

2025 FOREIGN INVESTOR GUIDE

Real Estate Transactions
& Doing Business in the U.S.



WELCOME

The newly launched **MIAMI REALTORS® Foreign Investor Guide** is a dynamic resource designed to support REALTORS® working with foreign investors exploring opportunities in South Florida. The articles here are written by professionals who live, work, and have embraced Miami and South Florida as their home. Their perspective brings forth everything that makes this city the vibrant, multicultural, world class destination that it is.

The featured articles range from an introduction to Miami and everything that makes it the perfect place to invest, live, and build community, to in-depth discussions regarding the latest emerging markets in the real estate investment world such as cryptocurrency, and REITs. The Foreign Investor Guide also covers essential legal and real estate regulations that impact transactions, including investor visas, common title pitfalls, and the latest developments in the real estate industry — such as the NAR Settlement, which changed some aspects of how REALTOR® members do business.

For the first time, the Foreign Investor Guide will be offered in a virtual format, allowing readers to access it just as quickly as they access everything else — right from the palm of their hands.

This edition reflects a collaborative effort amongst: the powerhouse MIAMI REALTORS® Professionals, our employees dedicated to supporting MIAMI REALTORS®' 60,000 members nearly 300 global partners; local legal and real estate practitioners who are leaders in the industry; and, University of Miami School of Law General Counsel Practicum, the only program of its kind in the state offered to exceptional law students seeking to gain practical experience in the legal field. Students engage in substantive legal work that connects classroom theory with real-world application.

The MIAMI REALTORS® Foreign Investor Guide brings together academic insight and real-world experience so that our 60,000 members and their foreign investor customers have access to important and relevant topics in the industry. Stay tuned as we release new articles that address the ever-evolving needs of our members, their customers, and the real estate industry at large.

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FROM MIAMI WITH LOVE

By Chris Umpierre

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Miami is global. It's in our DNA. It's how this city was built.

No other major U.S. city is as diversified and more welcoming to all cultures. All you have to do is walk inside Miami International Airport and listen to all the languages being spoken or take a trip to a Miami Publix grocery store where the cashier will likely greet you in Spanish.

Miami is where the world invests in more than property — it's a stake in America's hottest real estate market, the Miami lifestyle, opportunity and more. About 10% of all international sales in the U.S. happen in Miami, and it's because we are the most welcoming and diverse region. The world is in love with Miami, and we are in love with the world.

South Florida foreign buyer share (10%) is five times larger than the U.S. figure (2%) and more than three times larger than Florida (3%), according to the 2024 MIAMI REALTORS® Profile of International Home Buyers Study.

Miami Welcomes All Cultures

For many global buyers, Miami feels like home. When you see your culture here, when you hear your language and when you feel our diverse community; it makes the difficult transition of moving to a new country easier.

About 54% of all Miami-Dade County residents are foreign-born, according to the U.S. Census. About 75.2% of all Miami-Dade County residents speak a language other than English at home, according to the U.S. Census.

There are 160+ countries represented in languages at Miami-Dade County Public Schools. More than 100 countries are represented in South Florida's workforce.

Global buyers are welcome here and more than any other U.S. city they know they can make it here and achieve the American dream in Miami.

It began with the Cuban immigration in the 1960s. The Cuban community has played a vital role in shaping Miami's identity, driving its economy and enriching its cultural fabric.

But today's Miami's diversity goes well beyond Cubans. Miami is home to the largest Colombian population outside of Colombia. About 498,060 Colombians live in the greater Miami area.

There is a major Venezuelan population living in Miami. It's so large Doral is nicknamed "Doralzuela". It is estimated more than 30% of Doral residents are of Venezuelan descent.

Nicaragua, Honduras, Haiti, the Dominican Republic, Canada, France, Spain, Italy, and so many more residents from different countries live in Miami.

Investment and Security

Global buyers want a stable economy to invest their dollars. Look no further than Miami.

Local currencies are often weak in Latin America, so people with money are looking for a place to invest for safety. There is also a lot of political instability in Latin America.

When Latin American governments go left (and many have), the money goes north (to Miami).

Many global buyers purchase a vacation home and rent it to others when they're not using it or rent it full-time to long-term renters.

Miami real estate is ranked No. 1 in the U.S. in price appreciation. Global buyers prefer to buy Miami condos. Miami condo prices have risen 110% from September 2015 to September 2025, from \$200,500 to \$420,000, according to data from the MIAMI Association of REALTORS® (MIAMI).

Miami single-family prices have risen 150% from September 2015 to September 2025, from \$285,000 to \$665,000.

In the face of political uncertainty back home and weak local currencies, global buyers want to diversify their assets in a stable, profitable market. They want to protect capital against inflation or economic instability back home. They want to gain access to a higher quality of life for themselves or their families.

Robust Rental Income

As a top tourist destination, Miami offers a strong rental market for investors. Short-term rentals can provide significant income to offset ownership costs.

Global buyers prefer condos vs. single-family homes and Miami's is home to the nation's new construction market. Miami boasts modern, award-winning condo buildings built by star-architects. These buildings come with fewer maintenance issues, an incredible amount of amenities and are easier to manage from abroad.

Over 35,000 multifamily units are expected to be delivered in 2025 -2027 in the Miami-Fort Lauderdale-West Palm Beach/Boca Raton Market Area, according to MIAMI REALTORS®' analysis of Commercial Edge property-level data. The robust construction indicates strong investor confidence in Southeast Florida's long-term economic and multifamily outlook.

The 35,000 units under construction will add 15% to the existing stock of rental housing in buildings 50 units, currently at 241,900 units in Miami-Dade (154,051), Broward (57,084), and Palm Beach (30,765) according to MIAMI REALTORS®' analysis of US Census Bureau housing estimates.

The strong investments in the multifamily market are indicative of the long-term confidence of investors and developers in the Southeast Florida market, underpinned the area's strong job growth, particularly in professional and health services.

Miami: More Bang for your Buck

Compared to other global luxury hubs like London, Dubai or New York, Miami's prime real estate offers more square meters for your money.

For \$1M, homebuyers can purchase 58 square meters of prime property in Miami, according to the 2025 Knight Frank Wealth Report.¹ That is almost four times more than Monaco (19 square meters), nearly two times more than New York (34) and London (34) and more than Paris, Sydney, Tokyo and more.

A Booming Business Hub & a Top Ultra-Luxury Market

Miami's FinTech expansion and wealth migration is attracting more out-of-state companies. This creates a robust local economy and a strong job market to fuel even more price appreciation.

Miami's uber-luxury market (\$10M and above) is on pace for a record year in 2025 despite elevated mortgage rates. And that's because of Miami's incredible wealth migration from high-tax, high-density states.

Wealthy home buyers have been encouraged by Wall Street's continued bullish performance, the extension of federal tax cuts and Florida's own favorable tax picture.

Miami ranked No. 4 in the world for Highest Number of Ultra Wealthy Individuals with either a primary residence or secondary home via new 2025 Altrata report.² Miami ranked No. 1 in the world for most popular second-home city globally among ultra wealthy individuals

South Florida is on pace to post the second-most \$10M and up home sales for a calendar year. At its current selling pace, South Florida is projected to have 426 ultra-luxury sales by the end of the year. That would be just shy of the record 444 set in the pandemic home-buying craze of 2021.

¹ Knight Frank, *The Wealth Report 2025*, <https://www.knightfrank.com/wealthreport> (last visited Nov. 6, 2025).

² Maya Imberg & Maeen Shaban, *Residential Real Estate 2025: Spotlight on the World's Leading Markets for the Wealthy*, ALTRATA (July 16, 2025), <https://altrata.com/reports/residential-real-estate-2025>.

Miami: The City of the Future

Global buyers should know that Miami isn't just a destination. It's a global hub for business, culture and real estate. It is the No. 1 U.S. destination for global buyers and that will never change.

International buyers see South Florida as a haven to build wealth, preserve capital, and secure their family's future. They feel an immediate cultural and lifestyle connection to the region. Miami is global and it wouldn't be the city it is today without its diversity and the many countries who call the Capital of the Americas home.

ABOUT THE AUTHOR

Chris Umpierre graduated from UCLA, where he wrote for the school newspaper The Daily Bruin. Umpierre wrote for the Fort Myers (Florida) News-Press, where he was an award-winning journalist. His 13-year journalism career began as a sports newspaper reporter. He also wrote investigative articles while covering the beats of real estate, education, crime and more. He has been the MIAMI Association of REALTORS® for more than a decade and is the Chief of Communications.

REALTORS® AND IMMIGRATION: WHY EARLY LEGAL ADVICE MATTERS

By Elizabeth C. Pines, Esq.

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REALTORS® often serve as trusted advisors to foreign clients navigating not only the real estate market but also the complexities of U.S. immigration law. One of the most valuable services a REALTOR® can provide is encouraging clients to seek early legal advice from a qualified immigration attorney.

Doing so can save clients substantial amounts of money and stress. Immigration counsel can advise on how to structure companies, how to take title to property in a way that aligns with immigration objectives, and how to anticipate the tax consequences of living—even part-time—in the United States. Remember: a client's physical presence in the U.S. can trigger U.S. tax liability on worldwide income. Professional guidance at the outset is critical.

Typically, a foreign client first comes to the U.S. as a tourist under a B visa or the Visa Waiver Program (VWP). Soon after, that client may decide to purchase a vacation home or pursue investment opportunities. If the client's intentions are limited to short stays, the guidance of an immigration attorney may not be essential. But if the client wishes to live more permanently in the U.S., to work here, or to retire here, legal advice becomes indispensable.

Below is a summary of several common visa categories relevant to real estate investors - there are other multiple visas available, less used by real estate investors. These are only examples as each client's situation must be analyzed individually by competent legal counsel.

A. Tourist or Visitor Visa (B visa)

B-1 Business Visitor Visa

The B-1 visa allows individuals to enter the U.S. temporarily for legitimate business purposes. Examples include:

- Attending meetings or consultations with U.S. business associates;
- Purchasing real estate and arranging financing;
- Participating in non-productive training or professional conferences;
- Buying supplies or raw materials for export.

The B-1 visa does **not** permit productive employment in the U.S. The visitor typically remains on a foreign payroll and may only receive reimbursement for incidental expenses. The usual authorized period of stay is up to three months.

B-2 Tourist Visa

The B-2 visa is for tourism, vacations, family visits, or medical care. Applicants must show strong ties to their home country and no intent to abandon residence there. The maximum period of stay is typically six months.

