

# **Housing Markets are International:** International Research by the National Association of REALTORS® Research Division

**Presentation for the REALTOR® University Richard J. Rosenthal  
Center for Real Estate Studies**  
National Association of REALTORS® 2017 Legislative Meetings  
and Trade Expo  
Friday, May 19, 2017

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# Outline

- International Research Reports by the National Association of REALTORS® Research Division
- International Buyers of U.S. Residential Real Estate
- International Sellers of U.S. Residential Real Estate
- U.S. Client Interest in Real Estate Abroad
- Preview of 2017 International Profile Results
  - Substantial Increase
- Still a Relationship Business!

# International Research Reports by the National Association of REALTORS® Research Division

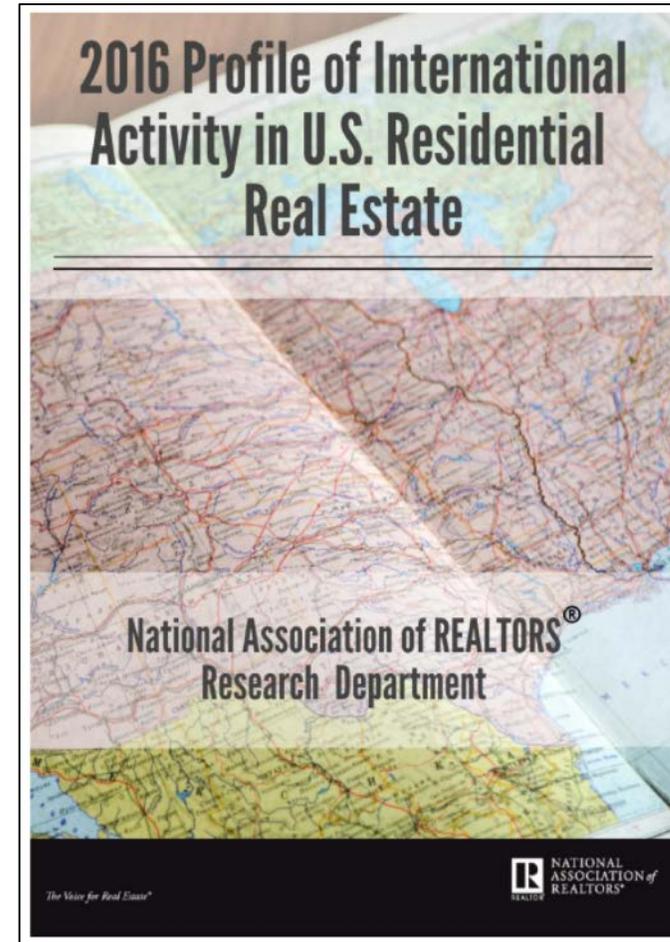
Regular International Reports and  
Special International Studies

The half of knowledge is to  
know where to find knowledge



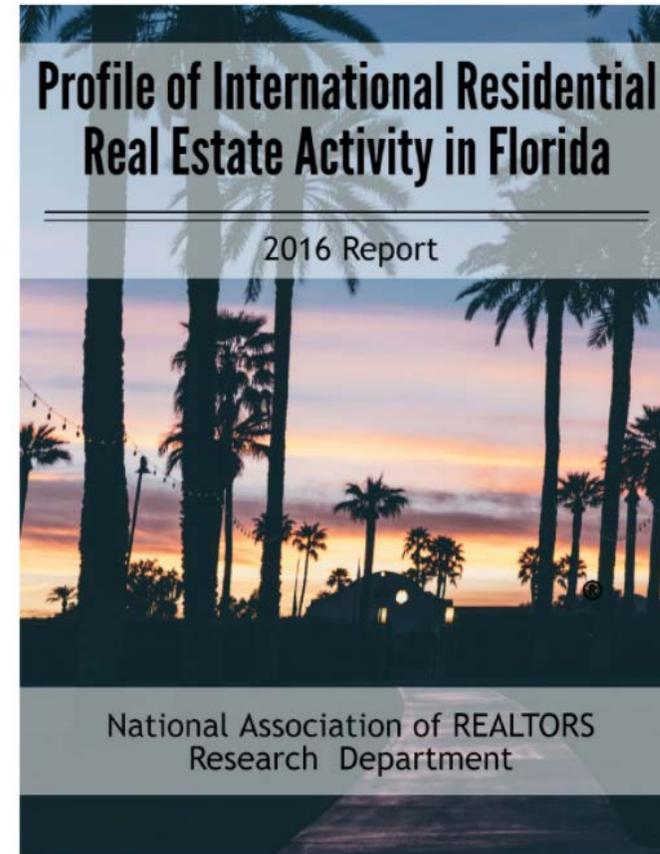
# Regular International Reports

- Profile of International Home Buying Activity
  - *Released annually in Summer*
- <http://www.realtor.org/reports/profile-of-international-home-buying-activity>



# Regular International Reports

- Profile of International Home Buyers in Florida
  - *Released annually in early Fall*
- <http://www.realtor.org/reports/profile-of-international-home-buyers-in-florida>



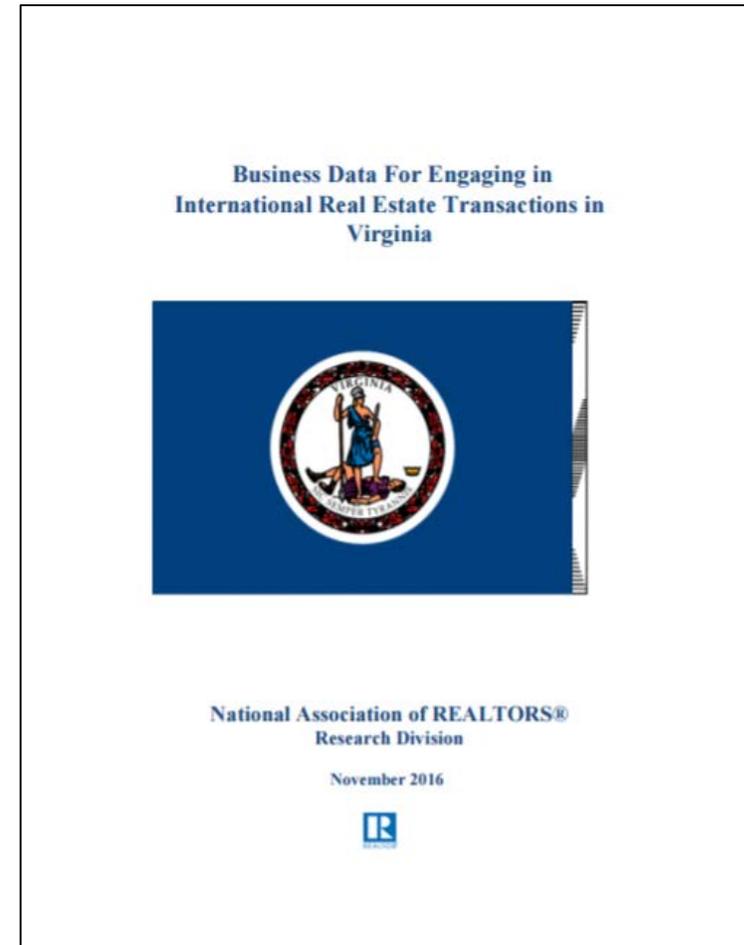
# Regular International Reports

- Profile of International Home Buying in Miami
  - *Released annually in Fall/Winter*
- <http://www.realtor.org/reports/profile-of-international-home-buying-in-miami>



