

2022

OHIO REALTORS®

International Residential Transactions



OHIO
REALTORS®



NATIONAL
ASSOCIATION OF
REALTORS®

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About the Survey



Objective

The objective of this survey is to gather information about international residential real estate transactions of Ohio REALTORS® members during April 2021–March 2022

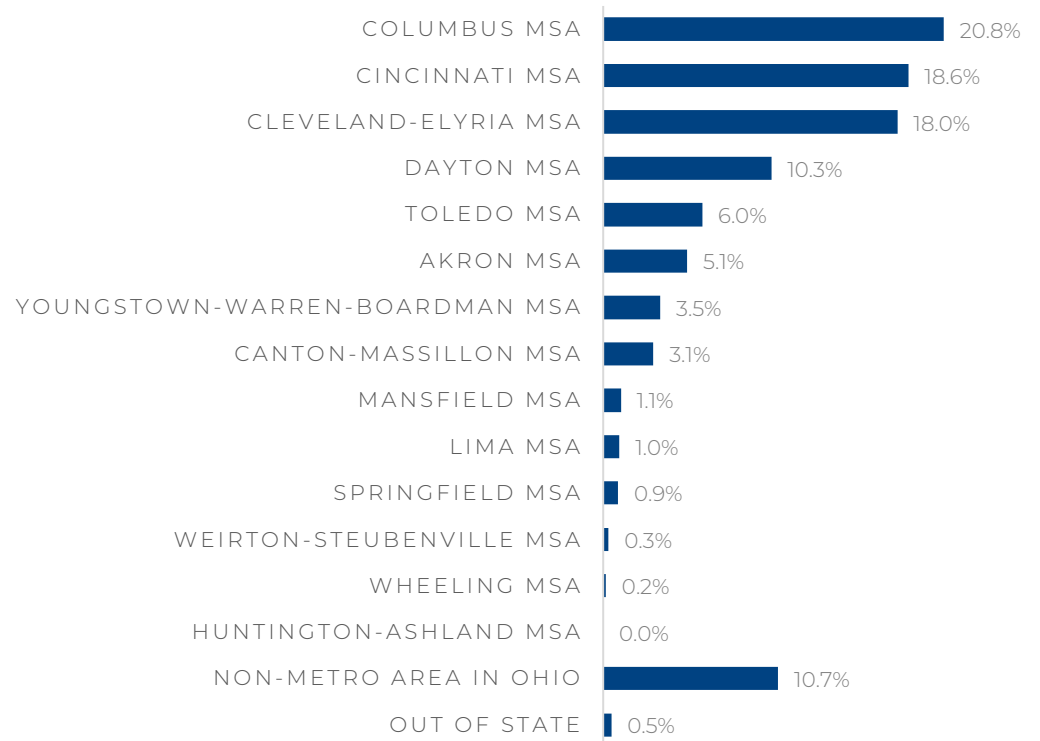


Respondents

Ohio REALTORS® sent out the survey to its 36,000 members from April 4 through May 9, 2022, of which 1,208 members responded to the survey, of which 136 reported they had a foreign buyer, Responses from out-of-state respondents were not included in the analysis.

- 3% of 225 respondents held a CIPS designation
- 11% of 835 respondents have been REALTORS® for less than one year

PRIMARY BUSINESS AREA OF RESPONDENT



Who is an International Client?

In this study, the term *international or foreign client* refers to two types of non-U.S. citizens:

Non-resident (Type A): non-U.S. citizens who primarily reside outside the U.S. and who don't stay in the U.S. year-round.

Resident (Type B): non-U.S. citizens who reside in the U.S. on non-immigrant visas (e.g., diplomats, foreign students, foreign workers) or recent immigrants who have been in the U.S. for less than two years as of the time of the transaction.

2022 Report Highlights

Foreign buyers purchased \$597 million of residential property (1.5% of Ohio's residential market)

60% of foreign buyers resided in the United States (Type B)

Top countries of origin of foreign buyers

China (38%)

India (13%)

Thailand (13%)

Mexico (13%)

Top destinations of foreign buyers

Cleveland-Elyria (28%)

Columbus (24%)

Cincinnati (19%)

2022 Report Highlights

\$298,500 average foreign buyer price (compared to \$242,400 average home price in Ohio)

