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Foreign buyers lifting U.S. home sales

By [Julie Schmit](#), USA TODAY

Foreign buyers are helping to stoke home sales in U.S. vacation hot spots decimated by the real estate crash, especially in southern Florida.

For the 12 months ending in March, 31% of Florida's home sales were to foreign buyers, up from 10% in 2007, according to a survey by the [National Association of Realtors](#).

In Arizona, 6% of sales in the same period were to foreigners. That was down from 11% last year but still up from 5% in 2007, the data show.

Foreign buyers are being enticed by low U.S. home prices, down 30% nationwide since peaking in 2006, and the weakened dollar, which makes their money go further. Since the start of 2006, the Canadian dollar has soared 18% against the U.S. dollar, while the euro has gained 22%, says data tracker Oanda.

U.S. home prices, meanwhile, have fallen far more than the national average in some places — down 55% from their peaks in Miami-Fort Lauderdale and Phoenix and 36% in [Los Angeles](#), says Zillow.com. Those are three of the most popular areas for foreigners searching for real estate on Trulia's website that company says.

The number of U.S. homes sold to foreigners dropped to 288,000 in the 12 months ending in March, from 224,000 a year earlier, the Realtors survey shows. But certain cities are seeing increases.

Sales are so brisk in the Miami region now that more houses and condominiums could sell this year than in 2005, the peak year, says Ronald Shuffield, president of Esslinger-Wooten-Maxwell Realtors in Coral Gables, Fla.

"International buyers have been the fuel for the Miami recovery," Shuffield says.

About 40% of buyers are international vs. less than 35% before the bust, he estimates. In downtown Miami, the percentage of foreign buyers has risen even more, Shuffield says. Many buyers are [South American](#) investors snapping up condominiums to rent out, says Peter Zalewski of market researcher Condo Vultures.

In the Phoenix region, there are at least 20% more foreigners in the market now than usual, says Don Hammer, manager of Realty Executives in Paradise Valley, Ariz.

One of those shoppers is retired hedge fund manager Peter Duerr of Austria. He's planning to buy a home in Scottsdale, having sold one there in 2005. "The U.S. is a great buy right now," Duerr says.

The largest share of foreign buyers, 23%, come from Canada, the Realtors' survey found. China followed at 9%. The survey includes foreigners living abroad, those in the U.S. with long-term visas and new immigrants.

Chicago-based Harris Bank is on pace to make 25% more loans to Canadians buying U.S. homes this year than last, says Randall Raup, head of retail lending for Harris. Its top buying locations are Florida, California and Arizona, he adds.

Of the 20 most popular U.S. cities searched by foreigners on real estate website Trulia, eight are in Florida, Trulia's data shows.

Foreign buyers

Top 10 U.S. cities being searched for in the first quarter of 2011 by people in the top 10 countries searching for housing on Trulia.com. Number in parentheses is the percentage of first quarter property views from Trulia for that country.

	United States	Germany	Austria	Canada	Kingdom	France	Mexico	Japan	Brazil	Italy	India
	(27%)	(9%)	(6%)	(3%)	(3%)	(3%)	(2%)	(2%)	(2%)	(2%)	(2%)
1	Fort Lauderdale, Fla.	Los Angeles	Los Angeles	New York	El Paso, Texas	New York	Los Angeles	Miami	New York	New York	
2	Naples, Fla.	New York	New York	Los Angeles	San Diego	Los Angeles	Honolulu	New York	Miami Beach, Fla.	San Francisco	
3	Las Vegas	Beverly Hills, Calif.	Cape Coral, Fla.	San Francisco	Chula Vista, Calif.	Miami Beach, Fla.	San Diego	Los Angeles	Los Angeles	Chicago	
4	Fort Myers, Fla.	Kissimmee, Fla.	San Antonio	Beverly Hills, Calif.	San Antonio	Miami	Jacksonville, Fla.	Orlando, Fla.	Miami	Los Angeles	
5	Cape Coral, Fla.	San Francisco	Miami	Detroit	Brownsville, Texas	San Francisco	San Francisco	Miami Beach, Fla.	San Francisco	Brooklyn, N.Y.	
6	Los Angeles	Miami	Miami Beach	Las Vegas	Los Angeles	Beverly Hills	New York	Boca Raton	Brooklyn	Miami	

			Fla.			Calif.		Fla.		
			San				Virginia	Fort		
7	New York	Las Vegas	Francisco	Miami	Miami	Brooklyn, N.Y.	Beach, Va.	Lauderdale, Fla.	Detroit	San Jose, Calif.
8	Phoenix	Orlando, Fla.	Las Vegas	Brooklyn, N.Y.	Las Vegas	Las Vegas	Temecula, Calif.	Beverly Hills, Calif.	Chicago	Philadelphia
9	Kissimmee, Fla.	Davenport, Fla.	Malibu, Calif.	Phoenix	New York	Fort Lauderdale, Fla.	Pensacola, Fla.	Winston-Salem, N.C.	Washington	Las Vegas
10	Palm Springs, Calif.	Brooklyn, N.Y.	Naples, Fla.	Atlanta	Calexico, Calif.	Malibu, Calif.	Las Vegas	Malibu, Calif.	Beverly Hills, Calif.	San Diego

1-Based on property views on Trulia