# Special International Studies

- Business Data for Engaging in International Real Estate Transactions (by State):  
*Produced every other year*
- <https://www.nar.realtor/reports/state-by-state-international-business-reports>



# International Real Estate Transactions in the U.S.

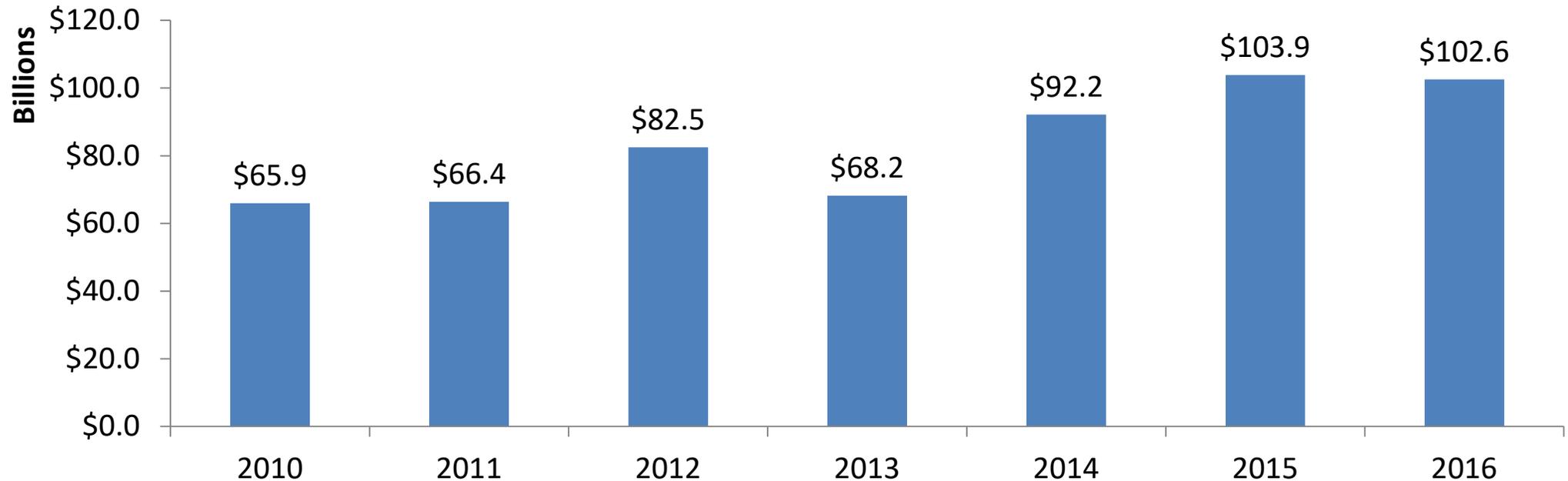
Findings from the Profile of International  
Activity in US Residential Real Estate Over Time

# International Buyers of U.S. Residential Real Estate

# What is an International Buyer?

- The term "International client", as used in this survey, refers to two types of non-U.S. citizens:
  - Type A: non-U.S. citizens who primarily reside outside the U.S. and who don't stay in the U.S. year-round.
  - Type B: non-U.S. citizens who are temporarily residing in the U.S. on non-immigrant visas, such as diplomats, foreign students, and foreign workers or recent immigrants who have been in the U.S. for less than two years as of the time of your transaction.

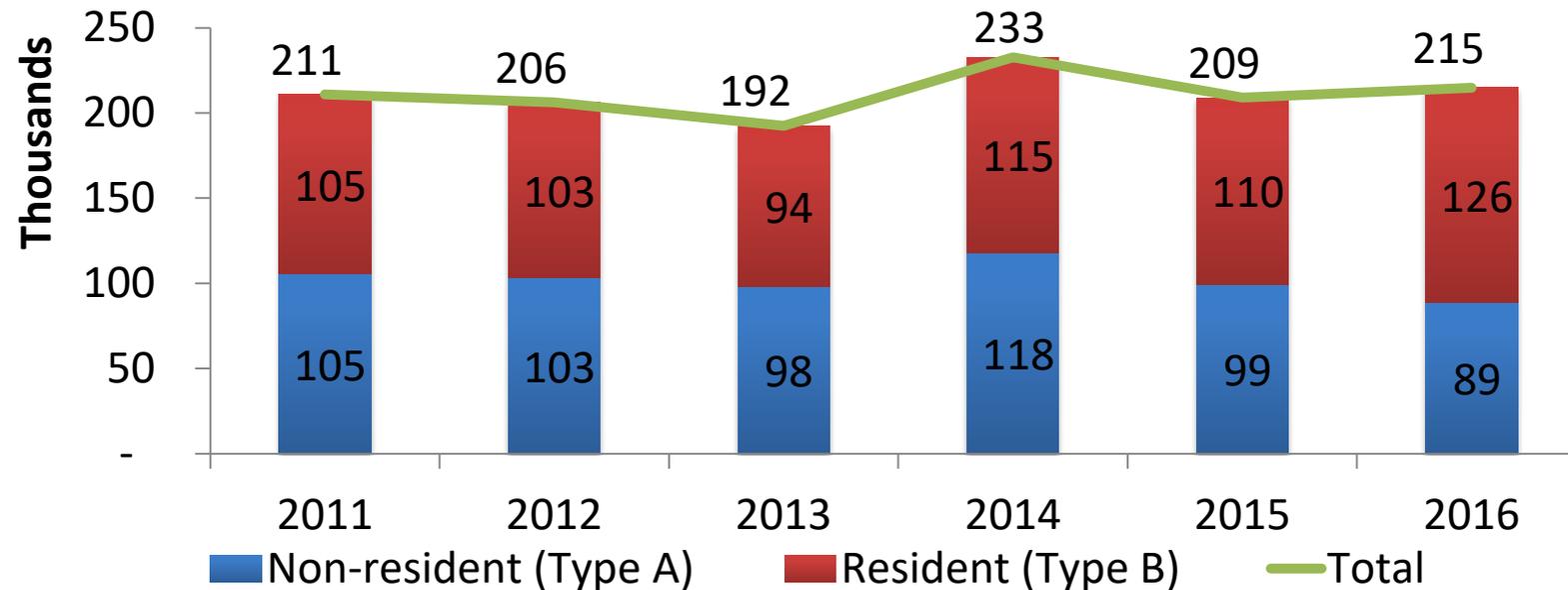
# Foreign Buyer Residential Property Purchases Have Trended Up Gradually Over Time