B. Visa Waiver Program (VWP)

Citizens of certain designated countries may enter the U.S. without a visa for short visits. Instead, they apply online through the Electronic System for Travel Authorization (ESTA) before travel. Entry is permitted with a machine-readable passport and a return or onward ticket.

Key points about the VWP:

- The maximum stay is up to 90 days.
- Entrants waive the right to review or appeal a Customs and Border Protection officer's decision at the port of entry.
- No extensions or changes of status are permitted after entry.

For clients from VWP countries, this is often the first point of entry for vacation or property exploration.

C. E Treaty Investor visa, E Treaty Trader visa, E Treaty Essential Worker visa

The E category is based on treaties between the U.S. and certain countries. To qualify:

- The applicant must be a national of a treaty country.
- The U.S. business must be at least 50% owned by nationals of that same country.
- The business must either engage in substantial trade (E-1) with the national's country or require a substantial amount of investment (E-2).

Applicants may qualify as principal investors or as essential employees.

- E visas are valid for up to five years depending on the national's country and are indefinitely renewable as long as the business remains qualified.
- Upon each U.S. entry, the visa holder is typically admitted for two years.

This visa is particularly relevant for foreign investors developing commercial projects in the U.S.

D. The L Intra-company Transferee Visa

The L-1 visa allows multinational companies to transfer executives, managers (L-1A), or specialized knowledge employees (L-1B) to a U.S. branch, affiliate, or subsidiary.

- The applicant must have worked for the foreign company for at least one year within the prior three years.

- If the U.S. entity is new, the L-1A visa is initially granted for one year, with possible extensions.
- The maximum stay is seven years for executives/managers, and five years for a specialized knowledge employee.

E. EB-5 Immigrant Investor Visa

The EB-5 program provides a direct pathway to permanent residence (a green card) through investment.

- Investment Thresholds: \$1,050,000 for a standard investment; \$800,000 for investments in a Targeted Employment Area (TEA) (high unemployment or rural areas). These amounts are set by the EB-5 Reform and Integrity Act of 2022 and adjust for inflation every five years (next adjustment: January 2027).
- Job Creation: The investment must create or preserve at least 10 full-time U.S. jobs for qualifying workers.
- Investment Models: Investors may invest directly by owning a business and fulfilling job creation requirements, or through a USCIS-approved Regional Center, which pools capital and credits indirect job creation.
- Residency Process: Investors first obtain a conditional green card valid for two years. To remove conditions, they must prove the investment and job creation requirements have been met.

Conclusion

For foreign nationals interested in U.S. real estate—whether for a vacation home, income property, or commercial enterprise—the immigration implications are significant. Short-term entry may be straightforward under the B visa or Visa Waiver Program, but longer-term goals of living, working, or retiring in the U.S. require careful legal planning.

By encouraging clients to seek early legal advice, REALTOR® members can help them structure their investments wisely, avoid costly mistakes, and align immigration goals with real estate strategy. In short: professional legal guidance is not just helpful, it is essential.

ABOUT THE AUTHOR

Elizabeth C. Pines, Esq., is the founding partner of Pines Law Group, a boutique law firm dedicated to guiding foreign nationals through complex U.S. immigration matters. With nearly 30 years of practice, she focuses on business immigration and family petitions, helping clients align their personal and professional goals with U.S. immigration law.

A respected voice in the South Florida legal community, Ms. Pines is frequently invited to appear on television programs and to speak before business, educational, and nonprofit groups on immigration issues. She has been a member of the American Immigration Lawyers Association (AILA) since 1996,

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previously serving on the Board of AILA's South Florida Chapter. Her community involvement includes leadership roles on prestigious boards such as the League of Women Voters of Florida and the Florida Commission on the Status of Women. She currently serves on the Grievance Committee of The Florida Bar. Ms. Pines holds a B.B.A. (1985) and an M.B.A. (1988) from the University of Miami, and earned her J.D. (1994) from St. Thomas University School of Law.

WHAT EVERY FOREIGN BUYER / INVESTOR SHOULD KNOW BEFORE REACHING THE CLOSING TABLE

By Nalini Singh, Esq.
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Foreign investors are one of the driving forces of the United States real estate markets, and South Florida is still one of the most attractive destinations. Yet even the most well-planned deals can be undone by the pitfalls, complexities, and potential dangers that accompany the best of opportunities. This article, drawn from years of experience in overseeing title operations and closing logistics, is a guide to assist foreign purchasers in finding and solving typical problems prior to closing to ensure a smoother and more successful transaction.

Know Your Source of Funds and Documentation Early

Among the most prevalent problems for foreign buyers is coordinating the paperwork and time required by the money used to purchase property. American regulators, banks, and title companies are increasingly targeting money-laundering risks, ownership disclosure, and compliance obligations. As an example, real property was named as a high-risk category for use of shell companies and complex cross-border money flows in a recent study by the Financial Crimes Enforcement Network (FinCEN).

Tips:

- Before signing any contract, know exactly: (1) how the purchase funds are being used, and (2) how they will be transferred, including which account, whose name, and through which bank or currency exchange.
- If purchasing through a corporation, foreign or U.S., have the owners or authorized members/managers clearly designated in the company's corporate documents.
- As soon as possible, cooperate with your title or escrow company in generating documents of the flow and origin of funds. This lowers the risk of delay due to AML (Anti Money Laundering) and KYC (Know your customer) audits, which are U.S. regulations requiring financial institutions to verify the identity of buyers and ensure funds are legitimate.

Delays in preparing this documentation can lead to escrow holdbacks or, in some cases, even give the seller grounds to cancel. Early preparation can easily prevent these outcomes.

Structure the Entity and Ownership Form Strategically

Due to tax or estate planning considerations, a majority of foreign purchasers elect to purchase U.S. real property in an offshore structure or foreign corporation. An entity purchase may, however, present additional difficulties in the U.S. real estate market, such as title insurance issues, 1031 exchange restrictions, funding issues, transfer taxes concerns, and a more stringent review of facts of ownership.

Things to consider:

- Do you buy in your own name, a U.S. LLC, or a foreign company? A U.S. LLC is usually more convenient in terms of financing, title insurance, and tax reporting.
- Will you need a U.S. mortgage? Most lenders will not lend on purchases in a foreign entity and will request a larger down payment or pay higher interest.
- Is it for personal or investment use? Your intended use generally determines the best form of ownership.
- Check local recording and transfer tax policies. Some jurisdictions charge higher fees or require more documentation of property owned by foreign interests.

In practice, it's advisable to structure your ownership arrangement ahead of signing a contract, and definitely prior to closing, with the assistance of a professional who understands both foreign-investor requirements and U.S. title and closing practices.

Closing Logistics: Timing, Escrow, Wire Instructions, and Remote Participation

Closing day, and the days leading up to it, often create stress when foreign buyers are out of the country or operating in different time zones. You can avoid scheduling surprises and ensure smooth coordination by following these closing best practices.

Best Practices

- **Wire instructions verification:** Confirm the title company's wire instructions well in advance (at least 3 business days) and always verify by phone, as there are increasing instances of wire fraud in real estate closings.
- **Escrow timeline and cut-off times:** Understand the cut-off for funds deposit, and whether the title company needs a same-day wire. Arrange time zone friendly instructions if you're overseas.
- **Remote signing / power of attorney:** If you cannot appear in the U.S., determine whether your state and closing agent accept a remote online notary. If you plan on using a Power of Attorney, confirm with the title company whether they will accept the one you have, and ensure that it is acceptable to their underwriter.
- **Transfer of title and recording:** On closing day, ensure that the deed (or other title transfer document) has all the correct information, names are spelled consistently, and you have confirmed how the recorded deed will be delivered or accessible.
- **Signing authority:** If purchasing in an entity, ensure the title company has the necessary documents needed as proof to show who has signing authority for closing documents.

- **Insurance and keys:** Confirm that hazard insurance binding occurs at or before closing, that closing funds cover insurance premium, and that transfer of occupancy or rental is aligned with closing.

Missing any of these logistics, even if the contract and title work are perfect, can delay closing and add unnecessary risks and costs.

Common Pitfalls and How to Avoid Them

Drawing on years of experience, I've come across several challenging situations. Below are some to be aware of and strategies to prevent them:

- **Pitfall: last-minute wire delays.** A foreign currency conversion or intermediary bank delay results in funds arriving after cut-off. This could require a closing extension or losing rate locks.

Avoid by initiating funds early, confirming wire instructions, and factoring in weekends/time zones.

- **Pitfall: rejection/exclusions because of corporate structure.** When foreign entity ownership results in underwriting rejection or exclusions, the title insurer denies coverage because of entity structure, even when the seller or lender needs title protection.

Avoid this by consulting your escrow or title attorney as soon as possible to ensure the structure and insurance acceptability.

- **Pitfall: name spelling or vesting discrepancies.** A small name change between the contract and the deed results in a delay in recording or a problem with title insurance.

Avoid this by reviewing closing papers carefully and checking spelling and entity naming early.

Conclusion

A smooth closing for foreign investors involves much more than signing documents and wiring funds. By addressing these steps early and methodically, investors can minimize risk, avoid costly delays, and fully enjoy the advantages of U.S. property ownership.

ABOUT THE AUTHOR

Nalini Singh, Esq., has practiced real estate law for nearly 20 years. Ms. Singh's real estate expertise was founded on her early legal experience representing banking institutions in foreclosure cases, which included litigation, mediation, and negotiations. She opened her own legal practice and title company in 2015, representing a diverse clientele in closings and business and residential transactions. After successfully operating her law firm and title company for nearly a decade, Ms. Singh transitioned in 2025

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to her current role as Supervising Attorney at Attorneys Key Title, where she continues to serve clients and oversee real estate closings.

Ms. Singh earned her Bachelor of Arts degree from Florida Atlantic University in 2004 and her Juris Doctor from Nova Southeastern University Shepard Broad College of Law in 2007. A South Florida native, she continues to live here with her husband and raise her family of two sons in the community she proudly serves.

GLOBAL EXPANSION OF REITS: U.S. MARKET STRENGTH, POLICY SHIFTS, AND INVESTMENT OPPORTUNITIES

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What is a Real Estate Investment Trust?

Simply put, a real estate investment trust, also known as an “REIT,” is an entity that owns and typically operates income-producing real estate and related assets.

Since the 1960s, REITs have enabled broad-based U.S. real estate investments in a similar fashion as other asset classes—namely securities¹ Ownership interests in REITs are generally held as shares or membership interests in the entity.

