



2019

Profile of International Home Buyers of the Miami Association of REALTORS®

November 2019



Miami Association of REALTORS® (MIAMI)

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November 2019



REPORT HIGHLIGHTS

- Volume of Foreign Buyer Purchases
- Foreign Buyer Characteristics
- Working with International Customers



2019 Profile of International Home Buyers of the Miami Association of REALTORS® Highlights

\$6.9 billion

dollar volume of foreign buyer residential purchases during August 2018–July 2019

(21% decrease from \$8.7 billion in the 2018 survey; nationally, dollar volume of foreign buyer purchases fell by 36%)

38%

Share of dollar volume of foreign buyer residential purchases to MIAMI total dollar sales volume

(lower than the 50% share in the 2018 survey, but higher than 5% share nationally)

72%

Fraction of MIAMI foreign buyers who primarily resided abroad

(compared to 39% nationally)

\$375,600

MIAMI foreign buyer median purchase price

(compared to \$280,600 nationally)

63%

Share of all-cash purchases

(compared to 41% nationally)

2019 Profile of International Home Buyers of the Miami Association of REALTORS® Highlights

Top Foreign Buyers

Venezuela (11%) , Argentina (11%), Colombia (10%), Brazil (8%), Canada (6%)

Foreign buyers came from nearly 50 countries

Destination of Foreign Buyers

Miami-Dade County (77%), Broward County (20%), Palm Beach County (2%), Other counties (1%)

73%

Fraction of MIAMI foreign buyers who purchased for vacation and/or rental use
(compared to 39% nationally)

55%

Fraction of MIAMI foreign buyers who purchased condominiums
(compared to 16% nationally)

72%

Fraction of MIAMI foreign buyers who visited Florida three times or less before buying a property

2019 Profile of International Home Buyers of the Miami Association of REALTORS® Highlights

Top 5 reasons customer decided not to purchase property

Cost, condo fees, property taxes, could not find property, exchange rate

60%

Fraction of respondents who had an international customer

(about the same as the share in the 2018 survey, but still higher than the national share of 23%)

87%

Fraction of leads/referrals/customers from personal/business contacts or former customers

77%

Fraction of respondents who worked with an international customer who reported no cultural or language barriers

33%

Fraction of respondents who worked with an international customer who expect an increase in international business in the next 12 months

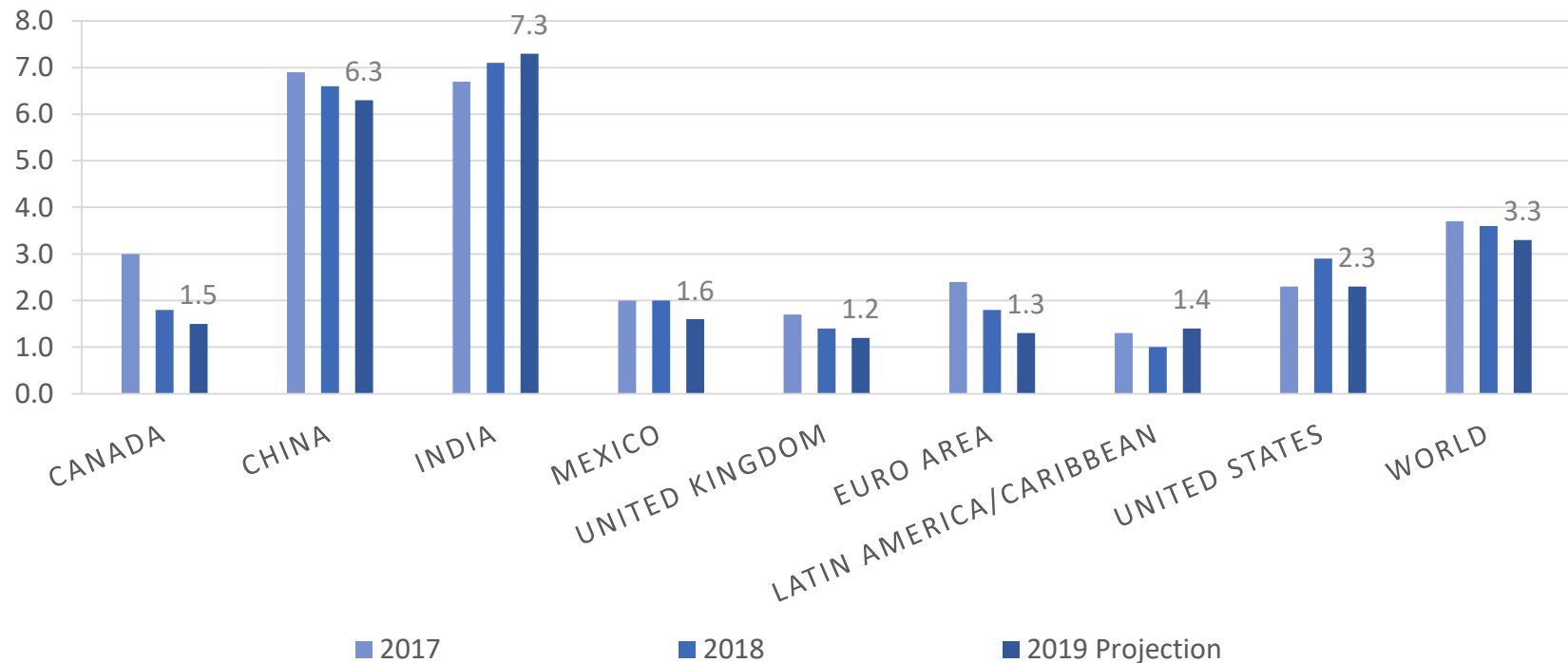
ECONOMIC ENVIRONMENT

- Global Economic Conditions
- Florida Real Estate Home Prices



Modest Recovery in Latin America But Slower Growth in Canada, Euro Area, and China in 2018-2019

GDP GROWTH RATES



Source: IMF, April 2019 World Economic Outlook

Drop in Crude Oil Price Lowered Growth in Oil Exporting Countries

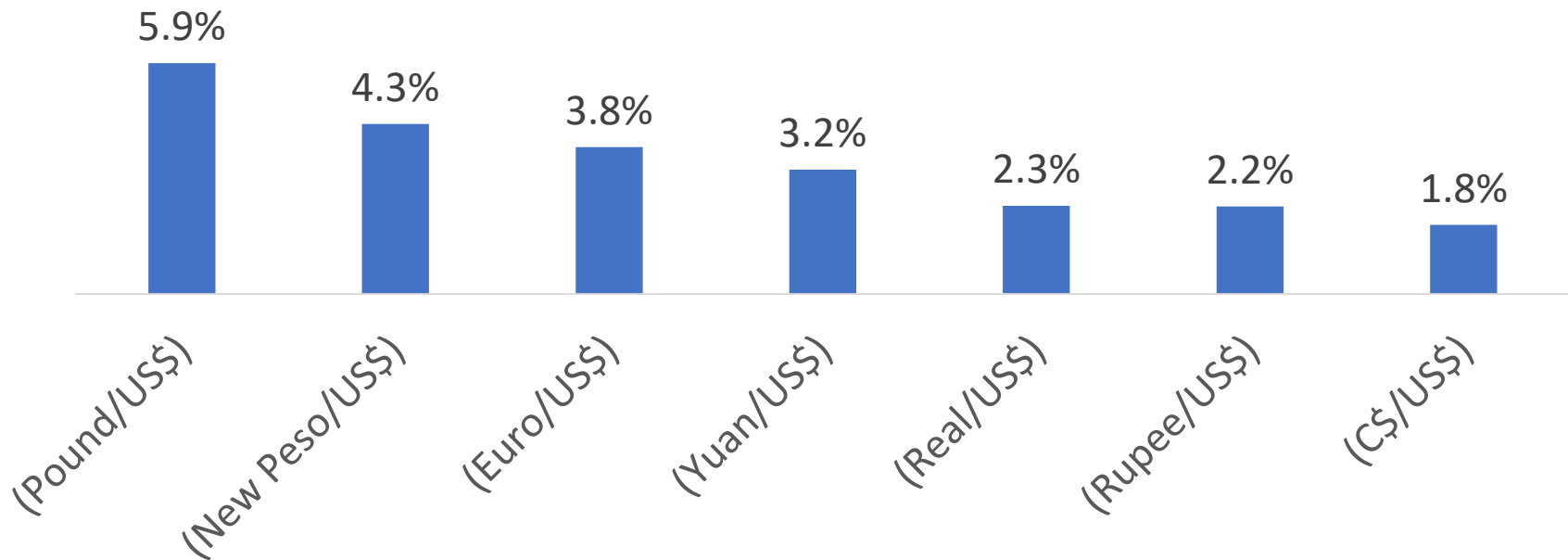
SPOT OIL PRICE (WEST TEXAS INTERMEDIATE) IN U.S. DOLLARS PER BARREL



Source: Energy Information Administration

Currencies Depreciated Against the U.S. Dollar in 2018-2019

PERCENT DEPRECIATION OF THE LOCAL CURRENCY
AGAINST THE U.S. DOLLAR FROM AUGUST 2018
TO JULY 2019



Sustained Home Price Appreciation in Florida's Metro Areas

Median Existing Home Sales Price in Florida's Metro Areas			
	2019 Q2	2018 Q2	% change
Miami-Ft Lauderdale-W Palm Beach, FL	\$360.0	\$353.0	2.0%
North Port-Sarasota-Bradenton, FL	\$305.0	\$295.0	3.4%
Crestview-Ft Walton Beach-Destin, FL	\$292.0	\$290.0	0.7%
Orlando-Kissimmee-Sanford, FL	\$278.0	\$269.0	3.3%
Cape Coral-Fort Myers, FL	\$265.0	\$259.3	2.2%
Sebastian-Vero Beach, FL	\$255.0	\$240.0	6.3%
Jacksonville, FL	\$255.0	\$250.0	2.0%
Port St. Lucie, FL	\$254.0	\$245.0	3.7%
Tampa-St.Petersburg-Clearwater, FL	\$245.0	\$238.7	2.6%
Gainesville, FL	\$242.1	\$232.9	4.0%
Palm Bay-Melbourne-Titusville, FL	\$241.3	\$226.4	6.6%
Punta Gorda, FL	\$230.0	\$225.0	2.2%
Deltona-Daytona Bch-Ormond Beach, FL	\$225.0	\$209.5	7.4%
Pensacola-Ferry Pass-Brent, FL	\$222.0	\$205.0	8.3%
Panama City, FL	\$221.0	\$223.0	-0.9%
Lakeland-Winter Haven, FL	\$210.0	\$195.0	7.7%
<i>Source: National Association of Realtors®</i>			

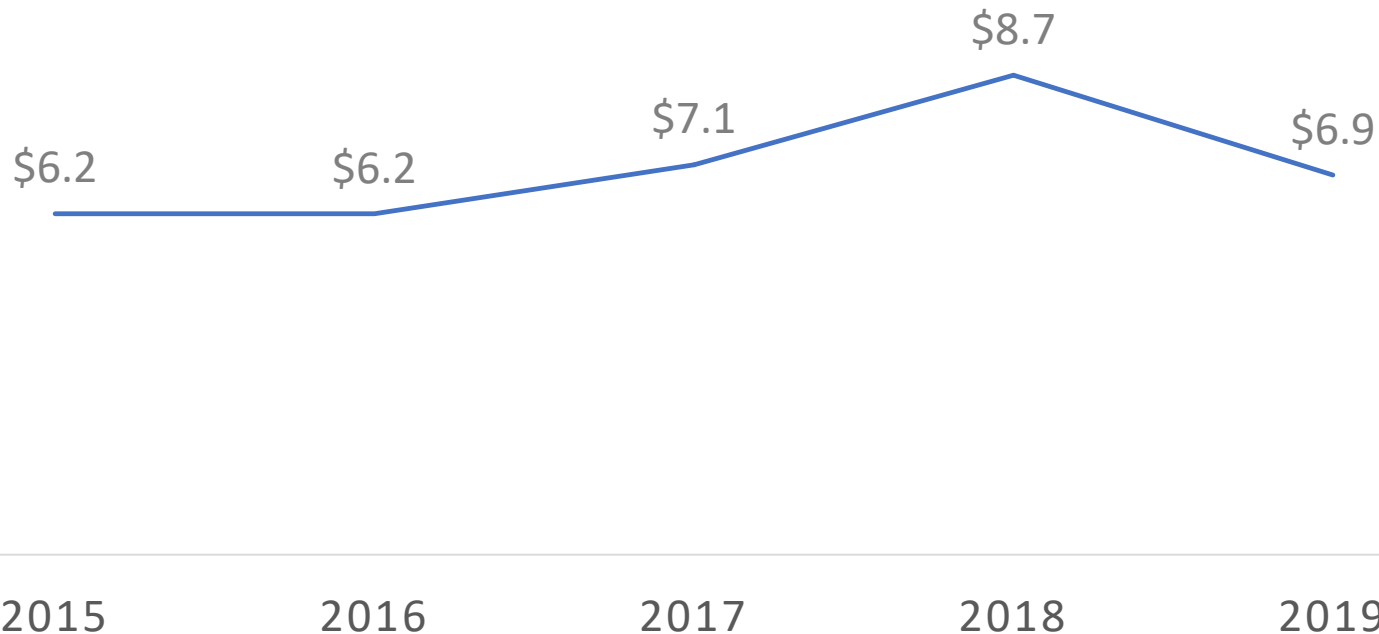
FOREIGN BUYER PURCHASES

- Dollar Volume
- Origin and Destination
- Foreign Buyer Preferences



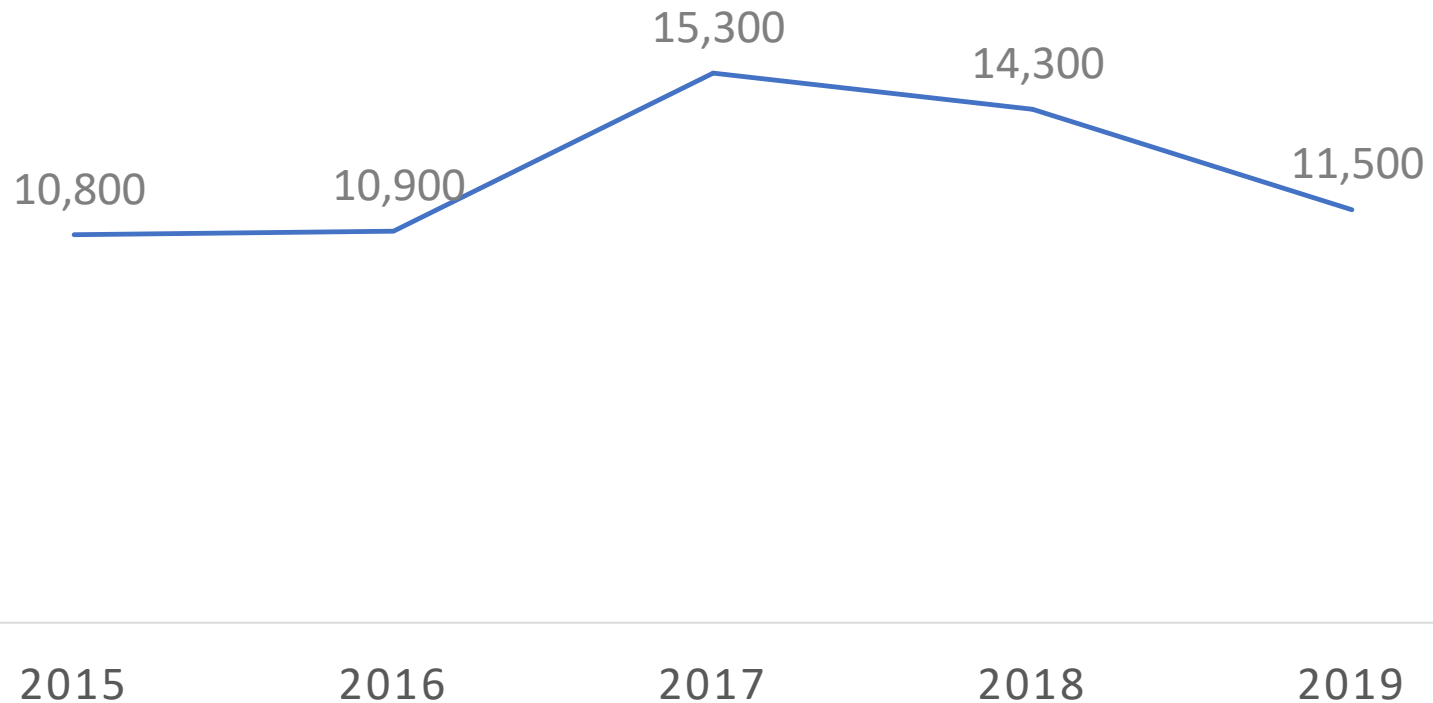
Dollar Volume of Foreign Buyer Residential Purchases Decreased to \$6.9 B in 2019

MIAMI FOREIGN BUYER DOLLAR VOLUME (IN BILLION DOLLARS)



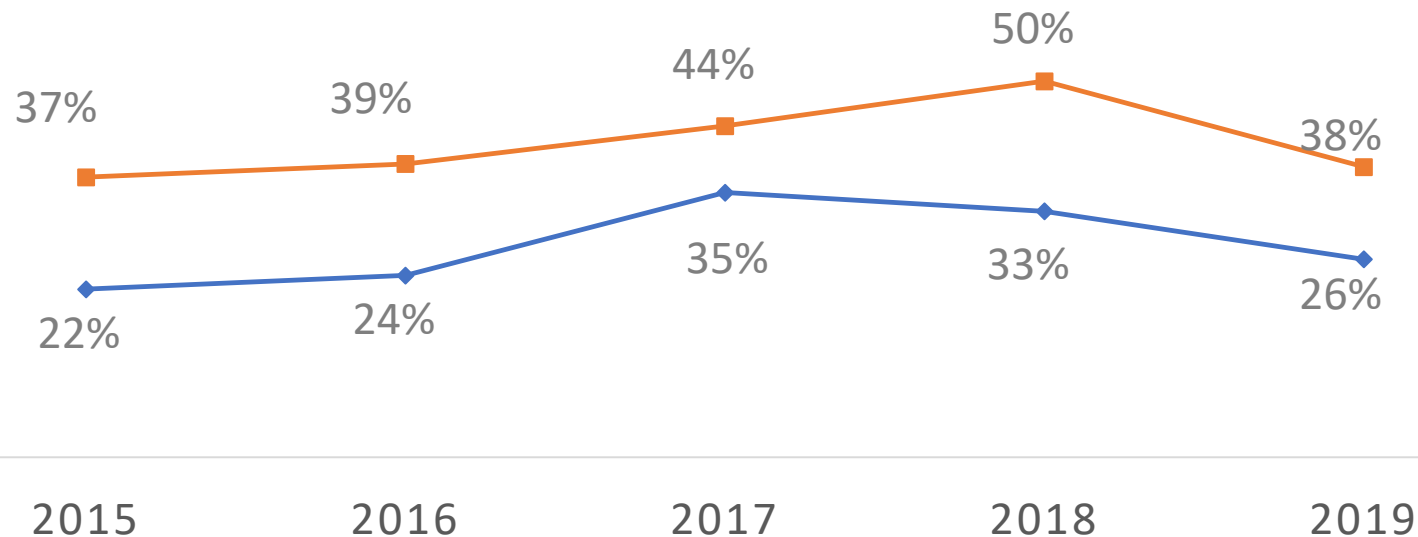
Number of Foreign Buyer Residential Purchases Decreased to 11,500 Homes in 2019

MIAMI FOREIGN BUYER PURCHASES



Foreign Buyer Purchases Accounted for 38% of Dollar Volume and 26% of Properties Sold in 2019