*Note: Based on transactions in the 12 months ending March of each year.*

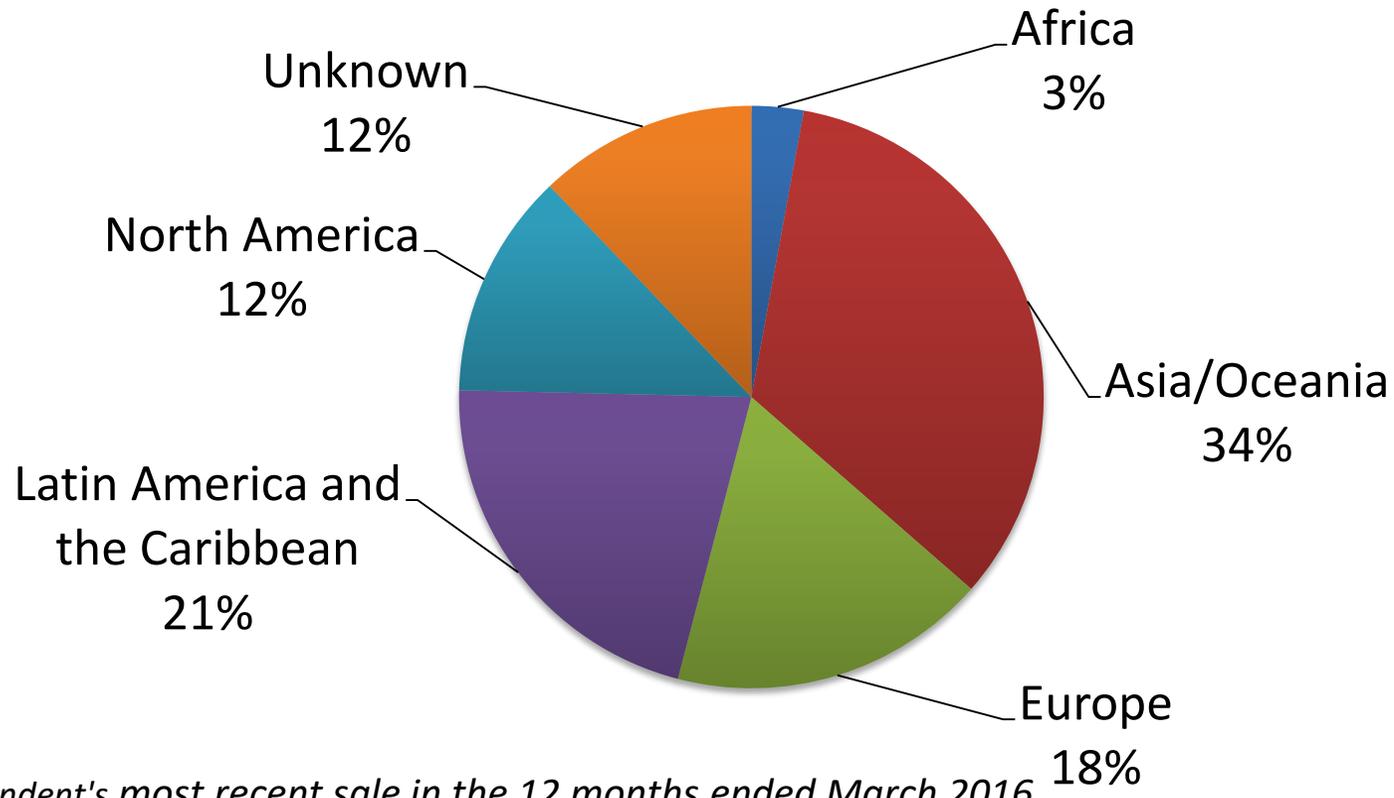
# In 2016: Non-resident Foreigners: 41 Percent Resident Foreigners: 59 Percent; Previously Split was 50-50

Number of International Sale Transactions,  
By Type of Foreign Buyer, In Thousands



Note: Based on transactions in the 12 months ending March of each year. The 2009 Survey captured only non-resident foreign

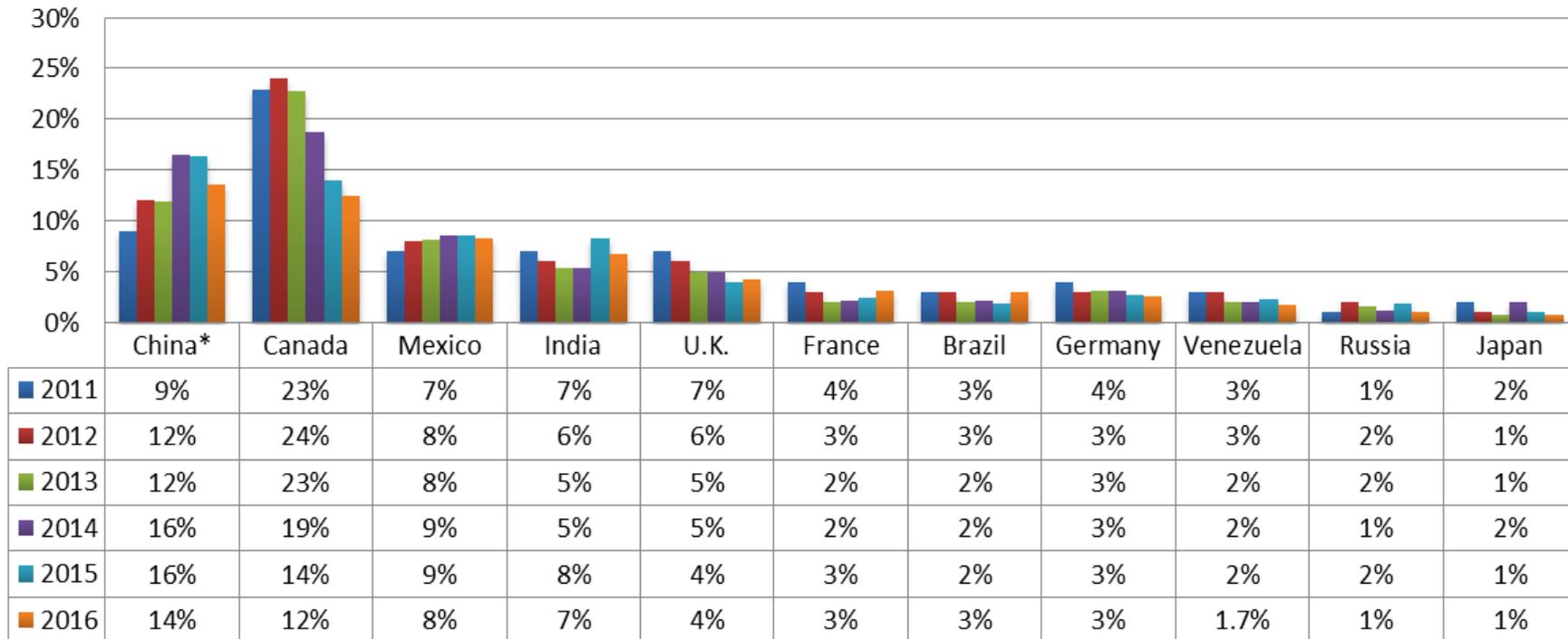
# Many Foreign Buyers Come From Asia



\* Based on the respondent's most recent sale in the 12 months ended March 2016.

# China has been the Top Country of Origin for Foreign Buyers since 2015 by Number

Origin of Major Foreign Buyers\*



\* China includes People's Republic of China, Hong Kong, and Taiwan.