Accordingly, REITs provide a mechanism for investors to earn a share of income produced by real estate ownership, management, and financing without the burden of searching for, acquiring, and holding the underlying asset. REITs are broadly organized into equity or mortgage REITs depending on whether the entity holds real estate itself or only the financing instruments. Some REITs may also be hybrid—holding both real estate assets and mortgages.²

In many ways, REITs are like any other for-profit enterprise. REITs may be available public markets (*i.e.*, listed on a national stock exchange), publicly available but not traded (*i.e.*, available in secondary market transactions), or private companies. Unlike ordinary companies, however, REITs are subject to numerous requirements and restrictions that attempt to ensure standard and transparent governance, a concentration of assets and services in the real estate market, and foster broad ownership in the REIT itself.³

Created to encourage real estate financing and make real estate investments available to individual investors, REITs are afforded special tax treatment at the corporate level and favorable tax treatment for

¹ Pub. L. No. 86-779, 74 Stat. 998, 1003–08 (1960).

² Cong. Research Serv., *Federal Land Ownership: Overview and Data*, R44421, at 2 (2016), https://www.congress.gov/crs_external_products/R/PDF/R44421/R44421.7.pdf.

³ *Id.*

investors.⁴ Additionally, REITs offer potentially tax advantageous investment opportunities for foreign investors desiring to access the U.S. real estate market.⁵

Benefits of Investing in U.S. REITs

U.S. Capital Markets Are Robust, Liquid, and Accessible to Investors

The United States has the largest, most robust, and most diverse capital markets in the world—accounting for 55% of the global public equity market and the largest most developed private capital market.⁶ Fostered by a mature regulatory framework, well established legal system, liberal business environment, and fierce competition, U.S. capital markets continue to outpace its international counterparts.⁷ Similarly, the U.S. maintains the largest and most robust REIT market, with a scale approximately 10 times larger than the second largest market, Japan,⁸ and accounting for approximately half of global listed equity REIT capitalization.⁹

U.S. Law Favors REIT Investors

Most U.S.-based REITs are registered with the U.S. Securities Exchange Commission (SEC) and are available on public capital markets.¹⁰ Publicly traded REITs benefit from strong corporate governance standards established by U.S. law and the REIT's stock exchange rules, extensive SEC public disclosure requirements, an open and dynamic market for REIT shares, and a track record of stable dividends that appeal to both institutional and retail investors.

⁴ Cong. Research Serv., *Federal Land Ownership: Overview and Data*, R44421 (2016), https://www.congress.gov/crs_external_products/R/PDF/R44421/R44421.7.pdf.

⁵ *Id.*; See also Ashalata Shettigar, *The Role of REITs for Foreign Investors in U.S. Real Estate*, THE TAX ADVISER (Aug. 30, 2025), <https://www.thetaxadviser.com/issues/2025/aug/the-role-of-reits-for-foreign-investors-in-us-real-estate/>.

⁶ Diana Raedle, *Understanding the U.S. Capital Market Structure for Capital Raising Success*, U.S. DEP'T OF COM., INT'L TRADE ADMIN., at 146 (July 2022), <https://www.trade.gov/sites/default/files/2022-07/USCapitalMarket.pdf>.

⁷ *Id.*; Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Shleifer & Robert W. Vishny, *The Strongest Capital Markets Are in Common Law Countries*, NBER DIGEST (June 1, 1997), <https://www.nber.org/digest/jun97/strongest-capital-markets-are-common-law-countries?page=1&perPage=50>.

⁸ Statista Research Department, *REITs Market Worldwide – Statistics & Facts*, STATISTA (Apr. 24, 2024), <https://www.statista.com/topics/10665/reits-market-worldwide/#topicOverview>.

⁹ National Association of Real Estate Investment Trusts, *REIT Industry Financial Snapshot – Monthly REIT Data for Sept. 2025*, NAREIT (Nov. 5, 2025), <https://www.reit.com/data-research/reit-market-data/reit-industry-financial-snapshot#:~:text=Industry%20Size,term%20capital%20gains%20in%202024>; National Association of Real Estate Investment Trusts, *Global Real Estate Investment: Opportunities & Insights*, NAREIT (2024), <https://www.reit.com/investing/global-real-estate-investment#:~:text=How%20Many%20REITs%20Are%20There,bonds%2C%20as%20this%20chart%20shows>.

¹⁰ Seung Wha Oh & Andrew Verstein, *The Limits of Algorithmic Governance*, 133 YALE L.J. 812, 812 (2024), https://yalelawjournal.org/pdf/133.3.OhVersteinArticle_akg8rrko.pdf; U.S. Sec. & Exch. Comm'n, *Real Estate Investment Trusts (REITs)*, INVESTOR.GOV, <https://www.investor.gov/introduction-investing/investing-basics/investment-products/real-estate-investment-trusts-reits> (last visited Nov. 5, 2025).

Furthermore, under federal law, U.S.-based REITs must distribute at least 90% of taxable income to shareholders annually¹¹, providing consistent returns even during downward market cycles. Moreover, U.S.-based REITs shares must be transferable¹², contributing to market liquidity; and are prohibited from concentrating a majority of ownership in five or fewer investors¹³, ensuring greater diversity of ownership.

Tax Benefits for Foreign Investors of U.S.-based REITs

The U.S. tax system is notoriously complex, even for seasoned investors and practitioners. While a comprehensive discussion of beneficial tax treatment of REIT investments and income is beyond the scope of this article, foreign investors should be aware of certain tax advantages afforded to foreign investors of U.S.-based REITs.

Generally, foreign individuals and corporations are not subject U.S. federal income tax on U.S.-source capital gain unless the investment is: (1) connected with a trade or business in the U.S.; or, (2) the individual who realizes the gain is present for at least 183 days in the US.¹⁴ Depending on the individual's investment strategy, a REIT may effectively be used to minimize their tax burdens with respect to their U.S.-based real estate investments, income, and sale proceeds.¹⁵ Indeed, recent regulatory developments have sought to encourage foreign investment in U.S.-based REITs by, for example, increasing foreign ownership thresholds in REITs before imposing direct foreign income taxes on real estate dispositions.¹⁶

With careful planning, a foreign investor may effectively use a U.S.-based REIT to eliminate their U.S. tax filing requirements and minimize their U.S. tax liability on their real estate investments.¹⁷ As always, foreign investors should assemble a team of REALTOR® members, accountants, tax advisors, and lawyers for their real estate transactions, especially complicated ones.

Global Listed Real Estate and REIT Trends

The U.S. REIT model has since become the prototype for global markets due to its transparency, regulatory oversight, and accessibility.¹⁸ While REIT regimes have expanded to 42 countries worldwide, the United States continues to anchor the global market.¹⁹ As of 2024, global REITs reached over \$2 trillion in equity

¹¹ I.R.C. § 857, 26 U.S.C. § 857 (2024).

¹² I.R.C. § 856(a)(2), 26 U.S.C. § 856(a)(2) (2024).

¹³ I.R.C. §§ 856(a)(2), 856(a)(6), 542(a)(2), 26 U.S.C. §§ 856(a)(2), 856(a)(6), 542(a)(2) (2024).

¹⁴ Jane G. Gravelle, *Real Estate Investment Trusts (REITs) and the Foreign Investment in Real Property Tax Act (FIRPTA): Overview and Recent Tax Revisions*, CONGRESSIONAL RESEARCH SERVICE (Jul. 14, 2016), <https://crsreports.congress.gov/product/pdf/R/R44421>.

¹⁵ Shettigar, *supra* note 5.

¹⁶ I.R.C. § 897(k)(1)(B), 26 U.S.C. § 897(k)(1)(B) (2024); see also *Overview and Recent Tax Revisions*, CONGRESSIONAL RESEARCH SERVICE (Jul. 14, 2016), <https://crsreports.congress.gov/product/pdf/R/R44421>.

¹⁷ Shettigar, *supra* note 5.

¹⁸ Mutahi F. & Othieno F., *Real Estate Investment Trusts versus Direct Real Estate Investments: A Portfolio Optimization Approach*, 4 J. FIN. & INV. ANALYSIS 1, 1–5 (2015).

¹⁹ *Supra* note 1.

capitalization.²⁰ EPRA data shows that Europe and Asia-Pacific together comprise less than half the market share,²¹ underscoring the dominant scale, liquidity, and investor confidence found in the U.S. sector.

This leadership reflects a combination of robust regulation, the depth of the capital markets, and the consistency of U.S. dividend distribution practices, which many countries have attempted to emulate but failed to replicate.²²

ABOUT THE AUTHORS

Skylar Pollock, Esq. At the time of this writing, Skylar Pollock was a rising third-year law student at the University of Miami School of Law. She participated in the General Counsel Practicum hosted by the MIAMI Association of REALTORS® in the Spring 2025 semester — an opportunity offered to exceptional law students seeking to gain practical experience in the legal field. The only of its kind in the state, and under the supervision of MIAMI REALTORS®' Chief Legal Counsel & COO, Evian White De Leon, students engage in substantive legal work that connects classroom theory with real-world application.

Alian Collazo. Alian Collazo serves as the Chief of Commercial for the MIAMI Association of REALTORS®, where he leads the strategic direction, advocacy, and member-services for the commercial real estate division in one of the nation's top markets. With a background in government relations, grassroots advocacy, and business strategy, he brings a dynamic, forward-looking lens to South Florida's commercial real estate landscape. At MIAMI REALTORS®, he champions initiatives that enhance members' connectivity, skills, and global reach—whether through educational programming, policy engagement, or member marketing tools. Known for his proactive, collaborative style, Alian is dedicated to creating value for commercial practitioners—equipping them not just to navigate, but to shape the market.

²⁰ Nicole Funari, *Traded REITs Top 1,000 Worldwide*, NAREIT (June 2, 2025), <https://www.reit.com/news/blog/market-commentary/traded-reits-top-1000-worldwide>.

²¹ EPRA Research & Indices Team, *Global Total Markets Table Q4-2024* (Dec. 2024), https://www.epra.com/media/EPRA_Total_Markets_Table_-_Q4-2024_1737474139239.pdf.

²² Oh & Verstein, *supra* note 10, at 820.