FOREIGN BUYERS AS A PERCENT OF MIAMI CLOSED SALES

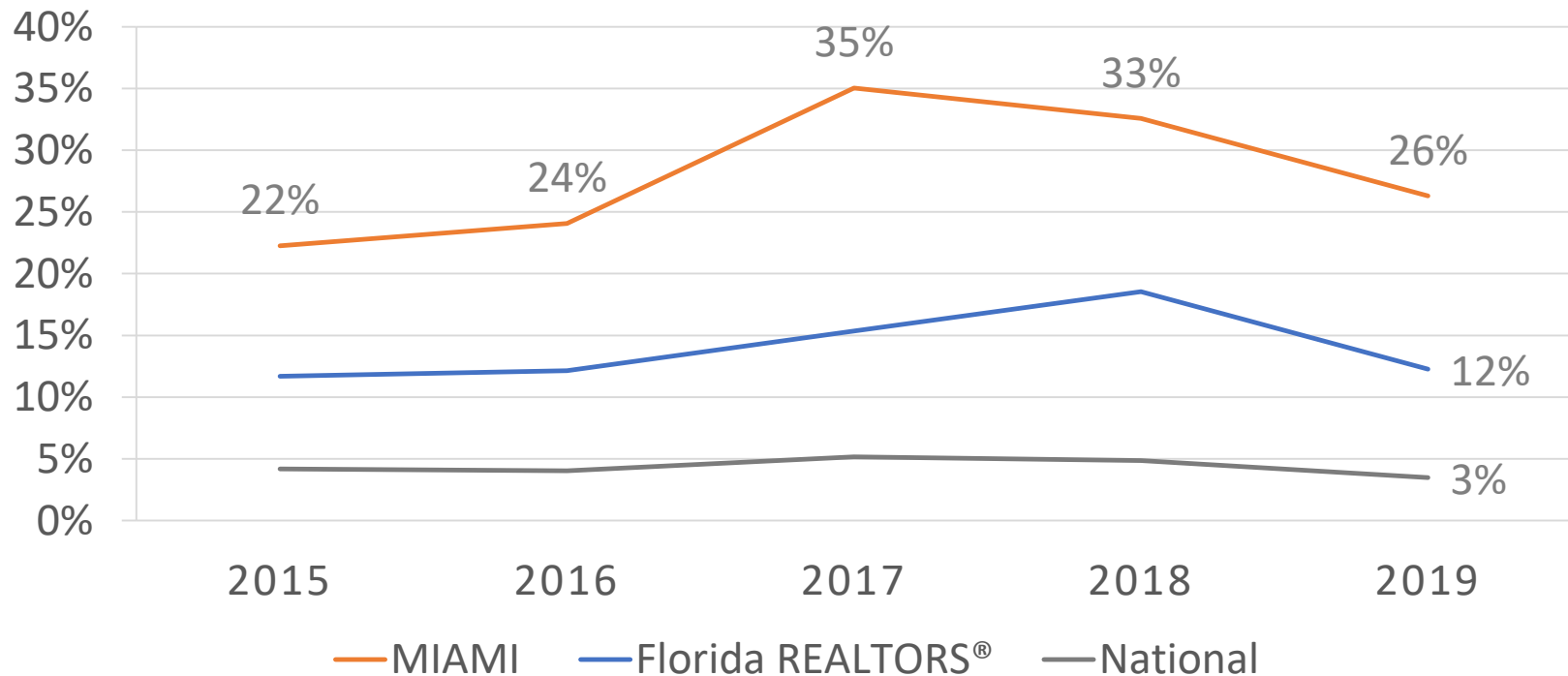


◆ Foreign Buyer Purchases as a Percent of MIAMI Closed Sales

■ Dollar Volume as a Percent of MIAMI Sales Dollar Volume

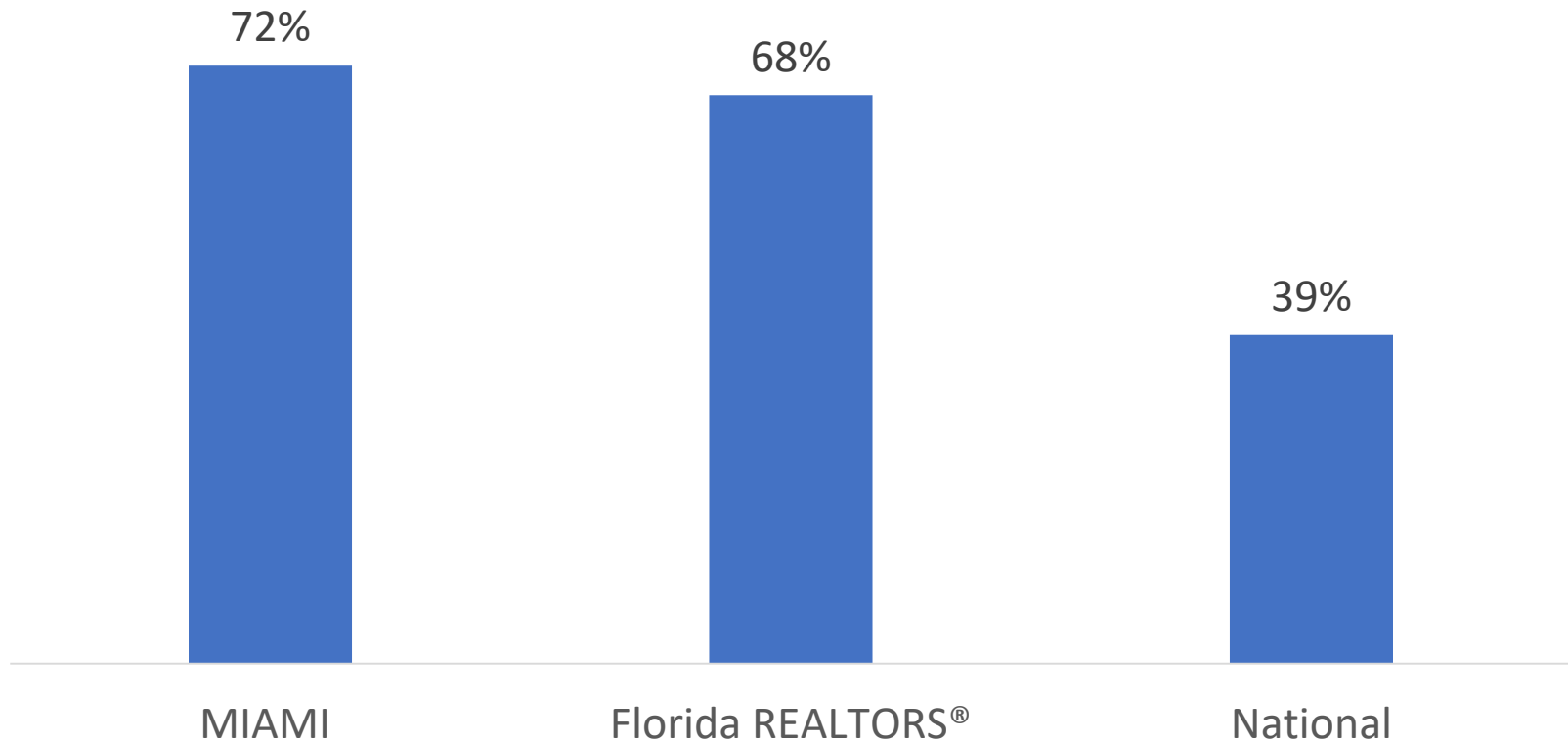
Higher Foreign Buyer Market Share in MIAMI Market Compared to Florida and Nationally

FOREIGN BUYER RESIDENTIAL PURCHASES AS A PERCENT OF CLOSED SALES



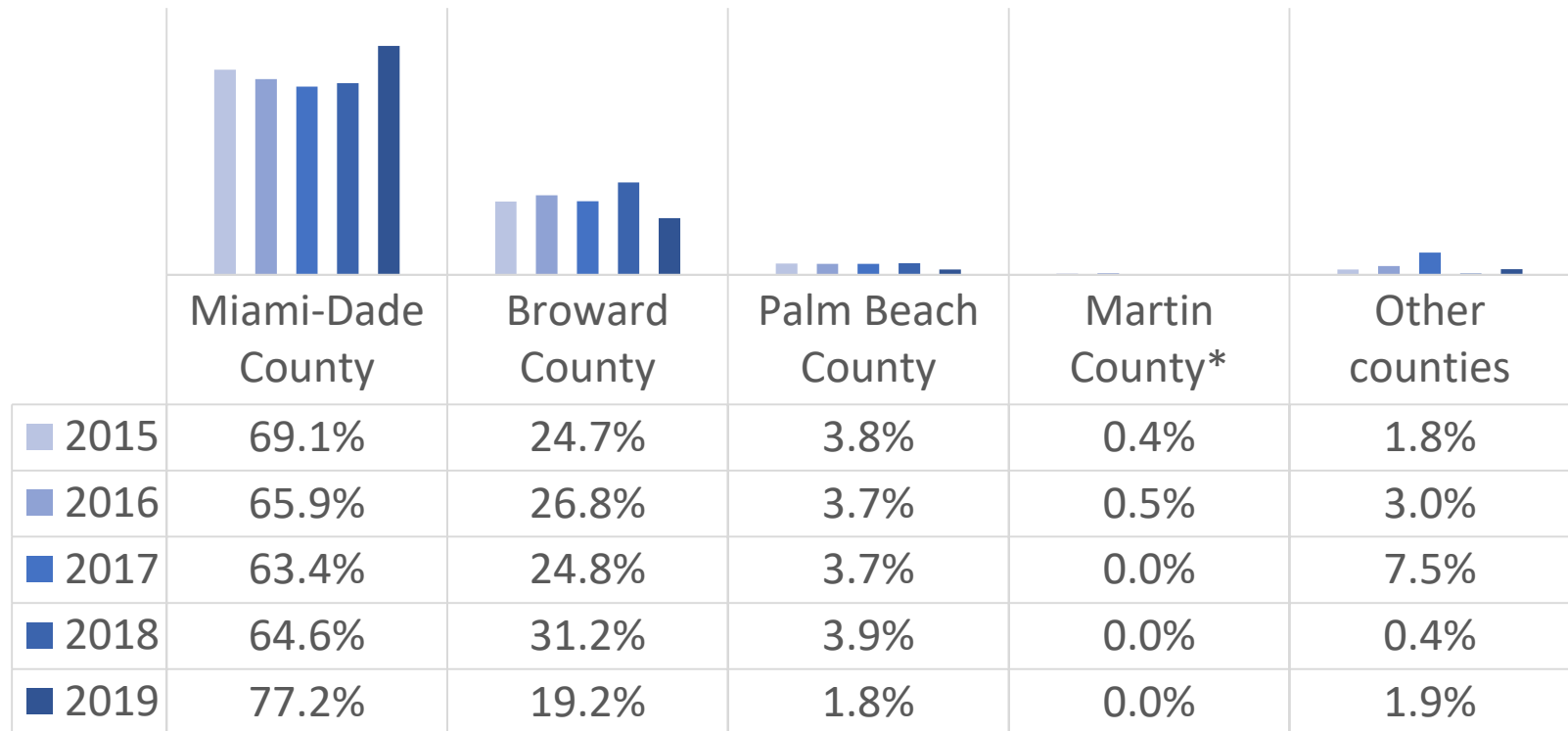
72% of Foreign Buyers Primarily Resided Abroad— A Higher Share Compared to Florida and Nationally

SHARE OF NON-RESIDENT FOREIGN BUYERS



Miami-Dade County: 77% of Foreign Buyers

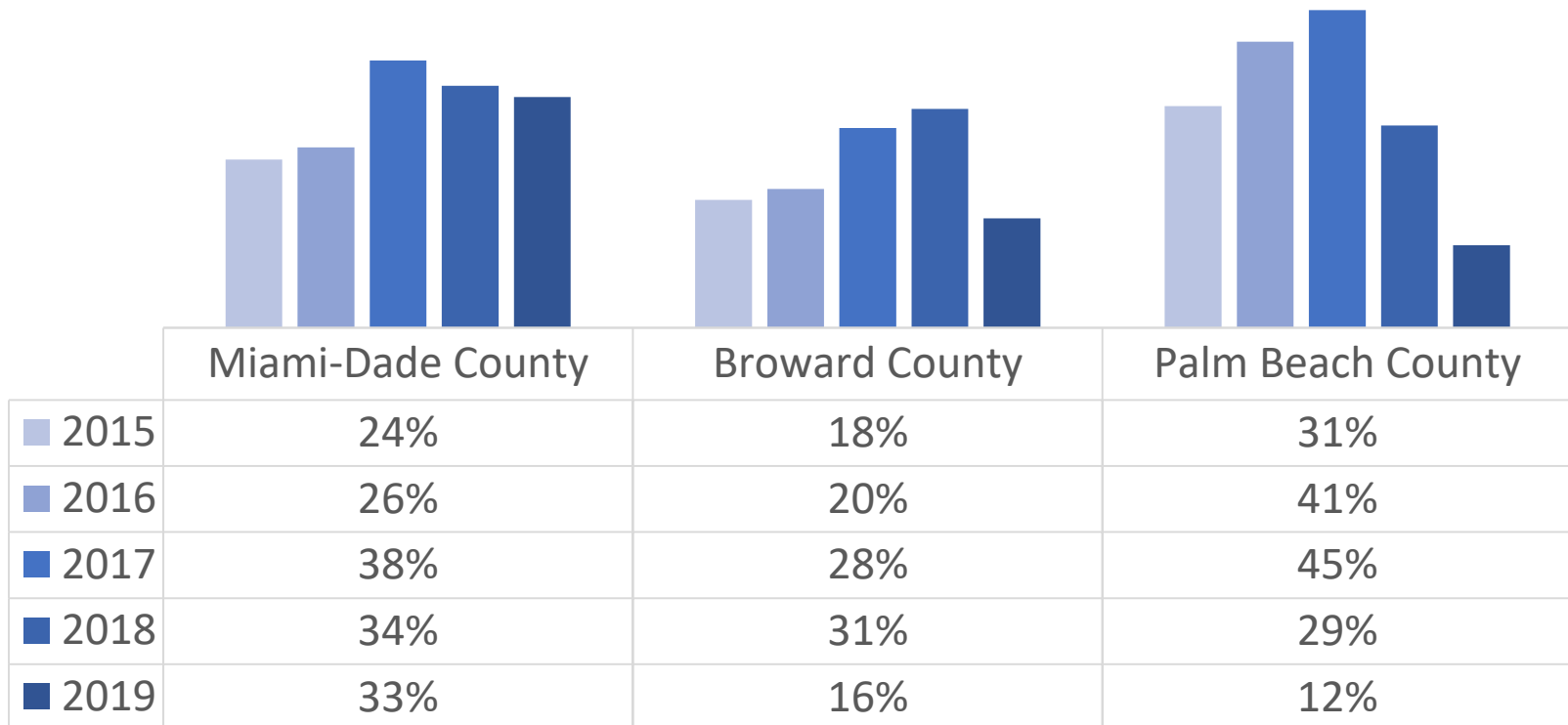
DESTINATION OF FOREIGN BUYERS



* 0% means no respondent reported a foreign buyer

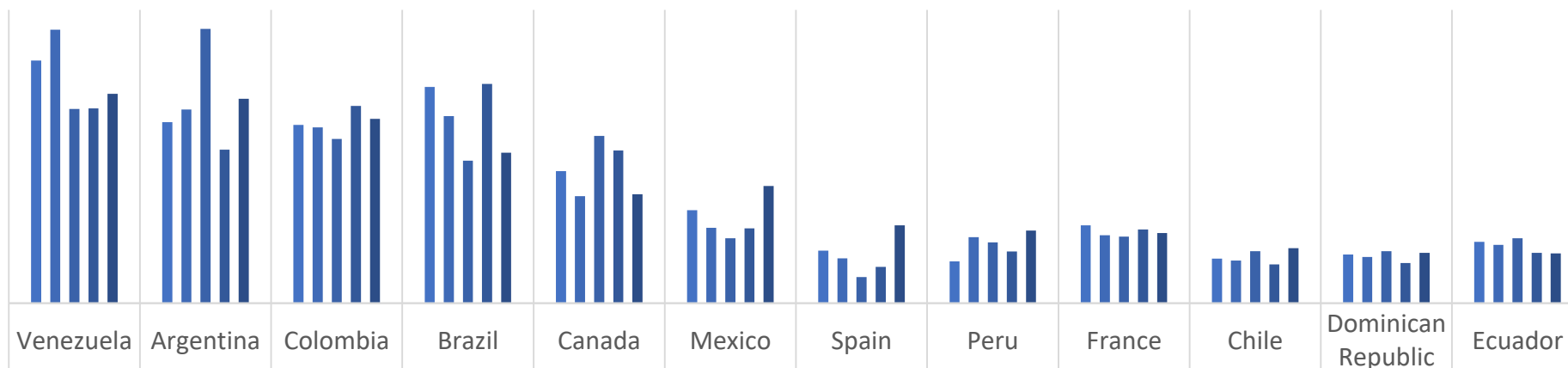
Foreign Buyer Market Share in the County

FOREIGN BUYERS AS A PERCENT OF CLOSED SALES PER COUNTY



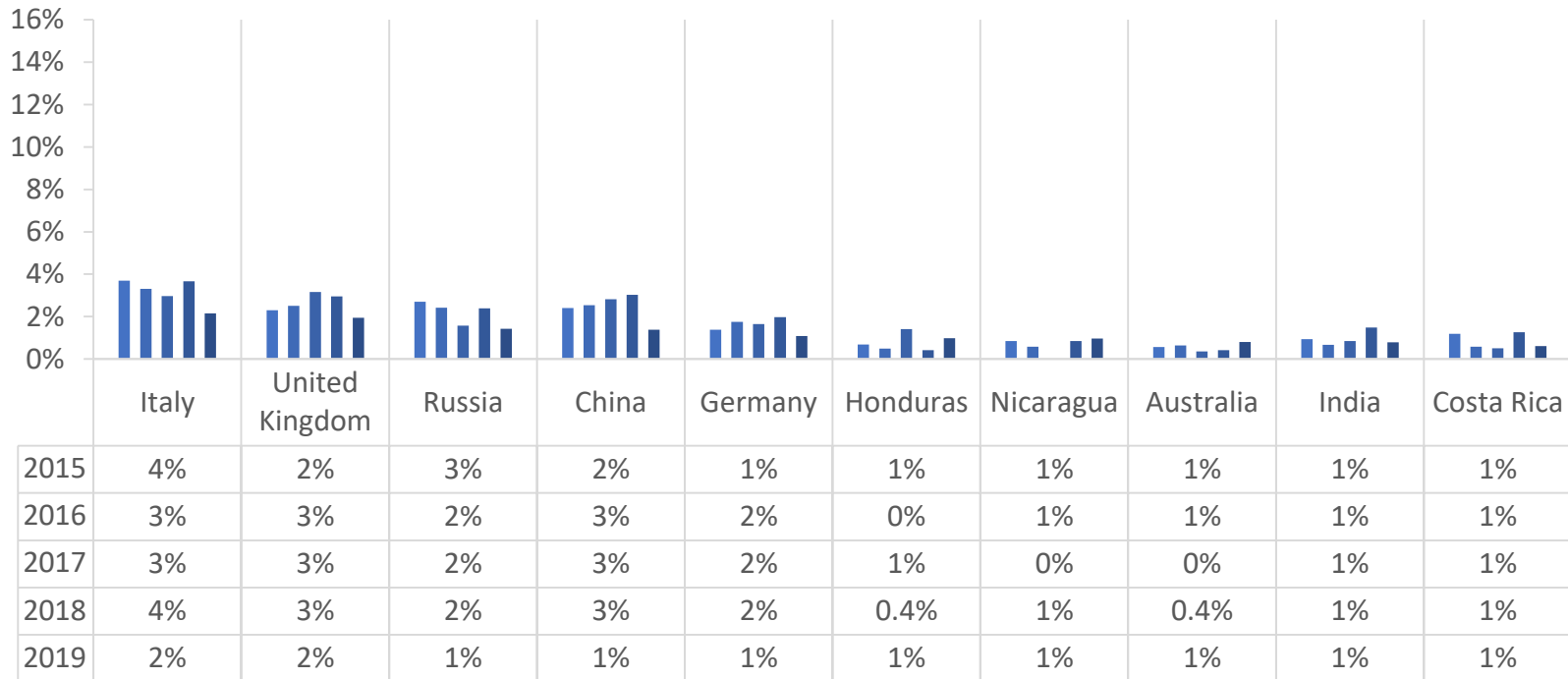
Top Tier Countries of Origin (Slide 1 of 2): Mainly from Latin America

MIAMI TOP FOREIGN BUYERS



Top Tier Countries of Origin (Slide 2 of 2)

MIAMI TOP FOREIGN BUYERS



MIAMI's Other Foreign Buyers

Bahamas Panama Bolivia Guatemala

Uruguay Haiti El Salvador Jamaica

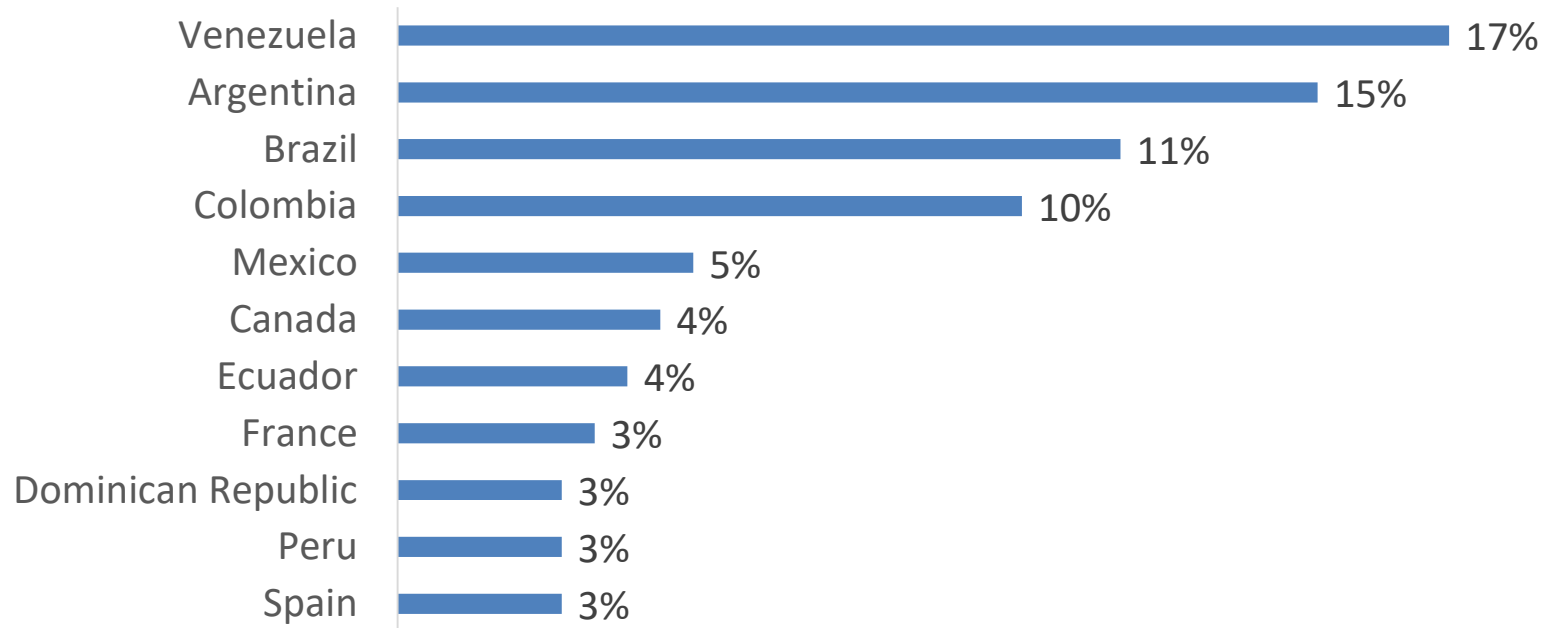
Barbados Trinidad and Tobago Japan South Korea