# By Dollar Volume, China has been the Top Country Since 2013

Dollar Volume of Sales to Foreign Buyers from Top Five Countries  
(in Billion Dollars)

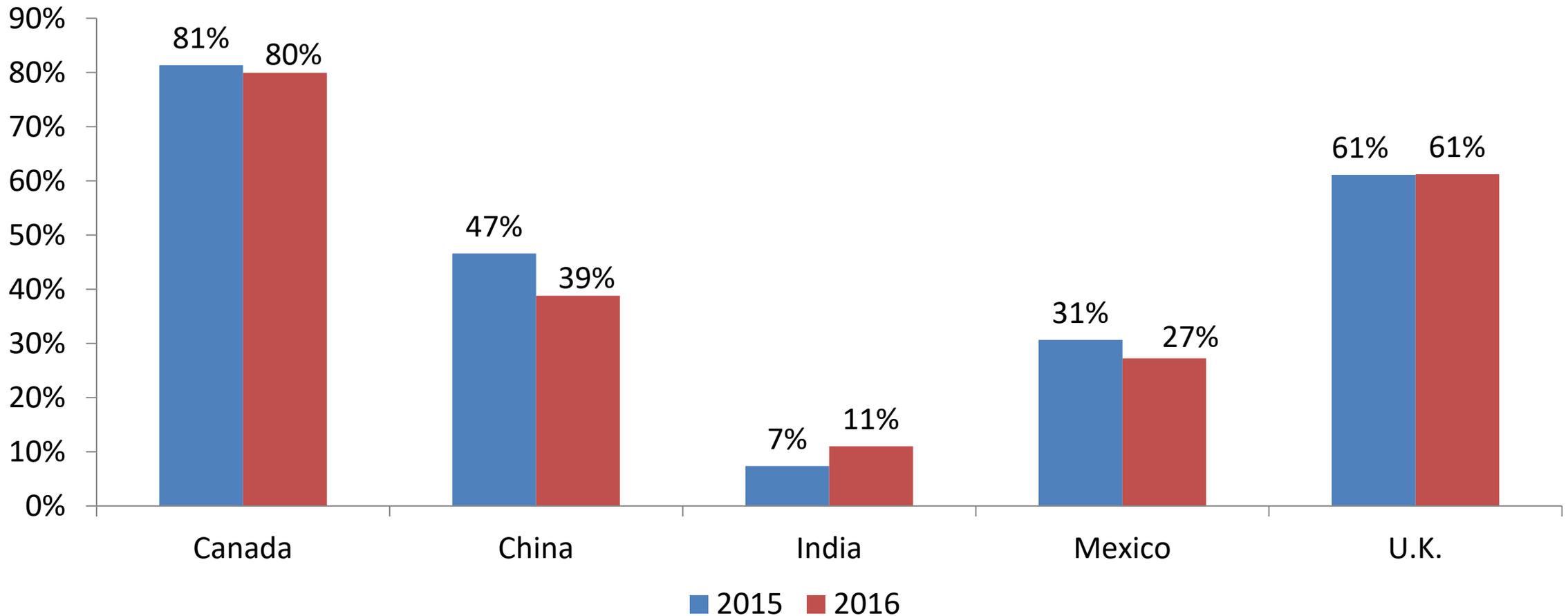
	2010	2011	2012	2013	2014	2015	2016
Canada	\$17.1	\$13.0	\$15.9	\$11.8	\$13.8	\$11.2	\$8.9
China	\$11.2	\$7.0	\$12.0	\$12.8	\$22.0	\$28.6	\$27.3
India	\$5.0	\$5.1	\$5.2	\$3.9	\$5.8	\$7.9	\$6.1
Mexico	\$6.5	\$4.2	\$6.5	\$3.6	\$4.5	\$4.9	\$4.8
United Kingdom	\$12.1	\$6.5	\$4.4	\$4.2	\$5.8	\$3.8	\$5.5
<b>Total International Sales</b>	<b>\$65.9</b>	<b>\$66.4</b>	<b>\$82.5</b>	<b>\$68.2</b>	<b>\$92.2</b>	<b>\$103.9</b>	<b>\$102.6</b>

*China includes buyers from the People's Republic of China, Hong Kong, and Taiwan.*

*Estimates from 2010 thru 2015 include some commercial transactions. The 2016 estimate includes only residential transactions.*

