2020
Mainstreet Organization of REALTORS®
International Residential Transactions
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The Mainstreet Organization of REALTORS® (MORe) sent out the survey to its 18,000+ members from May 25 through July 13, 2020, of which 1,586 members responded to the survey, of those who responded, 141 respondents reported an international buyer. Of the 1,563 respondents who provided their primary business area, 44% reported Cook County, and 3% reported other Illinois counties or another state.

- 6% of respondents reported a CIPS designation.
- 36% of respondents who provided information about a membership in a NAR, state, or local global council reported they were a member of the local global council.
- 67% of respondents who reported the number of years they have been a REALTOR® reported six years or more.
In this study, the term *international or foreign client* refers to two types of non-U.S. citizens:

**Non-resident (Type A):** non-U.S. citizens who primarily reside outside the U.S. and who don't stay in the U.S. year-round.

**Resident (Type B):** non-U.S. citizens who reside in the U.S. on non-immigrant visas (e.g., diplomats, foreign students, foreign workers) or recent immigrants who have been in the U.S. for less than two years as of the time of the transaction.
2020 Report Highlights

**Dollar volume of foreign buyer purchases**
$3.43 billion (10% of MORe home sales)
76% of foreign buyers resided in the United States (Type B)

**Regions of origin of foreign buyers**
- Asia/Oceania (32%)
- Latin America (21%)
- Europe (21%)
- Africa (4%)
- North America (1%)
- Country was not identified by the respondent (20%)

**Top countries of origin of foreign buyers**
- Mexico (16%)
- India (13%)
- China (9%)

**Top counties where foreign buyers purchased property**
- Cook (43%)
- DuPage (25%)
- Lake (13%)
- Kane (6%)
- Will (6%)
- DeKalb (3%)
2020 Report Highlights

**Median price of home purchased**
- $253,600 median purchase price among MORRe foreign buyers
- $253,700 median price of MORRe home sales

**Financing**
- 22% of foreign buyers paid all-cash

**Intended Use**
- 75% of foreign buyers purchased the property for primary residential use

**Type of Property**
- 67% of foreign buyers purchased a single-family detached property

**Location of Property**
- 80% of foreign buyers purchased a property in a suburban area
2020 Report Highlights

Major reasons foreign client decided not to purchase property

- Cost of property (14%)
- Property taxes (13%)
- Could not find property (13%)
- Could not obtain financing (10%)

Source of leads/referrals

- 73% of referrals/leads about foreign buyers were personal/business contacts or former clients

International business trends

- 14% of respondents worked with international clients, whether they closed a sale or not
- On average, respondents closed a sale with one foreign buyer
- 17% of respondents who had been in business for at least one year reported an increase in international business in the past five years
- 31% of respondents who had been in business for at least five years reported an increase in international business in the past five years
Sales transactions with foreign clients who sold property
3% of sales transactions involved a foreign client who sold U.S. property
48% of foreign sellers were Asians
48% of the sold properties were in Cook County

Percent of respondents who reported leasing transactions with clients from:
- Asia/Oceania (6%)
- North/Latin America (5%)
- Europe (3%)
- Africa (1%)
- Not identified/unknown (1%)

U.S. clients seeking property abroad
5% of respondents had U.S. clients who were seeking to purchase property abroad
Of those who had clients, 60% were able to refer the client to a U.S. or foreign business contact or helped the client directly
INTERNATIONAL RESIDENTIAL BUYERS
Foreign Buyers Purchased $3.4 Billion or 10% of Home Sales*

*Based on total home sales of $33.8 billion dollars of 106,528 properties in the counties of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake and Will.
76% of Foreign Buyers Resided in the U.S. as Recent Immigrants or Visa Holders
32% of Foreign Buyers Were from Asia/Oceania

- Europe: 21%
- Asia/Oceania: 32%
- Latin America/Caribbean: 21%
- Africa: 4%
- Unknown: 20%
- North America: 1%
In 2019, China accounted for 18% of foreign buyers, India and Mexico accounted for 10% respectively, and Poland accounted for 3%. One should exercise caution in comparing the results year-to-year due to sample size (115 respondents in 2019 survey and 75 respondents in 2020 survey).
Cook and DuPage Were Top Destinations