51% of foreign buyers paid all-cash

46% of foreign buyers intended to use the property as a primary residence

84% of foreign buyers purchased single-family detached homes or townhomes

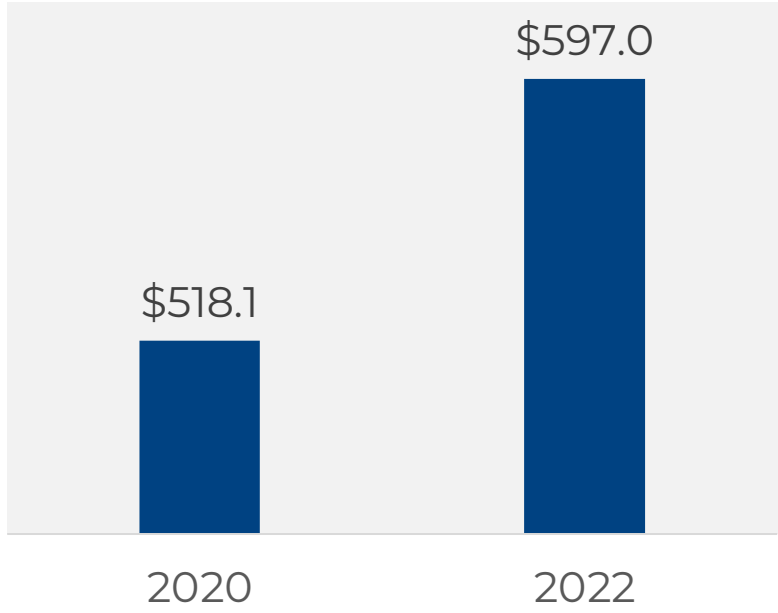
5% of respondents reported they had U.S. clients looking to purchase property abroad, mainly for vacation use or rental

INTERNATIONAL RESIDENTIAL BUYERS

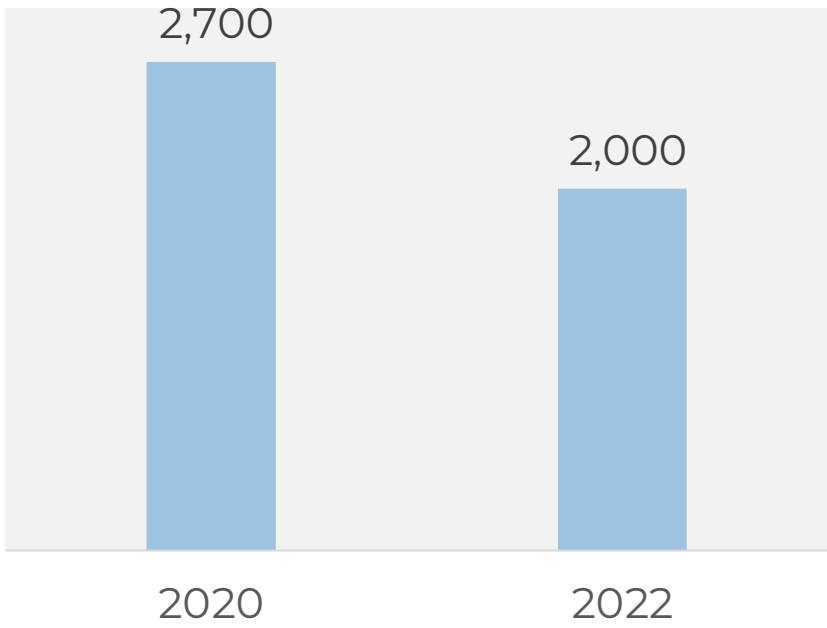


Foreign Buyer Purchases Increased to \$597 Million But Sales Declined During April 2021—March 2022