Portugal Sweden Switzerland Ukraine Greece

Austria Nigeria Turkey South Africa Israel Egypt

Miami-Dade County: Latin Americans Were Major Buyers

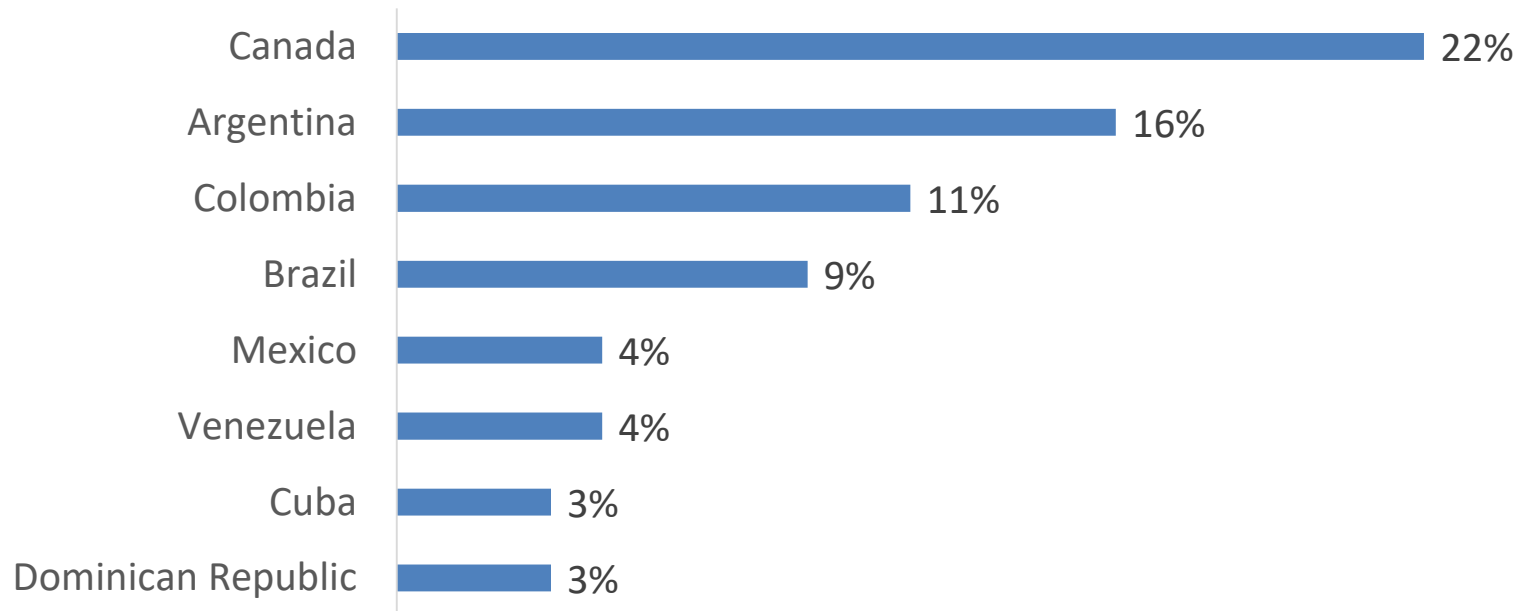
MAJOR FOREIGN BUYERS IN MIAMI-DADE COUNTY



Other buyers were from Bolivia, Chile, Cuba, Guatemala, Nicaragua, Russia, China, El Salvador, Italy, Portugal, United Kingdom, Australia, Bahamas, Germany, Honduras, Israel, Nigeria, Panama, South Africa, Sweden, Trinidad and Tobago, Uruguay

Broward County : Canadians Were Major Buyers

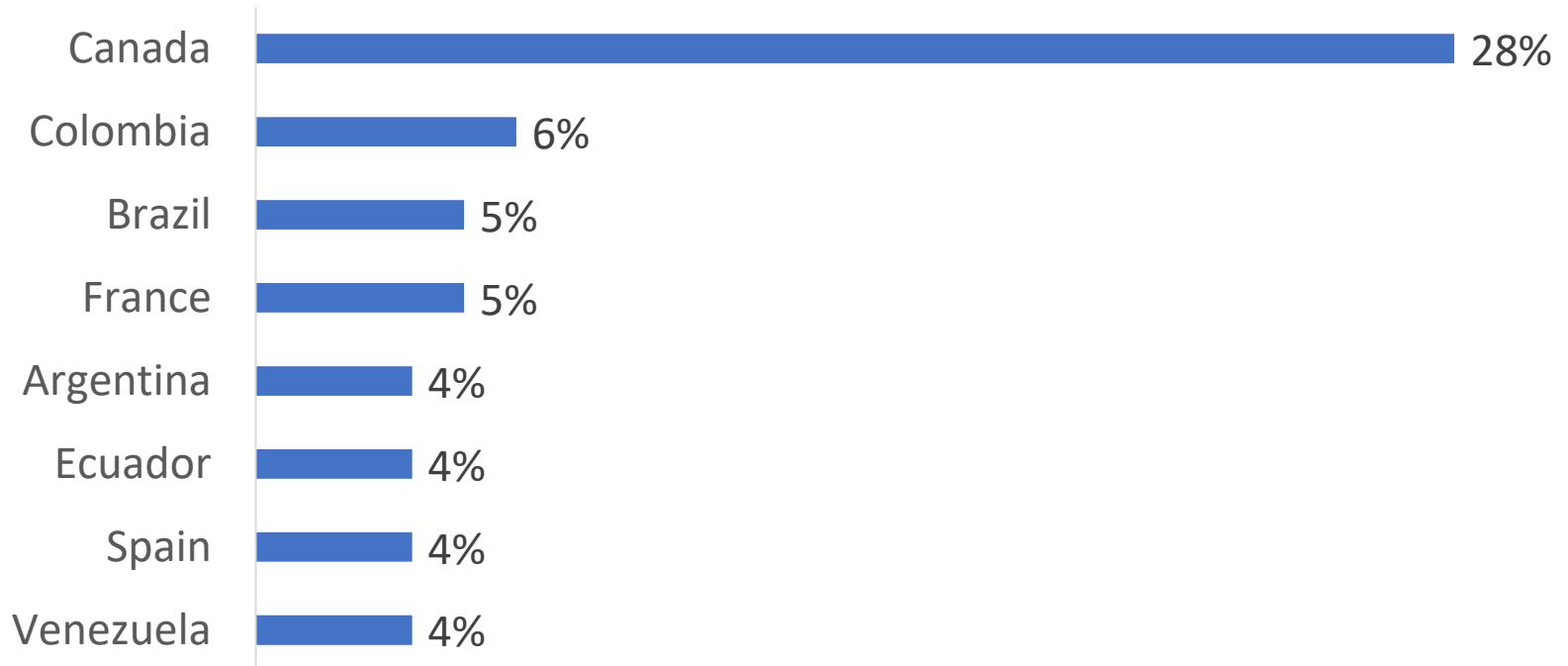
MAJOR FOREIGN BUYERS IN BROWARD COUNTY



Other buyers were from Bahamas, China, France, Jamaica, Russia, United Kingdom, Australia, Ecuador, Honduras, India Peru, Trinidad and Tobago, Turkey

Palm Beach County: Canadians Were Major Buyers

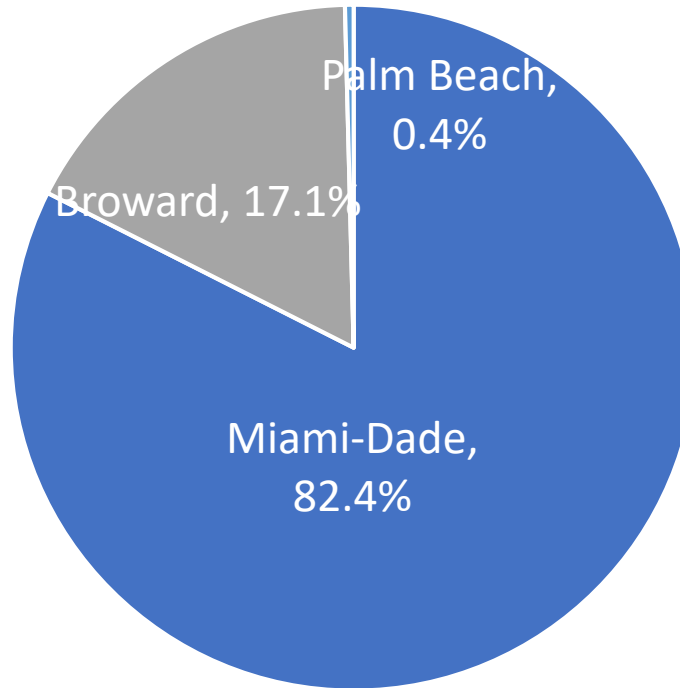
MAJOR FOREIGN BUYERS IN PALM BEACH COUNTY*



**According to the 2019 Florida REALTORS® Survey respondents*

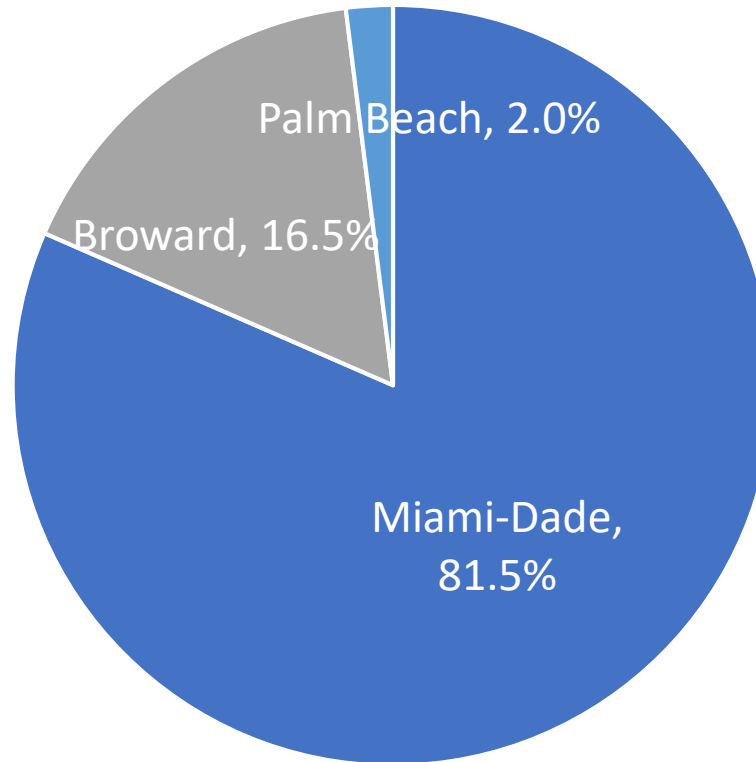
Major Destination of Argentinian Buyers: Miami-Dade County

DESTINATIONS OF ARGENTINIAN BUYERS



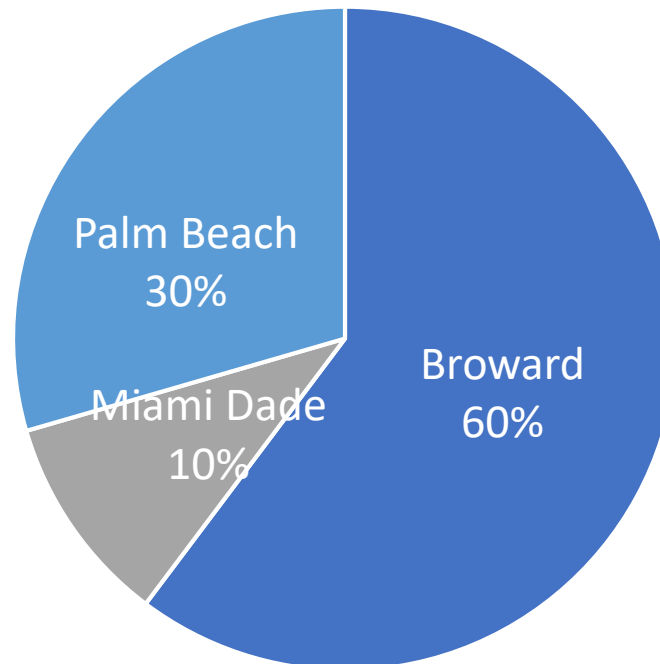
Major Destination of Brazilian Buyers: Miami-Dade County

DESTINATIONS OF BRAZILIAN BUYERS



Major Destination of Canadian Buyers: Broward County

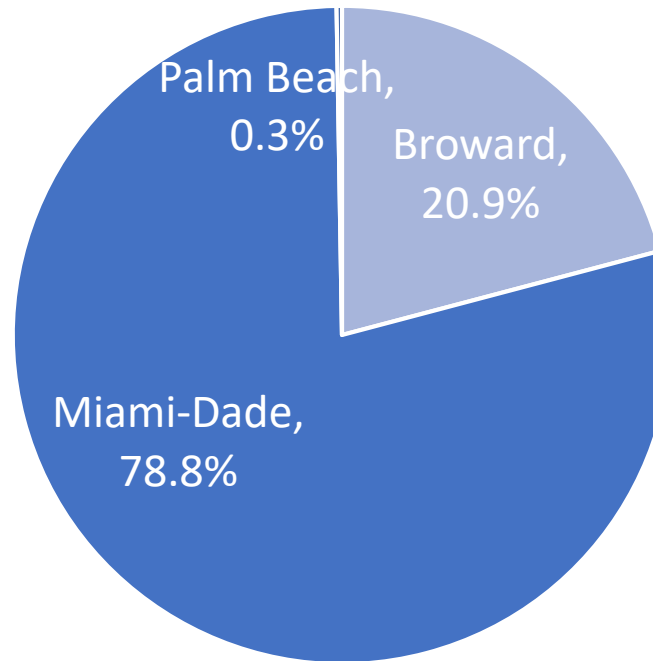
DESTINATIONS OF CANADIAN BUYERS*



**According to the 2019 Florida REALTORS® Survey respondents*

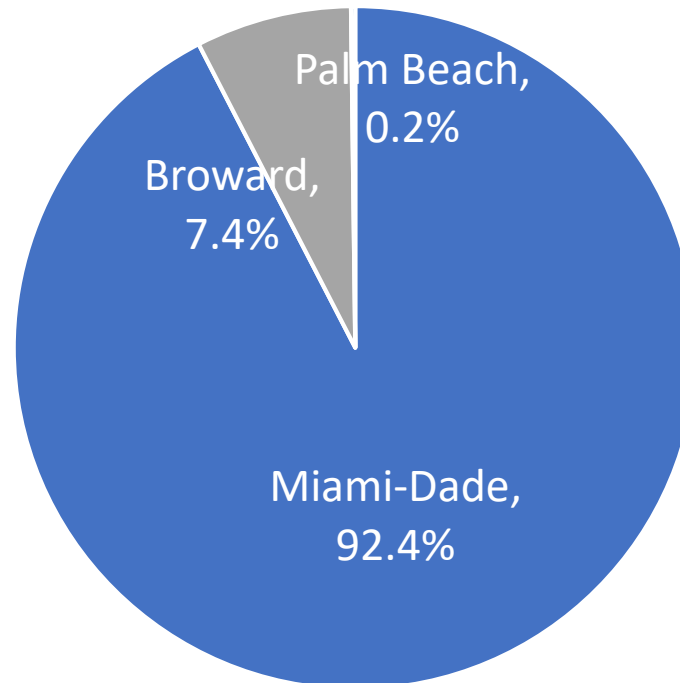
Major Destination of Colombian Buyers: Miami-Dade County

DESTINATIONS OF COLOMBIAN BUYERS



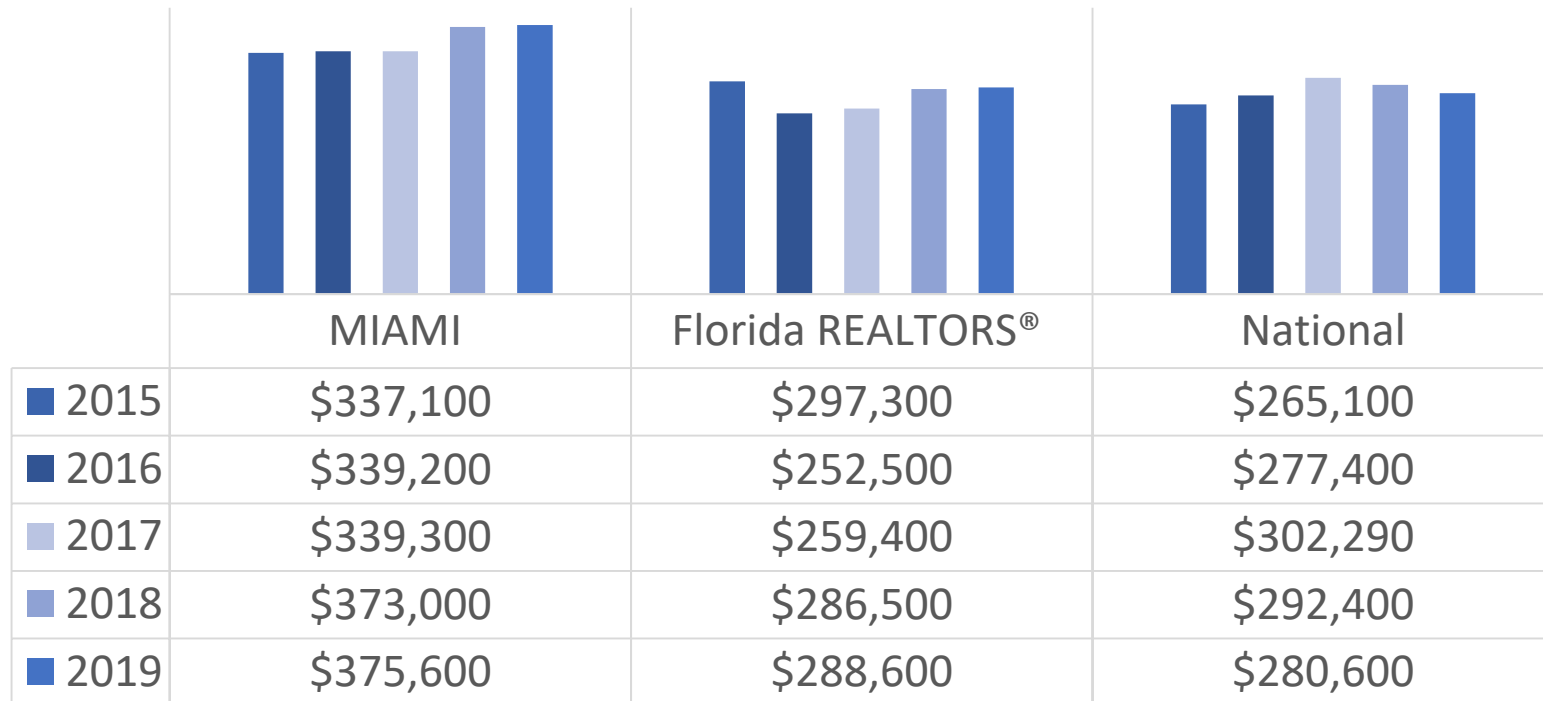
Major Destination of Venezuelan Buyers: Miami-Dade County