NAVIGATING SOUTH FLORIDA REAL ESTATE FOR FOREIGN INVESTORS

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The MIAMI Association of REALTORS® — the largest local REALTOR® association in the U.S. with over 59,000 members and 290+ global partnerships — provides unmatched support for real estate brokers and agents serving international customers.¹ Members benefit from localized multiple listing service (MLS) systems with unrivaled nationwide and international exposure, international inventory, multilingual tools, global data, and global networking opportunities.² Through these tools, MIAMI REALTORS® members are positioned as trusted professionals in a globally competitive market.³ This guide highlights how members of MIAMI REALTORS® empower real estate brokers and agents to serve foreign buyers while staying compliant and competitive.

Understanding the International Buyer's Landscape

Florida consistently leads the U.S. in international real estate transactions, with over 21% of foreign buyer activity nationwide.⁴ Miami-Dade, Broward, and Palm Beach counties attract investors from Latin America, Canada, Europe, and increasingly Asia.⁵

Nearly half of Florida's international real estate purchases occur in South Florida, with Miami ranked the No. 1 market for international buyers in Q1 2025.⁶ South Florida's appeal stems from its lifestyle, tax

¹ MIAMI Association of REALTORS®, *The Power of 290 Global Partners*, WWW.MIAMIREALTORS.COM, <https://www.miamirealtors.com/global/partners/> (last visited Nov. 1, 2025).

² MIAMI Association of REALTORS®, *MIAMI Global*, WWW.MIAMIREALTORS.COM, <https://www.miamirealtors.com/global/> (last visited Nov. 4, 2025); MIAMI Association of REALTORS®, *Member Benefits*, WWW.MIAMIREALTORS.COM, <https://www.miamirealtors.com/services/products-and-services/memberbenefits/> (last visited Nov. 1, 2025).

³ Florida Association of REALTORS®, *U.S. Real Estate Seen as Strong at Miami Forum*, WWW.FLORIDAREALTORS.ORG (Sept. 25, 2025), <https://www.floridarealtors.org/news-media/news-articles/2025/09/us-real-estate-seen-strong-miami-forum>.

⁴ National Association of REALTORS®, *2025 International Transactions in U.S. Residential Real Estate*, NAR.REALTOR, <https://www.nar.realtor/research-and-statistics/research-reports/international-transactions-in-u-s-residential-real-estate> (last visited Nov. 3, 2025).

⁵ Chris Umpierre, *Miami-Dade County Continues to Rank No. 1 in International Migration*, MIAMI ASSOCIATION OF REALTORS® (Mar. 14, 2025), <https://www.miamirealtors.com/2025/03/14/miami-dade-county-continues-to-rank-no-1-in-international-migration/>; National Association of REALTORS®, *supra* note 4, at 3.

⁶ Chris Umpierre, *South Florida Foreign Real Estate Buyer Share is Five Times Larger than U.S. Figure; New MIAMI REALTORS® International Report Released Today*, MIAMI ASSOCIATION OF REALTORS® (Feb. 3, 2025), <https://www.miamirealtors.com/2025/02/03/south-florida-foreign-real-estate-buyer-share-is-five-times-larger-than-u-s-figure-new-miami-realtors-international-report-released-today/>.

advantages, tourism economy, and access to financing.⁷ Yet, it remains a complex market for foreign nationals, and real estate professionals must guide customers with precision – a service that members of MIAMI REALTORS® are uniquely poised to provide.

Legal and Regulatory Considerations: What Real Estate Professionals Must Know

Foreign buyers face unique legal hurdles. Real estate professionals must understand key regulations without overstepping into legal or tax advisory roles.⁸

FIRPTA. The Foreign Investment in Real Property Tax Act (FIRPTA) requires buyers to withhold up to 15% of the sale price when purchasing real estate from a foreign seller.⁹ Real estate professionals must be familiar with this regulation and coordinate with tax professionals to ensure proper compliance, as mishandling FIRPTA can lead to penalties and delays.¹⁰

Fair housing. Federal, state, and local fair housing laws, rules, and regulations apply to all real estate transactions – real estate professionals must comply with those laws, rules, and regulations to avoid both liability to themselves and their customers.¹¹ Never make assumptions based on national origin, immigration status, or preferred language.¹² And the best protection is prevention – MIAMI REALTORS® provides its members with training and toolkits to ensure that they, and their companies, not only know what fair housing is, but that they have the policies in place to ensure compliance.¹³

Local legislation. Real estate professionals and their customers should be aware of legislative restrictions on foreign investment in real estate, such as Florida’s restrictions under Chapter 692, Florida Statutes (formerly referred to as Senate Bill 264), which limits property ownership near agricultural land, military bases and critical infrastructure for foreign nationals from certain countries.¹⁴ The law is currently being

⁷ *Id.*; Chris Umpierre, *New International Report: Global Buyers Purchase 49% of South Florida New Construction Units, Majority by Latin Americans*, MIAMI ASSOCIATION OF REALTORS® (July 21, 2025), <https://www.miamirealtors.com/2025/07/21/new-international-report-global-buyers-purchase-49-of-south-florida-new-construction-units-majority-by-latin-americans/>.

⁸ National Association of REALTORS®, *Window to the Law: Avoiding the Unauthorized Practice of Law*, NAR.REALTOR (Apr. 9, 2024), <https://www.nar.realtor/videos/window-to-the-law/avoiding-unauthorized-practice-law>.

⁹ Foreign Investment in Real Property Tax Act of 1980, 26 U.S.C. § 1445 (2025).

¹⁰ Florida Association of REALTORS®, *What is the Foreign Investment in Real Property Tax Act (FIRPTA)?*, WWW.FLORIDAREALTORS.ORG (Dec. 1, 2023), <https://www.floridarealtors.org/law-ethics/library/what-is-firpta>.

¹¹ National Association of REALTORS®, *Fair Housing*, NAR.REALTOR, <https://www.nar.realtor/fair-housing> (last visited Nov. 4, 2025).

¹² *Id.*; National Association of REALTORS®, *Consumer Guide: Fair Housing*, NAR.REALTOR, <https://www.nar.realtor/the-facts/consumer-guide-fair-housing> (last visited Nov. 4, 2025).

¹³ *Tenant Screening Checklist*, MIAMI ASSOCIATION OF REALTORS® (Apr. 30, 2025), https://miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2025/04/Tenant-Screening-Checklist.pdf?_gl=1*12guvcf*_ga*MzI0MzEzOTkuMTc1NzM0MzU5Mw..*_ga_ESERWHW5SC*cze3NjI2MDUwMzMkbzKxJGcxJHQxNzYyNjA1MDQ2JGo0NyRsMCRoMA.

¹⁴ Evian White De Leon, *Senate Bill 264 (2023): Interests of Foreign Countries*, MIAMI ASSOCIATION OF REALTORS® (June 5, 2023), <https://www.miamirealtors.com/2023/06/05/senate-bill-264-2023-interests-of-foreign-countries/>.

litigated in federal court,¹⁵ but in the meantime remains in effect. Real estate professionals working with affected foreign nationals should stay informed and consult legal counsel to ensure compliance. One of the benefits of working with a member of MIAMI REALTORS® is that the Legal Department constantly provides real-time updates to its members on court cases and legislation that impact the real estate industry.

Unlicensed practice of law. To avoid the unauthorized practice of law (UPL), real estate professionals should not draft legal documents, interpret contracts, or advise on entity structuring or tax strategy.¹⁶ Instead, if asked, real estate professionals should connect their customers with attorneys, CPAs, and immigration consultants, while helping them navigate the procedural aspects of Florida real estate transactions.¹⁷

The REALTOR® Member's Role in the Florida Real Estate Transaction

Real estate professionals – and particularly, MIAMI REALTORS®' members, play a key role in educating and guiding buyers throughout the process.¹⁸ This is especially important for international customers who are buying, selling, leasing, and otherwise doing business in the U.S. For MIAMI REALTORS®' members, access to the multiple listing service (MLS) is a powerful resource — providing real-time and accurate inventory data.¹⁹ Not only does the MIAMI REALTORS® MLS provide access to an incredible inventory of residential and commercial properties and business opportunities, when foreign investors work with a member of MIAMI REALTORS® to list real estate and business opportunities in the MLS, those listings get unrivaled promotion and placement on 200+ websites and apps around the world and in 260+ other MLSs across the U.S.²⁰ Using MIAMI REALTORS®' tools, products, education, and resources, real estate brokers and agents better serve international customers and stay competitive.²¹

While some international buyers pay in cash, many seek financing through U.S. lenders offering loan programs for foreign investors.²² Real estate professionals are often familiar with local lenders offering these products and introduce financing options early in the transaction.²³

¹⁵ *Id.*

¹⁶ National Association of REALTORS®, *supra* note 8.

¹⁷ *Id.*

¹⁸ Florida Association of REALTORS®, *Understanding Florida's Transaction Broker Role*, WWW.FLORIDAREALTORS.ORG (Feb. 26, 2025), <https://www.floridarealtors.org/news-media/news-articles/2025/02/understanding-floridas-transaction-broker-role>.

¹⁹ National Association of REALTORS®, *Consumer Guide: Multiple Listing Services (MLSs)*, NAR.REALTOR, <https://www.nar.realtor/the-facts/consumer-guide-multiple-listing-service-mls> (last visited Nov. 3, 2025).

²⁰ *MIAMI Listings*, MIAMI ASSOCIATION OF REALTORS® (2022), <https://www.miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2019/10/MIAMI-linkworld.pdf>.

²¹ MIAMI Association of REALTORS®, *supra* note 2.

²² Molly Grace, and Aly J. Yale, *Can a Non-U.S. Citizen Get a Mortgage Loan? Eligibility and Options*, BUSINESS INSIDER (July 22, 2024), <https://www.businessinsider.com/personal-finance/mortgages/buy-house-as-immigrant-without-permanent-legal-status>.

²³ *Id.*

After closing, foreign owners face ongoing responsibilities such as property taxes, insurance, rental income reporting, property management, and maintenance.²⁴ Members of MIAMI REALTORS® are equipped with access to the tools, products, education, and resources to ensure that they either provide their customers with the information needed or connect them with the corresponding professionals that can best address their needs.

Final Thoughts: Elevate Your Practice, Protect Your Customers

Florida offers extraordinary opportunities for international investors, but with those opportunities come potential risks. Real estate professionals must protect and best serve their customers by providing accurate information, maintaining ethical conduct, and making strategic referrals.²⁵ Unlike real estate licensees, REALTOR® members voluntarily agree to comply with a heightened Code of Ethics²⁶ set forth by the National Association of REALTORS®, which elevates their practice and provides additional safeguards for customers and the general public. As global interest in Florida real estate continues to rise, the need for knowledgeable, compliant, and globally connected real estate brokers and agents – particularly those that are members of MIAMI REALTORS® – has never been greater.