- Cook: 43%
- DuPage: 25%
- Kane: 6%
- Lake: 13%
- Will: 6%
- DeKalb: 3%
- Kendall: 1%

Out of State: 1%
Buyers from Mexico

- 91% were resident buyers (Type B)
- Purchased properties* in Cook, Lake, Kane, and Kendall
- Median purchase price was $150,001 to $200,000
- 8% were all-cash
- 100% purchased property for primary residence use
- Preferred to purchase property in the suburban area
- 100% purchased detached single-family homes

WHERE MEXICAN BUYERS BOUGHT PROPERTY

<table>
<thead>
<tr>
<th>County</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cook County</td>
<td>50%</td>
</tr>
<tr>
<td>Lake County</td>
<td>33%</td>
</tr>
<tr>
<td>Kane County</td>
<td>8%</td>
</tr>
<tr>
<td>Kendall County</td>
<td>8%</td>
</tr>
</tbody>
</table>

* Figures are based on small sample of less than 30 so the figures should be treated as indicators of a broad trend rather than as accurate estimates
Buyers from India

- 100% were resident buyers (Type B)
- Purchased properties* in Cook, DuPage, Lake, Kane, and Will
- Median purchase price was $250,001 to $300,000
- 10% were all-cash
- 80% purchased property for primary residence use
- Preferred to purchase property in the suburban area
- 60% purchased detached single-family homes

* Figures are based on small sample of less than 30 so the figures should be treated as indicators of a broad trend rather than as accurate estimates.
Buyers from China

- 57% were resident buyers (Type B)
- Purchased properties* in DuPage, Lake, Will, and Cook
- Median purchase price was $300,001 to $350,000
- 71% were all-cash
- 43% purchase property for primary residence use
- Preferred to purchase property in the suburban area
- 57% purchased condominium or cooperative homes

* Figures are based on small sample of less than 30 so the figures should be treated as indicators of a broad trend rather than as accurate estimates
Buyers from Poland

- 80% were resident buyers (Type B)
- Purchased properties in Cook County
- Median purchase price was $150,001 to $200,000
- 50% were all-cash
- 25% purchased property for primary residence use
- Preferred to purchase property in the suburban area
- 50% purchased condominium or cooperative homes

* Figures are based on small sample of less than 30 so the figures should be treated as indicators of a broad trend rather than as accurate estimates
Buyers from Ireland

- All were non-resident buyers (Type A)
- Purchased properties in Cook County
- Median purchase price was $200,001 to $250,000
- Buyers paid all-cash
- Evenly split between primary residence and vacation uses
- Evenly split between central city and suburban areas
- Evenly split between detached single-family and condominiums

* Figures are based on small sample of less than 30 so the figures should be treated as indicators of a broad trend rather than as accurate estimates
Foreign Buyer Median Price: $253,600
(Higher among non-resident buyers)
22% of Foreign Buyers Paid All-Cash
Higher share among non-resident foreign buyers (50%)
75% of Foreign Buyers Were Primary Residence Buyers
Higher share among resident buyers (85%)
67% of Foreign Buyers Purchased Detached Single-family Homes
Higher share among resident foreign buyers (70%)
80% of Foreign Buyers Purchased Property in a Suburban Area

Higher share among resident foreign buyers (85%)
“Cost of property”, “Could not find a property” And “Property taxes” Were Top Reasons For Not Purchasing U.S. Property

REASONS INTERNATIONAL CLIENT DECIDED NOT TO PURCHASE U.S. PROPERTY

- Cost of property: 14%
- Could not find a property: 13%
- Property taxes: 13%
- Could not obtain financing: 10%
- Can not move money: 9%
- Immigration laws: 8%
- Condo/maintenance fees: 5%
- Exposure to U.S. tax laws: 4%
- Exchange rate: 3%
- Insurance costs: 2%
- Loss of home country benefits: 2%
- Don't know: 2%
- Other: 17%
INTERNATIONAL RESIDENTIAL SELLERS
International Clients Also Sold U.S. Property