DESTINATIONS OF VENEZUELAN BUYERS



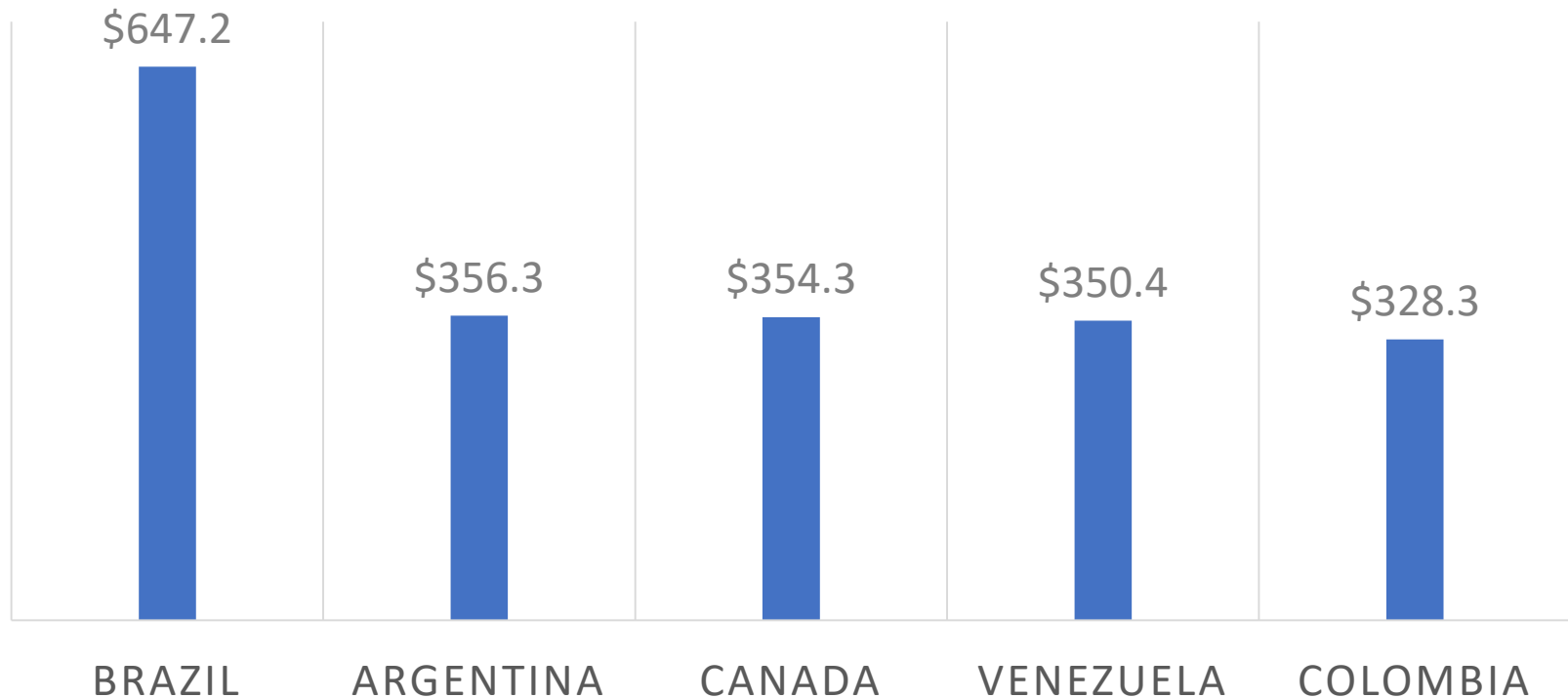
Foreign Buyer Median Purchase Price: \$373,000

FOREIGN BUYER MEDIAN PURCHASE PRICE



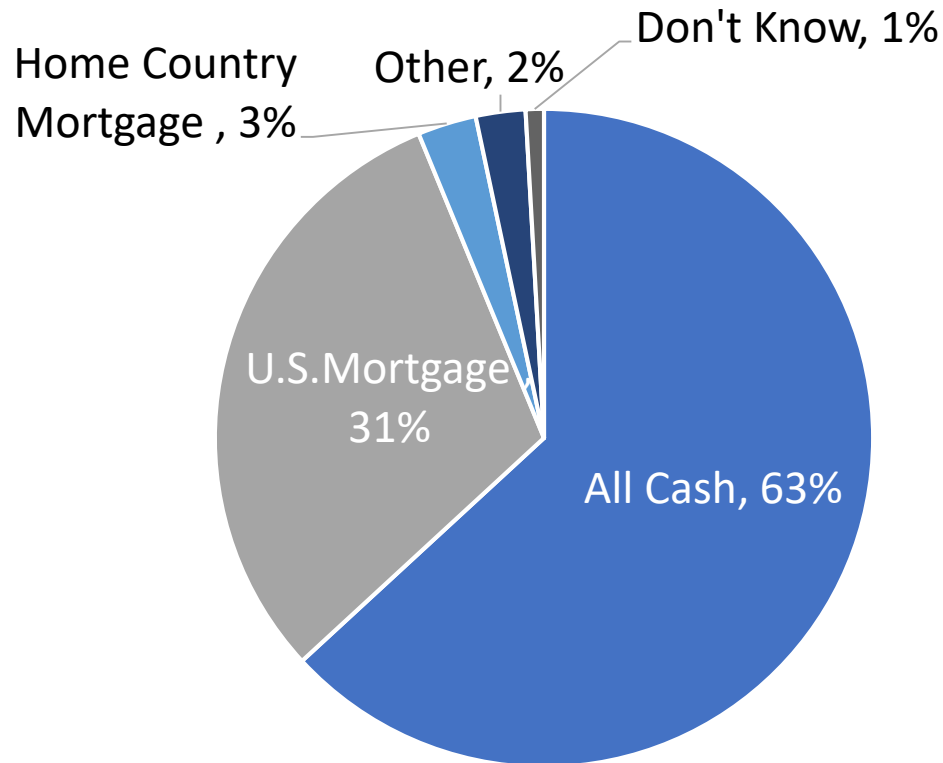
Brazilians Typically Purchased More Expensive Properties

MEDIAN PURCHASES PRICE AMONG MAJOR BUYERS IN THOUSAND DOLLARS



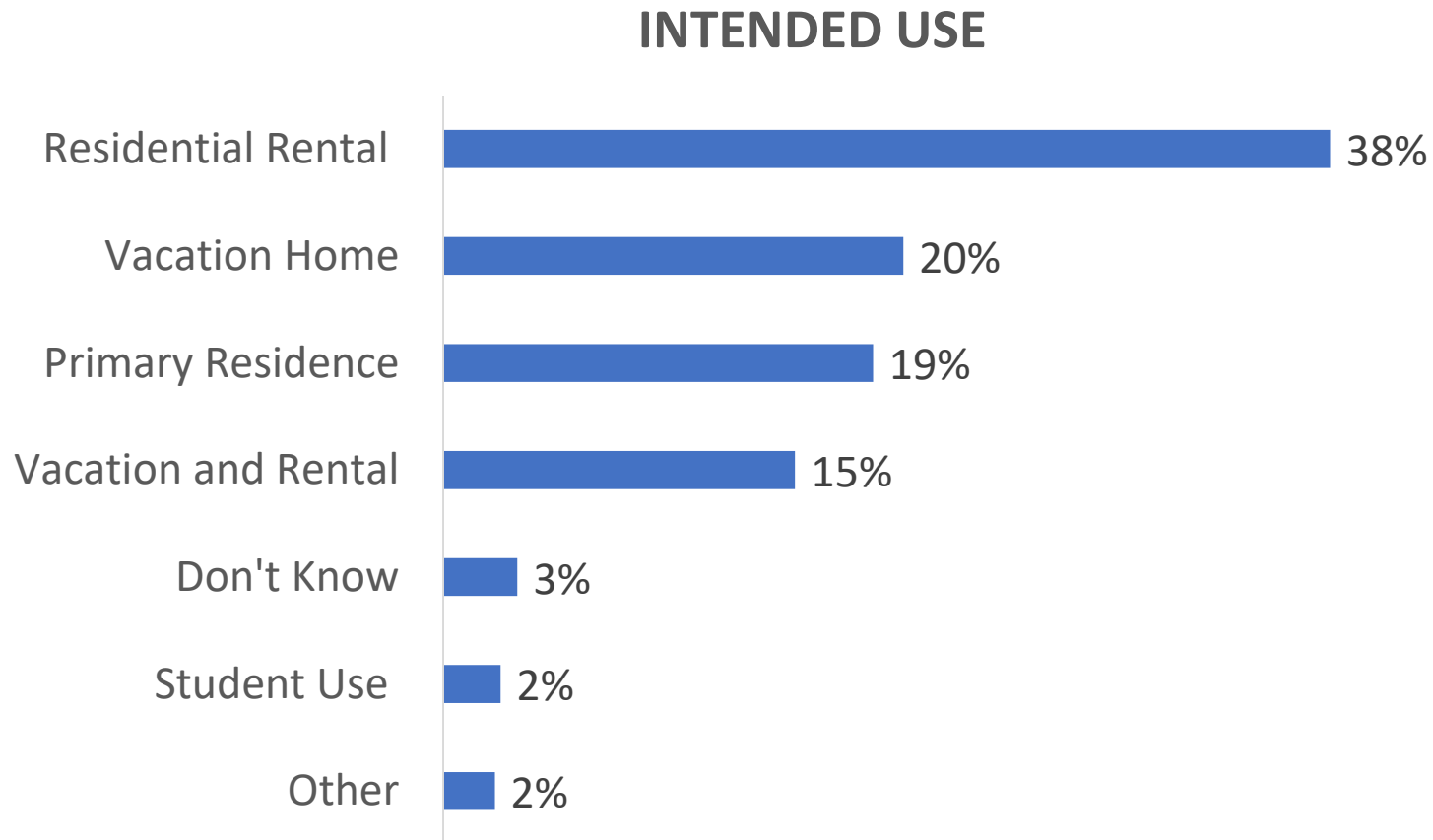
63% of Foreign Buyers Paid Cash—A Higher Fraction than Among U.S. Foreign Buyers*

SOURCE OF PAYMENT



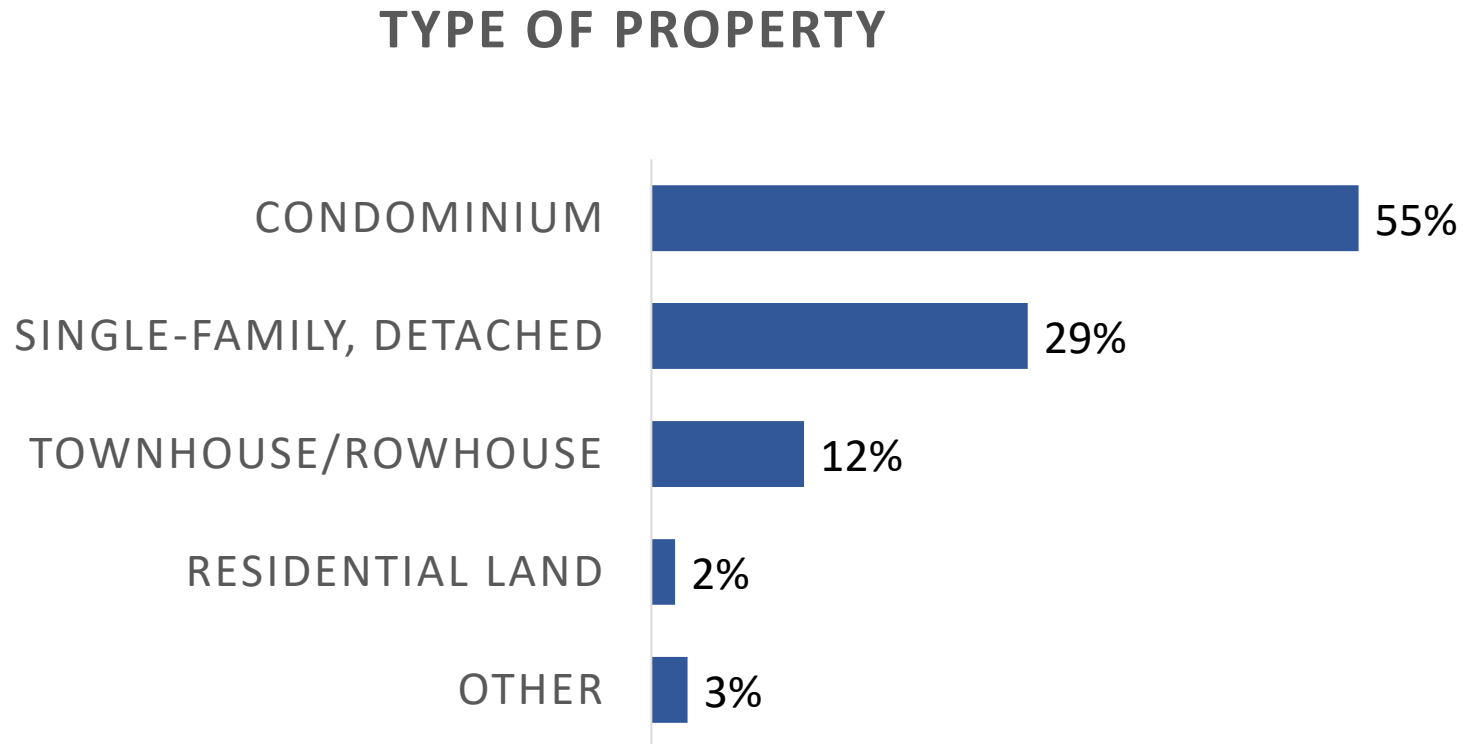
**41% of all foreign buyers paid all-cash*

73% of Foreign Buyers Purchased for Vacation and/or Rental —A Higher Fraction than Among U.S. Foreign Buyers*



**39% of all foreign buyers intended to use the property for vacation and/or rental*

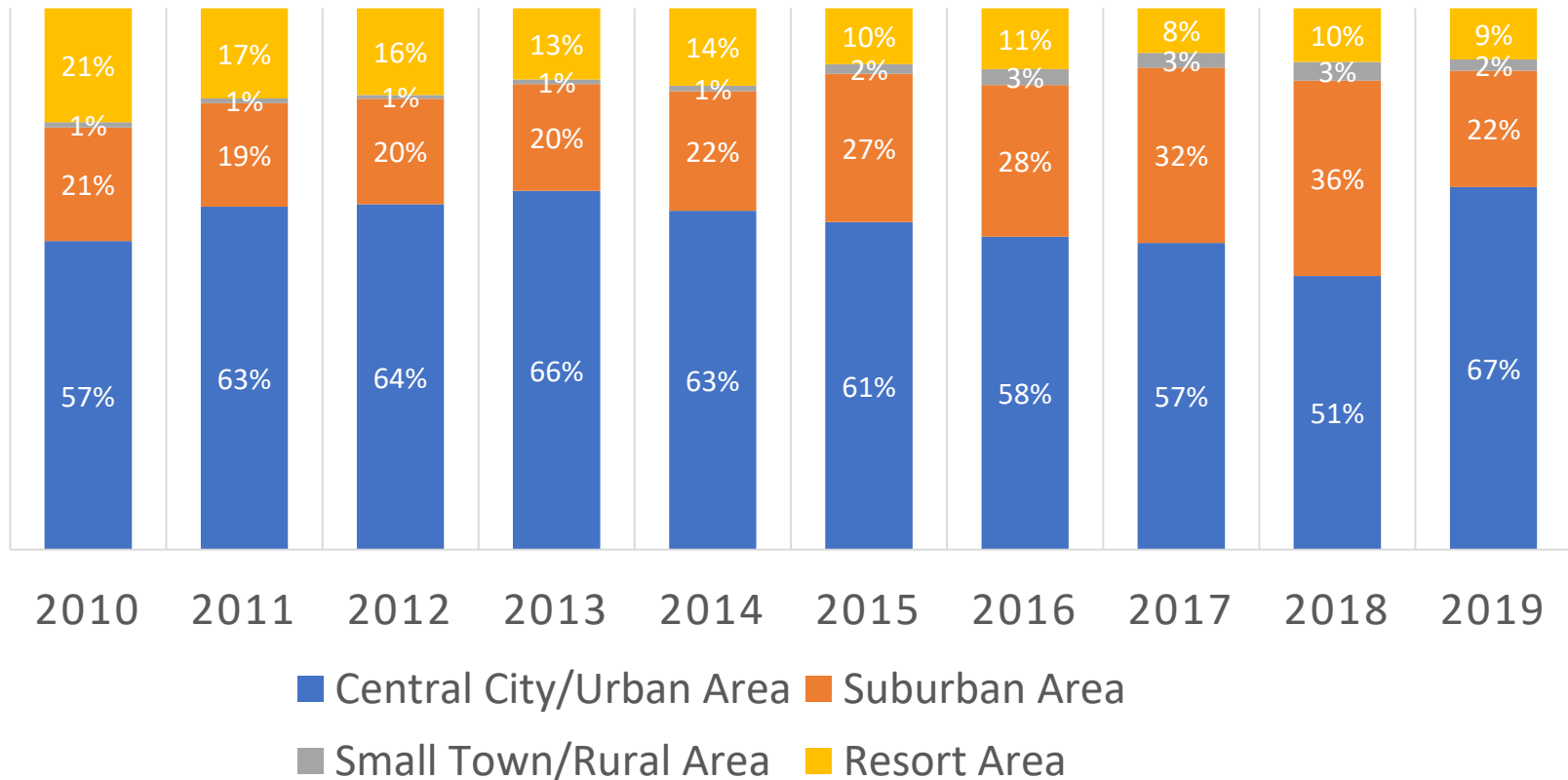
55% of Foreign Buyers Purchased Condominiums — A Higher Fraction than Among U.S. Foreign Buyers*



**16% of all foreign buyers purchased condominiums*

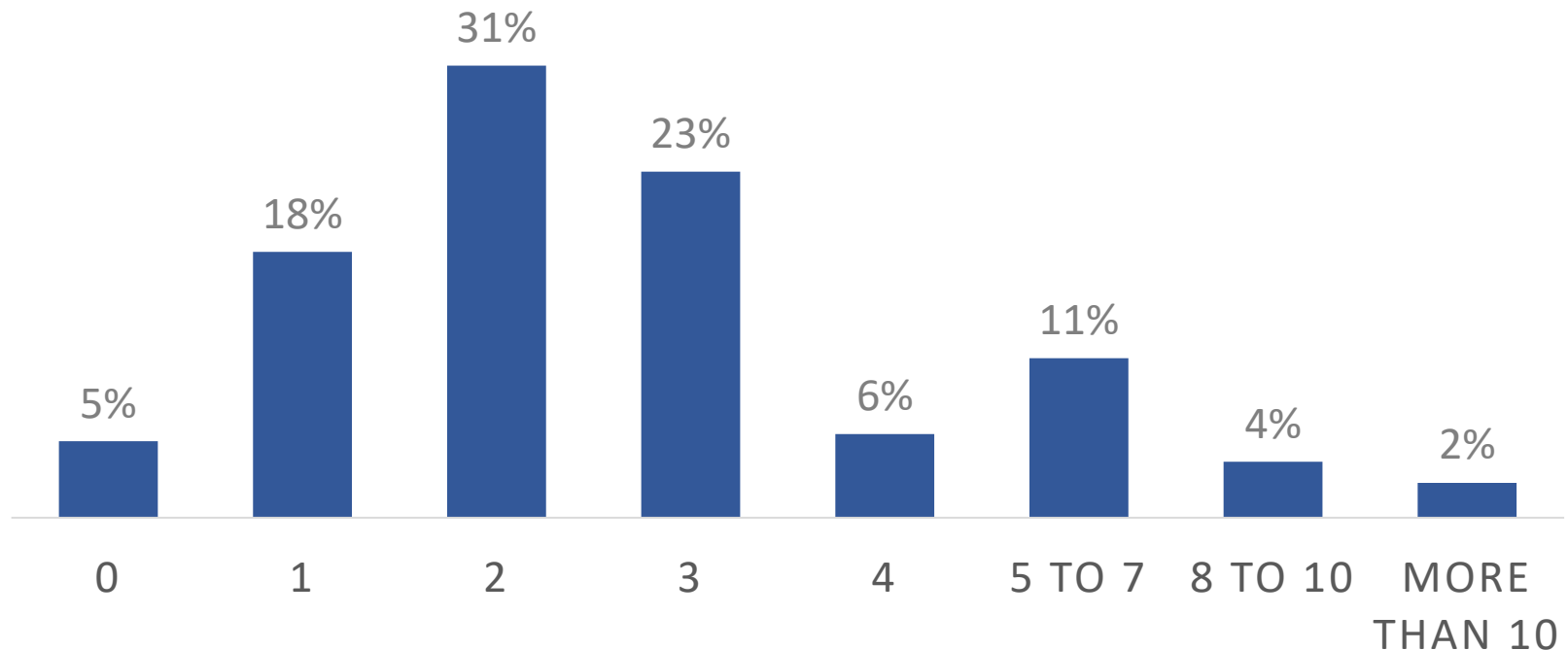
22% Purchased in Suburban Areas—A Lower Share Compared to 2018

TYPE OF AREA



72% of Foreign Buyers Visited Florida 3 Times or Less Before Purchasing a Property

NUMBER OF TIMES BUYER VISITED FLORIDA BEFORE MAKING A PURCHASE



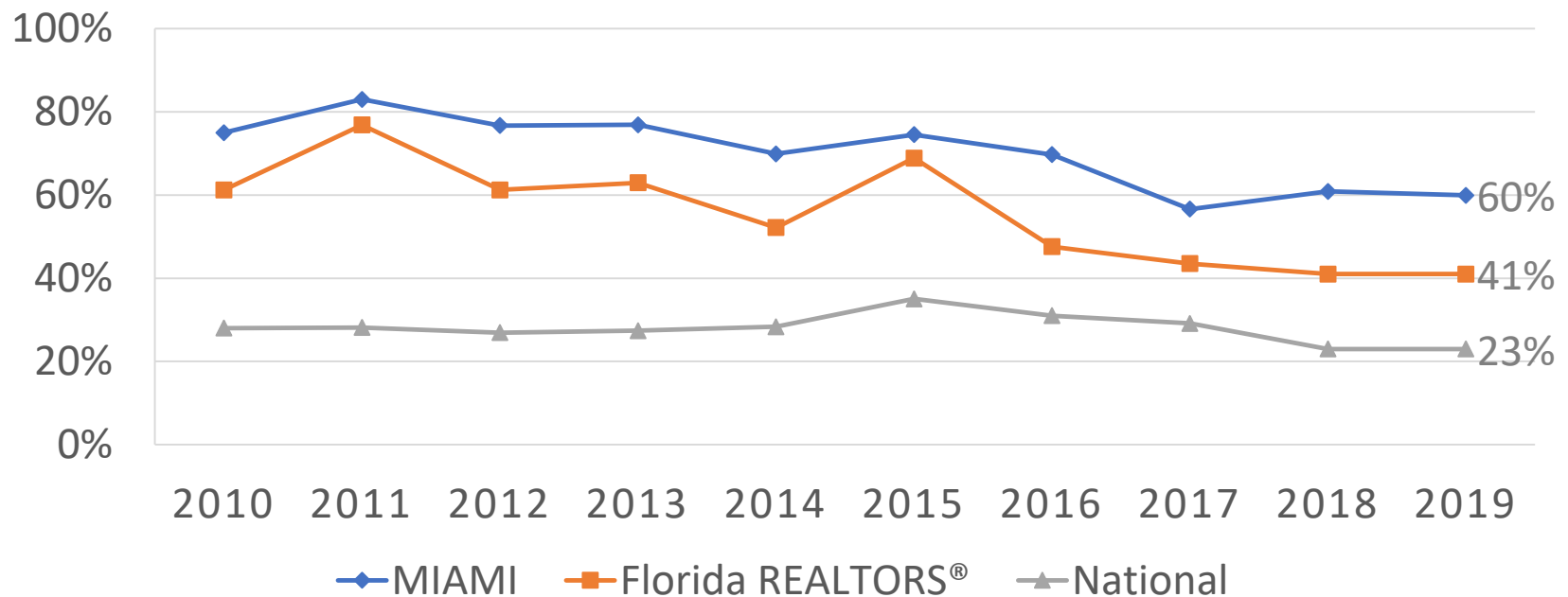
WORKING WITH INTERNATIONAL CUSTOMERS

- International Business Trends
- Factors Affecting Decision to Purchase Property
- Leads and Referrals
- Customer Interaction



