-End Sales in Singapore and Hong Kong

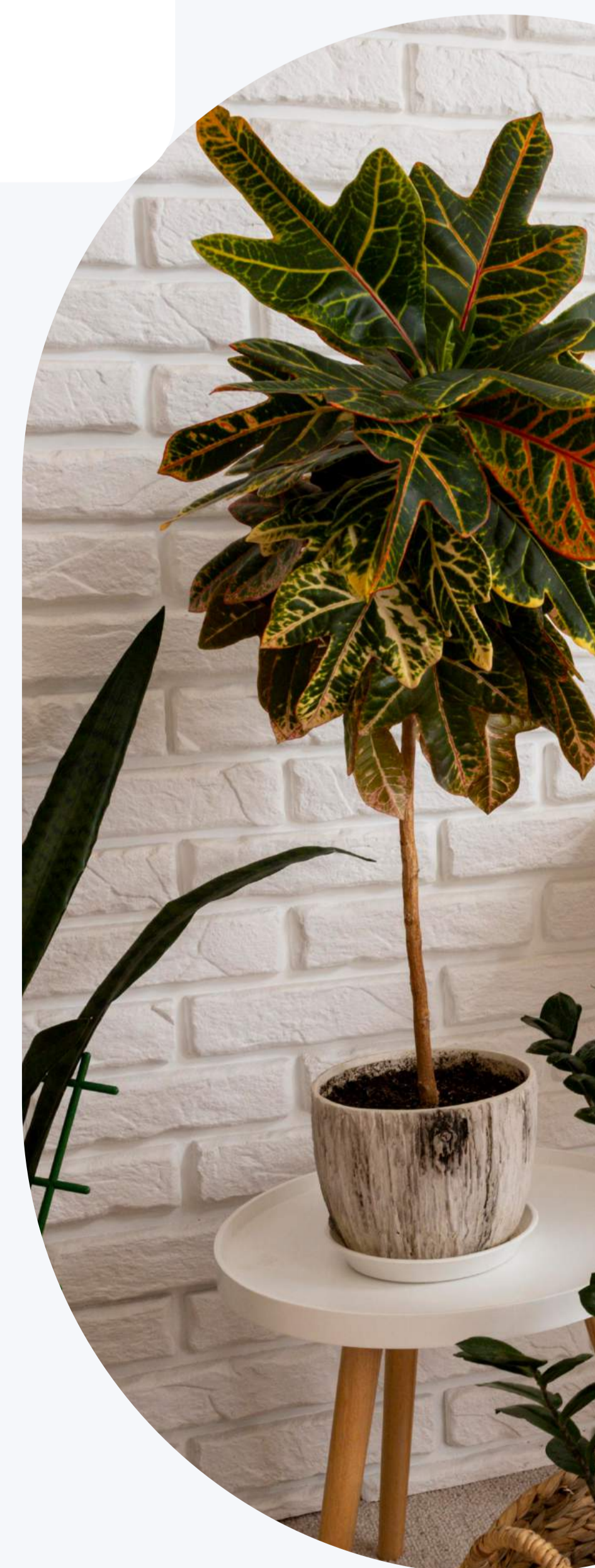
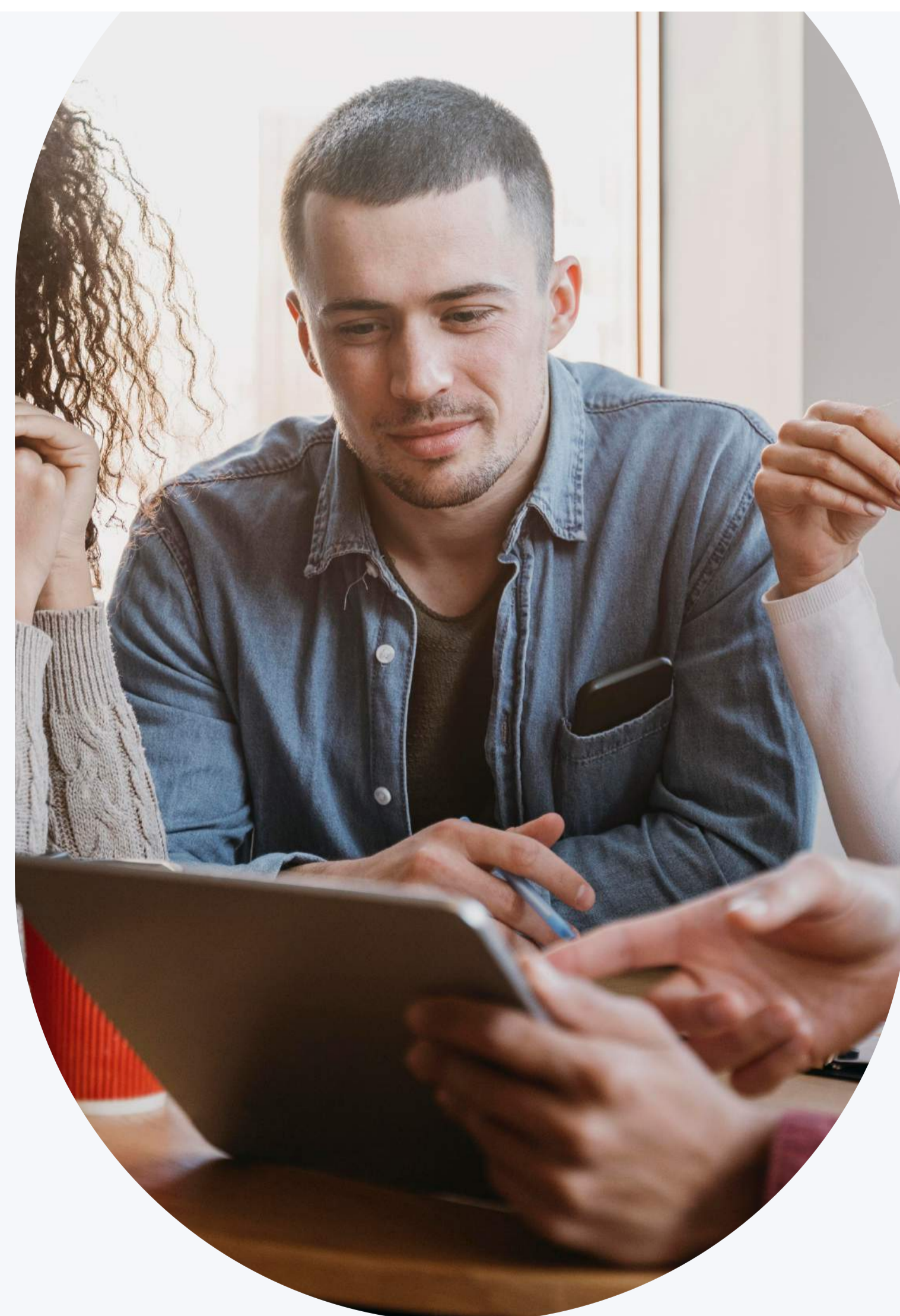
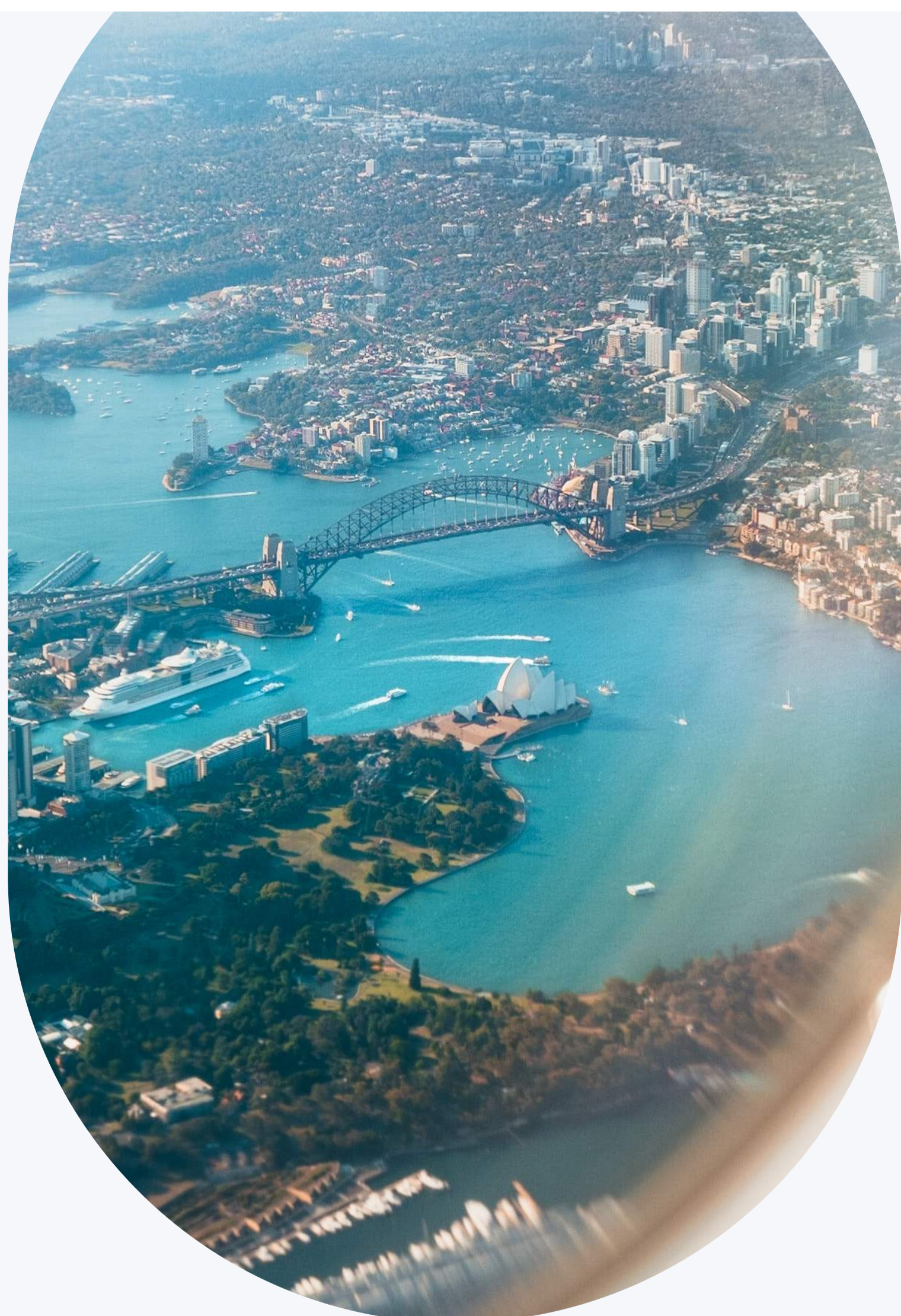
These regions are known for their shopping festivals and sales towards the end of the year, attracting tourists from neighboring countries.