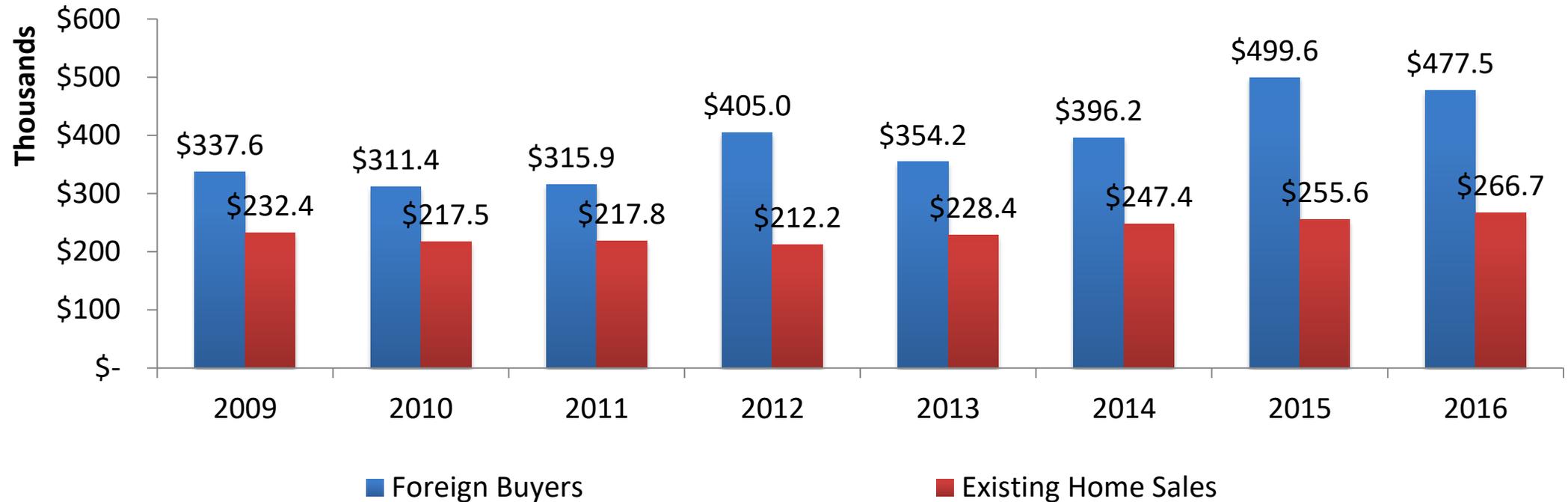
*Source: NAR*

# Canada and U.K. Buyers more likely Non-Resident; Buyers from China, India, and Mexico more likely Resident



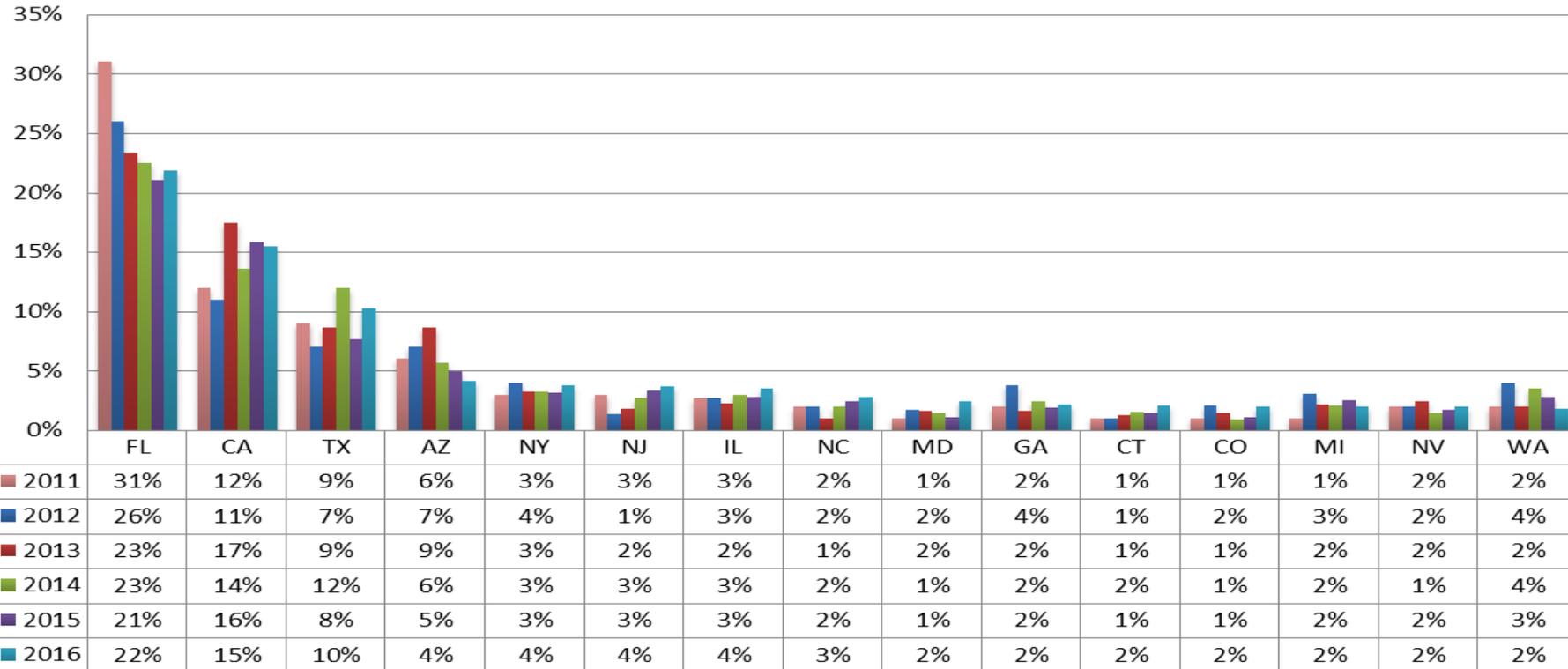
# On Average, Foreign Buyers Purchase More Expensive Homes

Foreign Buyer and Existing Home Sales Average Purchase Prices\*



# Top Destinations of Foreign Buyers

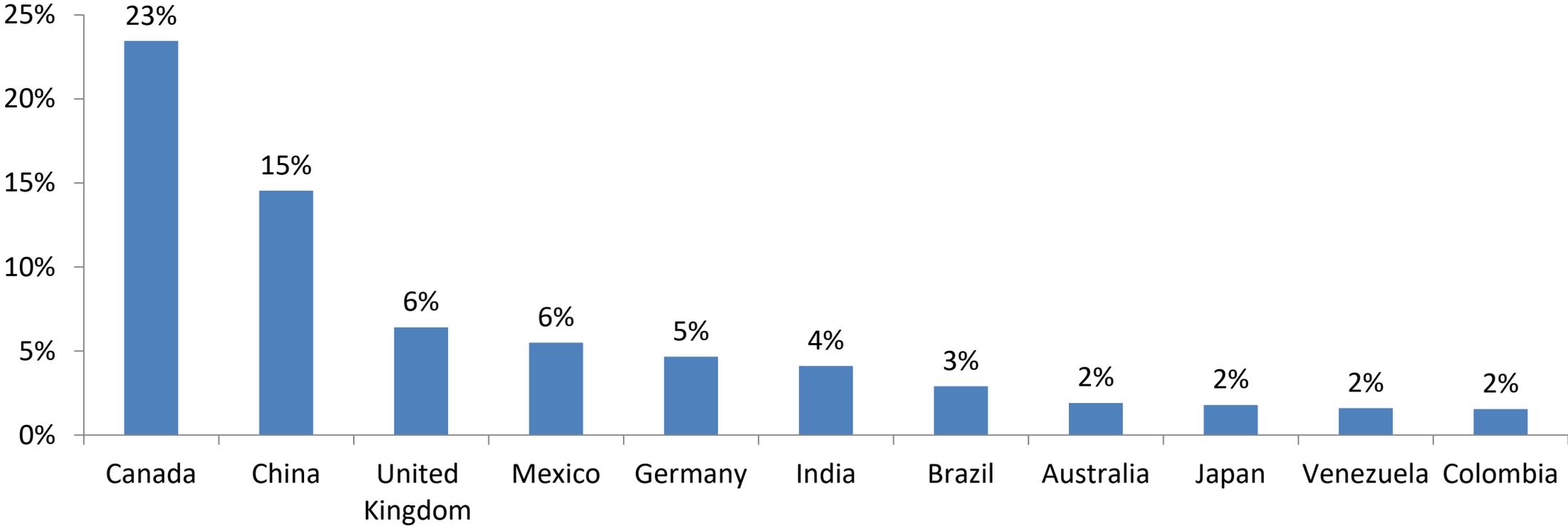
Major Destination of Foreign Buyers  
(State's Share to Number of International Sales )



