

**Business Data for Engaging in  
International Real Estate Transactions in Florida**

**Produced By: NAR Research  
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## ***Introduction***

The purpose of this report is to present recent international-related data trends directly associated with Florida. Such data, properly gleaned, will present real estate opportunities with foreign nationals, foreign companies and foreign referral counterparts.

## ***Global Presence***

The exchange of goods and services across international borders has greatly increased, with the growth in international transactions far exceeding growth in domestic transactions in recent years. U.S. exports of goods and services increased 10.5 percent, while imports from foreign countries rose 12.8 percent in 2005. Such increases are three to four times higher than growth in the overall national economy. Due in part to the significant rise in international business activity, the flow of people across borders has increased, as well. At the same time, the demand for real estate - both residential and commercial - has been on the rise. Fast-growing international trade leads to relocation of foreigners in the United States, as well as U.S. businesses opening offices abroad. In short, conditions are ripe for engaging in international property brokerages.

Consider the number of foreigners (non-immigrants) arriving in Florida in 2004 by category:

- 4,039,359 foreigners for vacation
- 20,754 traders and investors
- 40,848 foreign students
- 43,735 foreign workers due to intra-company transfers
- 2,907 foreign workers related to NAFTA
- 518,032 foreigners for other business

Obviously, many of these foreigners will need rental housing, second homes, or commercial property in Florida. A recent study of home purchases in Florida revealed that 15 percent of all sales were made by foreigners - largely for vacation homes.<sup>1</sup>

It is not only foreigners that will significantly impact international home buying. Many U.S. residents will require a home abroad. Exports of products to Brazil and Canada from Florida increased 5 percent and 13 percent, respectively, in the past year. Third on the list of countries to which Florida products are exported is Venezuela. This increase in Florida exports may lead locally based companies to establish company representatives

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<sup>1</sup> NAR conducted a survey of REALTORS® in Florida in 2005 to better understand the extent of non-U.S. resident homebuyers, why those buyers purchased U.S. homes, and what types of properties they bought and for what purpose. Of the REALTORS® who participated in the survey, 87 percent reported that they did at least one home sale transaction with international buyers. Two thirds - 66 percent - of those REALTORS® who brokered foreign-buyer purchases noted that one to four of *all* their transactions were with international clients.

and sales personnel in those countries. Florida real estate professionals may decide that it's time to set up referral networks with counterparts in Brazil, Canada and Venezuela.

Parts and accessories for automatic data processing machines and units were the top export product for Florida. Savvy real estate professionals may want to visit the human resource departments of the companies producing these exports to let them know about relocation services offered in your professional global network.

### ***Immigrants to Florida***

Immigration to the United States soared in the past two decades, which likely will lead to many more home purchases in the coming decade.<sup>2</sup> The U.S. population grew by roughly 30 million people during the last decade of the 20th century and by another 12 million in the last four years. The strong increase in immigration contributed to nearly 40 percent of the rise in U.S. population since 1990.

In Florida, 75,644 newly admitted legal immigrants arrived in 2004. Most came from Cuba (14,992). Other top countries of origin include:

- Haiti (6,745)
- Colombia (6,086)
- Jamaica (4,074)
- Venezuela (2,916)
- Mexico (2,704)

Real estate professionals may want to consider assisting, participating or setting up a network partner with these communities to open up business opportunities.

In 2004, 43,795 immigrants to Florida became U.S. citizens. Natives of Cuba led with the highest number (9,033) of newly naturalized citizens in the state last year. Other top countries represented include:

- Jamaica (3,408)
- Haiti (3,225)
- Colombia (3,085)
- Nicaragua (1,498)
- The Dominican Republic (1,354)

The new citizens and immigrants, brought the total number of naturalized citizens in Florida to 1,371,265 (8 percent of the population) and 1,670,753 non-citizens (10 percent of the population) in 2004.