## Australia's Summer Events

As the southern hemisphere enters summer, Australia hosts various events, including music festivals and cricket matches.

## New Year Celebrations

Cities like Sydney, with its iconic New Year's Eve fireworks, and Tokyo, with its traditional celebrations, draw significant international attention.





# Spotlight on Paris 2024

## Navigating Corporate Accommodation During the Olympic and Paralympic Games

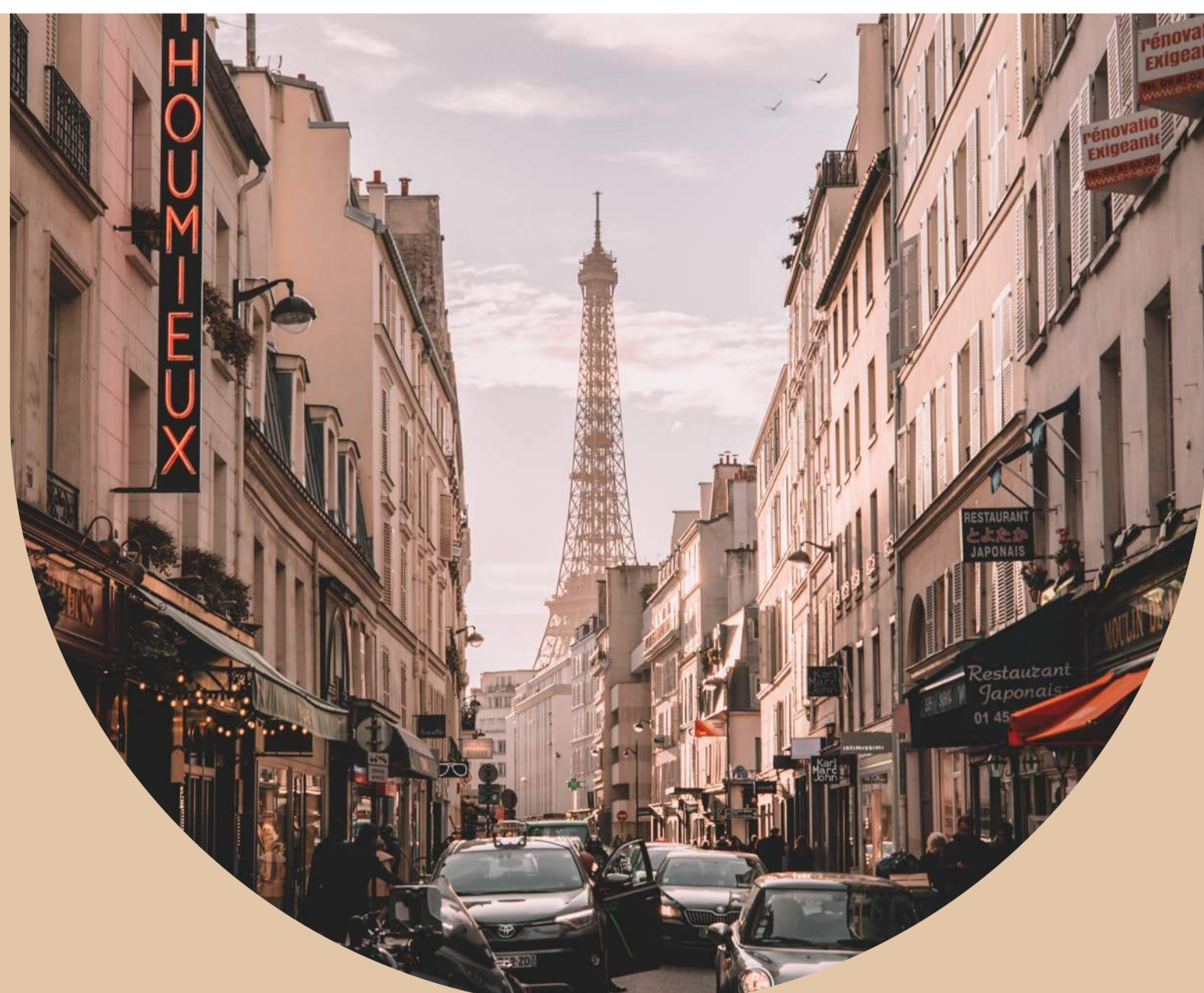
Paris is bracing for an extraordinary season with the excitement of the Olympic Games scheduled from July 26 to August 11, 2024, and the Paralympic Games from August 28 until September 8. As a relocation or business travel manager, the influx of an estimated 13 million tourists will undoubtedly affect planning

Updated recommendations include that travelling around Paris during this time will be extremely difficult. For any business travellers, it's advised that they work from their hotel or apartment. Public transport will also be severely affected, with many metro and bus stations located near Games sites closed for security purposes.

### The Challenge: Limited Availability and High Demand

Paris, a business travel and relocation hub, will experience a unique challenge in 2024. It's the first time in the history of the Games that the opening ceremonies will take place outside the traditional stadium setting — in the centre of the host city — a good analogy for the corporate accommodation inventory scene.

An estimated 80% of hotel room occupancy will be earmarked for Olympics-related professionals, including athletes, their teams, and journalists. This significant reservation and rooms blocked without confirmed bookings leave limited options for other professionals and tourists.







## The Solution: AltoVita's Extensive Network

AltoVista offers access to nearly 15,000 units in central Paris and the suburbs, ranging from fully vetted private homes to serviced apartments, and caters to various corporate accommodation needs.

An early block booking is essential, with inventory already being reserved and demand expected to spike after the 12-month. AltoVita's hospitality partners prioritise existing customers and longer stays, gradually opening up availability with nightly rates at the higher end of the Best Available Rate (BAR). Block booking units is essential to secure apartments if significant volumes need to go to Paris for over one month next summer.