ABOUT THE AUTHOR

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²⁴ National Association of REALTORS®, *Consumer Guide: Preparing for Homeownership*, NAR.REALTOR, <https://www.nar.realtor/the-facts/consumer-guide-preparing-for-homeownership> (last visited Nov. 4, 2025).

²⁵ Leslie C. Stone, *Build Global Ties: 11 Networking Ideas for Connections*, FLORIDA ASSOCIATION OF REALTORS® (Apr. 1, 2025), <https://www.floridarealtors.org/news-media/news-articles/2025/03/build-global-ties-11-networking-ideas-connections>.

²⁶ *Code of Ethics*, NATIONAL ASSOCIATION OF REALTORS® (2025), <https://www.nar.realtor/about-nar/governing-documents/the-code-of-ethics>.

UNDERSTANDING CRYPTOCURRENCY IN MIAMI REAL ESTATE TRANSACTIONS

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This article is designed to help you – real estate professionals – understand the key legal, tax, and transactional considerations, and potential risks that could impact buyers and sellers interested in using cryptocurrency to invest in real estate in Miami (and beyond).

Miami's Real Estate Market: A Global Gateway for Innovation and Investment

South Florida as a whole, but particularly Miami, has long been a hub for international investors, offering a unique blend of luxury real estate, favorable tax policies, and a strategic location that serves as a meeting point for North and South America alike. In recent years, the city has embraced technological innovation, particularly in the realm of digital finance. Cryptocurrency, once a niche asset class, is now reshaping how property transactions are conducted in Miami, creating new opportunities and challenges for foreign investors. In some instances, developers have publicly stated that they will begin accepting cryptocurrency for pre-construction condo sales, with some transactions completed directly from wallet to wallet.¹ This not only presents opportunities to modernize the purchasing process, but also provides greater flexibility for international buyers, who often face complexities when transferring funds through traditional financial systems. In turn, it lowers barriers to entry for foreign investors and helps facilitate closings in a competitive market.

Tax Compliance: What Your Customers (and You) Need to Know

Foreign investors may be subject to certain tax obligations when buying or selling U.S. real estate. One key example of regulation is the Foreign Investment in Real Property Tax Act (FIRPTA). Under FIRPTA, when a foreign person sells U.S. real estate, the buyer is generally required to withhold 15% of the sale price and remit it to the IRS.² This serves as a prepayment of the seller's potential capital gains tax.³

To comply with FIRPTA and other tax requirements, foreign investors will need a U.S. Individual Taxpayer Identification Number (ITIN).⁴ It is important that you inform your customers of the importance of consulting

¹ Kristen Altus, *Miami quietly reclaims its cryptocurrency crown as market signals point to promising comeback*, FOX BUSINESS (July 18, 2025), <https://www.foxbusiness.com/media/miami-quietly-reclaims-its-cryptocurrency-crown-market-signals-point-promising-comeback>.

² *FIRPTA Withholding*, I.R.S., <https://www.irs.gov/individuals/international-taxpayers/firpta-withholding> (last visited Nov. 3, 2025).

³ *Id.*; Congressional Research Service, *FIRPTA Tax Rules*, CONGRESS.GOV (Sept. 18, 2023), https://www.congress.gov/crs_external_products/IF/HTML/IF12498.web.html.

⁴ *Id.*

with tax and legal professionals regarding compliance with FIRPTA and other tax obligations, ensuring a smooth and successful real estate transaction.

Cryptocurrency's Expanding Role in Real Estate

Your foreign customers may already be exploring the idea of using digital assets to purchase property. REALTOR® members looking to enter into this realm must understand how cryptocurrency is being used in real estate transactions and what that means for their role in the process.

Cryptocurrency offers several potential advantages for international buyers. It allows for potentially faster transactions, reduces reliance on traditional banking systems, and could simplify cross-border payments.⁵ Buyers may use crypto to purchase property directly, convert it to U.S. dollars at closing, or even leverage it as collateral for loans.⁶

However, crypto transactions are not exempt from regulation. The IRS treats cryptocurrency as property, which means any gains or losses from its use must be reported for tax purposes.⁷ Buyers and sellers alike must be aware of the tax implications and ensure that all transactions are properly documented — again, this is why, in addition to working with a REALTOR® member, it is critical to consult with legal and tax professionals well before contemplating a transaction involving cryptocurrency to avoid complications both before and after closing.

How Crypto-Based Transactions Work

There are several potential ways to engage in real estate transactions using cryptocurrency:

- **Direct Transfer to Sellers:** Some sellers accept cryptocurrency directly as payment, which allows the buyer to transfer digital assets to the seller's crypto wallet.⁸ This method requires both parties to agree on an exchange rate and to ensure compliance with local regulations. It is strongly recommended that each side work with legal counsel and tax professionals experienced in cryptocurrency transactions if this is being contemplated.⁹

⁵ Emily Ekshian, *How Does Blockchain Make Cross-Border Payments Better?*, CRYPTO FOR INNOVATION (July 26, 2023), <https://cryptoforinnovation.org/what-are-cross-border-payments-and-how-do-they-work/>.

⁶ *Id.*; John D'Angelo, Jeffrey J. Smith, Tim Coy & Parul Bhargava, *Tokenized Real Estate*, DELOITTE (Apr. 24, 2025), <https://www.deloitte.com/us/en/insights/industry/financial-services/financial-services-industry-predictions/2025/tokenized-real-estate.html>.

⁷ Notice 2014-21: *Virtual Currency Guidance*, I.R.S., <https://www.irs.gov/pub/irs-drop/n-14-21.pdf>; Notice 2023-34, I.R.S., <https://www.irs.gov/pub/irs-drop/n-23-34.pdf>.

⁸ *Supra* note 6; Victoria Chynoweth, *Real Estate Tokenization: A Start of a New Era in Property Management*, FORBES (Mar. 20, 2024), <https://www.forbes.com/sites/digital-assets/2024/03/20/real-estate-tokenization-a-start-of-a-new-era-in-property-management>.

⁹ *Id.*

- **Conversion to Fiat Currency:** Buyers may also opt to convert cryptocurrency to U.S. dollars before closing. This approach may simplify the transaction because it aligns with more traditional forms of currency within escrow and title services. However, it may involve conversion fees and could trigger taxable events, such as capital gains, depending on how long the crypto assets were held.¹⁰
- **Crypto-Backed Loans:** Investors who wish to retain their cryptocurrency holdings can consider using them as collateral for a loan. Lending platforms allow investors to retain their digital assets while securing funds for property purchases.¹¹ This method provides financial flexibility and avoids the need to liquidate holdings.¹² It could be particularly useful for buyers who want to maintain exposure to cryptocurrency while investing in real estate.
- **Blockchain Technology and Smart Contracts:** Beyond payment methods, blockchain technology is attempting to revolutionize the real estate industry by changing the way transactions are handled. Smart contracts are self-executing agreements coded on the blockchain that would automatically carry out the terms of a contract.¹³ This is a rapidly evolving area of the law and real estate industry – it is critical that you, REALTOR® members, stay up to date with these advancements in order to provide resources to your customers who have questions about tech-enabled transactions.
- **Tokenization of Real Estate:** Tokenization converts ownership of a physical property into digital tokens recorded on a blockchain. This process allows properties to be divided into smaller, tradable shares. Investors would purchase fractional ownership of high-value properties using cryptocurrency, which could improve accessibility and liquidity.¹⁴

Advantages of Using Cryptocurrency in Real Estate

When discussing cryptocurrency with foreign customers and investors, it is important to present both the advantages and the potential risks. Cryptocurrency may offer several of the following compelling benefits:

- **Speed and Efficiency:** Traditional real estate transactions can take weeks (or more) due to paperwork and coordination among multiple parties. By contrast, crypto transactions could be settled much faster, reducing closing times and optimizing the process.¹⁵
- **Transparency and Security:** Blockchain technology provides a decentralized ledger that records every transaction.¹⁶ While the identities of the parties involved may remain anonymous, the transaction history itself is visible and verifiable, which could help reduce the risk of certain types

¹⁰ *Supra* note 7.

¹¹ *Supra* note 6.

¹² *Id.*

¹³ *Supra* note 8 (citing Chynoweth).

¹⁴ *Id.*

¹⁵ *Supra* note 6.

¹⁶ *Id.*; *Supra* note 8.

of fraud like data manipulation or unauthorized changes. Therefore, buyers and sellers can rely on a shared, auditable record that supports accountability without relying on a central authority.

- **Fractional Ownership and Inclusivity:** Tokenization allows investors to purchase shares in properties, which could make high-value assets more accessible.¹⁷ Through blockchain-based fractional ownership, investors could tap into premium real estate opportunities with greater flexibility, which supports a more dynamic and inclusive investment environment.

Challenges and Considerations

Despite its advantages, cryptocurrency in real estate is not without the following challenges:

- **Regulatory Uncertainty:** Cryptocurrency regulations vary widely across jurisdictions. In the U.S., compliance with anti-money laundering (AML) and know-your-customer (KYC) regulations is essential.¹⁸ Investors must stay informed about and comply with evolving legal frameworks to avoid serious civil and criminal consequences. One such regulation that you need to keep on your radar is the U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN) Anti-Money Laundering Regulations for Residential Real Estate Transfers Rule (RRE Rule).¹⁹ While FinCEN is postponing new reporting requirements until March 1, 2026²⁰, you and your customers should watch closely for further developments.
- **Market Volatility:** Crypto prices are highly volatile, which can pose significant risks for both buyers and sellers. Stablecoins are digital assets linked to fiat currencies, which are government-issued money such as the U.S. dollar or euro that derive their value from the trust and authority of the issuing government.²¹ These stablecoins are often used to mitigate volatility risk in crypto-based transactions.²² Smart contracts can also include clauses that adjust payment amounts based on market fluctuations.²³ However, parties to a real estate transaction should take great care in negotiating and executing said “smart contracts” – as enforceability will be a key issue should

¹⁷ *Supra* note 8 (citing Chynoweth).

¹⁸ Donna Daniels & Walid A. Raad, *AML Issues in Cryptocurrency and Blockchain Technology*, BLOOMBERG L. (Mar. 2021), <https://www.bloomberglaw.com/external/document/XB8LV1T4000000/banking-professional-perspective-aml-issues-in-cryptocurrency-an>.