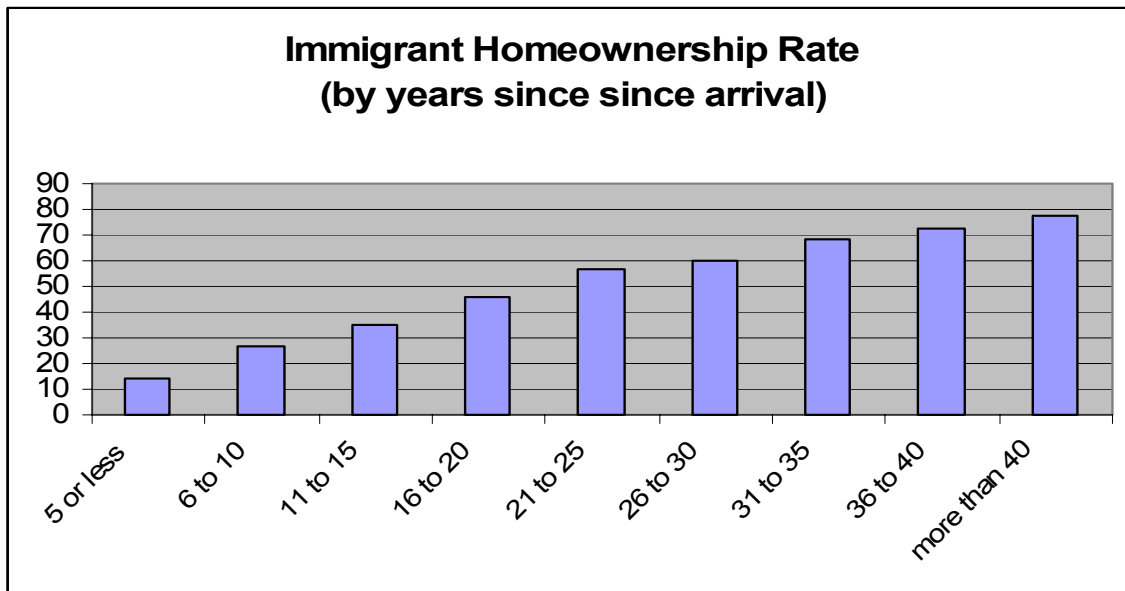
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<sup>2</sup> There are contentious issues relating to swelling illegal immigration and assimilation, and this paper does not attempt to delve into this difficult topic.

Immigration boosts the residential housing market for the simple reason that people need a home in which to live. So it should not be surprising that dynamic housing markets of recent years have been in those regions with significant immigrant populations. The fast-growing regions of Las Vegas, Phoenix, Washington D.C. and much of Florida have seen strong housing demand – and a significant run-up in home prices – due in no small part to the fact that these markets have strong immigrant populations.<sup>3</sup>

Also consider what happens to housing markets when there is no immigration. For example, home prices in Japan have been stagnant for the past 20 years. One reason is that the country's population has been virtually unchanged during that same time period. The same stagnation is also present in East Germany (where many have left for West Germany). Similar situations can be found in U.S. areas such as Elmira, NY and Danville, IL.

The homeownership rate of foreign-born households who came to the U.S. in the past five years is only 18 percent. The ownership rate then steadily rises over time.



Naturally, due to language, cultural and institutional adjustments, homeownership among recent immigrants lags behind that of native-born Americans and the population as a whole. However, obtaining U.S. citizenship quickly raises the odds of becoming a homeowner. In fact, among households who entered the country more than 30 years ago, the homeownership rate surpasses that of the national average, with 78 percent of

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<sup>3</sup> A study by the Philadelphia Federal Reserve Bank showed that home prices in immigration-heavy neighborhoods rise much more slowly than other neighborhoods in the local region. That is, the “there goes the neighborhood” reaction may be at work as established residents flee an area and newcomers move in. However, home prices in metro regions with a high concentration of immigrants in general rose at a significantly faster clip than those metro regions with little immigration. More people translates into more housing demand.

foreign-born U.S. residents owning a home - far higher than the national homeownership rate of 69 percent.

REALTORS® can seize the opportunity and help close the early-year homeownership gap through counseling and homebuyer education programs for their foreign-born clients. Many REALTORS® have already realized the potential business opportunities. Over the last five years, almost half of NAR members indicated that they have participated in a transaction involving an international element, and this trend will inevitably increase.