### Group Bookings with AltoVita



### Making group bookings with AltoVita is both convenient and flexible

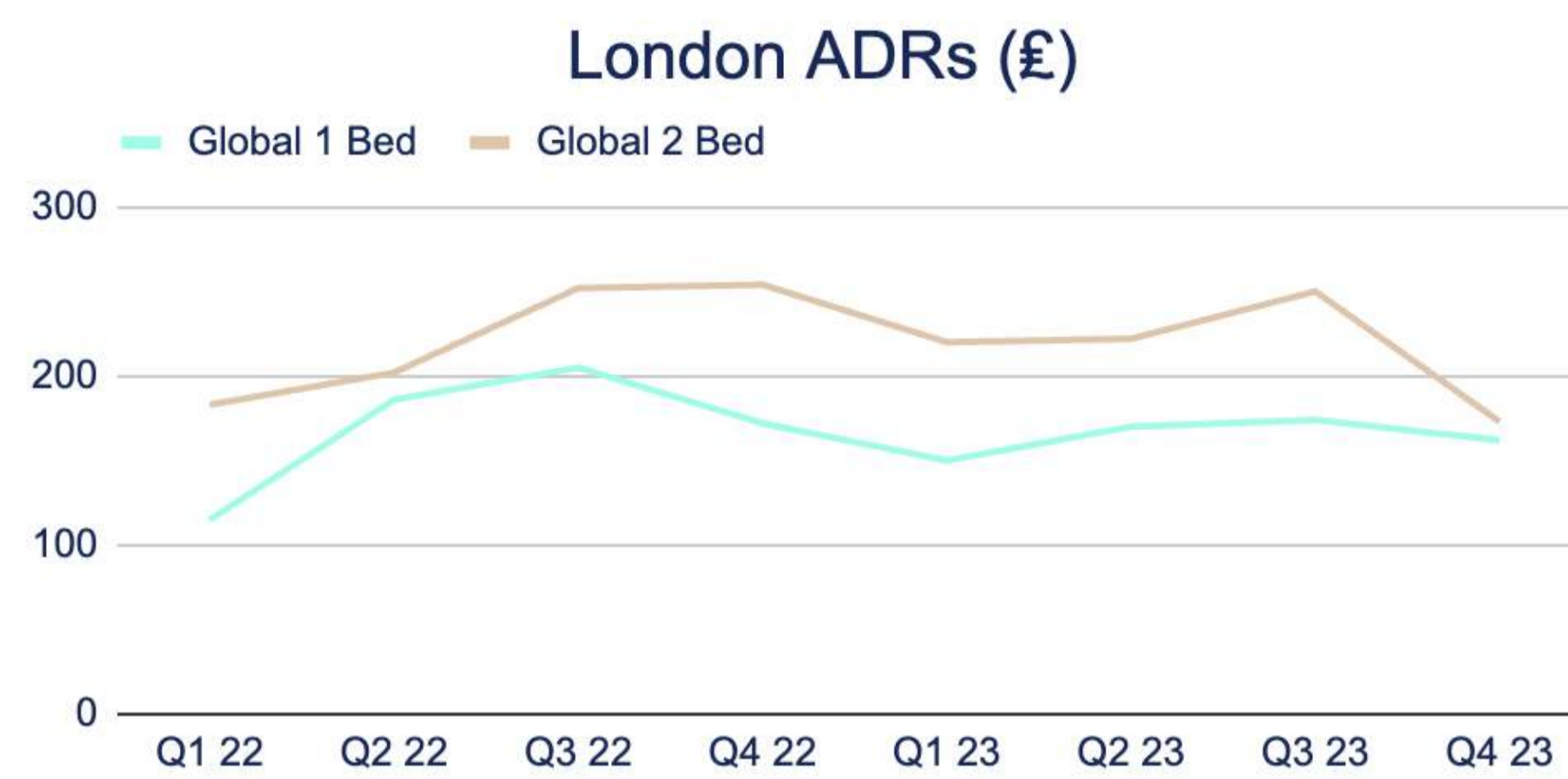
- It's easy to make complex, large-scale group bookings on the AltoVita platform.
- There's no need to enter check-in or check-out dates, as we know significant group moves require flexibility
- Manage your group booking through a single booking reference, saving you time
- Easily access individual guest status for an overview of where your employees are at all times.

Navigating Paris's bustling accommodation market during the Games will require foresight and strategic planning. By understanding the unique challenges and leveraging AltoVita's extensive network and flexible booking options, relocation and business travel managers can ensure a smooth experience during this unprecedented event. Act now to maximise availability and cost efficiency and make the most of the Paris 2024 Olympic and Paralympic Games.