60% of REALTORS® Had an International Customer

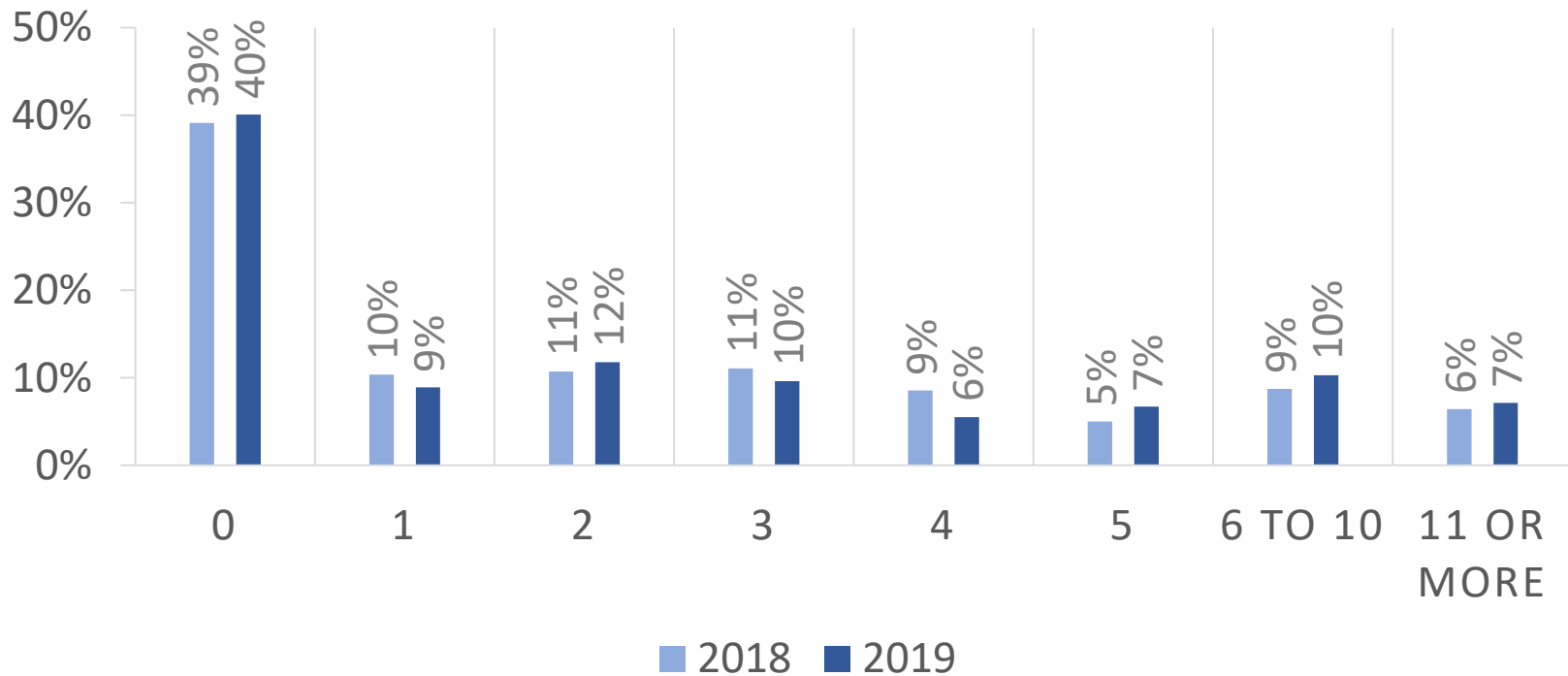
REALTORS® WHO WORKED WITH AN INTERNATIONAL CUSTOMER IN THE PAST 12 MONTHS*



*Whether customer purchased property or not

40% of REALTORS® Worked with Three or More International Customers

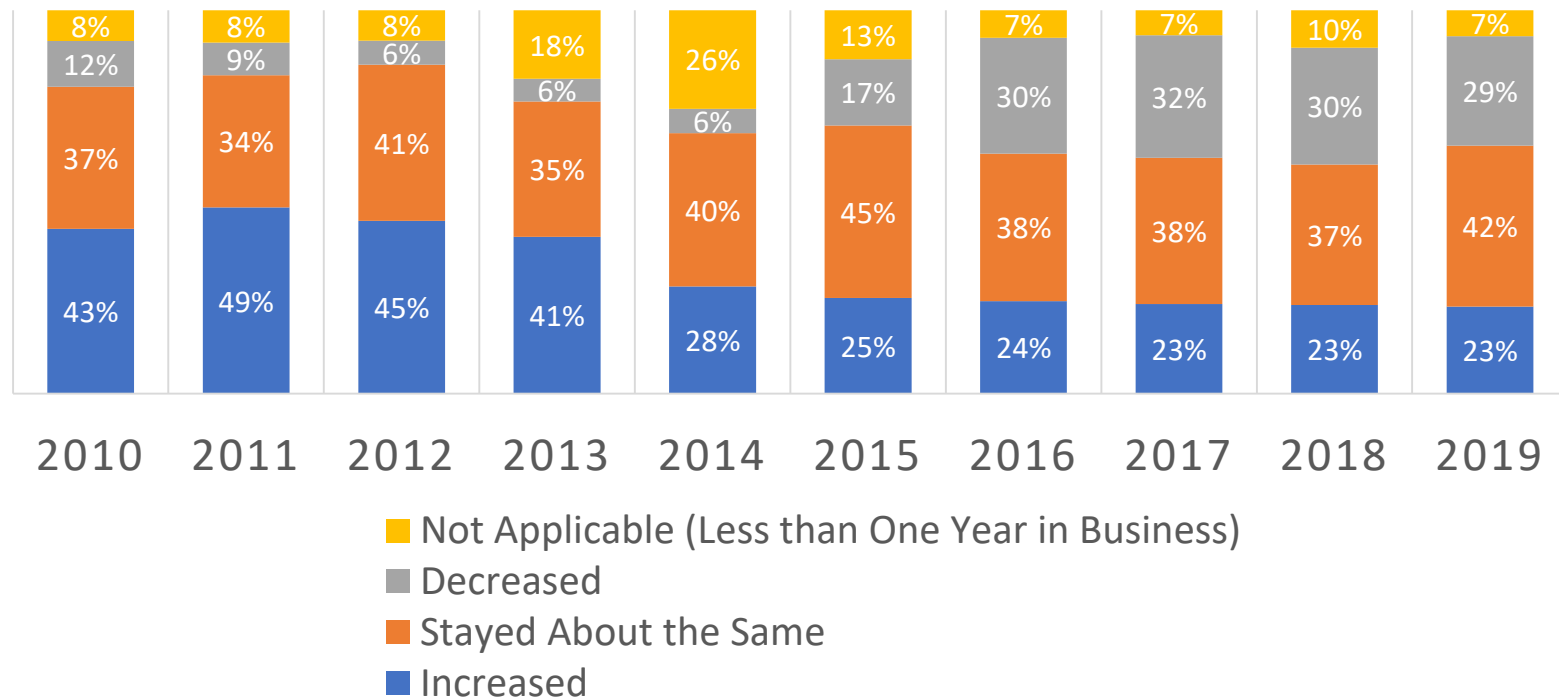
NUMBER OF CUSTOMERS WHETHER OR NOT THEY PURCHASED PROPERTY*



*Whether customer purchased property or not

23% of REALTORS® Reported a Higher Share of International Business In the Past Year

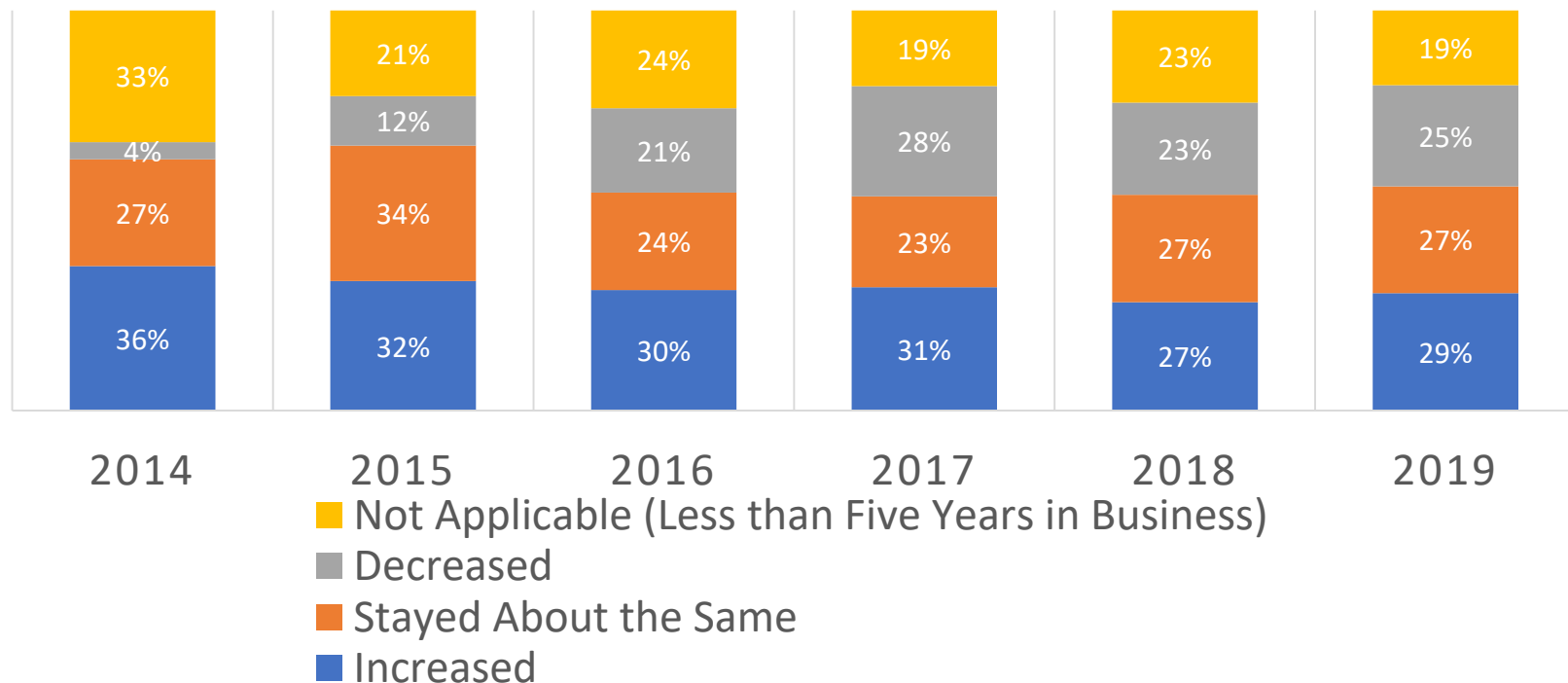
CHANGE IN PERCENTAGE OF INTERNATIONAL CUSTOMERS IN THE PAST YEAR*



* Among respondents who worked with an international customer

29% of REALTORS® Reported a Higher Share of International Business Over the Past 5 Years

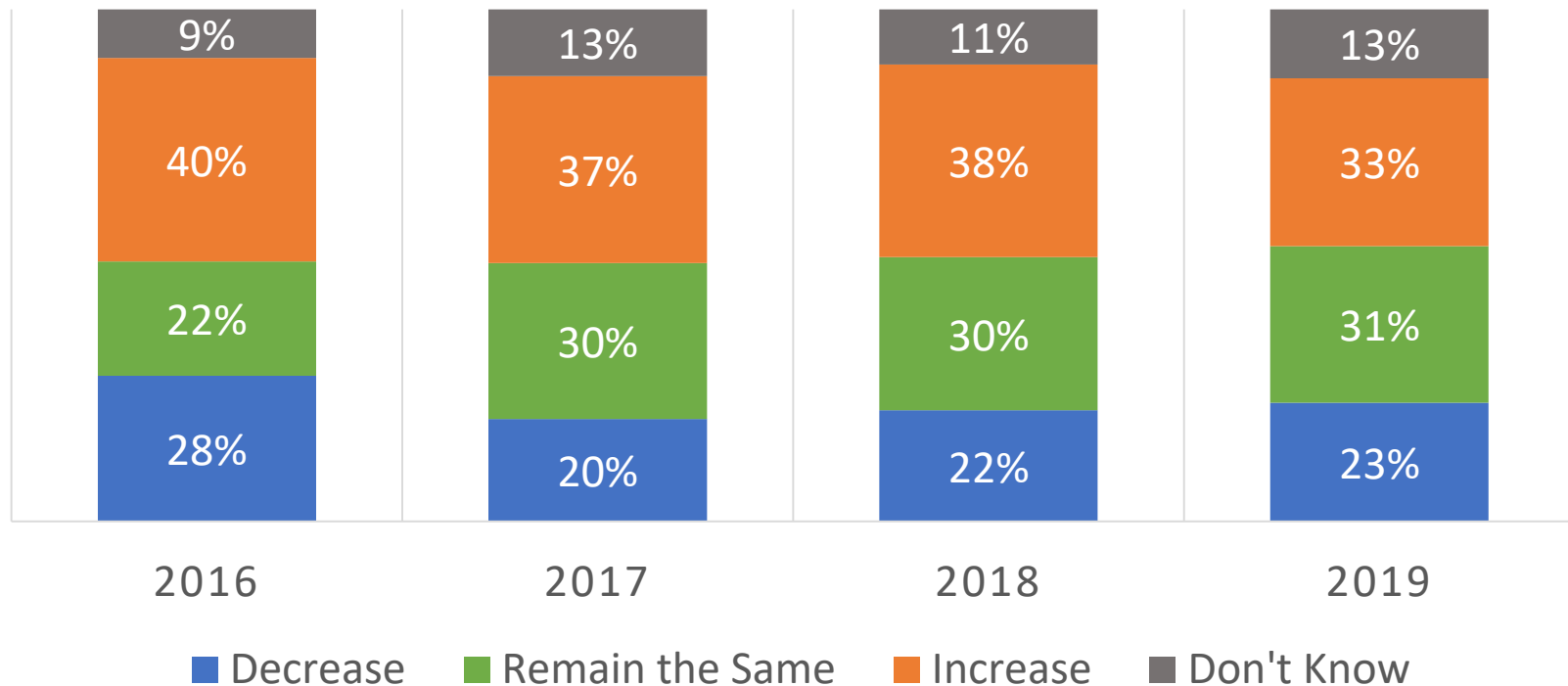
CHANGE IN PERCENTAGE OF INTERNATIONAL CUSTOMERS IN THE PAST 5 YEARS*



* Among respondents who worked with an international customer

33% of REALTORS® Expect an Increase in International Business in the Next 12 Months

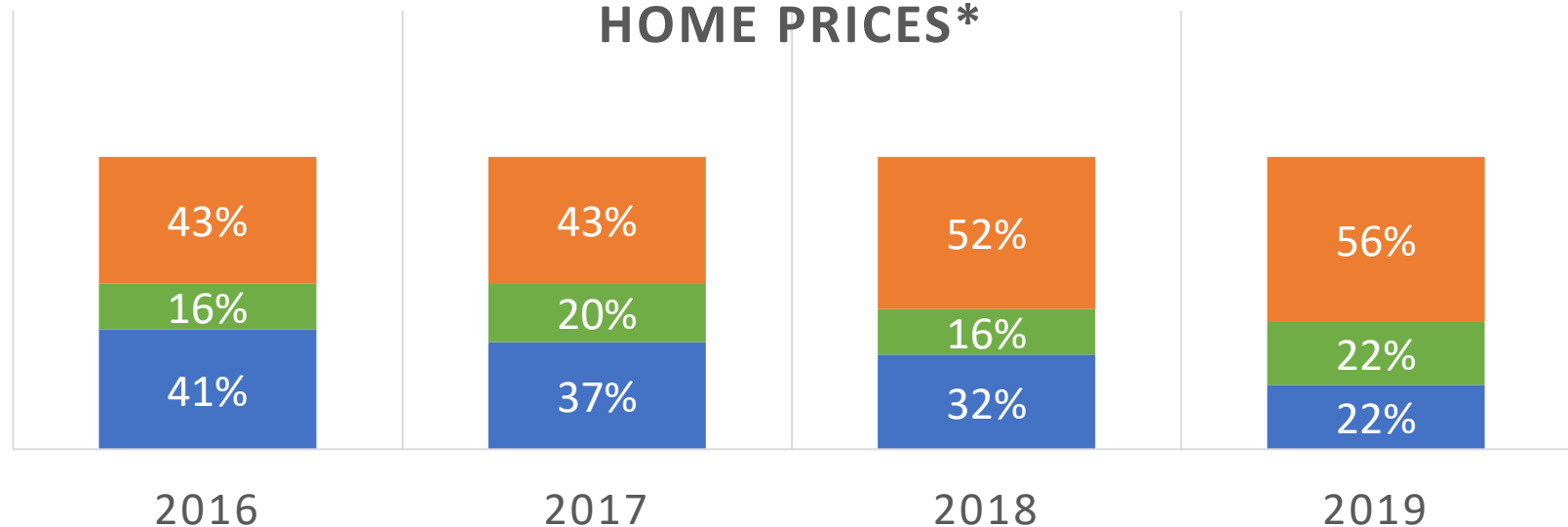
OUTLOOK ON INTERNATIONAL BUSINESS IN THE NEXT 12 MONTHS*



* Among respondents who worked with an international customer

56% of REALTORS® Reported Customers Found U.S. Prices to be More Expensive than in Home Country

HOW INTERNATIONAL CUSTOMERS VIEWED U.S. HOME PRICES*

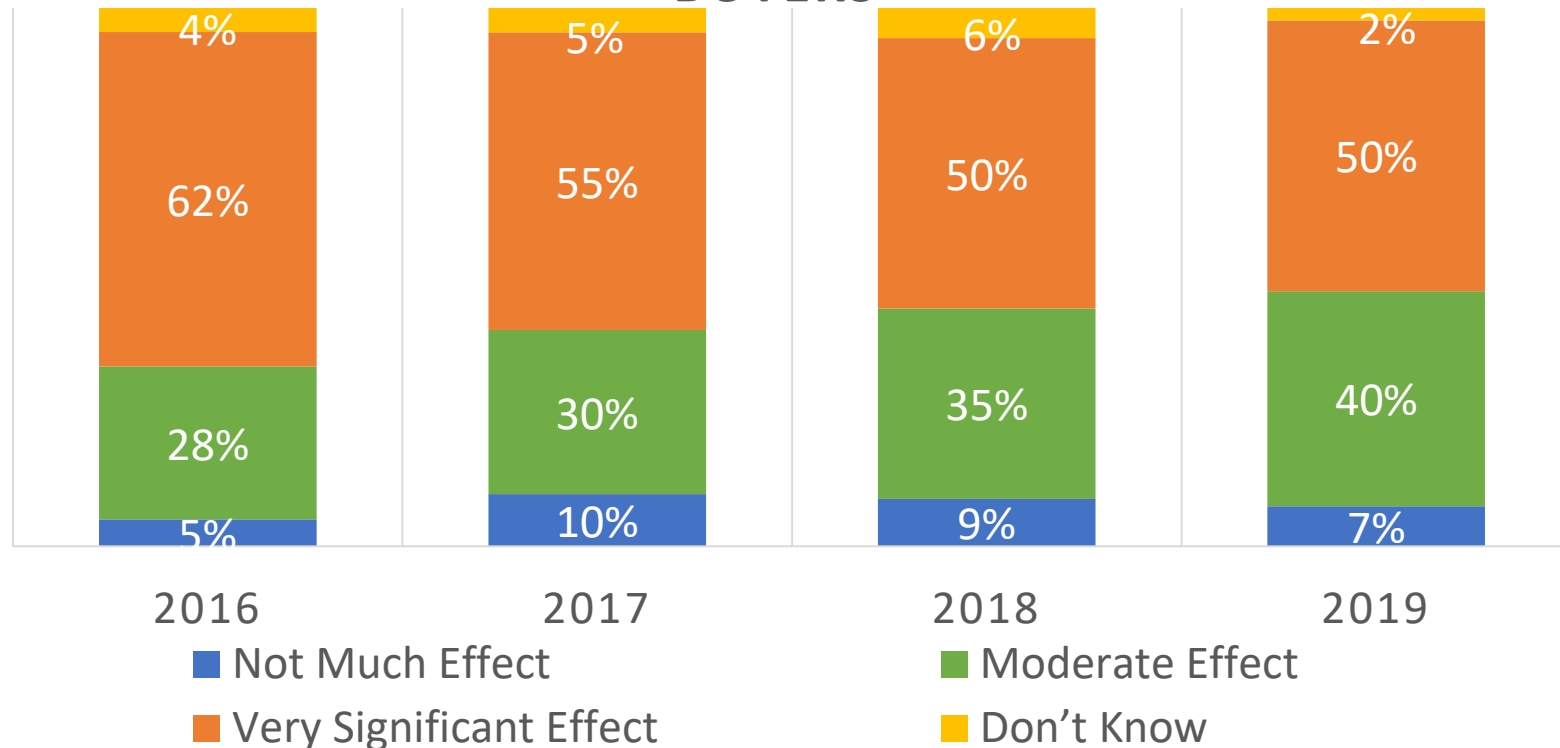


- More expensive than prices in the home country
- About the same as prices in home country
- Less expensive than prices in the home country