# International Sellers of U.S. Residential Real Estate

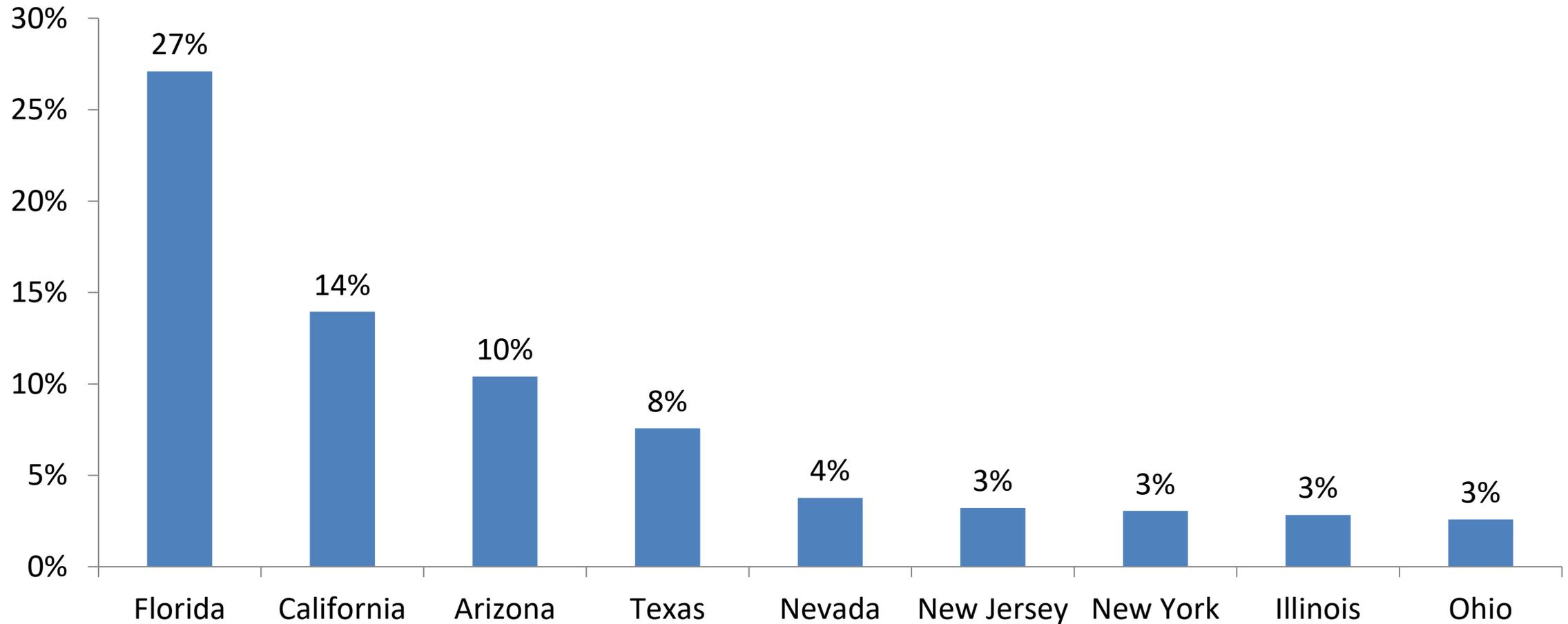
## First-time Insights

# International Sellers Who Sold U.S. Residential Property in 2016



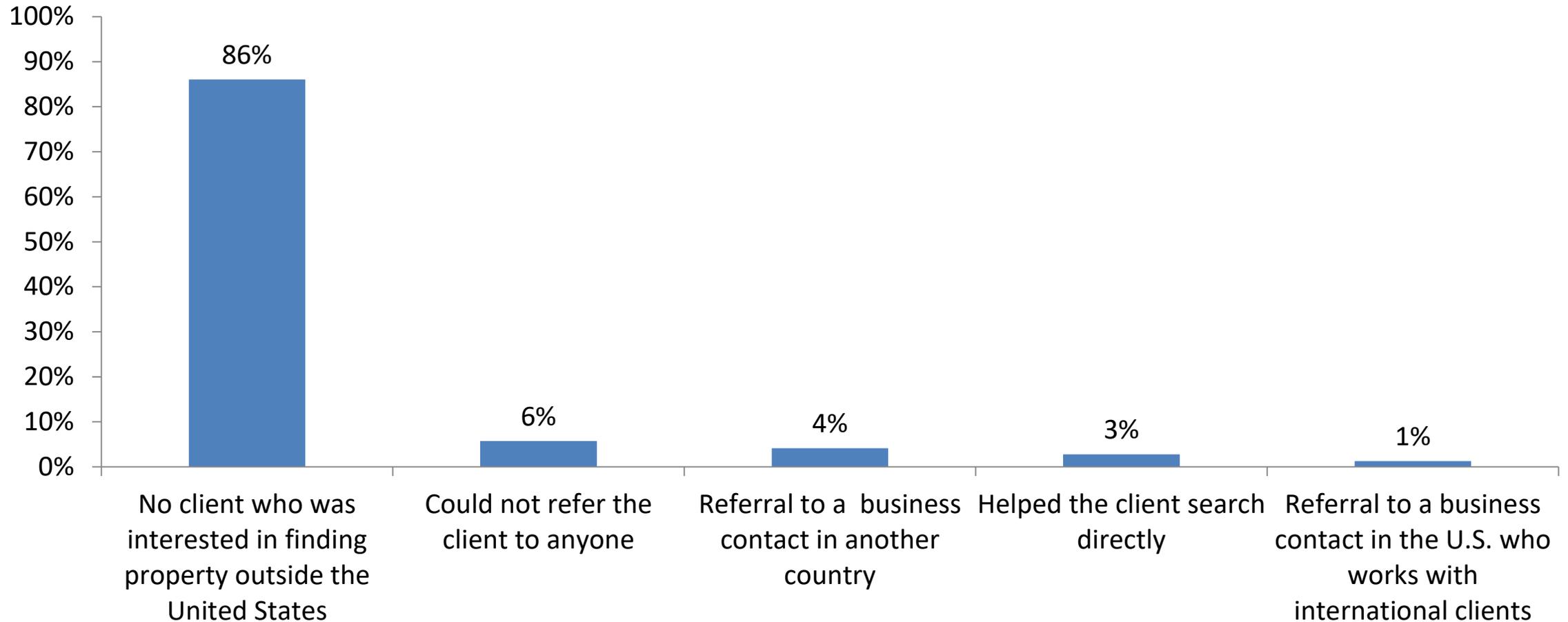
*\*China refers to the People's Republic of China, Taiwan, and Hong Kong.*