DOLLAR VOLUME OF FOREIGN BUYER PURCHASES IN OHIO

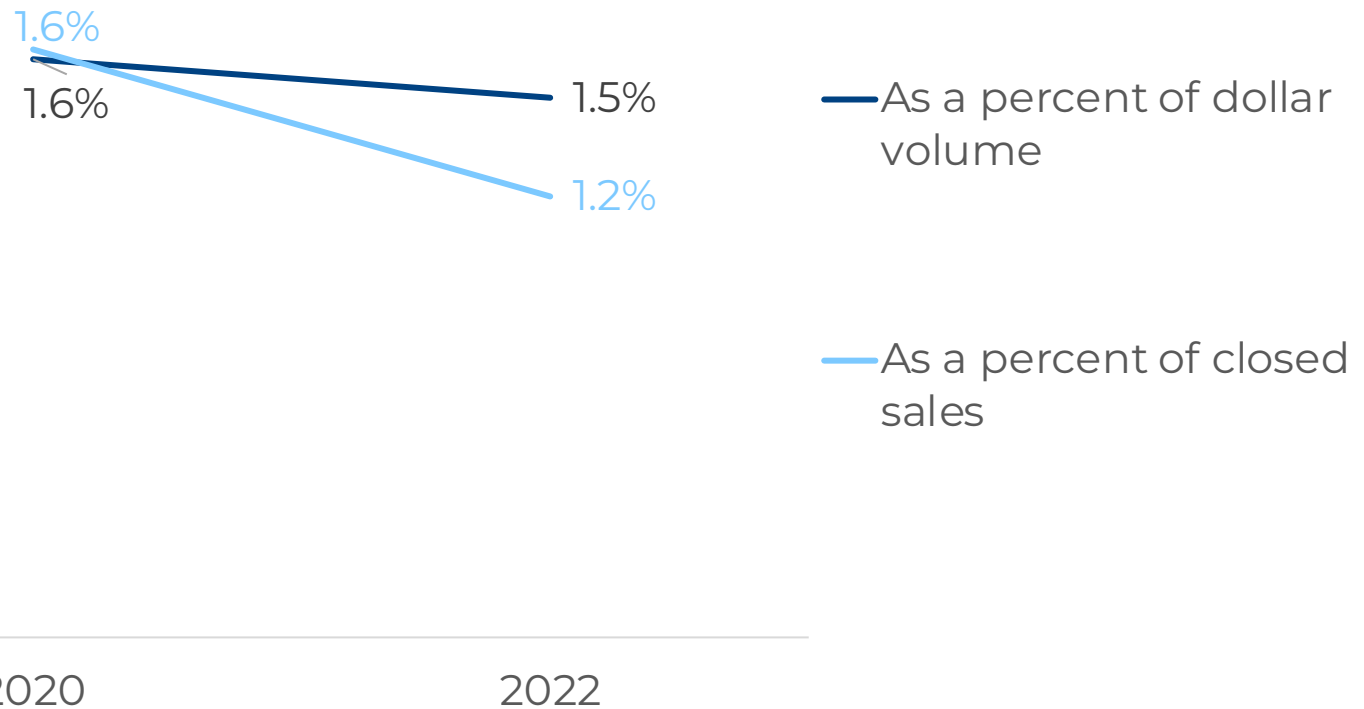


NUMBER OF HOMES PURCHASED BY FOREIGN BUYERS IN OHIO



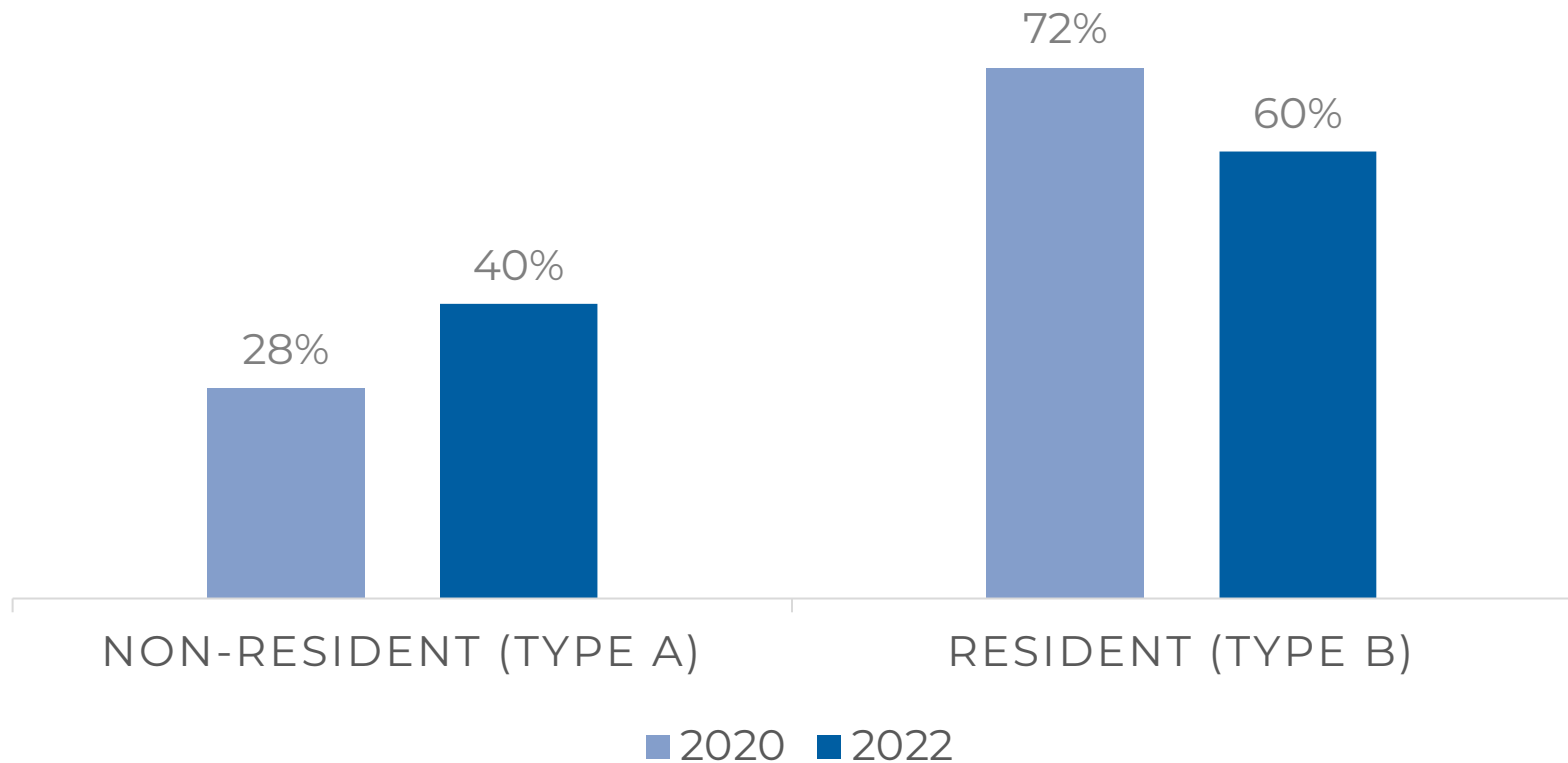
Foreign Buyer Market Share Declined During April 2021—March 2022