* Among respondents who worked with an international customer

50% of REALTORS® Reported that the Exchange Rate Had a 'Very Significant' Effect on Foreign Buyers

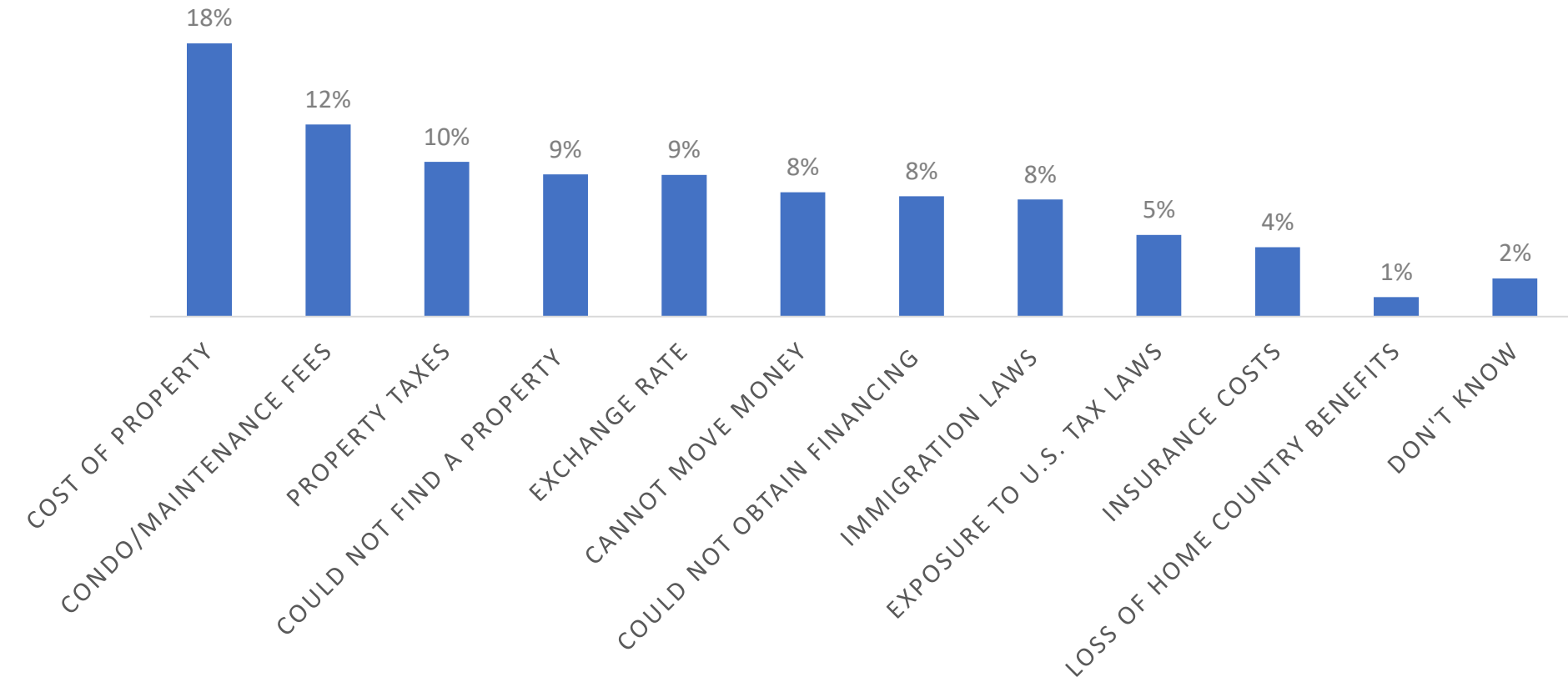
EFFECT OF EXCHANGE RATE ON FOREIGN BUYERS*



* Among respondents who worked with an international customer

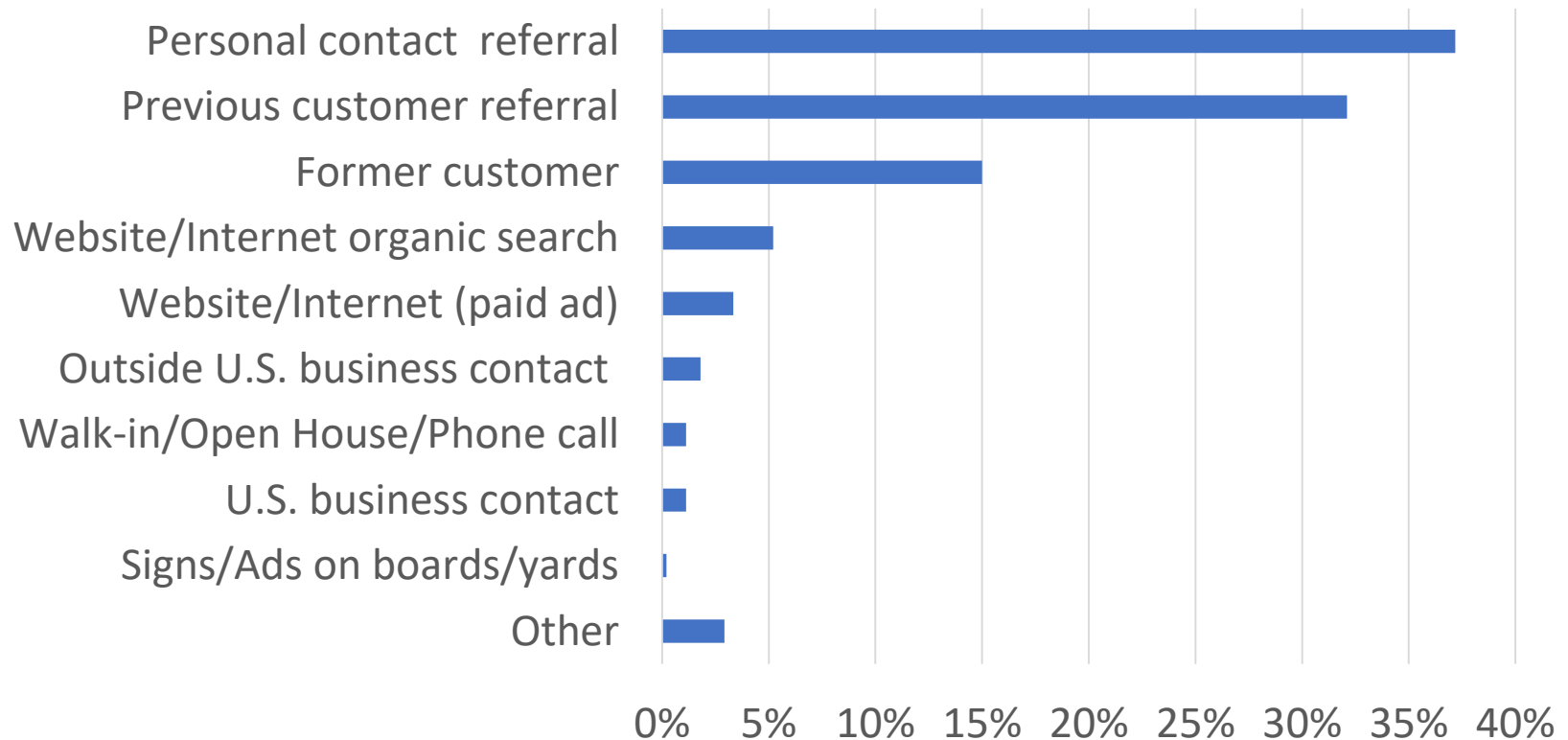
Major Reasons Customers Did Not Purchase Property: Cost, Condo Fees, Property Taxes

REASONS CUSTOMERS DID NOT PURCHASE PROPERTY



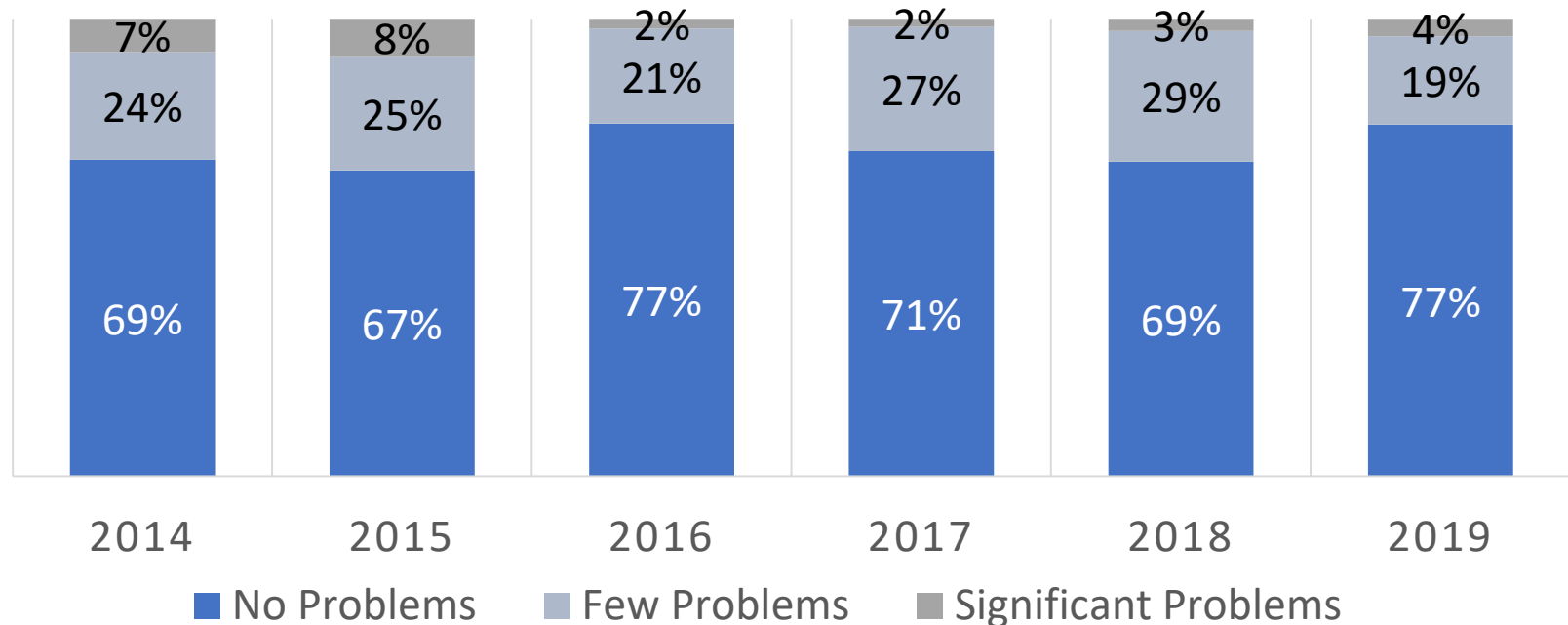
87% of Foreign Buyer Leads/Referrals Were Personal/Business Contacts and Previous Customers

SOURCE OF LEAD OR REFERRAL



77% of REALTORS® Reported No Language or Cultural Barriers Working with International Customers

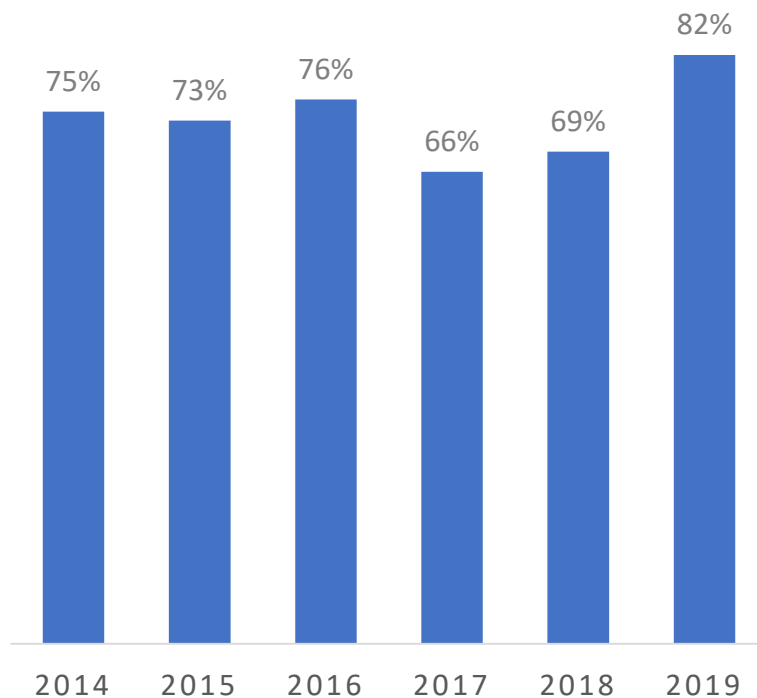
CULTURAL OR LANGUAGE BARRIERS WORKING WITH FOREIGN CUSTOMERS*



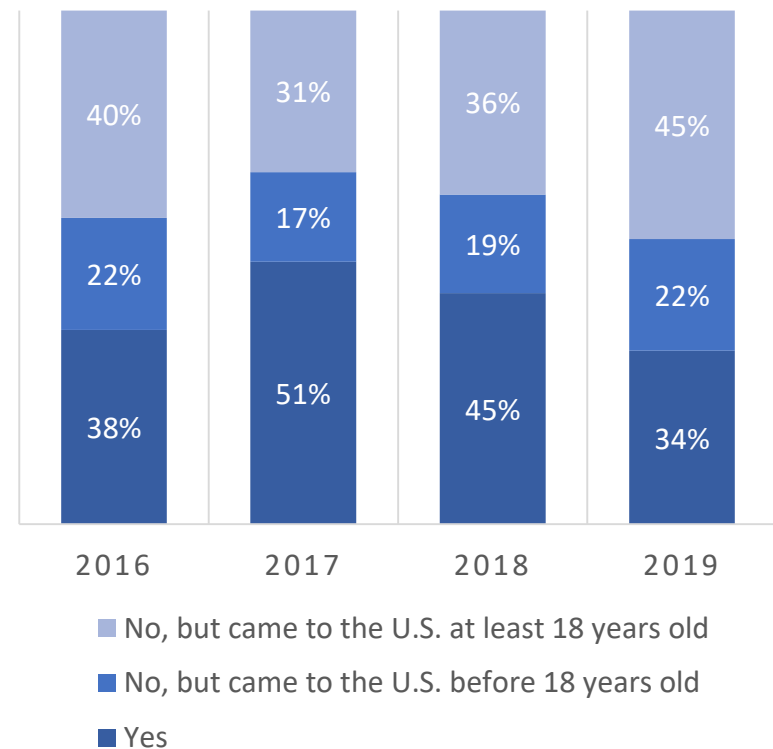
* Among respondents who worked with an international customer

Most REALTORS® are Fluent in Another Language and Are Foreign-Born

RESPONDENTS WHO ARE FLUENT
IN A LANGUAGE OTHER
THAN ENGLISH



RESPONDENTS WHO WERE BORN
IN THE U.S.



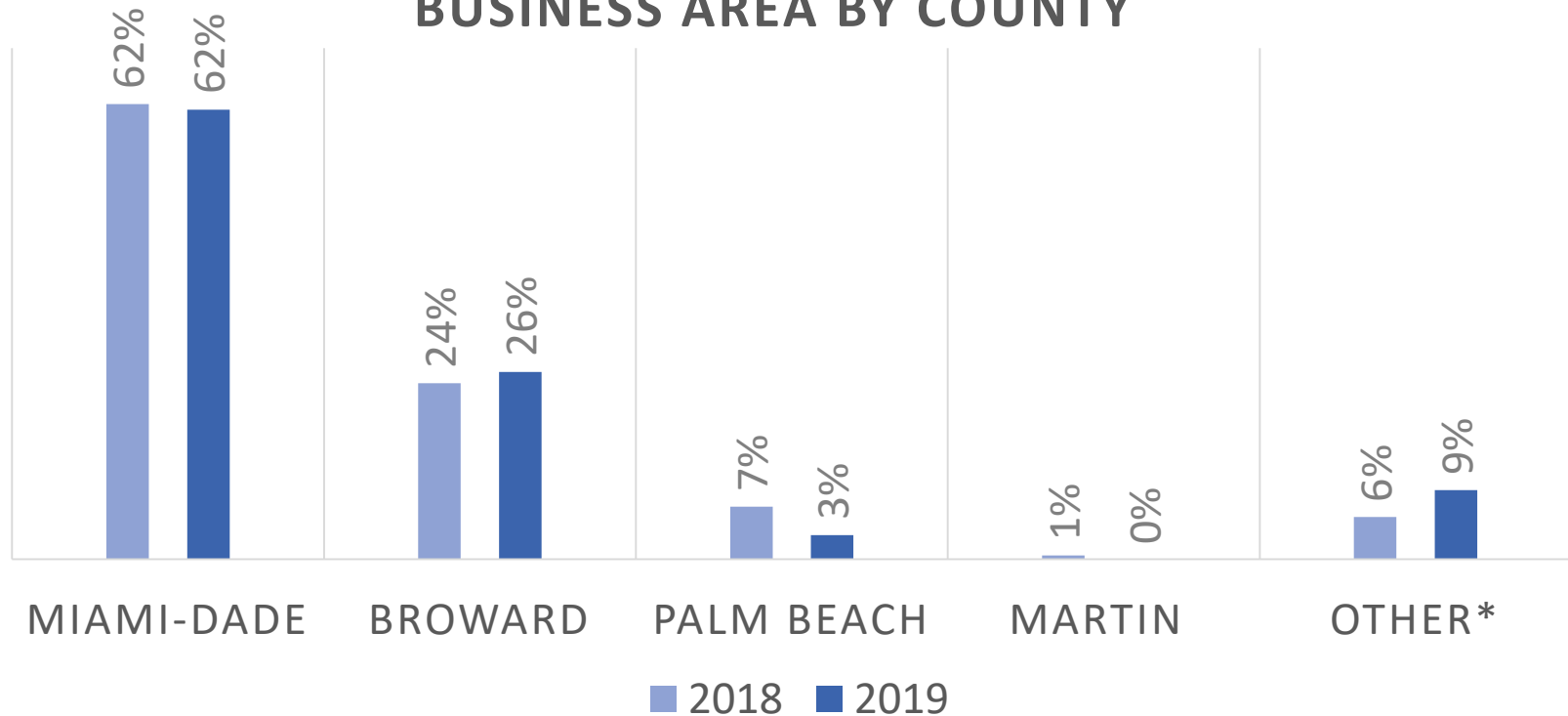
APPENDIX 1: ABOUT THE SURVEY

About the 2019 Miami Association of REALTORS® (MIAMI) Survey

- The 2019 survey provides information on the international residential transactions of the Miami Association of REALTORS® (MIAMI) members during August 2018–July 2019.
- The association sent the online survey to its approximately 45,000 members, of which 1,307 responded during the survey period August 1–September 3, 2019.
- To adjust for over- or under-responses of MIAMI members across counties, NAR used a factor that aligns the sample distribution of MIAMI respondents to the MIAMI membership distribution.