¹⁹ Anti-Money Laundering Regulations for Residential Real Estate Transfers Rule (RRE Rule) (Aug. 29, 2024), <https://www.federalregister.gov/documents/2024/08/29/2024-19198/anti-money-laundering-regulations-for-residential-real-estate-transfers> (last accessed Nov. 8, 2025).

²⁰ *FinCEN Announces Postponement of Residential Real Estate Reporting Until March 1, 2026* FINCEN (Sept. 30, 2025), [https://www.fincen.gov/news/news-releases/fincen-announces-postponement-residential-real-estate-reporting-until-march-1#:~:text=WASHINGTON—to%2520reduce%2520business%2520burden,Transfers%2520Rule%2520\(RRE%2520Rule\)%2520until](https://www.fincen.gov/news/news-releases/fincen-announces-postponement-residential-real-estate-reporting-until-march-1#:~:text=WASHINGTON—to%2520reduce%2520business%2520burden,Transfers%2520Rule%2520(RRE%2520Rule)%2520until).

²¹ *Id.*

²² James Chen, “Fiat Money,” INVESTOPEDIA (Aug. 28, 2025), <https://www.investopedia.com/terms/f/fiatmoney.asp>.

²³ *Supra* note 6.

problems arise before and/or after closing. And, ultimately, there is a risk of the cryptocurrency depreciating in value between the contract and settlement dates.

- **Limited Adoption:** While many are excited about the adoption of crypto in real estate transactions, many sellers still prefer traditional fiat transactions – for good reason. Real estate, legal, and other professionals may lack the technical knowledge or framework to facilitate crypto deals, creating barriers to widespread implementation. Even with a framework for implementation, should an issues arise during the transaction or post-closing, it may be difficult to enforce any rights or remedies.
- **Lack of Standardization:** Because each transaction is generally a unique, one-off scenario, it could lead to confusion and delays across the various parties and vendors involved in the transaction.
- **Transactions Are Generally Not Reversible.** If a buyer sends crypto funds to the wrong address because of a typo, or falls victim to a scam, they are likely not going to be able to recover those funds. Even though blockchain is secure, the components to crypto – like digital wallets – are vulnerable to hackers and scams.

Protecting Customers in a Real Estate Transaction

When working with sellers, REALTOR® members should potential buyers who want to use cryptocurrency for proof of cash funds or a letter from a lender that shows the buyer could complete the purchase without cryptocurrency, if needed.²⁴ Alternatively, listing brokers and agents could negotiate higher deposits from the buyer to account for the risk.²⁵ When working with buyers, a listing broker or agent can protect their customers by: suggesting they convert crypto to cash before submitting their offer or signing a contract in order to assuage a seller's concerns about currency depreciation; and, connecting the buyer with banks, lenders, attorneys, title companies, and tax professionals who are experienced with cryptocurrency transactions in order to protect their customer and to successfully close the transaction.²⁶

Looking Ahead: Miami's Role in the Future of Real Estate

Miami's leadership in digital finance and real estate innovation makes it a prime location for foreign investors interested in cryptocurrency. The real estate industry has been actively exploring tokenization, blockchain-based title systems, smart contract platforms, and even virtual real estate opportunities in the metaverse.²⁷ MIAMI REALTORS® is closely watching those developments. For real estate professionals, the

²⁴ Matt Troiani, *How to Protect Your Clients in a Crypto Transaction*, NATIONAL ASSOCIATION OF REALTORS® (Aug. 14, 2023), <https://www.nar.realtor/magazine/real-estate-news/law-and-ethics/how-to-protect-your-clients-in-a-crypto-transaction>.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Supra* note 8 (citing Chynoweth).

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ability to navigate this evolving landscape will be a significant advantage in the future, as Miami is one of the world's most dynamic markets.

ABOUT THE AUTHOR

Rachel Sygall is a law student at the University of Miami School of Law. She participated in the General Counsel Practicum hosted by the MIAMI Association of REALTORS® in the Fall 2025 semester — an opportunity offered to exceptional law students seeking to gain practical experience in the legal field. The only of its kind in the state, and under the supervision of MIAMI REALTORS®' Chief Legal Counsel & COO, Evian White De Leon, students engage in substantive legal work that connects classroom theory with real-world application.

NAVIGATING NAR'S ANTITRUST SETTLEMENT: WHAT FOREIGN BUYERS NEED TO KNOW

By James A. Neary

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In 2024, the National Association of REALTORS® (“NAR”) entered into a federal class action settlement agreement (“NAR Settlement”) that included practice changes to better protect customers and REALTOR® members when conducting residential transactions.¹ The resulting changes took effect on August 17, 2024.²

As required by the settlement agreement, even though MIAMI REALTORS® was not named as a defendant in that case, MIAMI Association of REALTORS® (MIAMI REALTORS®) implemented the practice changes.³ Those changes are now reflected in the MIAMI MLS Rules⁴ and required adjustments to how members and MIAMI MLS Participants and Subscribers do business. What hasn't changed? MIAMI REALTORS®' commitment to our 59,000+ members and their customers. As always, MIAMI REALTORS® will continue to provide the highest-quality products, services, tools, and resources to empower our members do what they do best — thrive in the bustling South Florida real estate market.

Let's take a deeper dive into the changes required by the NAR Settlement and how they may affect foreign investors. Spoiler alert: there are more forms and disclosures that are required, but the future is bright in the South Florida market with MIAMI REALTORS®!

Written Buyer Agreements Are Required

As part of the NAR Settlement, written buyer agreements are now required for REALTOR® members and MLS Participants/Subscribers who are “working with” buyers looking to purchase residential property. While now required because of the NAR Settlement, MIAMI REALTORS® has long recommended written buyer agreements with buyers as a best practice to ensure a smooth transaction and to set clear expectations of the relationship.

¹ *Corrected Settlement Agreement, Burnett v. Nat'l Ass'n of Realtors*, No. 19-cv-00332-SRB (W.D. Mo. filed Apr. 19, 2024); *Moehrl v. Nat'l Ass'n of Realtors*, No. 1:19-cv-01610-ARW (N.D. Ill. filed Apr. 19, 2024), <https://www.nar.realtor/sites/default/files/documents/nar-settlement-agreement-download-2024-04-19.pdf>.

² Evian White De Leon, *NAR Announces Proposed Settlement In Sitzler/Burnett and Moehrl Antitrust Cases*, MIAMI ASSOCIATION OF REALTORS® (Mar. 15, 2024), <https://www.miamirealtors.com/2024/03/15/nar-announces-proposed-settlement-in-sitzler-burnett-and-moehrl-antitrust-cases/>; National Association of REALTORS®, *2025 What the NAR Settlement Means for Home Buyers and Sellers*, NAR.REALTOR (May 24, 2024), <https://www.nar.realtor/the-facts/what-the-nar-settlement-means-for-home-buyers-and-sellers>.

³ Evian White De Leon, *NAR Settlement Approved: What Now?*, MIAMI ASSOCIATION OF REALTORS® (Nov. 27, 2024), <https://www.miamirealtors.com/2024/11/27/nar-settlement-approved-what-now/>.

⁴ *MLS Rules and Regulations* (“MLS Rules”), MIAMI ASSOCIATION OF REALTORS®, <https://www.miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2020/04/mls-rules-and-regulations.pdf> (last accessed Nov. 3, 2025).

The written buyer agreement must be made prior to showing any residential property — this applies to both in-person and virtual tours. Because the world is increasingly interconnected, customers living abroad, now more than ever, have the ability to tour virtually. Putting it simply, the NAR Settlement does not dictate what form you must use when entering into written buyer agreements, but it does have certain baseline requirements for whatever written buyer agreement you choose to implement.

Requirements for All Buyer Broker Agreements

- The buyer agreement must be in writing.
- Compensation (if any) agreed to between the buyer and the broker must be objectively ascertainable and it cannot be a range or open-ended. That means compensation cannot be written as caps or ranges such as: “up to \$X” or “anywhere between X% and Y%”.
- The written buyer agreement must include this disclosure: “COMPENSATION IS FULLY NEGOTIABLE AND NOT SET BY LAW”.
- Agreements must include a term that prohibits the broker from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the written agreement with the buyer.
- Everything else in a written buyer agreement is a unilateral and independent business decision: whether the agreement is exclusive (or not); the term (short, long, something in between); whether arbitration is selected as a method of dispute resolution (or not); which models and amounts of compensation (if any); whether the written buyer agreement is limited to particular properties, types of properties (new construction, resale), or a geographic location; and, what the scope of services is.

Offers of Compensation Were Removed from the MLS – But Are Still Permitted

The NAR Settlement prohibits offers of compensation anywhere on the multiple listing service (MLS). This does not mean that REALTOR® members and other MLS participants are prohibited from offering compensation or receiving compensation for their services — if just cannot be done through the MLS.

Compensation has always been and continues to be fully negotiated between a broker and their customer. It is not set by law and there is no “standard.” What a broker charges and which services they choose to offer for that price are independent and unilateral business decisions negotiated with their buyer customers.

Simply, all buyers working with REALTOR® members and MLS Participants/Subscribers will know what, when, and why they’re paying their brokers from the outset of the negotiation.

What Foreign Buyers Can Expect

Foreign customers, whether first-time buyers or experienced investors, are likely to find that business feels mostly the same in South Florida. Buyers and sellers still retain full power to negotiate their transactions. The requirement of a written buyer agreement prior to virtual tours may add another step for foreign customers, since more than half of them visit the U.S. 2 or fewer times before purchasing.⁵ However, it will also ensure greater transparency in the transaction and sets clear expectations between the buyer and their broker.

Resources for MIAMI REALTORS® Members

MIAMI REALTORS® provides its REALTOR® members with all the resources⁶ — including toolkits that explain compensation models⁷, seller concession options⁸, and best practices⁹ to help get deals done and to remain in compliance with the MLS Rules!

In addition to toolkits and forms, MIAMI REALTORS® provides extensive education to its 59,000+ members. Since the NAR Settlement was announced on March 15, 2024, MIAMI REALTORS® has hosted 166 classes with over 18,000 attendees; launched 7 toolkits; purchased and licensed courses to thousands of its members; and, reviewed 208+ courses to ensure compliance with the NAR Settlement. The proof that it's working? The fact that, out of 1,840 audits between August of 2024 and 2025, only 124 were for violations related to the NAR Settlement. MIAMI REALTORS® is committed to ensuring that members have real-time access to information impacting the industry so that they can continue providing world class service to foreign investors.