### ***Information on NAR International and WorldProperties.com***

NAR's international program has a long and progressive history, demonstrating the foresight of NAR leaders over a number of decades. Through carefully developing and nurturing international bilateral and multilateral relationships worldwide, NAR has laid a solid foundation for participation in today's global marketplace. NAR's **International Network** – today 70 partner associations in more than 50 countries – demonstrates the value of NAR's international leadership and emphasizes its commitment to promote business development opportunities for U.S. members. NAR's International Mission statement is as follows: "Increase REALTORS®' (commercial and residential) ability and opportunity to do business at home and abroad in an increasingly global/multicultural real estate environment."

Numerous products and resources have been developed to assist NAR members and REALTOR® Associations in including a global market component in their business plan/member services program. These resources include:

- **NAR International home page at Realtor.org** – Best general resource for information on NAR international programs and services – [www.realtor.org/international](http://www.realtor.org/international)
- **Expand Your Market Course** – Turn-key course to introduce agents/brokers to the global real estate market. Eligible for continuing education approval. More information at <http://www.realtor.org/cipshome.nsf/pages/eym>
- **Certified International Real Estate Specialist (CIPS)** designation program and business network – Provides introductory and advanced training for real estate professionals and administrators, along with business development/networking tools, resources and events. Access course descriptions, schedule, benefits and other information on CIPS from NAR International home page, [www.realtor.org/international](http://www.realtor.org/international)
- **Monthly International eReport (Electronic Newsletter)** – Available free to any NAR member. Sign up via "Subscribe to News" link on home page at [www.realtor.org](http://www.realtor.org)
- **Pre-packaged Meeting Tool Kits for Broker Meetings** – Series of short, informational training modules on global market topics; ideal for use in sales agent meetings, local council meetings, etc. Downloads at <http://www.realtor.org/cipshome.nsf/pages/toolkits>
- **International Speaker Cadre & Presentation database** – Resource for REALTOR® Associations looking for a speaker and/or a presentation on a topic

- related to global real estate business. Group seeking a speaker contacts and deals directly with the speaker. Access the database at <http://www.realtor.org/cipshome.nsf/pages/speakers>
- **NAR International Association Network** – NAR partners with 70 national associations in more than 50 countries—all of whose members subscribe to a code of conduct similar to the NAR Code of Ethics. Review the full list of foreign partners, NAR’s liaisons to these groups, and/or access the association directly at <http://www.realtor.org/intlnet.nsf/coopassocmain>

The International Consortium of Real Estate Associations (ICREA)/WorldProperties.com is the centerpiece of NAR’s International multilateral strategic initiative and can be found online at **www.WorldProperties.com**. NAR is a founding member and co-chair of the 25-member alliance of leading national real estate associations, which collectively represent more than 2 million real estate professionals worldwide and 3 million property listings. WorldProperties.com assists consumers in locating broker assisted properties outside their country and in locating a qualified real estate professional. Key site features include a distinctive resale property advertising service, links to 3 million residential and commercial property ads, a portal featuring high quality resort/new developments, a cross border client referral system, comparative business practice profiles, and more. It is the only organization of its kind and is constantly looking to the future to provide its members with new products and services that will help them more effectively compete in increasingly global real estate environments and keep the broker central to the real estate transaction.

*For more information on NAR’s International programs, please email us at [NARGlobe@realtors.org](mailto:NARGlobe@realtors.org) or visit us online at [www.Realtor.org/international](http://www.Realtor.org/international).*

**Population Demographics in Florida**

	U.S. Born Citizen	Foreign Born			
		Naturalized Citizen	(%)	Non-U.S. Citizen	(%)
Male	6,782,079	623,350	4.47%	850,298	6.10%
18 years old or more	4,866,749	608,184	8.97%	742,240	10.94%
Under 18 years old	1,915,330	15,166	0.31%	108,058	2.22%
Female	7,162,949	751,052	39.21%	820,455	42.84%
18 years old or more	5,350,725	731,756	10.22%	707,650	9.88%
Under 18 years old	1,812,224	19,296	0.36%	112,805	2.11%
<b>Total</b>	<b>13,945,028</b>	<b>1,371,265</b>	<b>8.07%</b>	<b>1,670,753</b>	<b>9.83%</b>
<b>Total Population in Florida :</b>				<b>16,990,183</b>	