FOREIGN BUYER MARKET SHARE IN OHIO



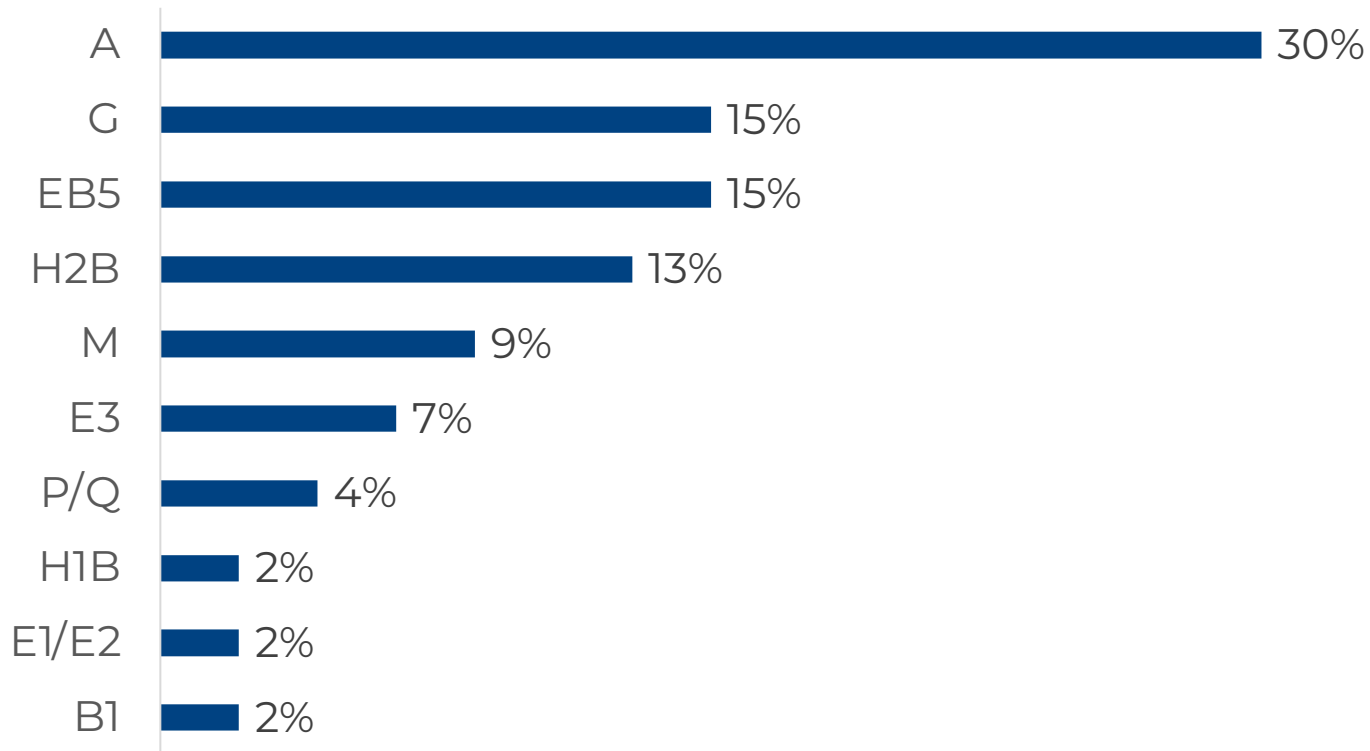
60% of Foreign Buyers Resided in the U.S. as Recent Immigrants or as Visa Holders

TYPE OF FOREIGN RESIDENTIAL BUYER



45% of Foreign Buyers With Visas Were Diplomats or Worked in International Organizations

