



Recognized Regional Group
WORLDWIDE ERC
THE WORKFORCE MOBILITY ASSOCIATION



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IMPORTANT NEWS

The Arizona Relocation
Alliance presents:

September General Meeting

Coming soon...

Date: Sept. 14th

Time: 9-11am

What: Immigration
Update & more

Location: KPMG offices
in Tempe, AZ

Sign Up: Email Linda
Shawn at

lshawn@bristolglobal.com

Please stay tuned for
details on who will be
speaking at the event.

Please visit:

www.arizonaalliance.com

for more information.

www.azrelocationalliance.com

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War on Talent - 2010

Worryingly low numbers of U.S workers love their jobs, meaning the gradual end of the recession could lead to the return of an explosive war for talent as employees finally become confident enough to turn their backs on wherever they have sheltered during the recession.

A poll of more than 2,000 workers by recruitment firm Adecco has reported a sharp dip in the number of workers feeling grateful and appreciative to be in their job during the recession, down from more than half a year ago to just under four out of 10 now. Workers were also becoming less afraid of the prospect of redundancy, with 17 per cent saying they would be prepared to work harder to avoid layoffs and 19 per cent prepared to put in longer hours, against 20 per cent and 21 per cent at this point last year.

Broken down generationally, the gap becomes even more marked. Among younger, Generation Y workers, more than a quarter said they loved their job less than last year, up some 10 per cent on those who felt that way last year. In fact, 17 per cent of Generation Y and a fifth of Generation X workers were thinking about jumping ship and going back to school or college. If given the chance to start again and change profession, more than half of workers said they would do so, particularly older Generation X employees.

Workers were also feeling less appreciative of their managers, with just seven per cent agreeing that the economic situation had positively affected their confidence in their executive team, against nine out of 10 in 2009. A tenth appreciated their boss more now as a result of the economic situation, versus 16 per cent feeling this way last year, the survey said.

"As America recovers from a tough economic climate in 2009, those who survived the recession may be questioning if they still want the same job or career when employment opportunities rebound," said Joanie Ruge, Adecco Group North America senior vice-president. "In 2010, I think we're going to see business leaders start to get a little more aggressive – thinking about and consciously deciding when to shift to a more optimistic, opportunistic employment stance," she added.

"That shift is going to be critical for employers who want to attract and retain the best, strongest talent. Likewise, for candidates today who may be looking to shift careers or experience, they may want to consider applying for temporary and project-based jobs that can shift their career in the direction of higher growth opportunities," she suggested.

"During the recent economic downturn, organizations have not had to spend much time or effort in retaining talent because employee have 'hunkered down' in their roles to try to stay employed in a market of high unemployment," agreed Adam Alexander, vice-president of careers' firm MasteryWorks.

"As the economy recovers, these same employees will begin to look for new opportunities, and with the lack of a strong retention strategy in place many organizations face the prospect of losing top talent," he added.



TOP 3 Loan Mistakes

In the past it was buyer beware. In every industry there are those that try to take advantage of consumers – here the top ten items that got some mortgage lenders lumped in with “dirty practices”

Loan Origination Fee

Some tried to get up to 5% from a borrower, typical is 1%

Changing the final HUD

Most don't check the final HUD against earlier versions, some lenders made big \$\$ changes hoping consumers wouldn't notice.

Interest Only for more house

Many advised that interest only with low payments is a great way to get a house you can't afford

With so much press around lending practices, these have pretty much gone away.

Foreclosure & Short Sale Credit Recovery

Whether you own a home and can't make the payments, are an investor with an unrented home, or a transferee facing a move you may be wondering – Just how badly will a foreclosure or short sale really hurt my credit. Sure my relocation package won't help me, but how bad will it hurt me down the road. This is a frequent topic of conversation at the water cooler these days, so what really happens?

What do we know:

- If we stop paying our mortgage, our credit score will be lowered
- If we have a bill (in this case a mortgage) it will have to be paid or it will affect our credit

But just how much does it really affect your credit?

This was an answer before this year that was very tough to come by. Many mortgage and real estate experts would give you their two cents worth, but no one seemed to know how bad it would hit you personally. This made the decision for those facing foreclosure or short sale much more difficult. Credit bureaus weren't much help either in expressing in points just how your credit score would get hit if you were delinquent on your mortgage or owed from a short sale.

Recently, Fair Isaac, which developed FICO scores, pulled back the curtain a bit, revealing some estimates of point-score declines following mortgage delinquency problems. Here are the average hit your credit will take:

- 30 days late:** 40 - 110 points
- 90 days late:** 70 - 135 points
- Foreclosure, short sale or deed-in-lieu:** 85 - 160
- Bankruptcy:** 130 – 240

To come to these figures, Fair Isaac created two hypothetical consumers, one who starts out with a fair-to-middling score of 680 and the other with a very good one of 780. (FICO scores range from 300 to 850.)

The hypothetical person with the 780 FICO has 10 credit accounts versus six for the 580, plus a longer credit history, lower utilization of total credit limit and no missed payments on any account. The other consumer has two slightly damaged accounts. Neither have any accounts in collection or adverse public records.

Notice from the chart that for both borrowers a single one-time black mark results in steep drops, but it is when they fall further behind that things get really harsh. The point loss also depends on the borrower's starting point: People with very high credit scores have more to lose than low-score borrowers; the impact of a single blemish on an 800 score is more than on a 500.

The bottom line is that foreclosures and short sales can really impact credit. It is important to note that if you have clients asking you for this advice that you direct them to their lender, a foreclosure specialist, or a real estate Attorney to have their particular credit score and situation evaluated before they resort to just letting go.



How delinquencies hurt credit scores

	Borrower #1	Borrower #2
Initial credit score	680	780
After 30-day delinquency	620-640	670-690
After 90-day delinquency	595-610	645-665
Foreclosure, short sale or deed-in-lieu	575-595	620-640
Bankruptcy	530-550	540-560

NOTE: BORROWER #1 HAD SIX CREDIT ACCOUNTS VERSUS 10 FOR BORROWER #2, TWO PAST DELINQUENCIES VERSUS ZERO, A SHORTER CREDIT HISTORY AND HAD USED A HIGHER % OF CREDIT AVAILABLE.
SOURCE: FAIR ISAAC CORP.



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