Source : Census Bureau, American Community Survey 2004

**Year of Entry of Foreign Born Population in Florida**

Entered to U.S.	Total	U.S. Citizen Born Abroad	Foreign Born		
			Total	Naturalized Citizen	Non-U.S. Citizen
2000 or later	682,957	84,812	598,145	18,043	580,102
1990 and 1999	1,018,738	129,040	889,698	218,617	671,081
1980 and 1989	725,669	81,896	643,773	372,942	270,831
Before 1980	1,082,797	169,258	913,539	764,800	148,739
<b>Total</b>	<b>3,510,161</b>	<b>465,006</b>	<b>3,045,155</b>	<b>1,374,402</b>	<b>1,670,753</b>

Source : Census Bureau, American Community Survey 2004

**Household Languages**

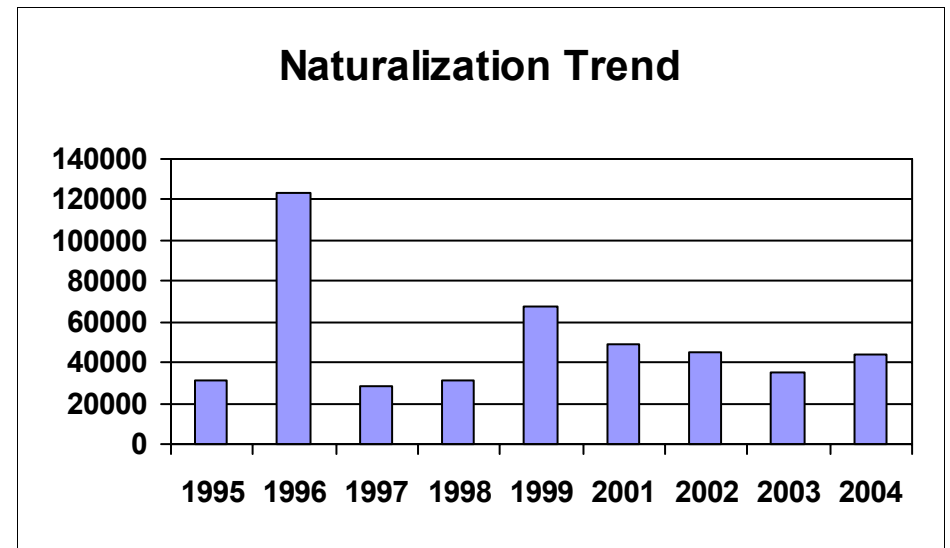
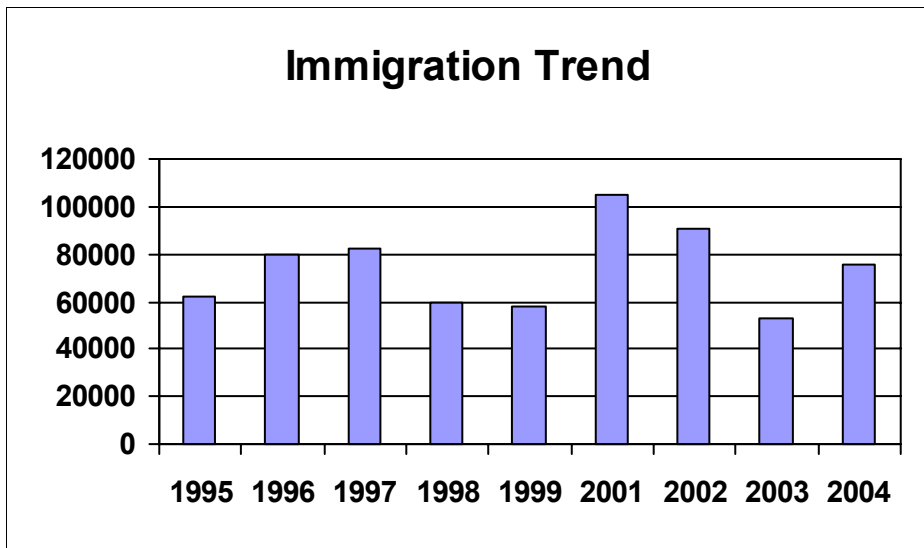
Main Language	Total Household	Linguistically Isolated	Not Linguistically Isolated
English	5,160,573		
Spanish	1,144,441	355,858	788,583
Indo-European Languages excluding English	388,709	85,990	302,719
Asian and Pacific Island Languages	89,194	24,298	64,896
Other Languages	36,363	5,102	31,261
<b>Total</b>	<b>6,819,280</b>		