# Location of Residential Properties Sold by Foreign Homeowners

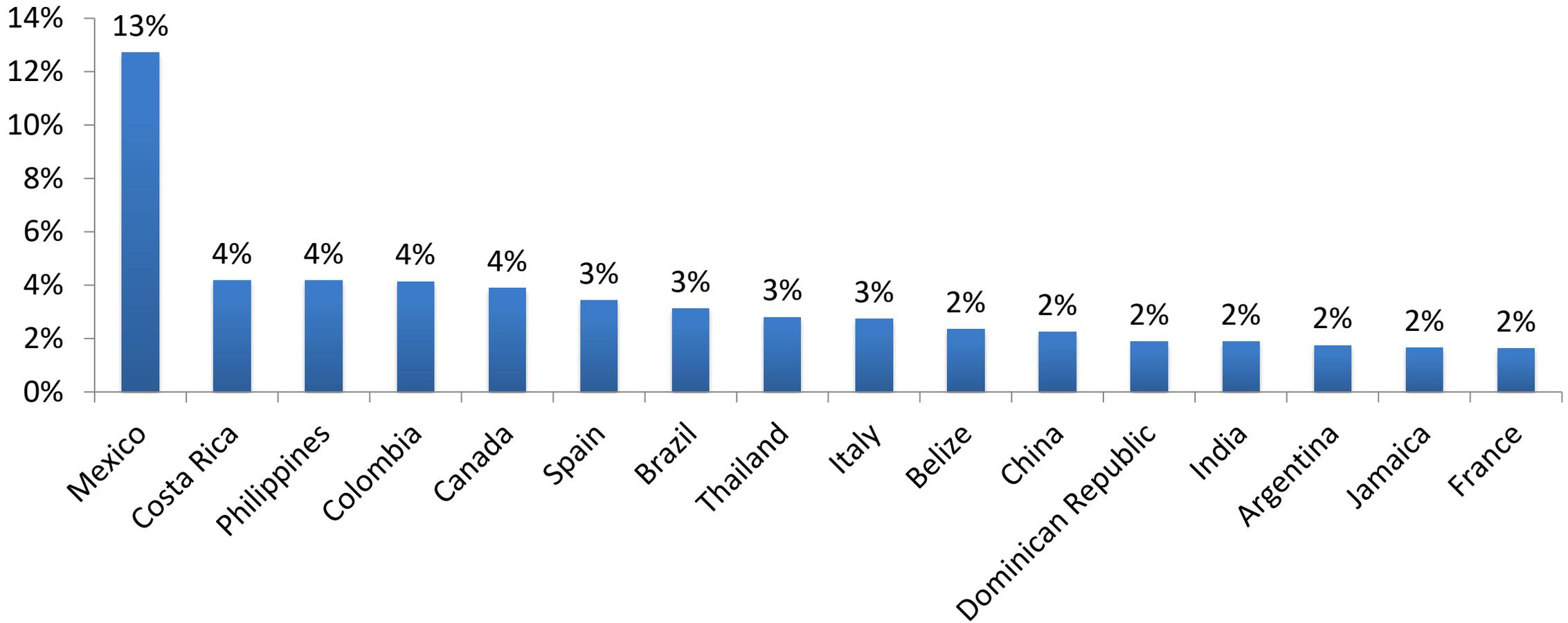


# US Client Interest in Purchasing Abroad

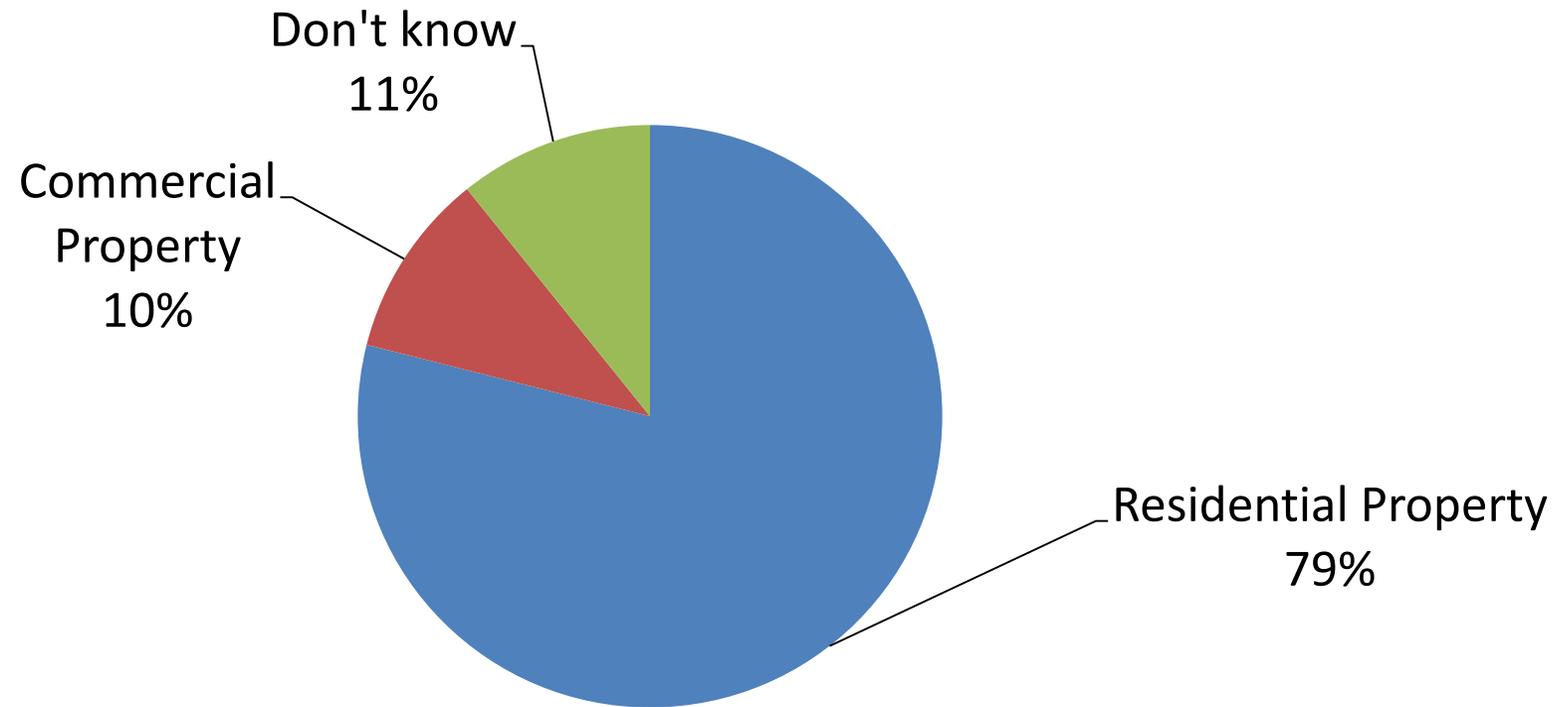
# Fourteen Percent of Respondents had Clients who Were Interested in Purchasing Property Abroad



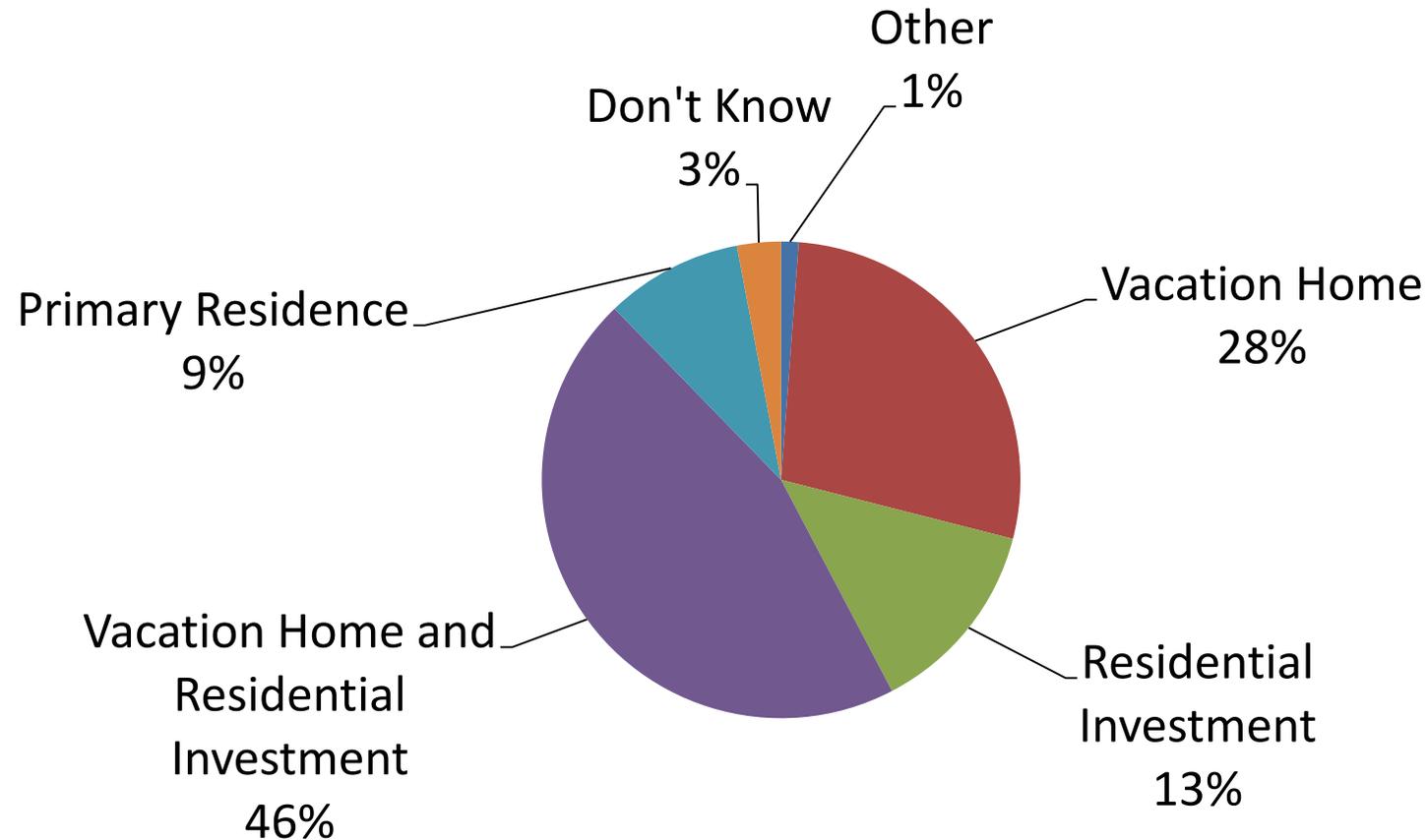
# Latin America, Asia, and Europe were Top Regions of Interest