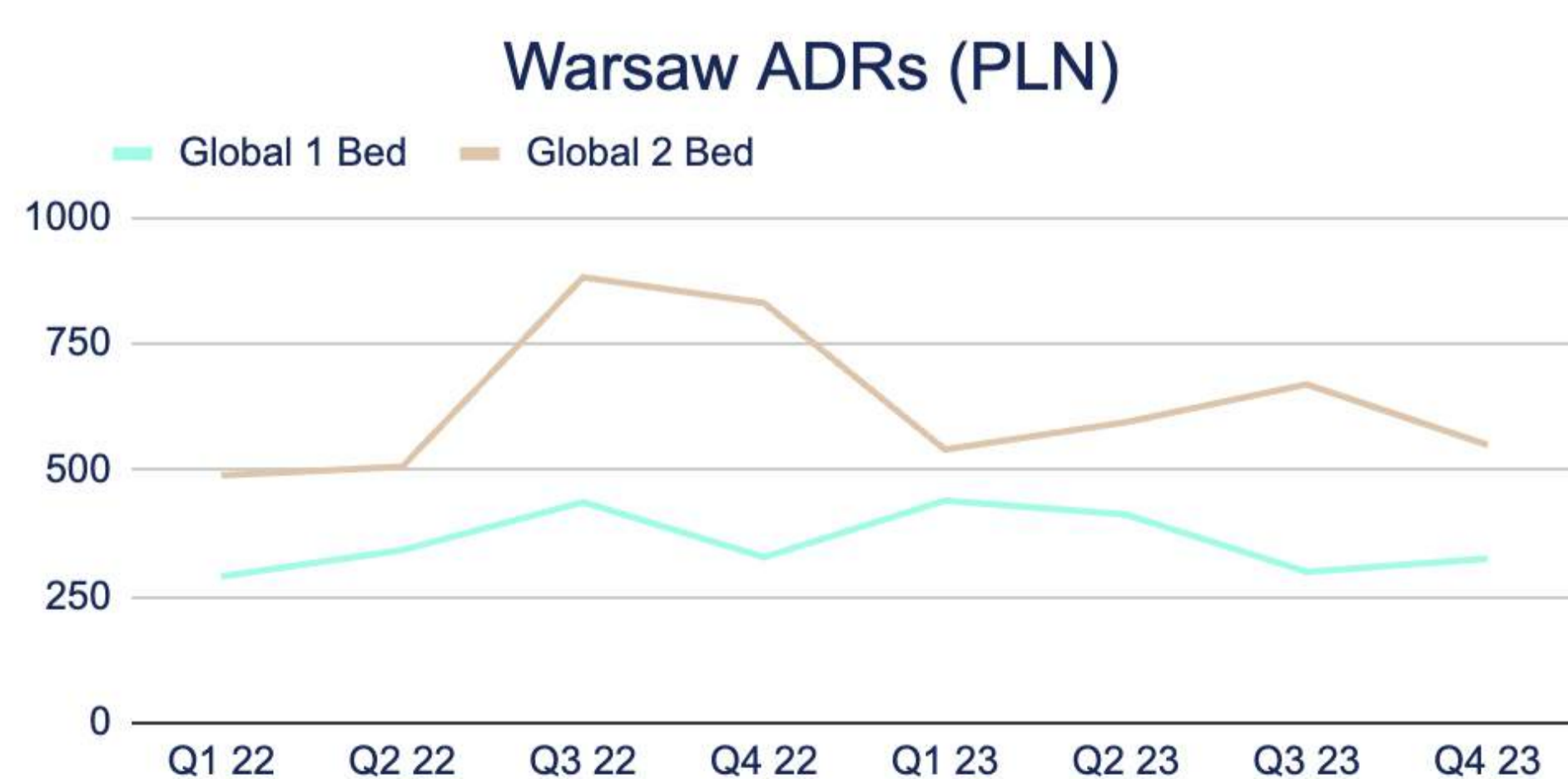
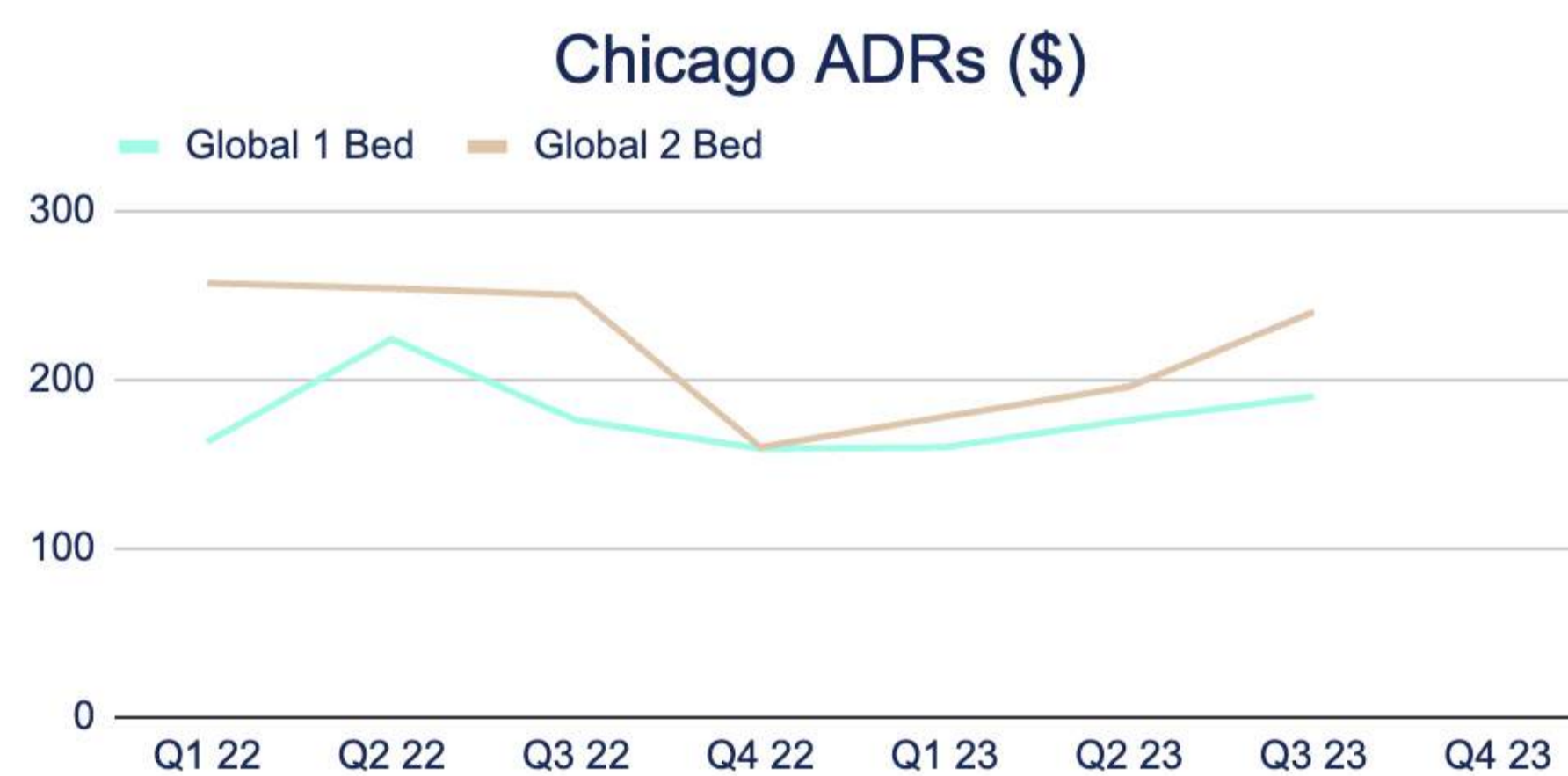
# Pricing Comparison and Forecast