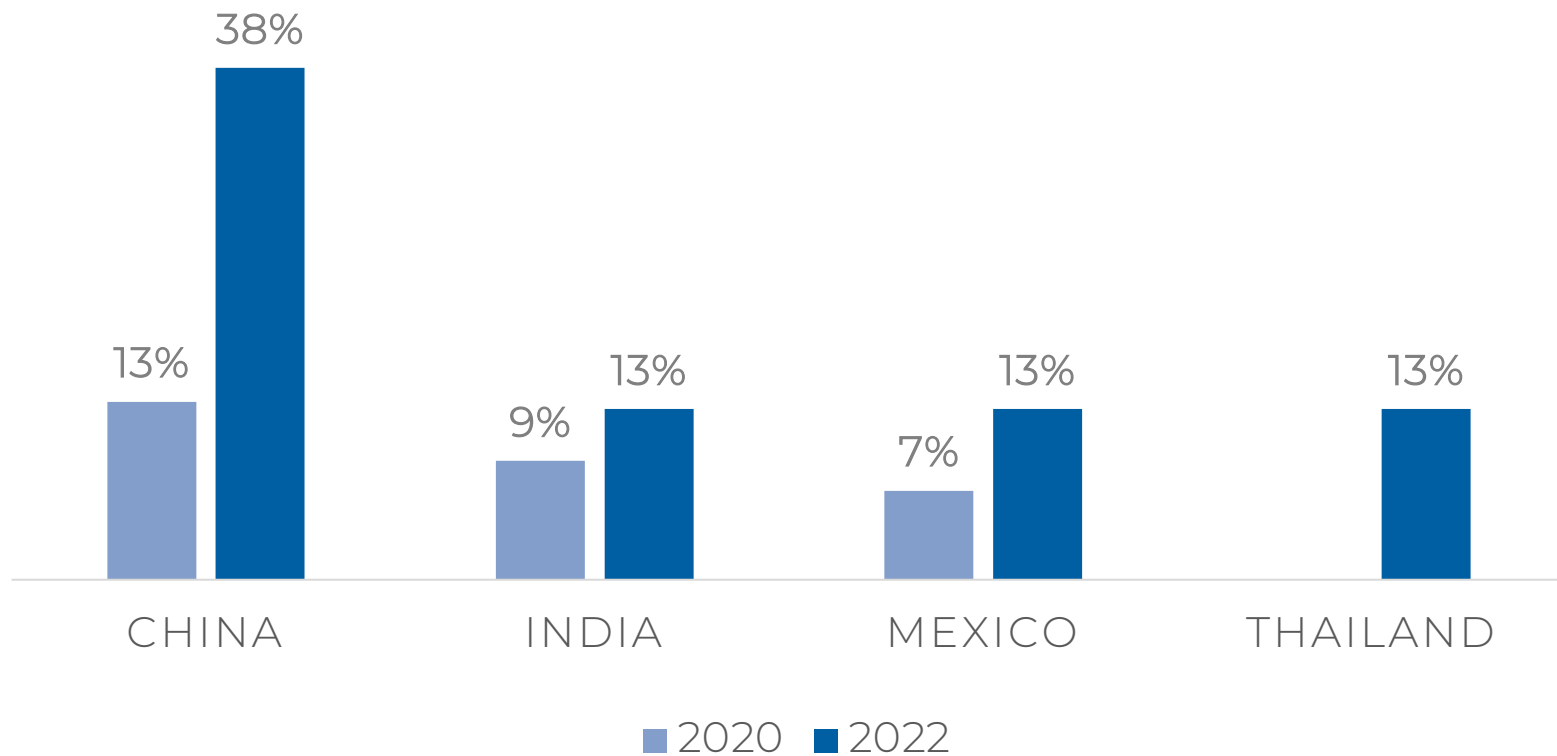
VISAS HELD BY INTERNATIONAL CLIENTS WHO PURCHASED U.S. RESIDENTIAL PROPERTY*



*Among international clients with a visa

Asians: 64% of Foreign Buyers