* 3% of sales transactions involved a foreign client who sold U.S. property
Location of Sold Property

- Cook: 48%
- DuPage: 37%
- DeKalb: 4%
- Kendall: 4%
- Will: 4%
- Other Illinois County: 4%
INTERNATIONAL TRANSACTIONS
14% of Respondents Worked with an International Client

NUMBER OF INTERNATIONAL CLIENTS AMONG RESPONDENTS WHETHER OR NOT CLIENT PURCHASED A PROPERTY
Decrease in International Business in the Past Year*

**HOW BUSINESS WITH INTERNATIONAL RESIDENTIAL BUYERS HAS CHANGED IN THE PAST YEAR**

- **INCREASED**
  - 2019: 22%
  - 2020: 17%

- **STAYED ABOUT THE SAME**
  - 2019: 59%
  - 2020: 48%

- **DECREASED**
  - 2019: 20%
  - 2020: 16%

*Among respondents with at least one year of experience*
Decrease in International Business in the Past 5 Years*

*Among respondents with at least five years of experience

HOW BUSINESS WITH INTERNATIONAL RESIDENTIAL BUYERS HAS CHANGED IN THE PAST FIVE YEARS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCREASED</td>
<td>38%</td>
<td>31%</td>
</tr>
<tr>
<td>STAYED ABOUT THE SAME</td>
<td>38%</td>
<td>44%</td>
</tr>
<tr>
<td>DECREASED</td>
<td>23%</td>
<td>25%</td>
</tr>
</tbody>
</table>

*Among respondents with at least five years of experience
73% of Referrals or Leads: Personal/Business Contacts or Past Clients

SOURCE OF FOREIGN BUYER LEADS/REFERRALS

- Referred by Previous Client: 29%
- Referred by a Personal Contact: 26%
- Business Contact in the U.S.: 8%
- Website/Internet (Paid Ad): 8%
- Was a Former Client: 8%
- Walk-in/Open House/Phone Call: 6%
- Website/Internet: 5%
- Business Contact Outside the U.S.: 3%
- Signs/Ads/Yard Signs: 2%
- Other: 8%
Smaller Fraction of Respondents Who Had International Clients Who Leased Property

Percent of Respondents Who Reported International Clients Who Leased Residential Property

- **North and Latin America**: 6% (2019), 5% (2020)
- **Africa**: 2% (2019), 1% (2020)
- **Europe**: 3% (2019), 3% (2020)
- **Asia/Oceania**: 7% (2019), 6% (2020)
- **Unknown**: 3% (2019), 1% (2020)
5% of Respondents Reported They Had U.S. Clients Searching for Property Abroad

PERCENT OF RESPONDENTS WHO HAD U.S. CLIENTS WHO WERE SEARCHING FOR PROPERTY ABROAD

- NO, I DID NOT HAVE A CLIENT WHO WAS INTERESTED IN FINDING PROPERTY OUTSIDE THE U.S.: 95% (2020), 93% (2019)
- NO, I COULD NOT REFER THE CLIENT TO ANYONE: 2% (2020), 4% (2019)
- YES, THROUGH A REFERRAL TO A REALTOR®/AGENT/BUSINESS CONTACT IN ANOTHER COUNTRY: 1% (2020), 2% (2019)
- YES, I WAS ABLE TO HELP THE CLIENT SEARCH DIRECTLY: 1% (2020), 1% (2019)
- YES, THROUGH A REFERRAL TO A REALTOR®/AGENT/BUSINESS CONTACT RESIDING IN THE U.S. WHO WORKS WITH INTERNATIONAL CLIENTS: 0% (2020), 1% (2019)
Countries of Interest to Clients Searching for Property Abroad
## Appendix: Estimation of Foreign Buyer Purchases