## London ADRs (£)



## NYC ADRs (\$)

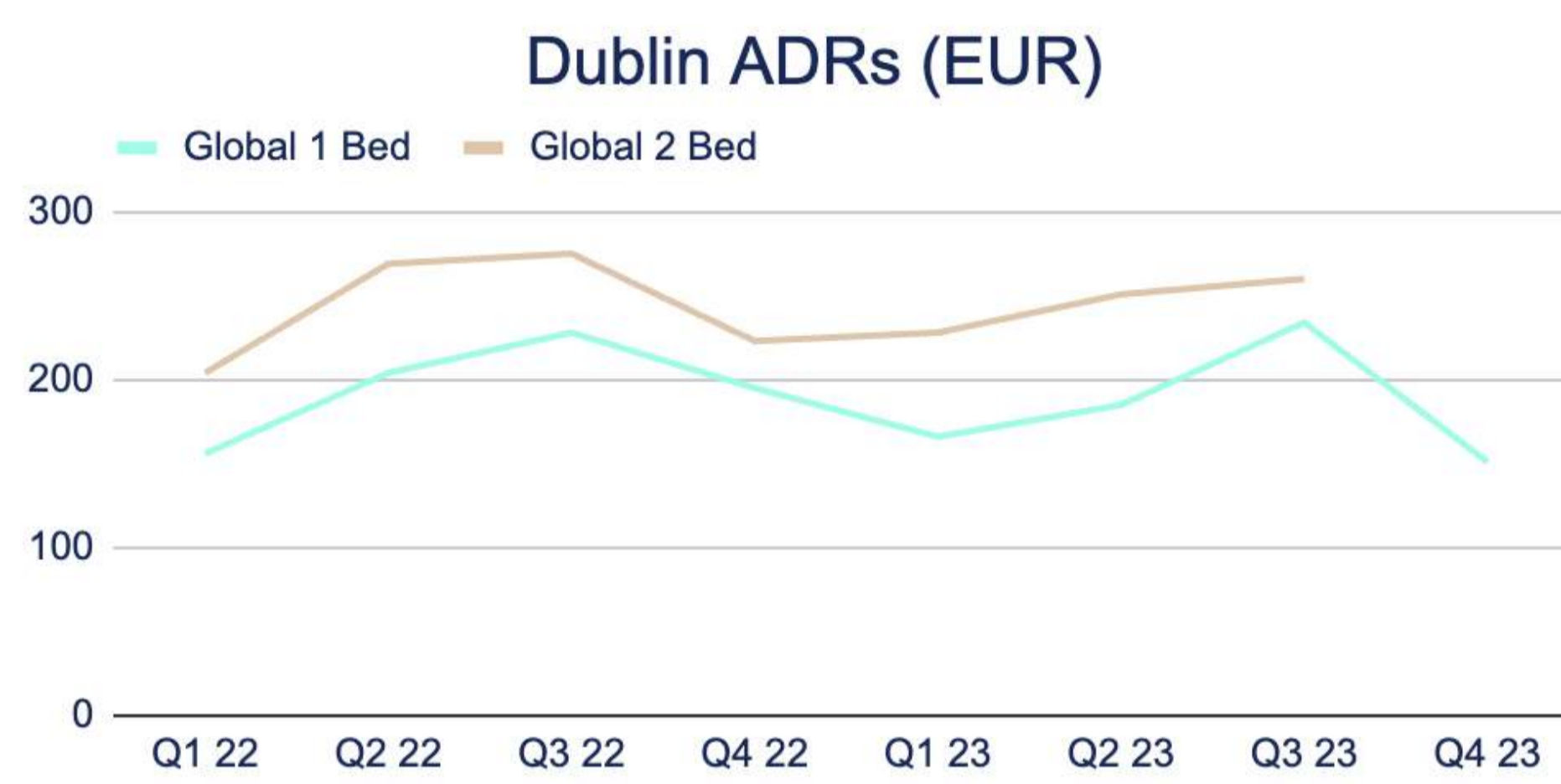
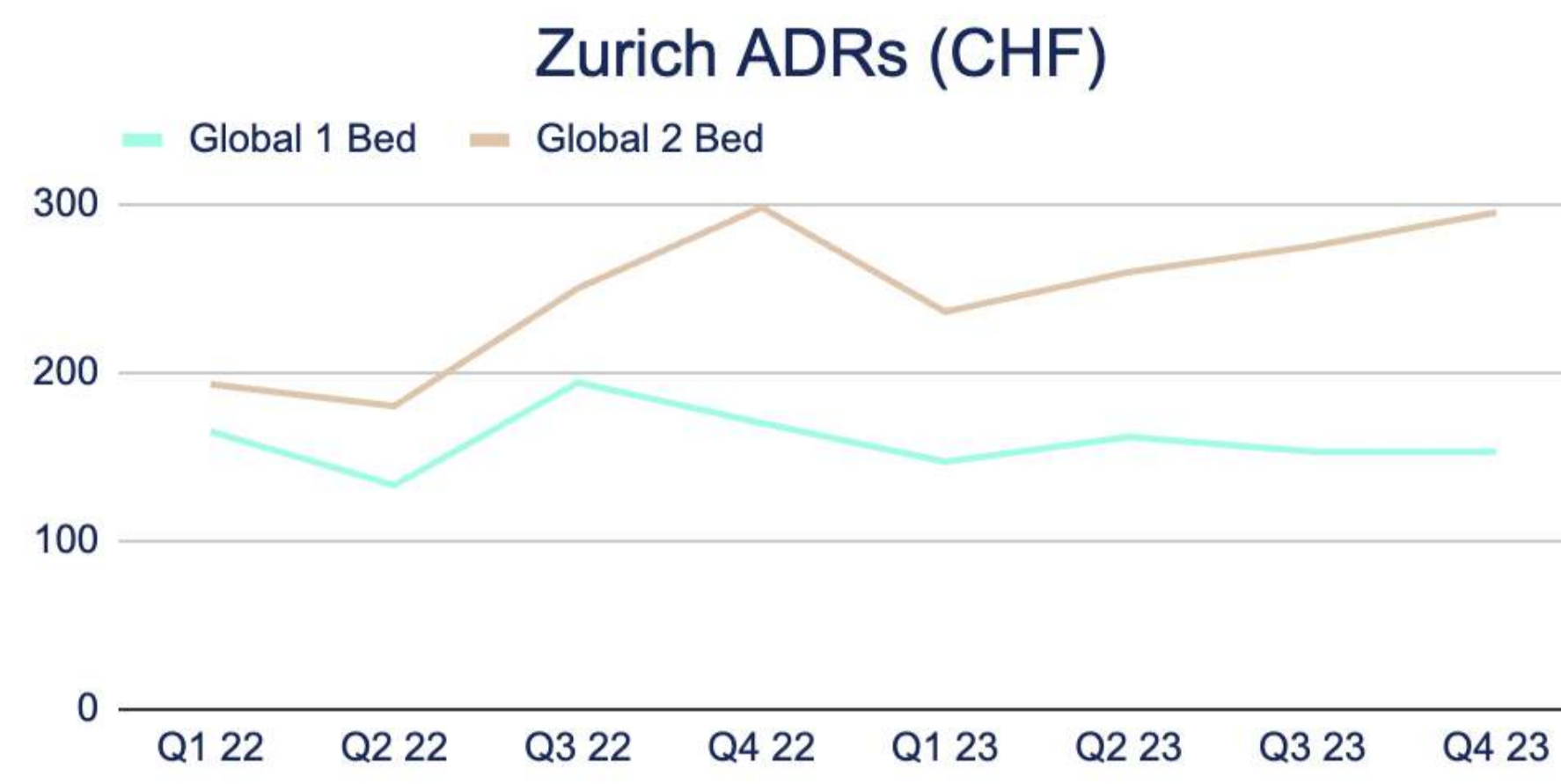
## Chicago ADRs (\$)



