International Buyers of South Florida Real Estate

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Scott Hughes, Director
Risk Analysis Unit
Bank Supervision & Regulation

The views and opinions expressed are those of the presenter and are not necessarily those of the Federal Reserve Bank of Atlanta or the Board of Governors of the Federal Reserve System.
South Florida’s RRE Market in Recovery

Source: Home Sales: CoreLogic, data seasonally adjusted by Moody’s Analytics (July 2013 data used for 2013Q3)

South Florida Home Sales by ZIP Code
(September 2013, 12-M Sum)

Source: Zillow
Price Recovery Varies Widely

Current Median Sales Price:  September 2013 ($000s)

Maximum Median Sales Price:  2005-2010 ($000s)

ZIP Code (City)  Price: YA % Chg

33149 (Key Biscayne)  3.4%
33146 (Coral Gables)  +28.7%
33327 (Weston)  +31.0%
33469 (Tequesta)  +64.7%
33130 (Miami)  +33.1%
33130 (Boynton Beach)  +13.1%
33160 (Sunny Isles Beach)  +11.7%
33156 (Pinecrest)  +24%
33480 (Palm Beach)  +6.8%
33469 (Tequesta)  +64.7%
33436 (Boynton Beach)  +13.1%
33176 (Kendall)  +14.4%

Source: Zillow
International Buyer Presence in Florida

**Florida Leads the Nation in International Sales**

- Source: Profile of International Home Buyers in Florida: 2013 Report/National Association of Realtors

**Distribution of International Sales by Florida Market**

<table>
<thead>
<tr>
<th>Florida Market</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miami</td>
<td>21.1%</td>
</tr>
<tr>
<td>Ft. Lauderdale</td>
<td>8.5%</td>
</tr>
<tr>
<td>Palm Beach</td>
<td>2.5%</td>
</tr>
<tr>
<td>Other Areas</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Non-Resident Foreign Purchases of Florida Residential Real Estate**

- Source: Profile of International Home Buyers in Florida: 2013 Report/National Association of Realtors, September 2013
International Buyer Presence in Florida

Home Price Comparisons

- Non Resident Florida:
  - 2012: $231,185
  - 2013: $284,965 (23% increase)

- Total Florida:
  - 2012: $198,785
  - 2013: $224,121 (13% increase)

- Total U.S.:
  - 2012: $125,217
  - 2013: $235,742 (10% increase)

Exchange Rates

Source: U.S. Board of Governors of the Federal Reserve System

Type of Financing Used by International Buyers in Florida

- 2008:
  - Cash: 60%
  - Mortgage: 37%

- 2009:
  - Cash: 66%
  - Mortgage: 33%

- 2010:
  - Cash: 80%
  - Mortgage: 19%

- 2011:
  - Cash: 87%
  - Mortgage: 13%

- 2012:
  - Cash: 82%
  - Mortgage: 18%

- 2013:
  - Cash: 84%
  - Mortgage: 16%

The Impact of Changes of the Value of Dollar on Purchasing a Home

- Significant: 33%
- Little: 23%
- Some: 44%

Source: 2013 Profile of International Home Buying Activity - Purchases of U.S. Real Estate by International Clients for the Twelve Month Period Ending March 2013 - National Association of Realtors
International Buyer Presence in Florida

### Origin of Reported International Buyers (2013, %)

<table>
<thead>
<tr>
<th></th>
<th>Miami</th>
<th>Ft. Lauderdale</th>
<th>W. Palm Beach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venezuela</td>
<td>22</td>
<td>Canada</td>
<td>Canada</td>
</tr>
<tr>
<td>Argentina</td>
<td>11</td>
<td>Argentina</td>
<td>Russia</td>
</tr>
<tr>
<td>Brazil</td>
<td>10</td>
<td>China</td>
<td>Argentina</td>
</tr>
<tr>
<td>Peru</td>
<td>9</td>
<td>Venezuela</td>
<td>Hungary</td>
</tr>
<tr>
<td>Canada</td>
<td>6</td>
<td>Brazil</td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>6</td>
<td>Colombia</td>
<td></td>
</tr>
</tbody>
</table>

Source: Profile of International Home Buyers in Florida: 2013 Report/National Association of Realtors, September 2013

### Florida International Buyer Characteristics

<table>
<thead>
<tr>
<th>Country</th>
<th>Median Price</th>
<th>All Cash (no mortgage)</th>
<th>Primary Intended Use</th>
<th>Share of Purchases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>$303,571</td>
<td>83%</td>
<td>Vacation Home</td>
<td>51%</td>
</tr>
<tr>
<td>Canada</td>
<td>$197,875</td>
<td>91%</td>
<td>Vacation Home</td>
<td>52%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$206,250</td>
<td>84%</td>
<td>Vacation Home; Rental for Investment</td>
<td>36%</td>
</tr>
<tr>
<td>Venezuela</td>
<td>$388,339</td>
<td>78%</td>
<td>Rental for Investment</td>
<td>38%</td>
</tr>
<tr>
<td>Latin America (exc. Brazil, Venezuela)</td>
<td>$216,477</td>
<td>83%</td>
<td>Rental for Investment</td>
<td>40%</td>
</tr>
<tr>
<td>Western Europe (exc. UK)</td>
<td>$248,000</td>
<td>84%</td>
<td>Vacation Home</td>
<td>35%</td>
</tr>
</tbody>
</table>

Source: Profile of International Home Buyers in Florida: 2013 Report/National Association of Realtors, September 2013

### Most Important Factor Influencing Purchase

- Desired Location: 39%
- Profitable Investment: 31%
- Secure Investment: 22%
- Other: 8%

### Reasons for Not Buying

- Financing issues: 26%
- Cost/Taxes/Insurance: 16%
- Couldn't Find Suitable Property: 29%
- Immigration Laws: 9%
- Other: 9%

Source: 2013 Profile of International Home Buying Activity: Purchases of U.S. Real Estate by International Clients for the Twelve Month Period Ending March 2013/National Association of Realtors