Source : Census Bureau, American Community Survey 2004

**Immigration and Naturalization Trend in Florida**

Year	Admitted Immigrants	Naturalization
1995	62,023	31,372
1996	79,461	123,368
1997	82,318	28,768
1998	59,965	30,926
1999	57,484	67,567
2001	104,715	48,752
2002	90,819	44,792
2003	52,969	35,170
2004	75,644	43,795

Source : Office of Immigration Statistic, 2004 Yearbook of Immigration Statistics



# Florida

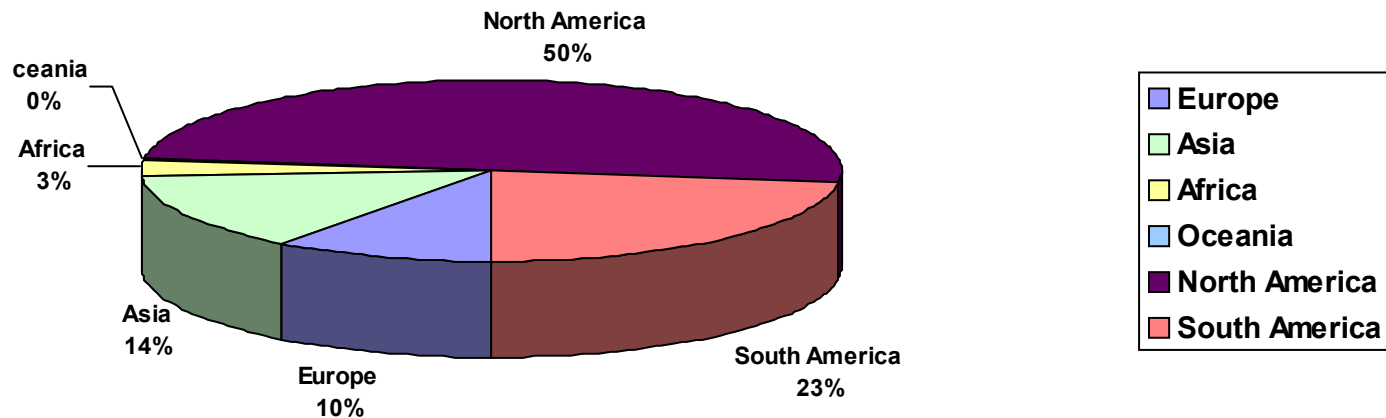
## Florida Immigrants in 2004 by Country of Birth

Total : 75,644

Europe		Asia		Africa		Oceania		North America		South America	
United Kingdom	1,416	India	2,534	Morocco	400	Australia	134	Cuba	14,992	Colombia	6,086
Bosnia-Herzegovina	712	Philippines	2,239	South Africa	382	New Zealand	56	Haiti	6,745	Venezuela	2,916
Germany	631	China, People's Republic	1,021	Nigeria	238	Fiji	5	Jamaica	4,074	Peru	2,473
Russia	626	Vietnam	822	Egypt	201	Samoa	3	Mexico	2,704	Brazil	1,999
Ukraine	385	Pakistan	414	Kenya	126			Dominican Republic	1,880	Argentina	1,566
Poland	381	Israel	400	Ethiopia	93			Nicaragua	1,400	Ecuador	967
France	328	Bangladesh	338	Sudan	87			Canada	1,344	Guyana	427
Bulgaria	295	Korea	320	Ghana	70			Honduras	951	Chile	408
Romania	261	Turkey	272	Tunisia	52			Trinidad & Tobago	917	Uruguay	224
Albania	252	Iran	249	Liberia	44			Guatemala	644	Bolivia	196