## Warsaw ADRs (PLN)

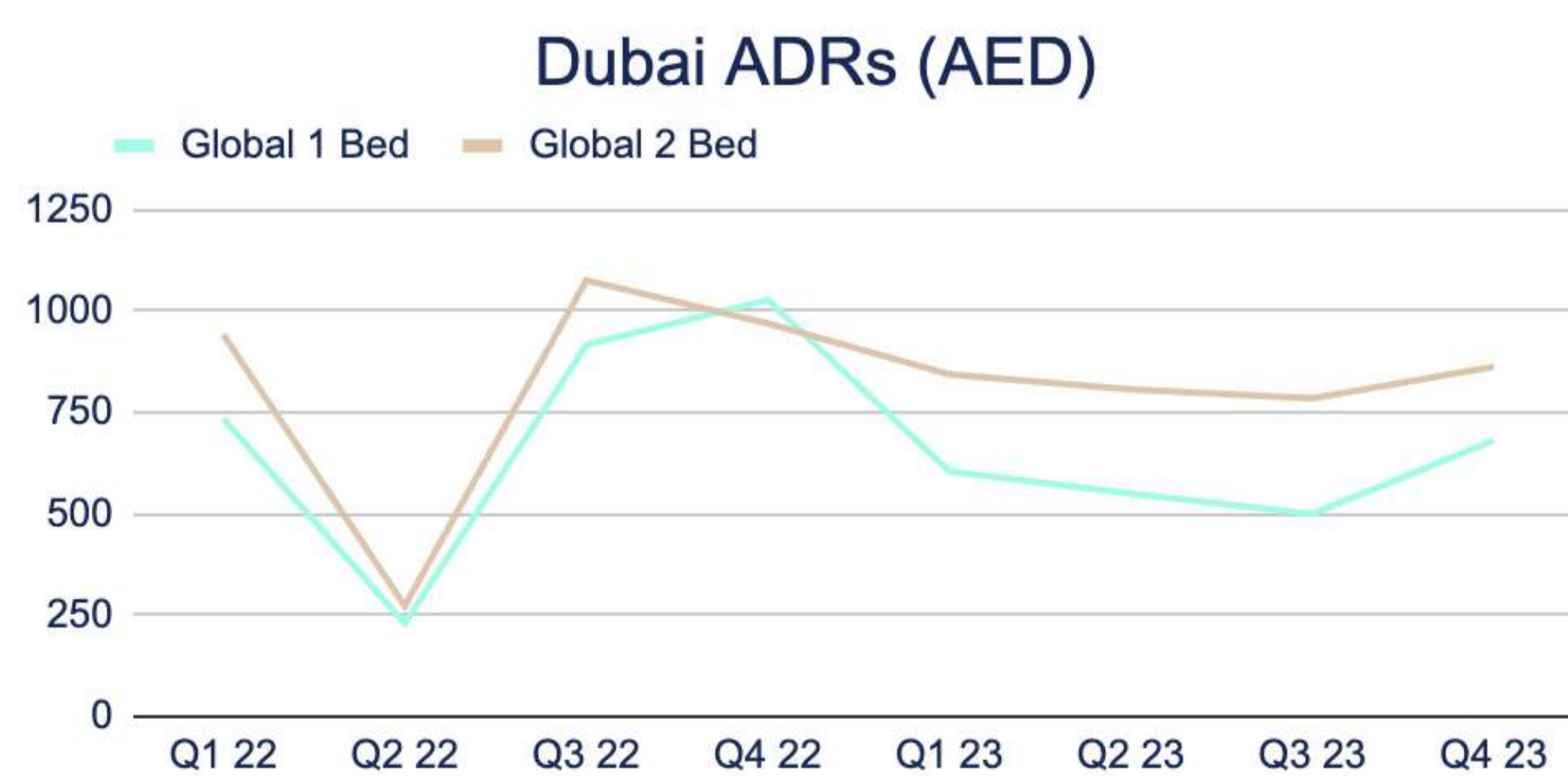
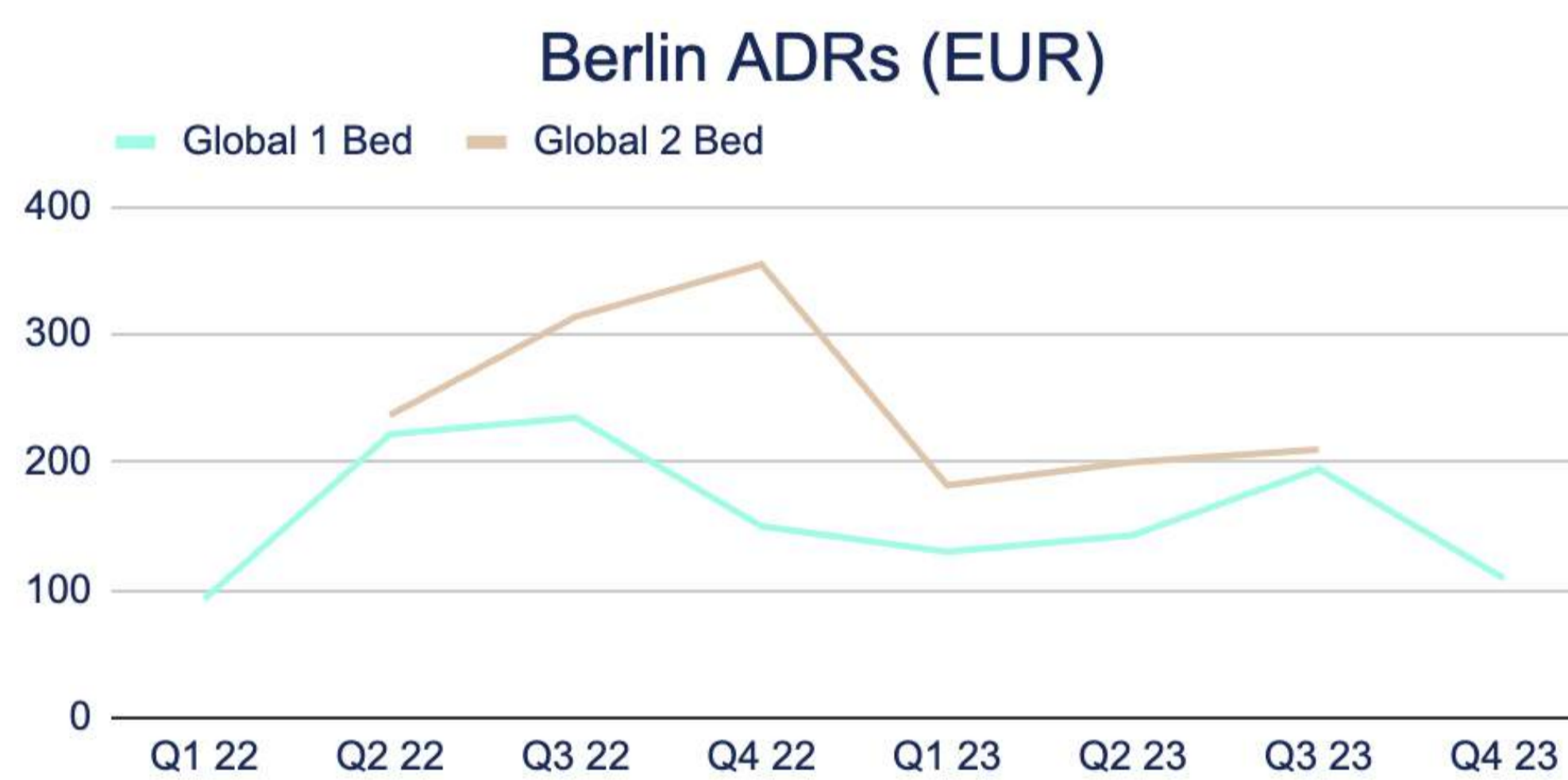


