2019 Survey on Inbound Referral Business of International Realtor® Members

National Association of REALTORS®
September 2019
The National Association of REALTORS® (NAR) connects real estate agents from all over the world to assist them in growing their referral business and share best practices under a code of ethics that secures the trust and confidence of international clients. This study looks at the referrals International Realtor® Members (IRM) receive from their contacts abroad and the challenges and opportunities regarding the international referral business.

- 54% of respondents had at least one referral from a contact abroad, whether IRM or not.

- Respondents received residential and commercial referrals: residential purchase (80% of respondents), residential lease (37%), commercial purchase (20%), and commercial lease (13%).

- A high fraction of respondents were able to assist the referred person: residential purchase (90% of respondents), residential lease (82%), commercial purchase (78%), commercial lease (84%).

- A small fraction of respondents reported referrals were from IRM contacts: residential purchase (19% of respondents), residential lease (15%), commercial purchase (13%), commercial lease (29%).

- Referrals are mostly regionalized: most Latin American respondents received referrals from U.S. and Latin American contacts, while most Asian respondents received referrals from Asian contacts.

- More than half of respondents reported they need networking events and tools, training, and information on international clients to growth their referral and international business.
54% of respondents had at least one referral from a contact abroad, whether IRM or not.
Most referrals were for a residential property purchase.

The shares represent the fraction of respondents that reported these type of referrals. Respondents can report multiple types of referrals so the fractions won't sum up to 100 percent.

- Purchasing a residential property in your country: 80%
- Renting a residential property in your country: 37%
- Purchasing a commercial property in your country: 20%
- Renting a commercial property in your country: 13%
- Other: 15%

n=169 respondents
Most Jamaican inbound referrals were from U.S. contacts

Referrals Received by Jamaican Respondents

- **U.S.**: 74%
- **Jamaica**: 14%
- **Canada**: 7%
- **Bermuda**: 1%
- **Guatemala**: 1%
- **Other country**: 4%

n=123 respondents
Most Mexican inbound referrals were from U.S. contacts

Referrals Received by Mexican Respondents

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>78%</td>
</tr>
<tr>
<td>Other country</td>
<td>2%</td>
</tr>
<tr>
<td>Guatemala</td>
<td>1%</td>
</tr>
<tr>
<td>Chile</td>
<td>1%</td>
</tr>
<tr>
<td>Brazil</td>
<td>1%</td>
</tr>
<tr>
<td>Argentina</td>
<td>1%</td>
</tr>
<tr>
<td>Panama</td>
<td>2%</td>
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<tr>
<td>El Salvador</td>
<td>2%</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>2%</td>
</tr>
<tr>
<td>Canada</td>
<td>3%</td>
</tr>
<tr>
<td>Colombia</td>
<td>3%</td>
</tr>
<tr>
<td>Mexico</td>
<td>5%</td>
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</tbody>
</table>

n=118 respondents
Most Philippine inbound referrals were also from Philippine contacts.

n=2,831 respondents

<table>
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<th>Country</th>
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<td>Philippines</td>
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<td>Australia</td>
<td>2%</td>
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<tr>
<td>Canada</td>
<td>1%</td>
</tr>
<tr>
<td>China - Hong Kong</td>
<td>1%</td>
</tr>
<tr>
<td>Japan</td>
<td>1%</td>
</tr>
<tr>
<td>Other country</td>
<td>8%</td>
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</tbody>
</table>
Canadian respondents received a mix of referrals from contacts abroad.

Referrals Received by Canadian Respondents

- U.S.: 30%
- China: 19%
- Australia: 11%
- Japan: 11%
- Jamaica: 7%
- Bahamas: 4%
- Brazil: 4%
- Other country: 15%

n=27 respondents
Most Colombian inbound referrals were from U.S. contacts

n=19 respondents

Referrals Received by Colombian Respondents

- U.S.: 63%
- Other country: 26%
- Canada: 11%
- Spain, Venezuela, Panama, Mexico, Chile, Spain: 5% each
Thai respondents received a mix of inbound referrals, mainly from Asian contacts.

Referrals Received by Thai Respondents

- Other country: 12%
- Philippines: 1%
- Korea: 1%
- Indonesia: 1%
- Japan: 2%
- Cambodia: 2%
- Vietnam: 3%
- U.S.: 4%
- China - Hong Kong: 8%
- Malaysia: 11%
- Taiwan: 13%
- Thailand: 17%
- China: 22%

n=89 respondents
Most Brazilian inbound referrals were from Argentinian contacts.

Referrals Received by Brazilian Respondents

- Argentina: 63%
- Brazil: 23%
- Paraguay: 6%
- U.S.: 5%
- Other country: 3%

n=64 respondents
Most Panamanian inbound referrals were from Dominican Republic contacts

Referrals Received by Panamanian Respondents

- Dominican Republic: 61%
- El Salvador: 23%
- Panama: 6%
- U.S.: 3%
- Other country: 3%
- Canada: 3%

n=31 respondents
80% of respondents reported a residential property purchase referral

42% of residential buyer referrals were for a condo purchase

n=97 respondents (type of property)
74% of referred buyers intended to use residential property for vacation and/or investment rental.