Source : Office of Immigration Statistics, 2004 Yearbook of Immigration Statistics

## Florida Immigrants by Region



# Florida

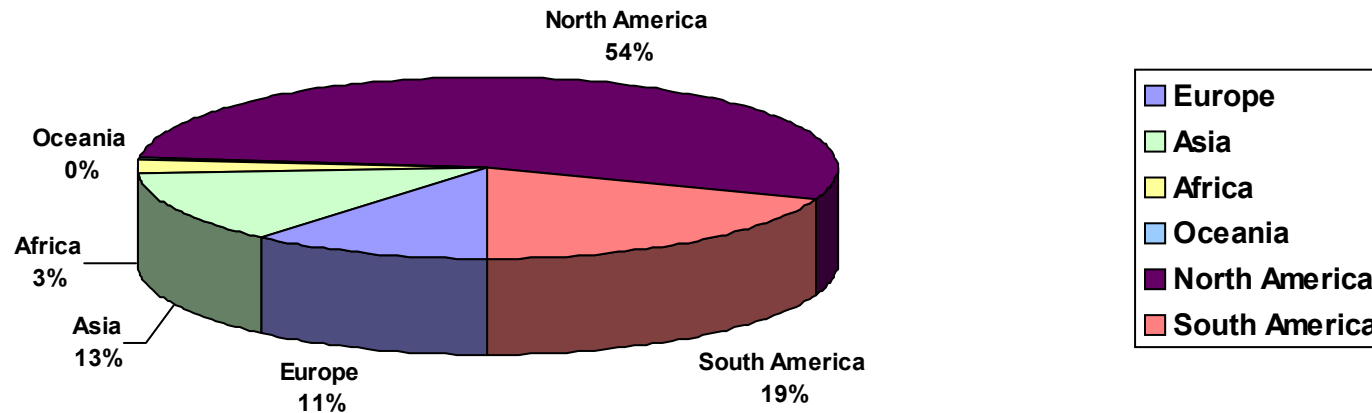
## Florida Naturalization in 2004 by Country of Birth

Total : 43,795

Europe		Asia		Africa		Oceania		North America		South America	
United Kingdom	830	Philippines	1,079	Morocco	200	Australia	55	Cuba	9,033	Colombia	3,085
Bosnia-Herzegovina	481	India	947	Nigeria	180	New Zealand	27	Jamaica	3,408	Peru	1,361
Germany	403	Vietnam	808	Egypt	159	Tonga	4	Haiti	3,225	Venezuela	1,066
Poland	264	China, People's Republic	361	South Africa	147			Nicaragua	1,498	Brazil	913
Russia	246	Pakistan	339	Ghana	60			Dominican Republic	1,354	Ecuador	627
Serbia and Montenegro	218	Korea	239	Kenya	56			Mexico	1,039	Argentina	475
Spain	215	Iran	227	Ethiopia	54			Canada	880	Guyana	438
Albania	209	Israel	182	Tanzania	33			Honduras	736	Chile	264
Ukraine	203	Bangladesh	176	Algeria	27			Trinidad & Tobago	695	Bolivia	116
Romania	203	Thailand	155	Zambia	21			Panama	318	Uruguay	92

Source : Office of Immigration Statistic, 2004 Yearbook of Immigration Statistics