MIAMI's Real Estate Future is Bright

Even with all the changes in 2024, Florida was once again the #1 destination for foreign buyers for the 16th consecutive year¹⁰ — and well on its way to remaining #1 for a 17th year in 2025!

⁵ Chris Umpierre, *South Florida Foreign Real Estate Buyer Share is Five Times Larger than U.S. Figure; New MIAMI REALTORS® International Report Released Today*, MIAMI ASSOCIATION OF REALTORS® (Feb. 3, 2025), <https://www.miamirealtors.com/2025/02/03/south-florida-foreign-real-estate-buyer-share-is-five-times-larger-than-u-s-figure-new-miami-realtors-international-report-released-today/>.

⁶ *Facts* (Antitrust Resources), MIAMI ASSOCIATION OF REALTORS®, <https://www.miamirealtors.com/facts> (last accessed Nov. 8, 2025).

⁷ *Compensation Models*, MIAMI ASSOCIATION OF REALTORS® (June 3, 2024), <https://www.miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2024/06/Compensation-Menus.pdf>.

⁸ *Seller Concession Options*, MIAMI Association of REALTORS® (Feb. 10, 2025), <https://miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2025/02/Seller-Concession-Options.pdf>.

⁹ *Best Practices: developer owned properties*, MIAMI Association of REALTORS® (Feb. 10, 2025), <https://miamirealtors.com/wp-content/uploads/bsk-pdf-manager/2025/02/Best-Practices-Developer-Owned-Properties.pdf>.

¹⁰ Umpierre, *supra* note 5.

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While the NAR Settlement required change, one thing that will never change is MIAMI REALTORS®' commitment to ensuring our 59,000+ REALTOR® members have the tools, resources, education, products, and services to keep doing what they do best — real estate. Their superpower is the ability to adapt to change. The South Florida real estate market is as strong as ever. Miami is poised to continue be a hotspot for foreign investors for years to come, driven by significant capital investment, infrastructure projects, and overall favorable market conditions.

ABOUT THE AUTHOR

At the time of this writing, James A. Neary, was a rising third-year law student at the University of Miami School of Law. He participated in the General Counsel Practicum hosted by the MIAMI Association of REALTORS® in the Spring 2025 semester — an opportunity offered to exceptional law students seeking to gain practical experience in the legal field. The only of its kind in the state, and under the supervision of MIAMI REALTORS®' Chief Legal Counsel & COO, Evian White De Leon, students engage in substantive legal work that connects classroom theory with real-world application.

SCAM SURVIVAL 101

By Evian White De Leon, Esq.

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The real estate industry does not sleep in Miami. The only people working harder than you, MIAMI REALTORS®' 59,000+ real estate professionals in Miami, South Florida, and beyond, are scammers. They are working overtime to steal from you, your customers, and anyone else they can contact.

Keep reading to learn how to protect yourself and your customers, especially your foreign investors. Below are: examples of the type of fraud the real estate industry is seeing; best practices on how to avoid getting scammed; what to do if you suspect a real estate scam; and, additional resources.

TRUST YOUR GUT

- **If it doesn't feel right, pause.** This goes for emails, phone calls, text messages, and any other interactions. If you know the "person" reaching out to you, does the tone or word choices of the person reaching out to you feel unusual? Does something just not make sense? Is the deal too good to be true? Take a pause.
- **Ask a lot of questions.** Legitimate people reaching out to you will not mind because this protects everyone in a transaction.
- **Think before you click!** Don't just click on links in emails. Always read and verify first – what is it? Who is it from? What is it about? If it is actually important and someone needs something from you, they will probably follow up with you by other means, like a phone call.
- **Stay informed.** Scammers are working hard to create new ways to trick you and your customers! You need to work harder. Attend workshops and read articles to stay informed about the latest trends in scams.

ALWAYS DO YOUR HOMEWORK

- **Verify identities.** Sounds simple, right? Unfortunately, fake and stolen IDs are common. Always confirm the identity of your customers and the parties to a real estate transaction. Use official documents, cross-check those with public records, and use video conferencing to communicate. If someone refuses to get on camera or meet with you in-person, that is a big red flag!
- **Check property ownership.** Go to the property appraiser's website for the county in which the property is located. You can search by owner name, address, and more. Most websites also allow you to see the history of previous owners. Are there several transfers within a short period of time?

Are there deeds that the property appraiser did not record? Does the property appraiser flag “errors” in the deeds? These are all red flags.

- **Research companies.** Figure out where the real company is located and go to that state’s division of corporations website to research ownership. In Florida, the Division of Corporations maintains a robust website at www.Sunbiz.org. You can search by name, registered agent, and/or officers. From there, you will be able to see who a company’s officers are; and, sometimes, you can access recorded documents to cross reference emails and contact information. Note, though, that while it is illegal to do so, it is possible for scammers to file documents on Sunbiz. Eventually, these are usually flagged for fraud; but in the meantime, always verify what is on Sunbiz. You can do this by requesting operating agreements, corporate resolutions, and/or bylaws of the company or corporation as backup documentation showing that the potential real estate transaction is authorized and legitimate – all of this will likely be required for due diligence and closing anyway.
- **Check email addresses.** This is often the first clue that someone is trying to scam you in a “phishing” scam. Review the email address carefully – is it from an unknown domain? If you know the “person” reaching out to you, is it an email that you don’t recognize? Or is a different version of their name? Many times, scammers will create fake emails that replace characters in a person’s or company’s name – like JANEDOEREALSTATE@gmail.com to JANEDOEREALSTATE@gmail.com – the capital letter O and number 0 look very familiar in print, which scammers will use to trick you.

WHATSAPP HOSTILE TAKEOVERS

- **What are WhatsApp hostile takeovers?** Scammers will try to take over the WhatsApp account connected to your mobile phone number. Once they do this, they can reach out to all of your contacts to ask for money and favors (usually purchasing something for them). It is very difficult to regain control over your WhatsApp account if this happens.
- **How do you protect yourself?** Set up two-step verification on WhatsApp.¹ This is an optional feature that adds more security to your account by periodically requiring a PIN to access your account.² You can also add a trusted email to recover your account if you forget your PIN.
- **How to set up two-step verification on WhatsApp:**
 - Open WhatsApp on your mobile phone.
 - Go to **Settings > Account > Two-step verification**.
 - Tap **Turn On**.
 - Create and confirm a six-digit PIN.
 - Provide an email for PIN reset; enter the code sent to verify your email; then tap **Save**.

¹ WhatsApp, *About two-step verification*, https://faq.whatsapp.com/1920866721452534?helpref=faq_content (last accessed Nov. 9, 2025).

² WhatsApp, *How to manage two-step verification settings*, https://faq.whatsapp.com/1278661612895630/?cms_platform=android (last accessed Nov. 9, 2025).

DEED FRAUD

- **What is deed fraud?** Criminals forge or fabricate documents – like deeds – and record them in the county where the property is located, pretending to legally own the property. While the property appraisers are now implementing measures to prevent this, sometimes fraudulent deeds do get recorded. That’s where the problems really start – the scammers then will try to sell the property, take out loans or mortgages, or attempt to rent out the property – all without the real owners’ knowledge.
- **Know the signs of deed fraud!** The earlier you are able to catch deed fraud, the faster and less expensive it will be to stop it.
 - **No longer getting bills.** Did you stop getting property-related mail? Like taxes or utility bills? That’s a red flag that someone changed your address.
 - **Unexpected notices for loans, credit lines, or foreclosures.** This is a sign that someone is using your property to get loans or credit lines – do not ignore these notices. Figure out what they are and seek legal advice immediately.
 - **You see the property listed for sale or rent online.** If this happens, contact the website platform immediately to let them know you are the real owner and that you did not authorize this. If the property is listed in a multiple listing service (MLS), contact that MLS immediately and let them know that you suspect fraud.
 - **New accounts or credit checks appear on your credit report.** Monitor your credit reports for any suspicious activity so that you can catch and stop fraud early.
- **County governments are implementing programs to stop deed fraud:**
 - **Miami-Dade County.** The County is sending courtesy letters to property owners whenever a deed is recorded. If you suspect someone obtained and/or filed a fraudulent deed in Miami-Dade County³, call the Miami-Dade Sheriff’s Office Organized Crimes Bureau’s Economic and Specialized Investigation Section⁴ at (305) 994-1000 and ocbinfo@mdso.com. Also contact an attorney immediately.
 - **Broward County.** You and your customers can (and should!) sign up for Owner Alert, a free service to register for text notifications about your property.⁵ Email owneralert@bcpa.net or call (954) 357-5579 for assistance.
 - **Palm Beach County.** You and your customers can (and should!) sign up for Property Fraud Alert, a free service to register for text notifications about your property.⁶ You can do that online.⁷

³ Clerk of the Court and Comptroller of Miami-Dade County, *Deed Fraud*, <https://www.miamidadeclerk.gov/clerk/deed-fraud.page> (last accessed Nov. 9, 2025).

⁴ Miami-Dade County Organized Crimes Bureau, <https://www.miamidade.gov/global/police/about-organized-crimes-bureau.page> (last accessed Nov. 9, 2025).

⁵ Broward County Property Appraiser, *Owner Alert*, <https://web.bcpa.net/owneralert> (last accessed Nov. 9, 2025).

⁶ Palm Beach Property Appraiser, *Property Fraud Alert*, <https://www.mypalmbeachclerk.com/services/property-fraud-alert> (last accessed Nov. 9, 2025).

⁷ Palm Beach County, *Property Fraud Alert Registration*, <https://erec.mypalmbeachclerk.com/FraudAlert>.