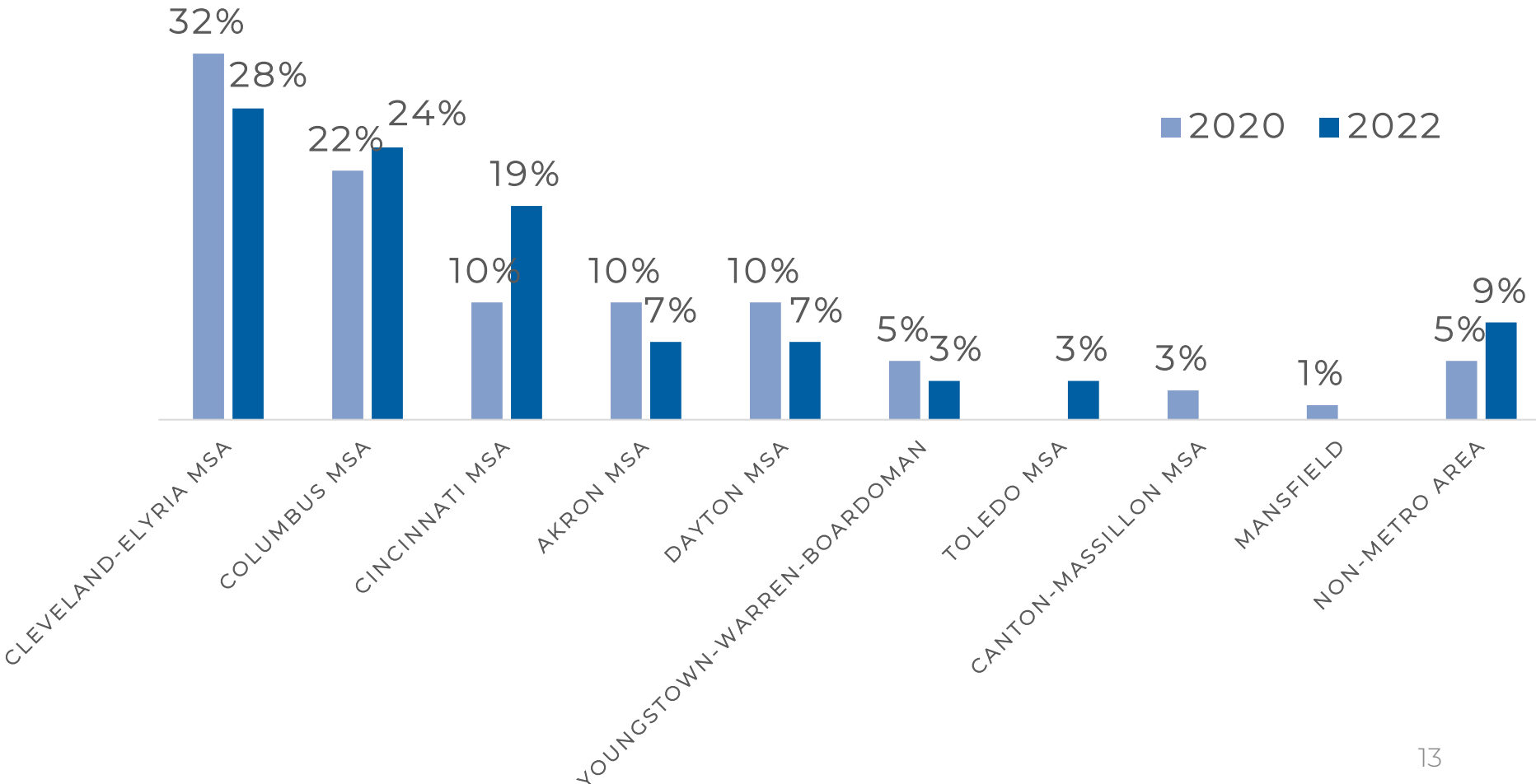
TOP FOREIGN BUYERS



China includes Mainland China, Taiwan, and Hong Kong.

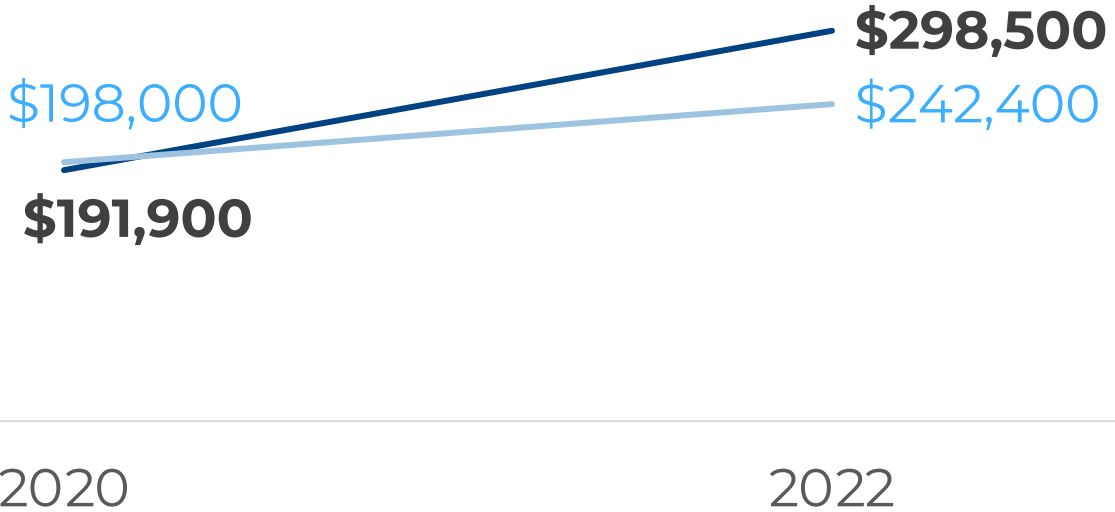
Cleveland, Columbus, Cincinnati: 71% Market Share