## Florida Naturalization by Region



**Nonimmigrant Visitors to Florida**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
All classes	5,599,402	4,482,219	4,530,398	4,925,404
Foreign government officials	12,159	11,155	10,975	11,955
Temporary visitors for business		533,050	499,559	518,032
Temporary visitors for pleasure		3,621,610	3,682,521	4,039,359
Transit aliens	65,357	70,486	78,465	87,554
Treaty traders and investors	19,361	18,850	19,810	20,754
Students	47,812	44,172	40,862	40,848
Spouses and children of students	3,380	3,199	2,524	2,247
Temporary workers and trainees	51,688	59,469	61,771	66,104
Spouses and children of temporary workers and trainees	12,533	15,895	16,733	18,329
International representatives	997	1,071	1,097	1,186
Representatives of foreign information media	3,625	2,957	2,927	3,279
Exchange visitors	12,416	10,658	11,645	12,925
Spouses and children of exchange visitors	1,569	1,504	1,297	1,416
Fiances of U.S. citizens	1,630	2,241	1,842	2,734
Intracompany transferees	41,383	45,177	44,341	43,735
Spouses and children of intracompany transferees	16,771	20,146	19,990	20,139
NATO officials	893	789	905	1,014
North American Free-Trade Agreement workers	3,924	3,075	2,683	2,907
Spouses and children of North American Free- Trade workers	1,432	1,047	828	956

Source : Office of Immigration Statistice, 2004 Yearbook of Immigration Statistics

# Florida

## Florida Exports by Product\*

Unit: \$ million

	2002		2003		2004		2005		% Change, 2004-2005**
		(%)		(%)		(%)		(%)	
<b>Total Florida Exports and % Share of U.S. Total</b>	<b>24,544</b>	<b>3.5</b>	<b>24,953</b>	<b>3.4</b>	<b>28,982</b>	<b>3.5</b>	<b>33,377</b>	<b>3.7</b>	<b>15.2</b>
<b>Total, Top 25 Commodities and % Share of State Total</b>	<b>7,884</b>	<b>32.1</b>	<b>8,268</b>	<b>33.1</b>	<b>10,616</b>	<b>36.6</b>	<b>12,456</b>	<b>37.3</b>	<b>17.3</b>
1 Parts and accessories for automatic data processing machines	1,019	4.2	1,370	5.5	1,513	5.2	1,780	5.3	17.7
2 Fertilizers	1,227	5.0	1,418	5.7	1,645	5.7	1,742	5.2	5.9
3 Parts of airplanes or helicopters	724	2.9	818	3.3	957	3.3	1,198	3.6	25.2
4 Transmission apparatus incorporating reception apparatus	807	3.3	806	3.2	1,182	4.1	1,087	3.3	-8.1
5 Medium spark-ignition passenger vehicles	138	0.6	170	0.7	667	2.3	727	2.2	9.0
6 Carrier-current and digital system telecommunication apparatus	236	1.0	125	0.5	420	1.4	523	1.6	24.6
7 Digital monolithic integrated circuits	484	2.0	604	2.4	589	2.0	493	1.5	-16.2
8 Large spark-ignition passenger cars	238	1.0	152	0.6	342	1.2	450	1.3	31.5
9 Small thrust turbojets	36	0.1	18	0.1	107	0.4	390	1.2	262.6
10 Motorboats other than with outboard motorboats	93	0.4	187	0.7	297	1.0	338	1.0	14.0
11 Automatic data processing units	189	0.8	125	0.5	168	0.6	333	1.0	98.2
12 Portable digital automatic data processing machines	120	0.5	161	0.6	187	0.6	316	0.9	69.3
13 Parts of electrical apparatus for line telephony or telegraphy	440	1.8	185	0.7	358	1.2	316	0.9	-11.8
14 Automatic data processing storage units	115	0.5	174	0.7	176	0.6	276	0.8	56.9
15 Chemical woodpulp, soda	206	0.8	208	0.8	248	0.9	262	0.8	5.4
16 Automatic data processing input or output units	199	0.8	287	1.2	217	0.7	262	0.8	20.4
17 Parts for transmission apparatus for radar, radio, and TV	290	1.2	238	1.0	234	0.8	258	0.8	10.2
18 Jewelry and parts of non-silver precious metals	155	0.6	218	0.9	216	0.7	250	0.8	16.0
19 Instruments and appliances for medical, surgical, dental, or veterinary	222	0.9	240	1.0	252	0.9	246	0.7	-2.2
20 Gas turbine parts	158	0.6	191	0.8	175	0.6	228	0.7	30.0
21 Contact lenses	202	0.8	107	0.4	131	0.5	217	0.6	64.9
22 Adp machines and their units with magnetic or optical readers	210	0.9	129	0.5	110	0.4	206	0.6	87.4
23 Perfumes and toilet waters	125	0.5	126	0.5	155	0.5	192	0.6	23.9
24 Yachts for pleasure and sport, row boats, and canoes	101	0.4	105	0.4	128	0.4	188	0.6	47.0
25 Non-digital monolithic integrated circuits	150	0.6	106	0.4	141	0.5	179	0.5	26.8