## Zurich ADRs (CHF)



## Dublin ADRs (EUR)

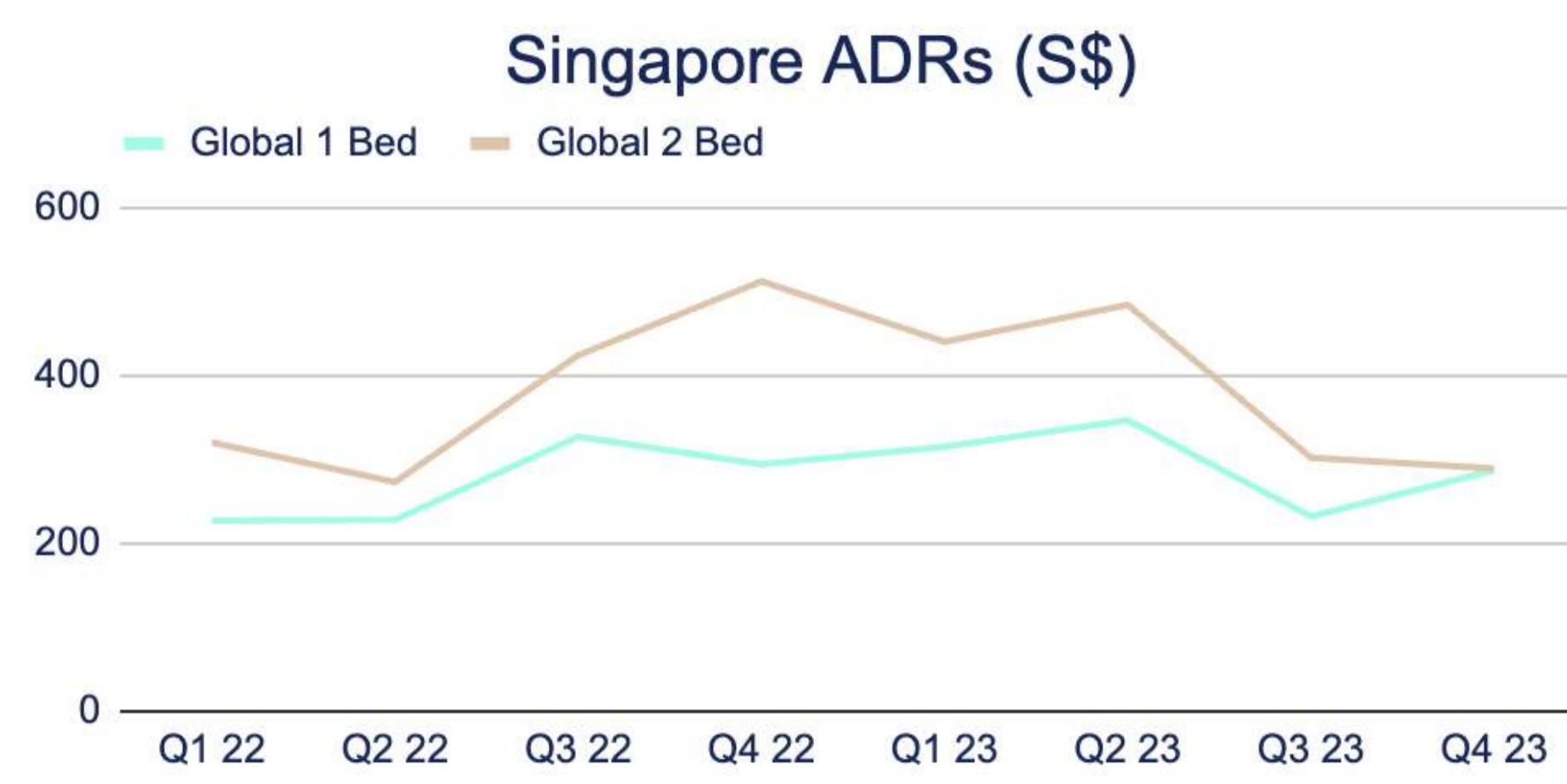
## Berlin ADRs (EUR)



## Dubai ADRs (AED)



# Singapore ADRs (S\$)



# Sydney ADRs (A\$)



# Sydney ADRs (A\$)







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