# Residential Property was the Most Sought After



# Vacation and Investment Properties were Most Sought Among Those With Residential Interest

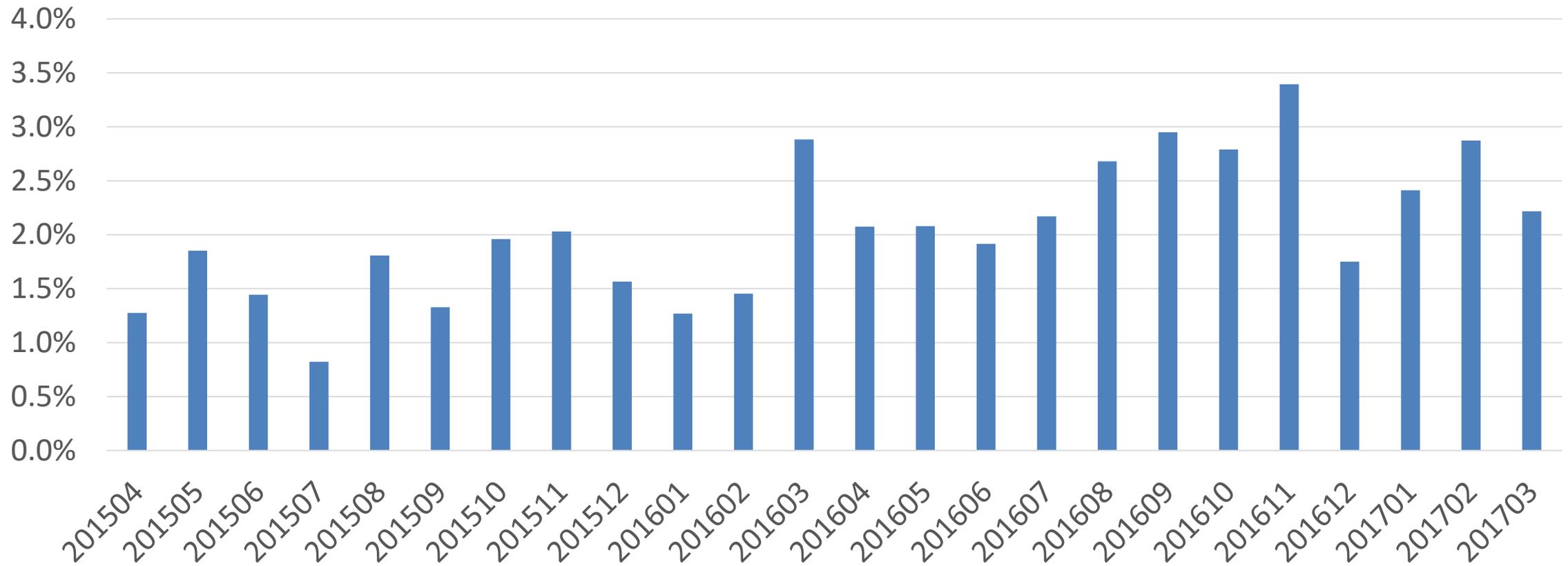


# Preview of 2017 International Profile

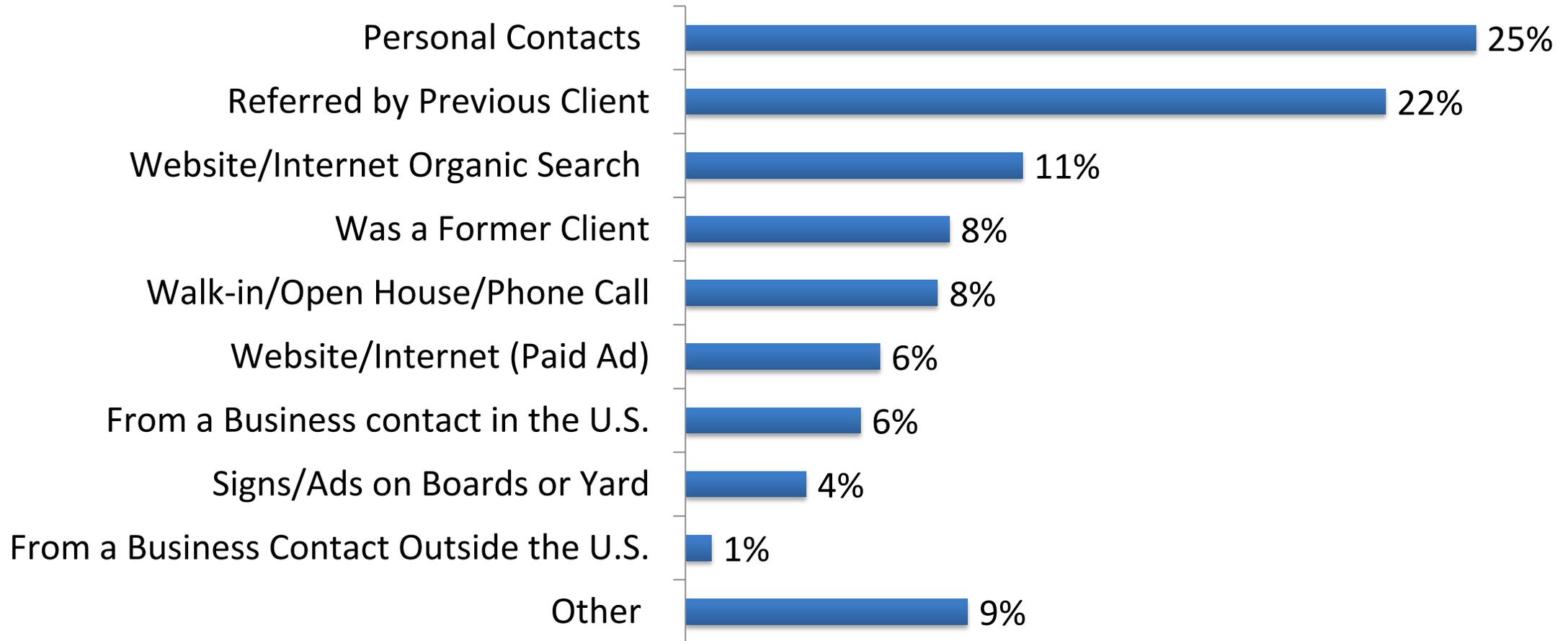
Substantial Increase Over 2016

# 2016-2017 REALTORS® Confidence Index Data

## International Buyers



# Even International Real Estate is a Relationship Business



# Housing Markets are International

Do you have other research ideas or questions?

Reach out to us: [dhale@realtors.org](mailto:dhale@realtors.org)