- Both residential rental or vacation home, 30%
- Vacation home only, 16%
- Residential rental only, 22%
- Primary residence only, 26%
- Other 2%; Don’t know 4%

n=114 respondents (intended use)
Median residential buyer search price: $155,000

- $75,000
- $175,000
- $325,000

Price Range of Referred Buyer

- $50,000 or less: 14%
- $50,001 to $100,000: 15%
- $100,001 to $150,000: 12%
- $150,001 to $200,000: 16%
- $200,001 to $250,000: 9%
- $250,001 to $300,000: 5%
- $300,001 to $350,000: 2%
- $350,001 to $400,000: 2%
- $400,001 to $450,000: 2%
- $450,001 to $500,000: 5%
- $500,001 to $625,000: 8%

n=94 respondents
n=36 (Philippines)
n=19 (Jamaica)
n=17 (Mexico)
50% of referred buyers intended to use mortgage financing

Mortgage, 50%
Cash, 38%
Other, 3%
Don’t know, 9%

n=112 respondents
90% of respondents reported they were able to help the referred residential buyer.

Were You Able to Help The Referred Residential Buyer?

- Yes: 90%
- No: 10%

n = 113 respondents
19% of respondents reported the residential buyer referral was from an IRM contact.

Was This Person Referred by an IRM Contact?

- Yes, an IRM contact, 19%
- No, 81%

n = 113 respondents
Residential Lease Referrals
37% of respondents reported a residential rental referral

Median monthly rent: $1,500

n=63 respondents (type of property to be leased)
82% of respondents reported they were able to help the person seeking to rent residential property

n = 62 respondents
15% of respondents reported the residential lease referral was from an IRM contact.

n = 113 respondents
20% of respondents received commercial purchase referrals

Land, 30%
Office, 24%
Industrial, 17%
Retail, 9%
Multi-family, 4%
Other, 15%

n=46 respondents (type of property)
78% of respondents reported they were able to help the referred commercial buyer.

n = 45 respondents
13% of respondents reported the commercial buyer referral was from an IRM contact.

n = 45 respondents
13% of respondents received commercial space rental referrals

Office, 50%

Industrial, 18%

Retail, 18%

Other, 14%

n=32 respondents (type of property)
84% of respondents reported they were able to help the person seeking to rent commercial property.

n = 32 respondents
29% of respondents reported the commercial rental referral from an IRM contact.

n = 31 respondents

Was this Person Referred by an IRM Contact?

- Yes, an IRM contact: 29%
- No: 71%
Growing the Referral Business
11% to 19% reported an increase in inbound referrals during July 2018–June 2019 compared to one year ago.

n=293, residential buyer
n=258, commercial buyer
n=250, residential lease
n=247, commercial lease
15% to 30% reported an increase in inbound referrals during July 2018 – June 2019 compared to five years ago.

- Residential buyer referrals: 56% increase, 30% same, 14% decrease
- Commercial buyer referrals: 65% increase, 14% same, 14% decrease
- Residential lease referrals: 66% increase, 21% same, 13% decrease
- Commercial lease referrals: 69% increase, 18% same, 13% decrease

n=177, residential buyer
n=162, commercial buyer
n=152, residential lease
n=151, commercial lease
More than half of respondents need support to expand business

- 63% want networking events
- 58% need training materials on growing international business
- 53% need information and research data on international clients
- 62% need networking tools and applications

n=487 respondents
Appendix: Study Objective and Method
The National Association of REALTORS® (NAR) connects real estate agents from all over the world to assist them in growing their referral business and share best practices under a code of ethics that secures the trust and confidence of international clients.

**Objective:** To gather information on the referrals International Realtor® Members (IRMs) receive from their contacts abroad and the challenges and opportunities regarding the international referral business.

**Methodology:** NAR’s Research Group and the Member Experience, Engagement, & Legal Group conducted English and Spanish online surveys of the inbound referral business of real estate agent members of NAR’s cooperating associations (IRM and non-IRM) in Latin America and Asia during July 15–August 7, 2019. The survey was sent to all members of cooperating associations. Respondents were asked about their transactions during July 2018–June 2019.

**Responses:** The surveys were conducted during July 15–August 7, 2019 and received 645 respondents (385 English version; 130 Spanish version). Due to the small response for most questions, the results should be viewed as indicative of the magnitude of the underlying values.
Number of Respondents by Business Location
Jamaica, Mexico, Philippines, Canada, Colombia were top respondents

n=645 respondents
Designation of Respondents

66% of respondents were IRMs

- None: 16%
- Other: 23%
- At Home with Diversity (AHWD): 1%
- Resort and Second Home Property Specialist (RSPS): 2%
- Certified International Property Specialist (CIPS): 14%
- International Realtor® Member (IRM): 66%

n=482 respondents. The shares correspond to the fraction of respondents who identified these designations. Multiple responses are allowed so the fractions won’t sum to 100 percent.
Real Estate Practice

55% of respondents were engaged in residential practice

- 67% Mostly residential, some commercial
- 13% Residential only
- 9% Mostly commercial with some residential
- 2% Commercial only
- 9% Other type of practice

n=487 respondents
2019 Survey on Inbound Referral Business of International Realtor® Members Study Team

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2019 Survey on Inbound Referral Business of International Realtor® Members Cooperating Associations

List them here.