FAKE SELLER & VACANT LOT SCAMS

- **What are fake seller scams?** Someone posing as the owner of a property tries to get a listing, a contract, and a closing where they can steal funds for a property they do not own. They usually supply fraudulent identification and will typically use the internet and telephone to close the transaction. If they are identifying themselves as authorized representatives of companies that own the property, they tend to use fake emails instead of corporate emails and will try to sign listing agreements with the name of the company rather than the name of the individual who is authorized to represent the company to avoid getting caught.
- **What are vacant lot scams?** This is a form of a fake seller scam. Typically, the victims of fraud live outside the United States and own vacant properties without mortgages. Often, the properties are owned by LLCs (limited liability companies). A fake “seller” will reach out to a real estate agent to list “their” property, or they will identify themselves as authorized representatives of the companies or corporations that actually do own the land. They will usually want to rush a deal and will generally not meet with their agents in person.
- **How to avoid getting scammed?**
 - **Do your due diligence as soon as possible.**
 - Independently verify whether there is a mortgage. You can often do this online by searching the official records with the Clerk of the Courts in the county in which the property is located.
 - If you are considering skipping title insurance, consult with an attorney first to fully evaluate the risk. You and your customer may not be fully protected against fraud if you do not purchase title insurance.
 - Check the local property appraiser’s website to see whether the individual or entity claiming to own the property actually does own it. If you see that there were “errors” in recording the deed, but the seller is assuring you it was just a “mistake,” this should be a big red flag.
 - Contact the true owner to verify they are actually selling the property, the price, and to whom. Do not rely on the contact information you were given – talk to the neighbors, search online for additional contact information (telephone, email, social media, addresses). Consider sending a letter, with tracking and delivery receipt, to the true owner. That said, be mindful of your obligations under the NAR Code of Ethics if the owner is represented by a real estate broker or agent.⁸
 - If you are working with a buyer and the seller is working with an agent, talk to the listing agent. Ask whether they know the seller personally, and if not, ask how they met and how they have been communicating. If all communications have been by email without any prior relationship, be on alert.

⁸ National Association of REALTORS® Code of Ethics (2025), <https://www.nar.realtor/about-nar/governing-documents/the-code-of-ethics>.

- **Be alert when documents are signed outside your presence.** Remember, you should always exercise caution in closing transactions where you do not personally know the seller or where the seller is executing a deed outside of your presence. If the seller executes and notarizes documents abroad outside of your presence and sends them to your office via an international postal service, be on high alert.
- **Carefully review all signatures.** Cross-reference signatures with government-issued documents. Verify that passports are valid with government authorities. Get a second form of identification.
- **Consider using RONS.** If the seller insists on a remote closing, but refuses to use a Remote Online Notary, it might raise a red flag.
- **Check for forged notary blocks.** Notary stamps should clearly display the name of the notary, their commission number, and the date their commission expires. Verify the notary through the relevant government agency.
- **Proceeds should only be disbursed to the person in title.** Make sure you consult with the title company and an attorney if you think the situation merits an exception.

COMMISSION ADVANCE SCHEMES

- **What are commission advance schemes?** Fraudsters are posing as real estate agents and are trying to obtain commission advances under those fake identities. Sometimes the fraudsters hack into agents' emails and provide details on deals that are in the works and sometimes they create fake deals.
- **How to avoid getting scammed?**
 - **If you are a broker, consider whether you allow commission advances.** Keeping in mind that all business decisions must always be made unilaterally and independently, brokers will want to weigh the pros and cons of allowing agents to seek commission advances.
 - **If you are an agent, give your broker written instructions on how to handle commission advances.** If your broker allows commission advances, email your broker about how you want your broker to handle any requests for commission advances. For example, if you know that you will never request a commission advance, tell them. That way if they do get a request, it will raise red flags. Likewise, if you want your broker to get written confirmation from you before sharing any information with commission advance companies, tell them that.
 - **Identity theft protections.** Even if you have not yet been the victim of a scam, you can request that the credit reporting agencies “freeze” or “lock” your credit. This blocks access to your credit report and prevents anyone from opening an account in your name. Visit Experian⁹, TransUnion¹⁰, and Equifax¹¹ online to do so. These are free services that usually have options to upgrade to more robust credit monitoring services.

⁹ <https://www.experian.com/help/credit-freeze/>

¹⁰ <https://www.transunion.com>

¹¹ <https://www.equifax.com/personal/education/identity-theft/fraud-alert-security-freeze-credit-lock/>

- **Monitor your records with DBPR.** Check the Department of Business and Professional Regulation (DBPR) records frequently to make sure your contact information is accurate and that it has not been changed. Sometimes, fraudsters will change your information with DBPR so that they can then pose as you with other agencies.
- **Practice good password hygiene.** Make sure your email and any document management services have strong passwords that you change frequently. The first point of entry for most scammers is your email – once they get in there, they can take over deals and your identity.
- **Use multi-factor authentication.** This requires that you prove to the service that you are trying to access, like email, that you are who you say you are.
- **Monitor your accounts with MIAMI REALTORS®.** Always feel free to reach out to MIAMI REALTORS® (live chat on www.miamirealtors.com, by email at info@miamire.com, or call us at 305.468.7000) with any questions or concerns about your account, like verifying the email and telephone numbers we have for you on file.

RENTAL LISTING SCAMS

- **What are fake landlord scams?** Usually, someone who claims to be the landlord or owner of a property posts a fake rental listing online.¹²
- **Monitor third-party websites for your listings!** If you are the listing agent for a rental, search third-party websites like Craigslist, Facebook Marketplace, Apartments.com, and Google with the property address. If you see your listing anywhere it should not be, contact the website admin immediately to take down the fake listing. You should also contact MIAMI REALTORS® MLS Department at mls@miamire.com and the Legal Department at legal@miamire.com.

CRYPTO PIG BUTCHERING

- **What is cryptocurrency pig butchering?** This is a long-term investment fraud where scammers will first build trust with victims over weeks or months.¹³ Often on legitimate apps and websites and with real accounts. This is the “fattening” period – before manipulating victims to invest large sums of money in a fake cryptocurrency scheme, which is the “butchering.” The victim is then unable to access or withdraw their funds and the scammer disappears.
- **How to avoid getting scammed?**
 - **Know the red flags.** If a customer asks you to invest in cryptocurrency (and have bad intentions of scamming you), they may try to develop a fast, “trusted” relationship with

¹² Marchante, Maria. *Florida Realtors*, “How to Avoid Popular Real Estate Fraud Scams” (Sept. 11, 2025), <https://www.floridarealtors.org/news-media/news-articles/2025/08/tips-avoid-popular-real-estate-fraud-scams> (last accessed Nov. 9, 2025).

¹³ Hawkins, Tracey. *National Association of REALTORS®*, “Scammed, Shamed and Deepfaked: Real Estate Agents Speak Out on the \$15M Crypto Con” (July 14, 2025), <https://www.nar.realtor/magazine/real-estate-news/scammed-shamed-and-deepfaked-real-estate-agents-speak-out-on-crypto-con> (last accessed Nov. 9, 2025).

you. They will often present a picture of wealth, deep investment knowledge, and will claim they have made their money through crypto. There will often be promises of fast, easy, high returns – and the scammer will create a fake sense of urgency to get you to act and invest quickly. Refusing to speak, to do a video call, or to meet in person are also red flags.

- **Implement best practices in your real estate practice.** Do not respond to unsolicited texts, social media requests or messages, WhatsApp messages, or emails asking you to invest. Carefully research any investment platform in addition to the companies and individuals claiming to be behind it. That includes checking for registration with the U.S. Securities and Exchange Commission. Before actually investing, contact your attorneys and tax professionals to verify!

WHAT TO DO IF YOU SUSPECT A REAL ESTATE SCAM

- **Contact law enforcement ASAP** – Local, county, and the FBI. If the property is located in a municipality, then first contact local law enforcement. Take that case number to the county law enforcement, where applicable, so they are also aware of the issue. See the “Resources” section below on who to contact.
- **Email MIAMI REALTORS® ASAP** – Both the MLS Department (mlsstatus@miamire.com) and the Legal Department (legal@miamire.com) with as much detail as possible (listing number, individuals involved, details about the transaction, and any documents you might have).

OTHER RESOURCES:

- U.S. Consumer Financial Protection Bureau¹⁴
- Report fake rental listings to the Federal Trade Commission by visiting <https://reportfraud.ftc.gov> or calling 1-877-382-4357
- Report real estate scams to law enforcement:
 - FBI Internet Crime Complaint Center (IC3)¹⁵
 - NOTE that scammers are even impersonating IC3! They will never directly contact you for information or money.¹⁶
 - Miami-Dade County
 - Miami-Dade County Police Department¹⁷
 - State Attorney’s Office, Economic Crimes Unit¹⁸
 - Broward Sheriff’s Office, Economic Crimes Unit¹⁹

¹⁴ <https://www.consumerfinance.gov/complaint/>

¹⁵ <https://www.ic3.gov>

¹⁶ *FBI Warns of Scammers Impersonating the IC3* (April 18, 2025), Alert No. I-041825-PSA, <https://www.ic3.gov/PSA/2025/PSA250418> (last accessed Nov. 9, 2025).

¹⁷ <https://www.miamidade.gov/global/police/contact-police.page>

¹⁸ <https://miamisao.com/our-work/victim-services/economic-crimes-unit/>

¹⁹ <https://www.sheriff.org/LE/Pages/Special-Units.aspx>

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- Palm Beach County Sheriff's Office, Financial Crimes Unit²⁰
- Martin County Sheriff's Office, Organized Crime Unit²¹
- Lucie County Sheriff's Office, Economic Crimes Unit²²
- For REALTOR® members in Florida, call the Florida Realtors Legal Hotline²³ at 407- 438-1409

ABOUT THE AUTHOR

Evian White De Leon, Esq. is the COO & Chief Legal Counsel for the MIAMI Association of REALTORS® (MIAMI REALTORS®), the largest local REALTOR® association in the nation. Evian's passion has long-been making her vibrant hometown of Miami a place where everyone has the opportunity to thrive. A talented bilingual speaker and collaborator, Evian oversees MIAMI REALTORS®' Professional Standards department, human resources, legal affairs, operations, compliance, and legal education for its 59,000+ members. A University of Miami School of Law graduate with over a decade of litigation and in-house counsel experience in addition to policy advocacy, lobbying, and coalition building, Evian joined MIAMI REALTORS® at the start of the global pandemic in March of 2020; and, as part of the Advocacy team, helped convince local and state lawmakers to declare real estate an essential service, allowing real estate professionals to keep doing their jobs. Outside of the office, Evian volunteers as an investigative member of The Florida Bar Grievance Committee and is the 2026 Chair of the FLORIDA REALTORS® Local Board Attorney Council. Evian recently joined the University of Miami School of Law as an Adjunct Professor for the newly created General Counsel Practicum hosted at MIAMI REALTORS® — the only of its kind in the state where students engage in substantive legal work that connects classroom theory with real-world application.

²⁰ <https://www.pbso.org/inside-pbso/law-enforcement/strategic-operations/special-investigations-division/financial-crimes-unit>

²¹ <https://www.mcsofl.org/209/Special-Investigations-VICE>

²² <https://www.stluciesheriff.com/directory.aspx?did=14>

²³ <https://www.floridarealtors.org/tools-research/legal-hotline>

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