**Mainstreet Organization of REALTORS® Members International Sales* During April 2019-March 2020**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Share of Type A foreign buyer purchases to MOR home sales</td>
<td>2%</td>
</tr>
<tr>
<td>2</td>
<td>Non-resident (Type A) foreign buyer purchases (units)</td>
<td>2,131</td>
</tr>
<tr>
<td>3</td>
<td>Share of Type A foreign buyers</td>
<td>24%</td>
</tr>
<tr>
<td>4</td>
<td>Resident (Type B) foreign buyer purchases (units)</td>
<td>6,747</td>
</tr>
<tr>
<td>5</td>
<td>Total foreign buyer residential property purchases (units) /1</td>
<td>8,877</td>
</tr>
<tr>
<td>6</td>
<td>Average foreign buyer purchase price</td>
<td>$386,200</td>
</tr>
<tr>
<td>7</td>
<td>Dollar volume of foreign buyer purchases, in billions</td>
<td>$3.43</td>
</tr>
<tr>
<td>8</td>
<td>Foreign buyer purchases (units), as a percent of MOR home sales</td>
<td>8%</td>
</tr>
<tr>
<td>9</td>
<td>Foreign buyer dollar volume of purchases, as a percent of MOR dollar sales</td>
<td>10%</td>
</tr>
</tbody>
</table>

**MOR Home Sales/1:**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>MOR residential sales</td>
<td>106,528</td>
</tr>
<tr>
<td>11</td>
<td>Average price of MOR home sales</td>
<td>$317,589</td>
</tr>
<tr>
<td>12</td>
<td>Dollar sales volume, in billions</td>
<td>$33.8</td>
</tr>
</tbody>
</table>

**Calculations:**

- **Line 1**: Illinois's share of Type A sales to total sales, based on NAR Realtors® Confidence Index Survey
  
  We assume that MOR's share of Type A to total sales is the same as Illinois share of Type A to total sales.

- **Line 2**: Multiply Line 1 and Line 10

- **Line 3**: Source: MOR Survey of International Clients

- **Line 4**: Multiply Type A sales by the ratio: share of Type Type B to Type A

- **Line 5**: Add Line 2 and Line 4

- **Line 6**: Source: MOR Survey of International Clients

- **Line 7**: Multiply Line 5 and Line 6

- **Line 8**: Divide Line 5 by Line 12

- **Line 9**: Divide Line 7 by Line 12

- **Line 10**: Source of data: Mainstreet Organization of REALTORS® (MORc)

- **Line 11**: Source of data: Mainstreet Organization of REALTORS® (MORc)

- **Line 12**: Multiply Line 10 and Line 11

*Based on purchases during April of preceding year to March of current year, which is April 2019 to March 2020 for this report.*
This study was conducted by the National Association of REALTORS® for the Mainstreet Organization of REALTORS®.

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NATIONAL ASSOCIATION OF REALTORS®

The National Association of REALTORS® (NAR) is America’s largest trade association, representing more than 1.4 million members, including NAR’s institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America’s property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS® Research Group

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

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Mainstreet Organization of REALTORS® (MORe) has a long history of serving REALTORS® and the communities our members reside, work, and volunteer in. What began in 1921 as the then DuPage Association of REALTORS®, the organization grew and merged many times to become Mainstreet Organization of REALTORS® in 2007. Today, with more than 18,000 members, MORe and our members cover more than 200 municipalities in DuPage County, Lake County and Western and Southern Suburban Cook County.

For nearly a century, MORe has been dedicated to anticipating and serving the needs of REALTORS®, Affiliates, and Licensed Appraisers in Chicagoland. We have steadily grown and we are now the largest REALTOR® member organization in Illinois and the fourth largest in the nation. With 18,000+ members, we can be trusted to have the resources and expertise to take our members to the next level of their professional development. MORe believes in leadership through member-driven programming and empowering services. We strive to become more accessible by offering trusted and timely communication tools to ensure our members' continued success.

MORe strives to be a diverse, accessible, and trusted leader of resources that empower real estate professionals (members), and the consumers they serve, to successfully advocate for, and make the most informed decisions about, homeownership.

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