Source : Census Bureau

\* The U.S. Census Bureau assigns detailed names to export products. For example, products listed as digital monolithic integrated circuits are essentially semiconductors. To maintain the integrity of government's export records, this report follows the terminology used by the Census.

\*\* (Z) means over 500% growth.

**Florida Exports by Trading Partner Country**

Unit: \$ million

	2002		2003		2004		2005		% Change, 2004-2005*
		(%)		(%)		(%)		(%)	
<b>Total Florida Exports and % Share of U.S. Total</b>	<b>24,544</b>	<b>3.5</b>	<b>24,953</b>	<b>3.4</b>	<b>28,982</b>	<b>3.5</b>	<b>33,377</b>	<b>3.7</b>	<b>15.2</b>
<b>Total, Top 25 Countries and % Share of State Total</b>	<b>18,898</b>	<b>77.0</b>	<b>18,598</b>	<b>74.5</b>	<b>21,531</b>	<b>74.3</b>	<b>24,698</b>	<b>74.0</b>	<b>14.7</b>
1 Brazil	2,781	11.3	2,537	10.2	2,905	10.0	3,059	9.2	5.3
2 Canada	2,294	9.3	2,369	9.5	2,500	8.6	2,821	8.5	12.9
3 Venezuela	1,233	5.0	776	3.1	1,500	5.2	2,071	6.2	38.1
4 Mexico	1,477	6.0	1,814	7.3	1,795	6.2	2,025	6.1	12.8
5 Colombia	961	3.9	1,018	4.1	1,104	3.8	1,291	3.9	16.9
6 Dominican Republic	1,278	5.2	1,059	4.2	1,042	3.6	1,135	3.4	8.9
7 United Kingdom	811	3.3	762	3.1	984	3.4	1,089	3.3	10.6
8 Chile	601	2.4	637	2.6	737	2.5	956	2.9	29.7
9 Argentina	236	1.0	451	1.8	654	2.3	871	2.6	33.2
10 Japan	796	3.2	746	3.0	831	2.9	791	2.4	-4.9
11 Bahamas	502	2.0	524	2.1	561	1.9	789	2.4	40.7
12 Netherlands	412	1.7	407	1.6	672	2.3	789	2.4	17.4
13 Federal Republic of Germany	479	2.0	499	2.0	637	2.2	762	2.3	19.7
14 Paraguay	350	1.4	373	1.5	477	1.6	719	2.2	50.5
15 China	725	3.0	649	2.6	545	1.9	690	2.1	26.8
16 Guatemala	596	2.4	596	2.4	603	2.1	630	1.9	4.5
17 Costa Rica	573	2.3	639	2.6	591	2.0	563	1.7	-4.8
18 Ecuador	489	2.0	436	1.7	473	1.6	540	1.6	14.1
19 Peru	397	1.6	428	1.7	462	1.6	524	1.6	13.2
20 Australia	285	1.2	319	1.3	465	1.6	482	1.4	3.8
21 Saudi Arabia	267	1.1	138	0.6	367	1.3	463	1.4	26.2
22 Panama	314	1.3	339	1.4	368	1.3	424	1.3	15.2
23 Honduras	352	1.4	358	1.4	445	1.5	422	1.3	-5.2
24 Jamaica	387	1.6	361	1.4	398	1.4	399	1.2	0.3
25 El Salvador	302	1.2	363	1.5	414	1.4	392	1.2	-5.4

Source : Census Bureau

\* (Z) means over 500% growth.