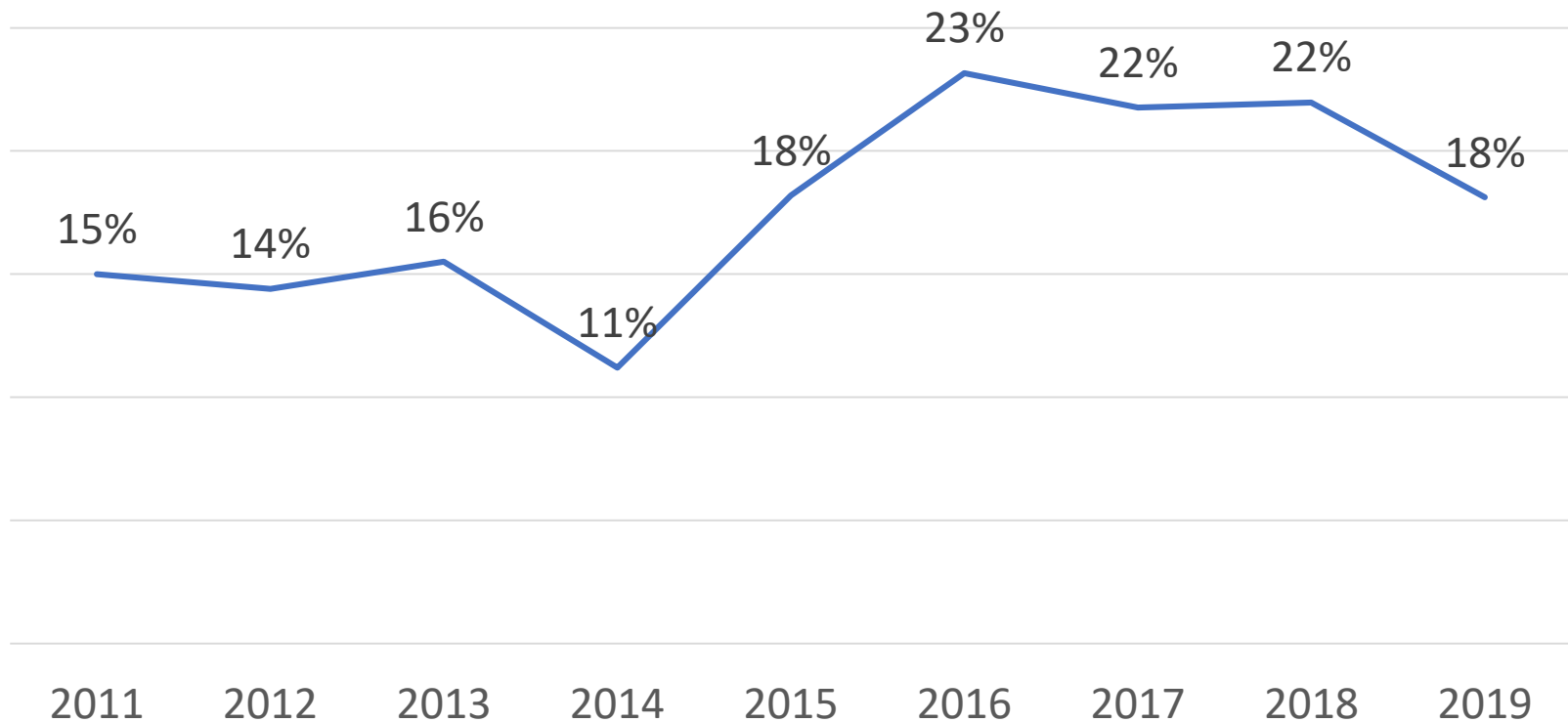
Primary Business Area of MIAMI Respondents

DISTRIBUTION OF RESPONDENTS' PRIMARY BUSINESS AREA BY COUNTY



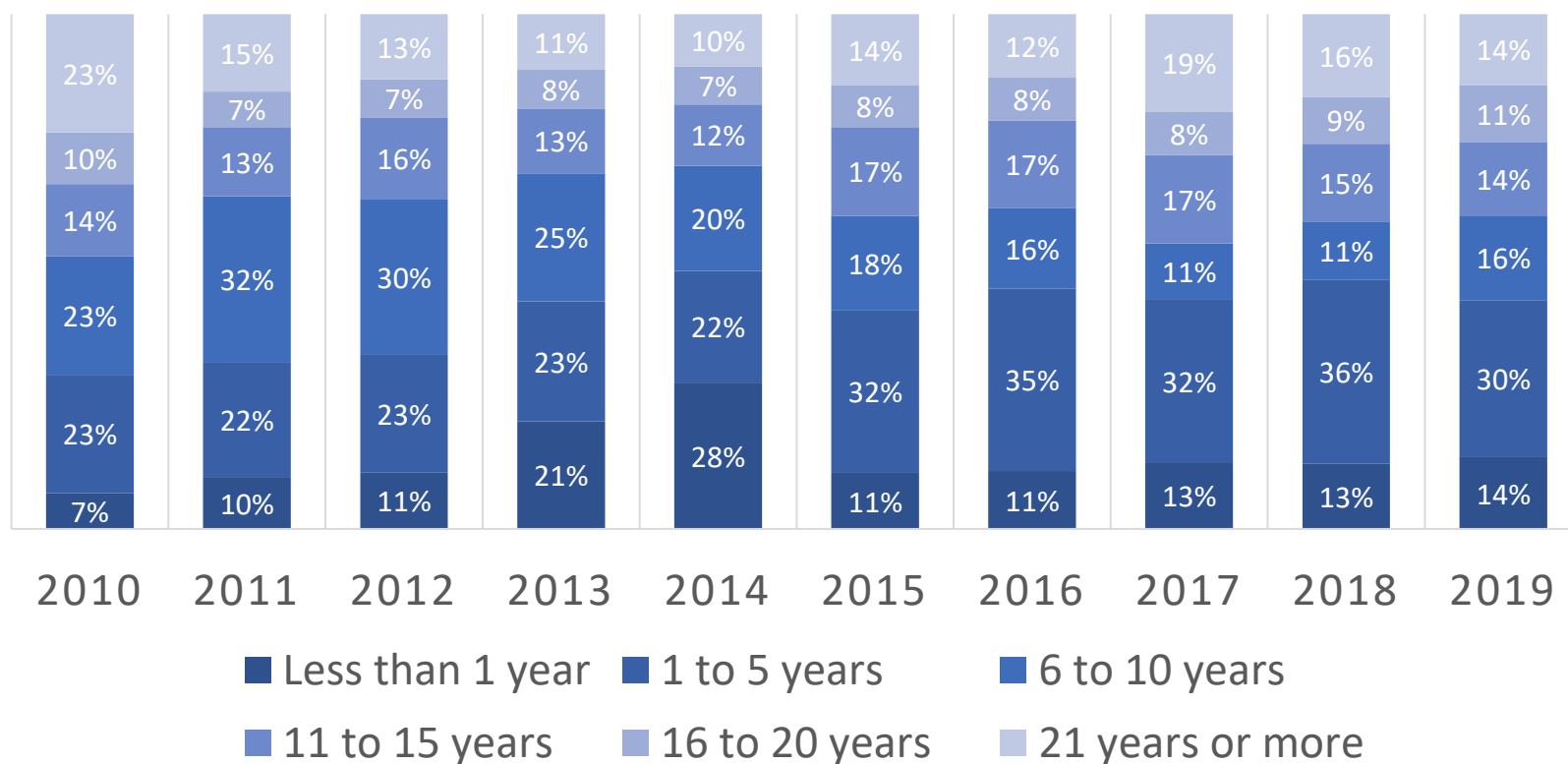
22% of Respondents Held a CIPS Designation

PERCENT OF RESPONDENTS WITH CIPS DESIGNATION



Years as a Realtor® Among Respondents

NUMBER OF YEARS AS A REALTOR®

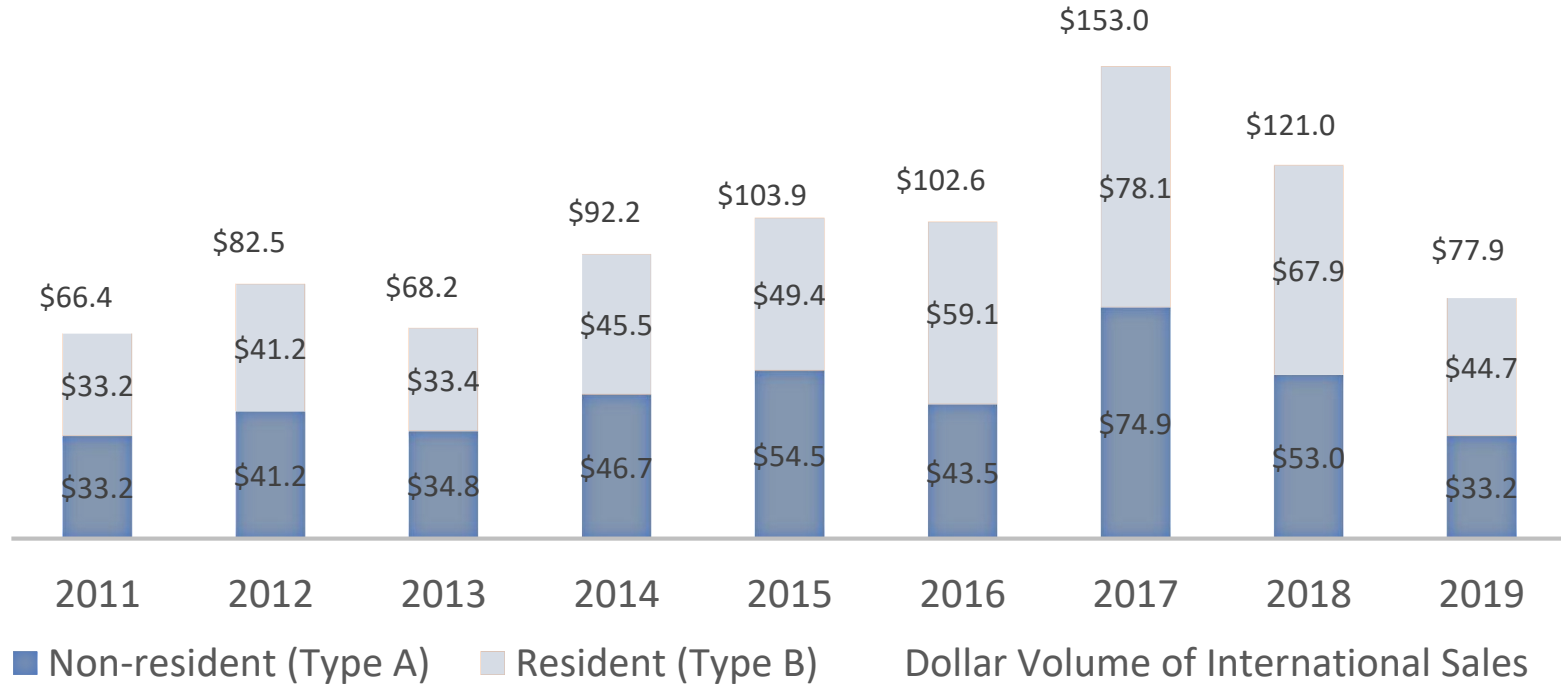


APPENDIX 2: FOREIGN BUYER RESIDENTIAL PURCHASES IN THE UNITED STATES AND FLORIDA*

**Sources: 2019 Profile of International Activity in U.S. Residential Real Estate
2019 Profile of International Residential Real Estate Activity in Florida*

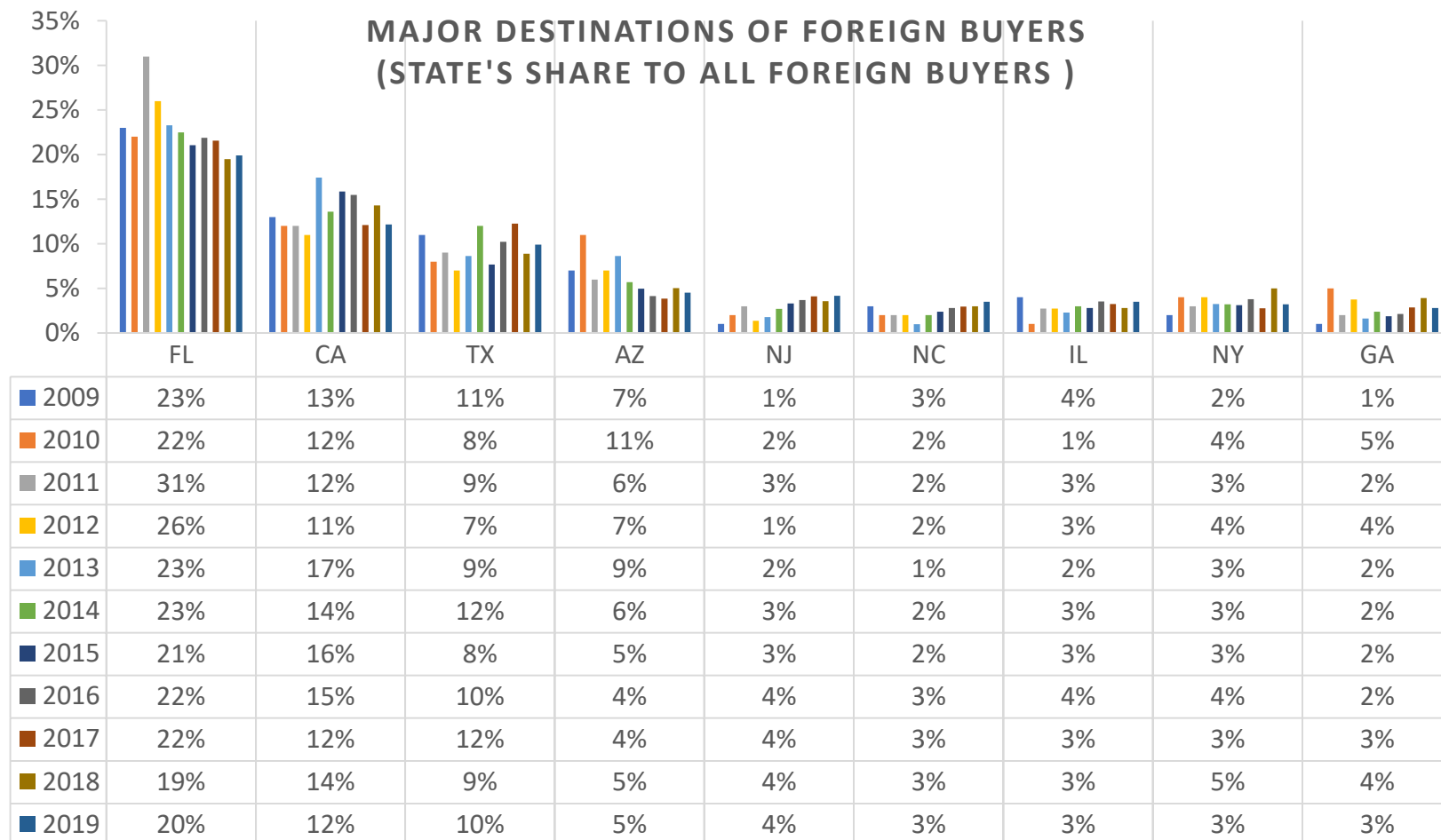
U.S. Foreign Buyer Purchases Decreased to \$77.9 Billion During April 2018–March 2019

DOLLAR VOLUME OF FOREIGN BUYER RESIDENTIAL PROPERTY PURCHASES IN THE UNITED STATES (IN BILLION DOLLARS)



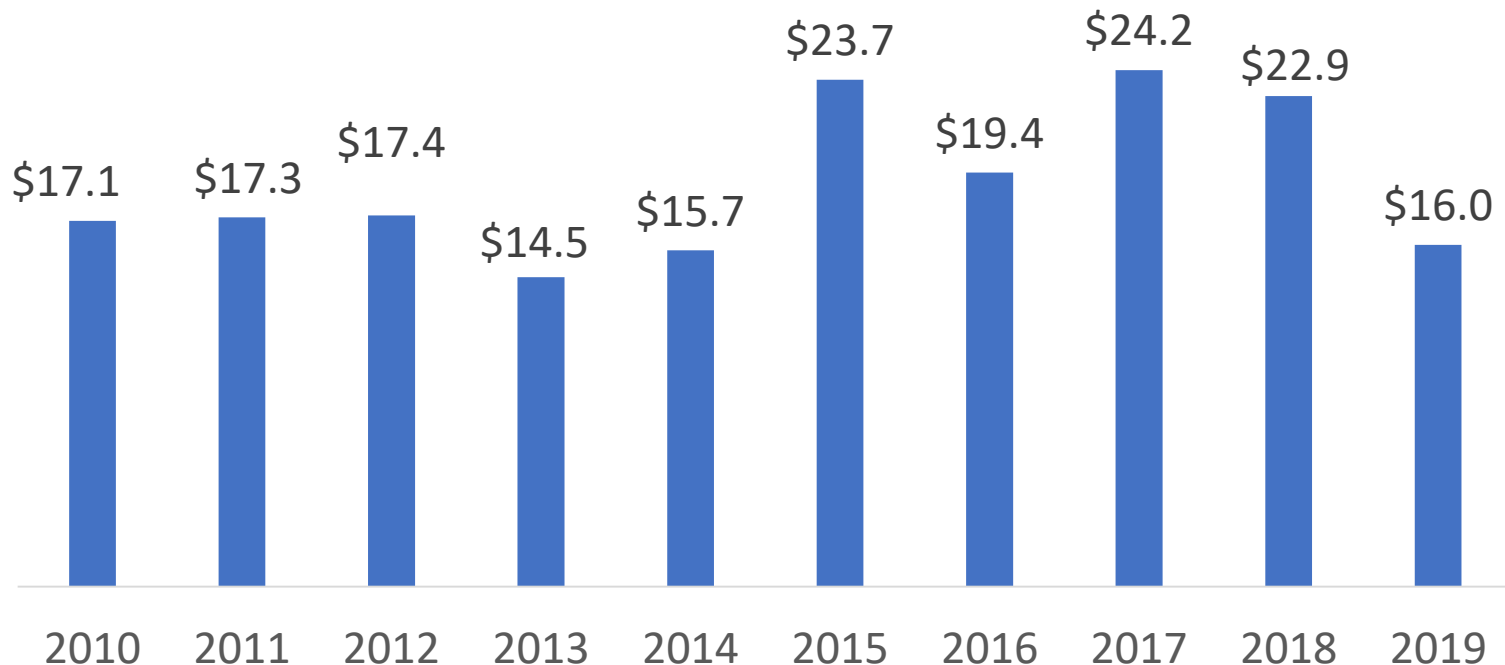
Note: Based on transactions in the 12 months ending March of each year.

Major U.S. Destinations of Foreign Buyers: Florida has been #1 for 11 Years



Foreign Buyers Purchased \$16 B of Florida Residential Property During August 2018–July 2019

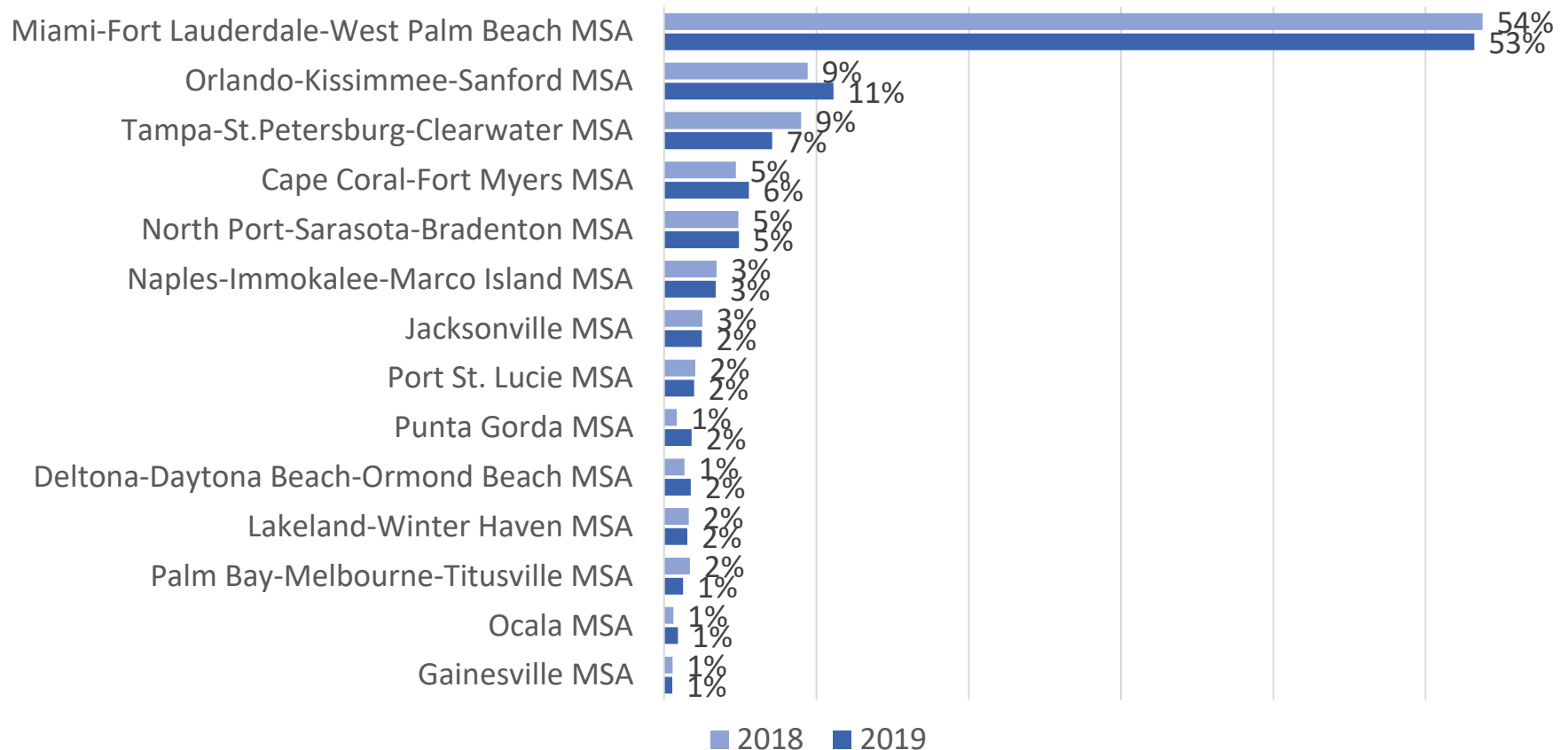
Dollar Volume of International Sales in Florida
(in Billion Dollars)



Source: 2019 Profile of International Residential Real Estate Activity in Florida