DESTINATION OF FOREIGN BUYERS IN OHIO



Foreign Buyer Average Purchase Price: \$298,500

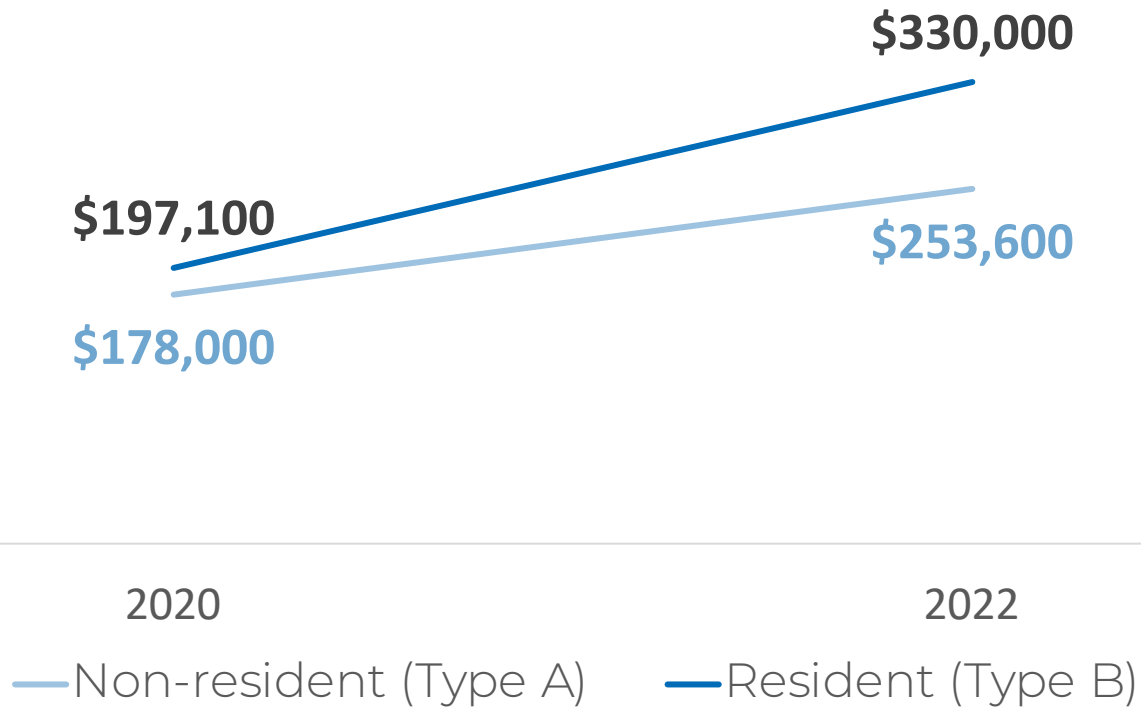
COMPARATIVE AVERAGE PURCHASE PRICE



- OHIO REALTORS® Foreign Buyers
- OHIO REALTORS® Home Sales

Average Purchase Price Among Resident Foreign Buyers (Type B): \$330,000

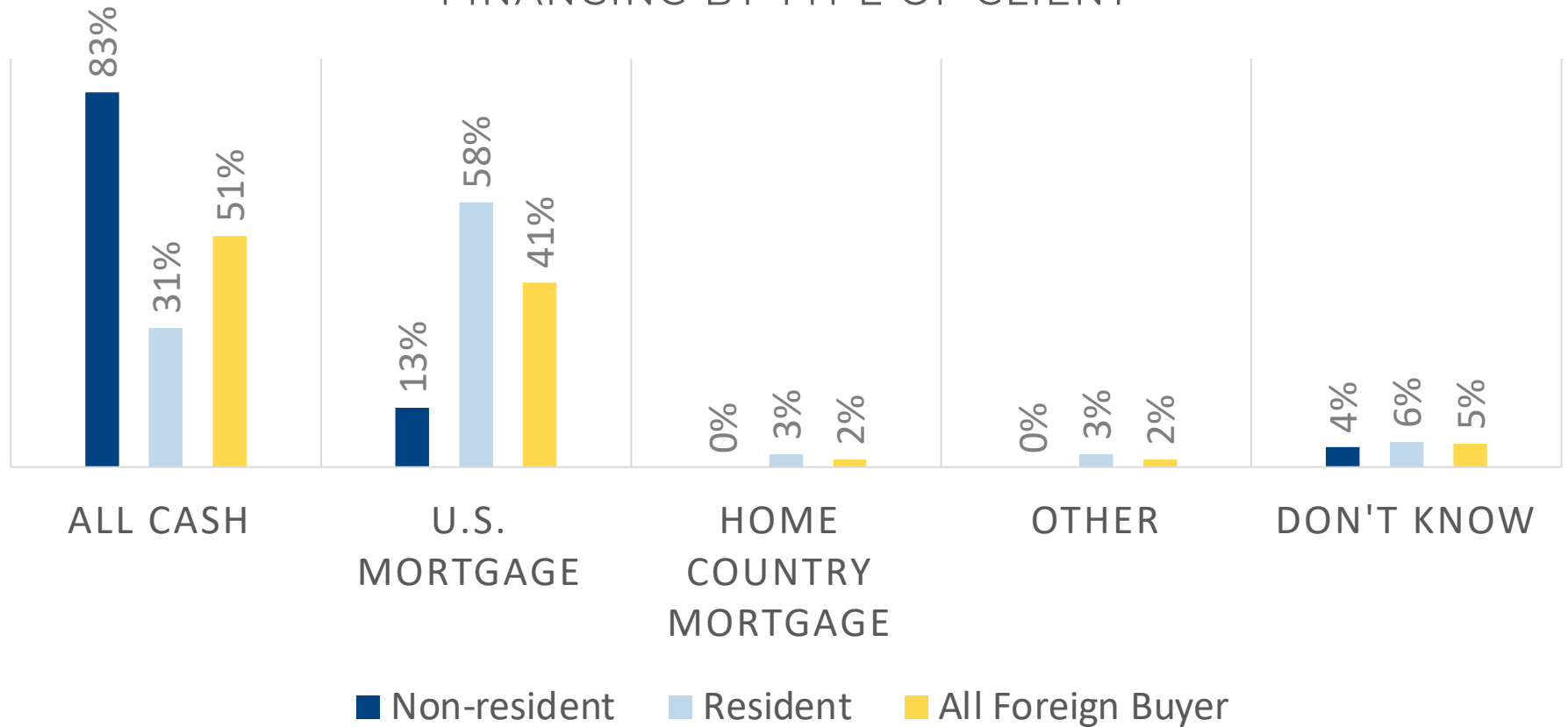
AVERAGE PURCHASE PRICE BY TYPE OF FOREIGN BUYER



