

EXECUTIVE SUMMARY AND OVERVIEW

This report is based on a survey of REALTORS® about Existing Home Sales to resident and non-resident foreigners over the time period April 2014 through March 2015.

- Approximately 209,000 houses are estimated to have been sold to foreign buyers over the time period, approximately 4 percent of total Existing Home Sales.
- The total foreign sales dollar volume is estimated at \$104 billion, approximately 8 percent of total Existing Home Sales dollar volume.
- Foreign clients are an upscale group of buyers, paying on average nearly \$500,000 for a house, compared to the overall U.S. average house price of about \$256,000.
- Sales to foreigners are split between resident and non-resident purchasers. Resident foreigners may be in the U.S. for business, educational, or other purposes. Non-resident foreigners are typically looking for a vacation or investment property.
- Unit sales of homes to foreigners declined by 10 percent in the 2014/15 timeframe, possibly due to the strengthening of the U.S. dollar in relation to foreign currencies and weakening foreign economics.
- Measured in numbers of houses purchased, Asiana/Oceania accounted for 35 percent of international purchases, followed by Latin America (including Mexico) at 23 percent and Europe at 20 percent. Canada accounted for 14 percent. The Middle East and Africa each accounted for less than 5 percent.
- Five countries accounted for 51 percent of purchases by foreigners: Canada, China, Mexico, India, and the United Kingdom.
- Although foreigners purchased property nationwide, four states accounted for 50 percent of international sales: Florida, California, Texas, and Arizona.
- The bulk of purchases by international clients were all-cash, accounting for approximately 55 percent of reported foreign transactions. Mortgage financing tends to be a major problem for non-resident international clients due to financial profiles that are different in some cases from those normally received by the financial institution from domestic residents.
- The percentage of REALTOR® respondents who reported working with international clients in the 12 months ending March 2015 increased by 7 percent over the previous year.
- Previous client contacts and referrals were the most important source of leads for REALTORS®, mentioned by 56 percent of REALTORS®. An additional 20 percent mentioned website/online listings.