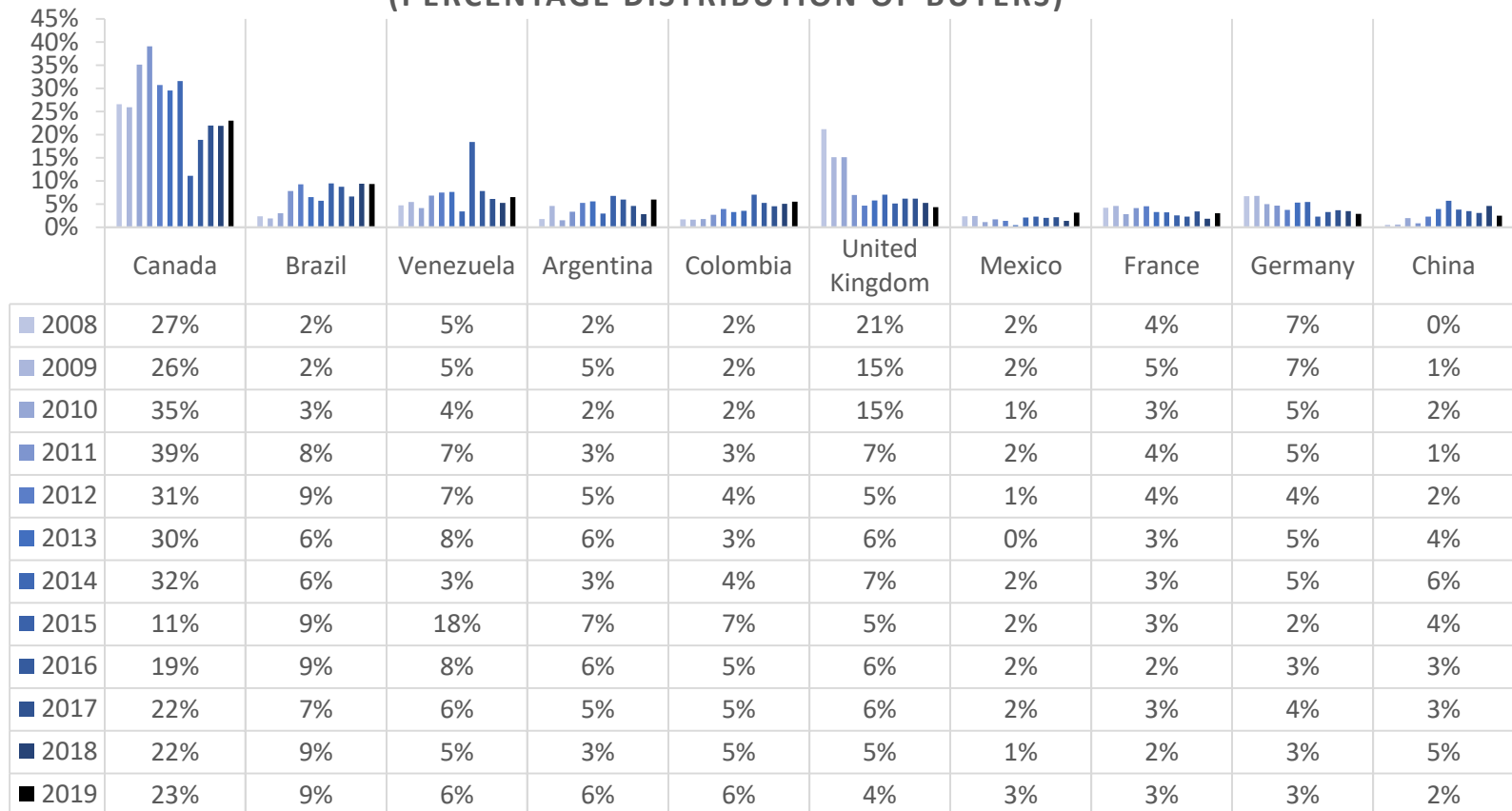
Destination of Florida's Foreign Buyers: 53% are in MIAMI Region

Destination of Florida's Foreign Buyers



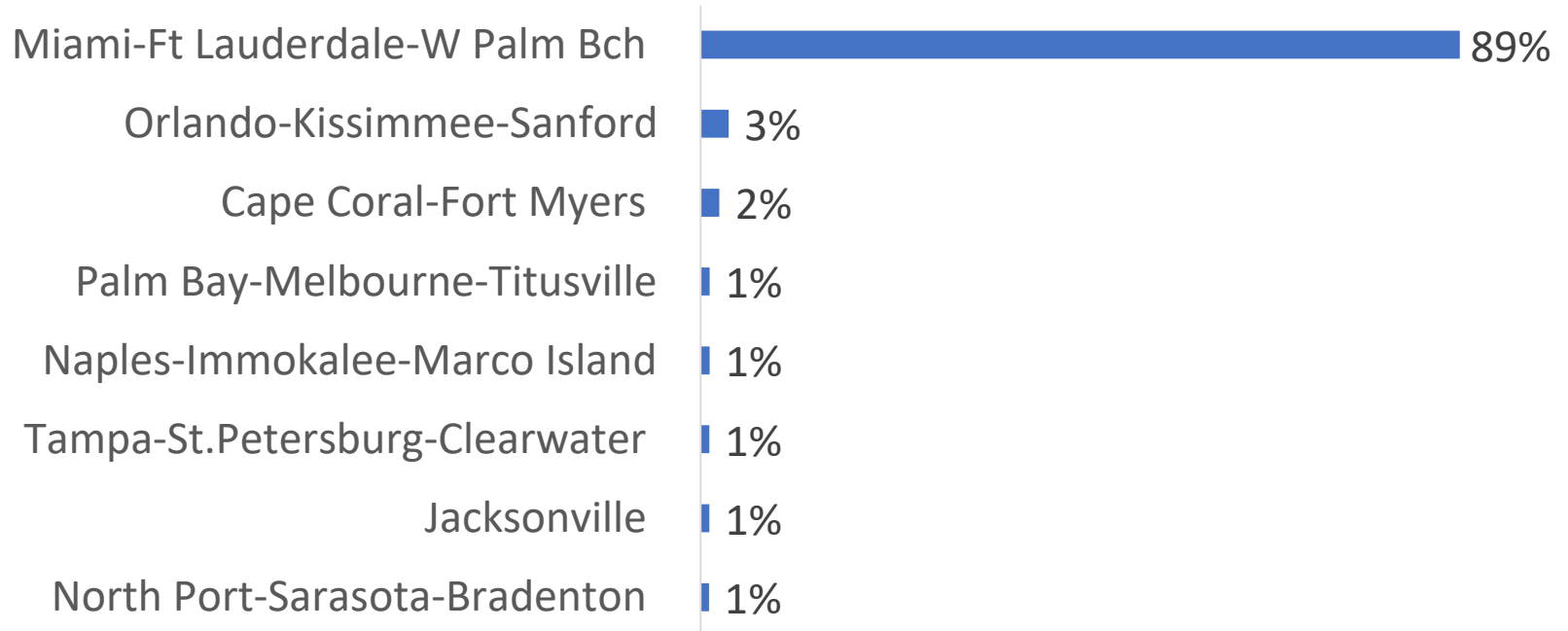
Florida's Major Foreign Buyers: Slight Recovery from Latin America, Less from Asia

**FLORIDA'S MAJOR FOREIGN BUYERS
(PERCENTAGE DISTRIBUTION OF BUYERS)**



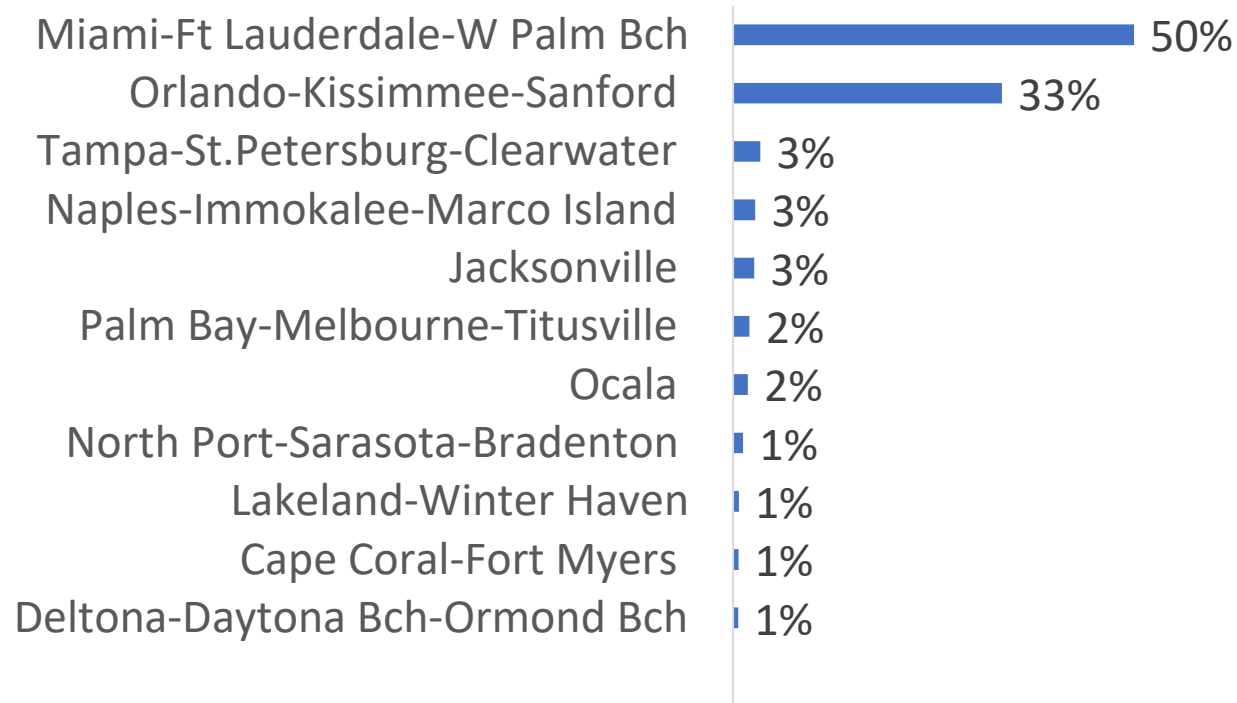
Florida Destinations of Argentinian Buyers: MIAMI Region is #1

Destinations of Argentinian buyers



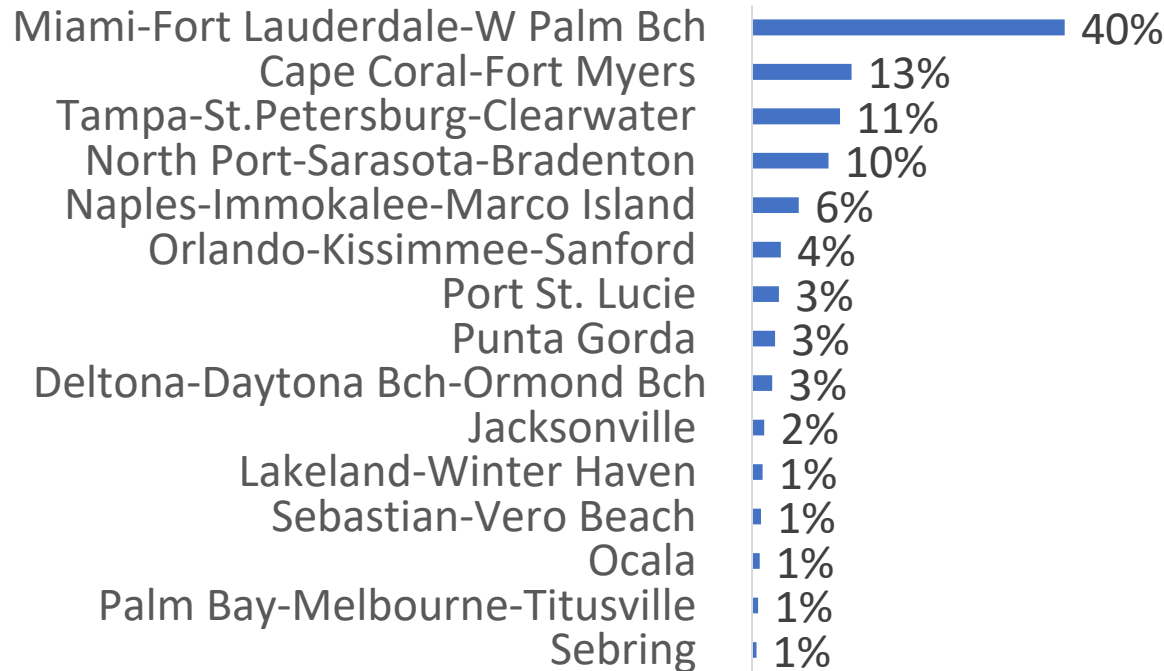
Florida Destinations of Brazilian Buyers: MIAMI Region is #1

Destinations of Brazilian Buyers



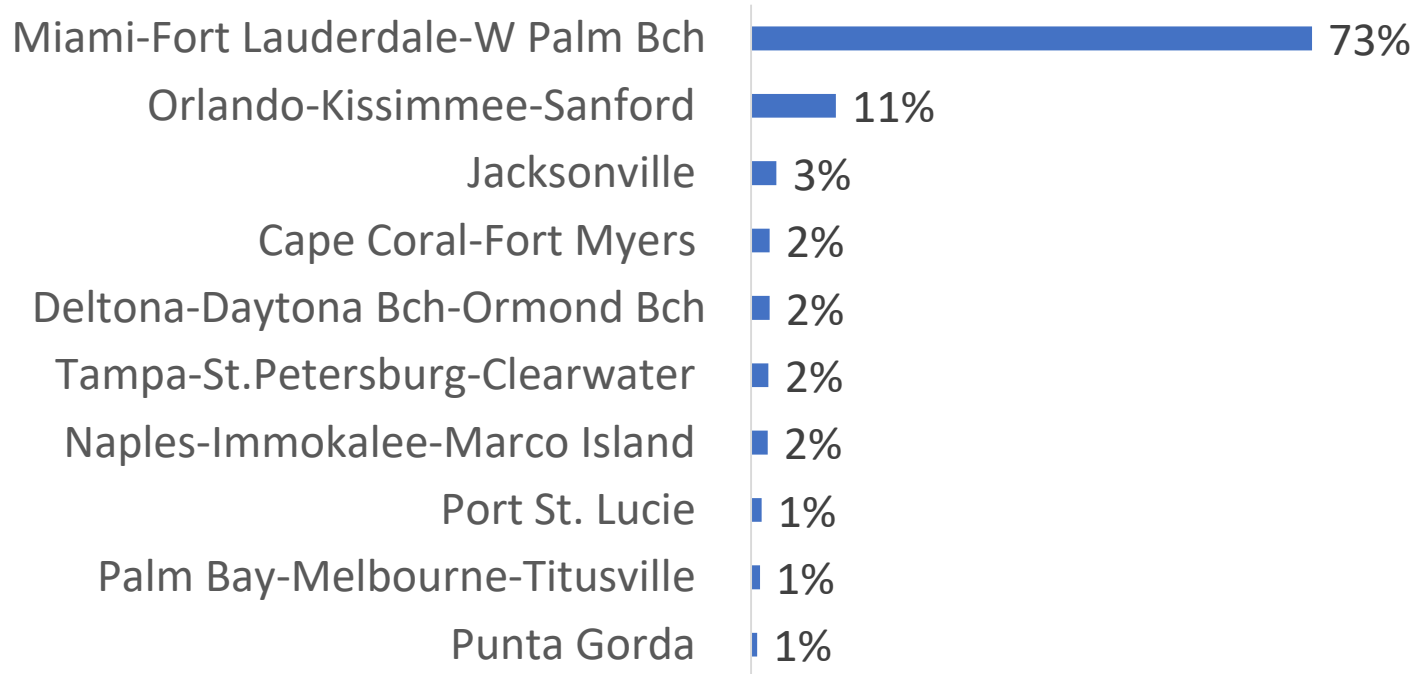
Florida Destinations of Canadian Buyers: MIAMI Region is #1

Destinations of Canadian Buyers



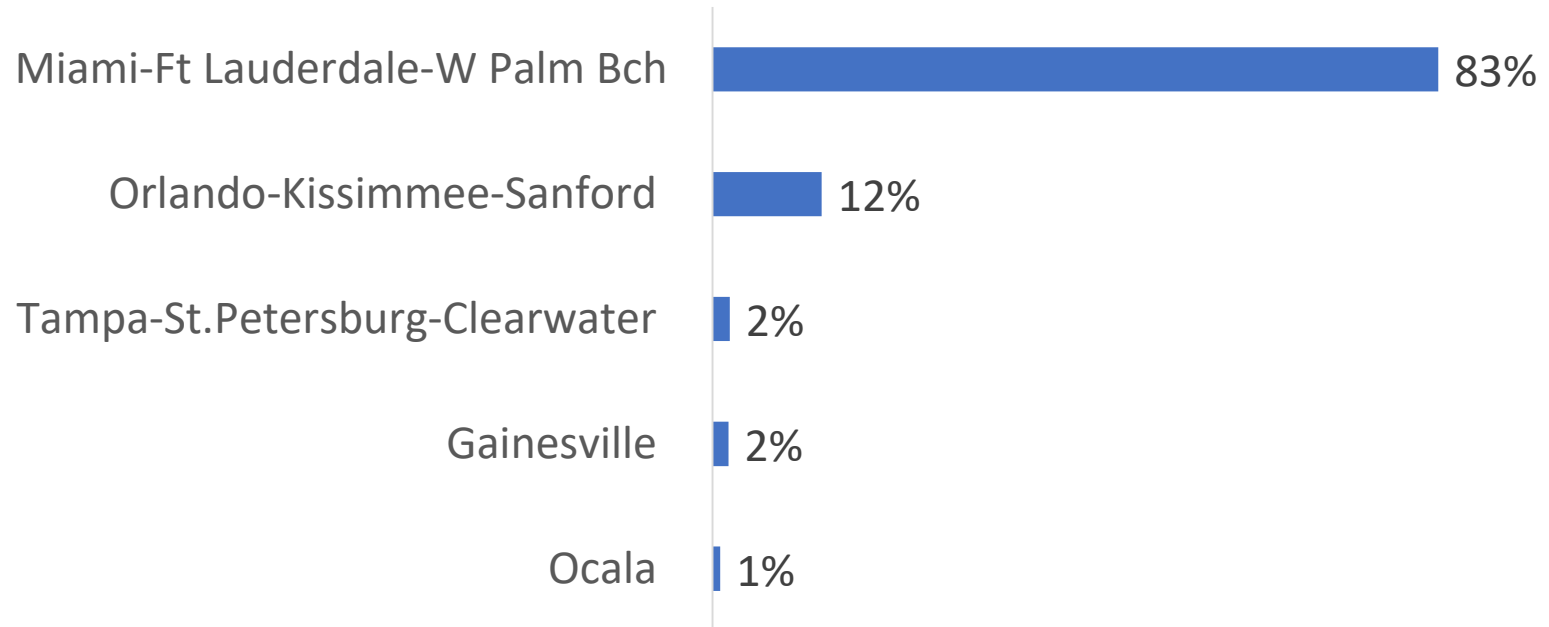
Florida Destinations of Colombian Buyers: MIAMI Region is #1

Destinations of Colombian Buyers



Florida Destinations of Venezuelan Buyers: MIAMI Region is #1

Destinations of Venezuelan Buyers





MIAMI Association of REALTORS® - A Century of Excellence

The MIAMI Association of Realtors (MIAMI) is celebrating 100 Years of Excellence in Service to our 52,000 members, the real estate industry and our communities, honoring a history rich in accomplishments, success, and growth. MIAMI'S unique culture centers on seizing opportunities, building on our diversity and overcoming adversity, while offering top service, resources, and education.

Chartered by the National Association of Realtors (NAR) in 1920, MIAMI has served, represented and advocated for Realtors, the buying and selling public, and the communities in South Florida for a century. MIAMI has grown its membership from 162 in 1920 to more than 52,000 in the present day, making it the largest local Realtor Association in the nation.

Comprised of six organizations, the Residential Association, MIAMI Commercial, the Broward-MIAMI Council, the Jupiter Tequesta Hobe Sound (JTHS-MIAMI) Council, the Young Professionals Network (YPN) Council and the International Council, MIAMI represents real estate professionals in all aspects of real estate sales, marketing, and brokerage and has official partnerships with 224 international organizations worldwide.

Global Success & Achievements

In 1996, MIAMI launched the International Council and International Referral Network, both shining achievements in MIAMI's distinguished history. The award-winning Council is now the largest and most successful local council in the world, boasting 224 partnerships globally, the Miami International Congress and the Global Property Xchange (globalpropx.com)!

In 2016, MIAMI was the first Realtor Association in America to be recognized by NAR as a Diamond Global Business Council. The Diamond award, the highest level of global achievement presented by NAR, recognizes unprecedented commitment to excellence in global success on behalf of its members.

MIAMI offers members the best tools and resources available to successfully do global business, including global property portals, websites with automatic translation in 19 languages, B2B platforms for networking and referrals, global designations and certifications, and access to agents and consumers worldwide. MIAMI also generates worldwide exposure for members and the South Florida market through events, outreach, media relations and other highly effective initiatives.



The National Association of REALTORS® is America's largest trade association, representing more than 1.3 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.

To find out about other products from NAR's Research Group, visit <https://www.nar.realtor/research-and-statistics>

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2019 Profile of International Home Buyers of the Miami Association of REALTORS®

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