All Cash Share: 51%

Higher Share Among Non-resident Buyers (83%)

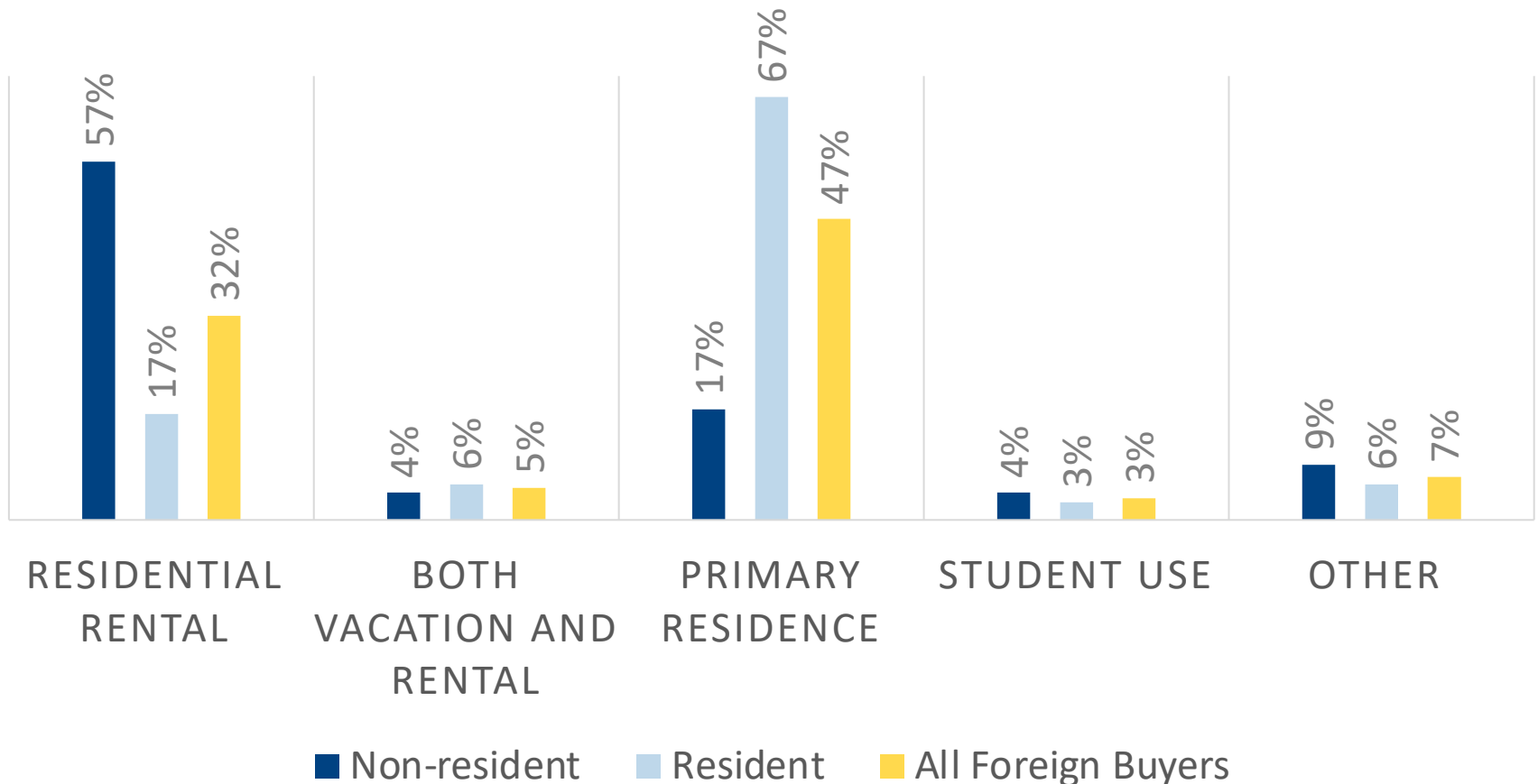
FINANCING BY TYPE OF CLIENT



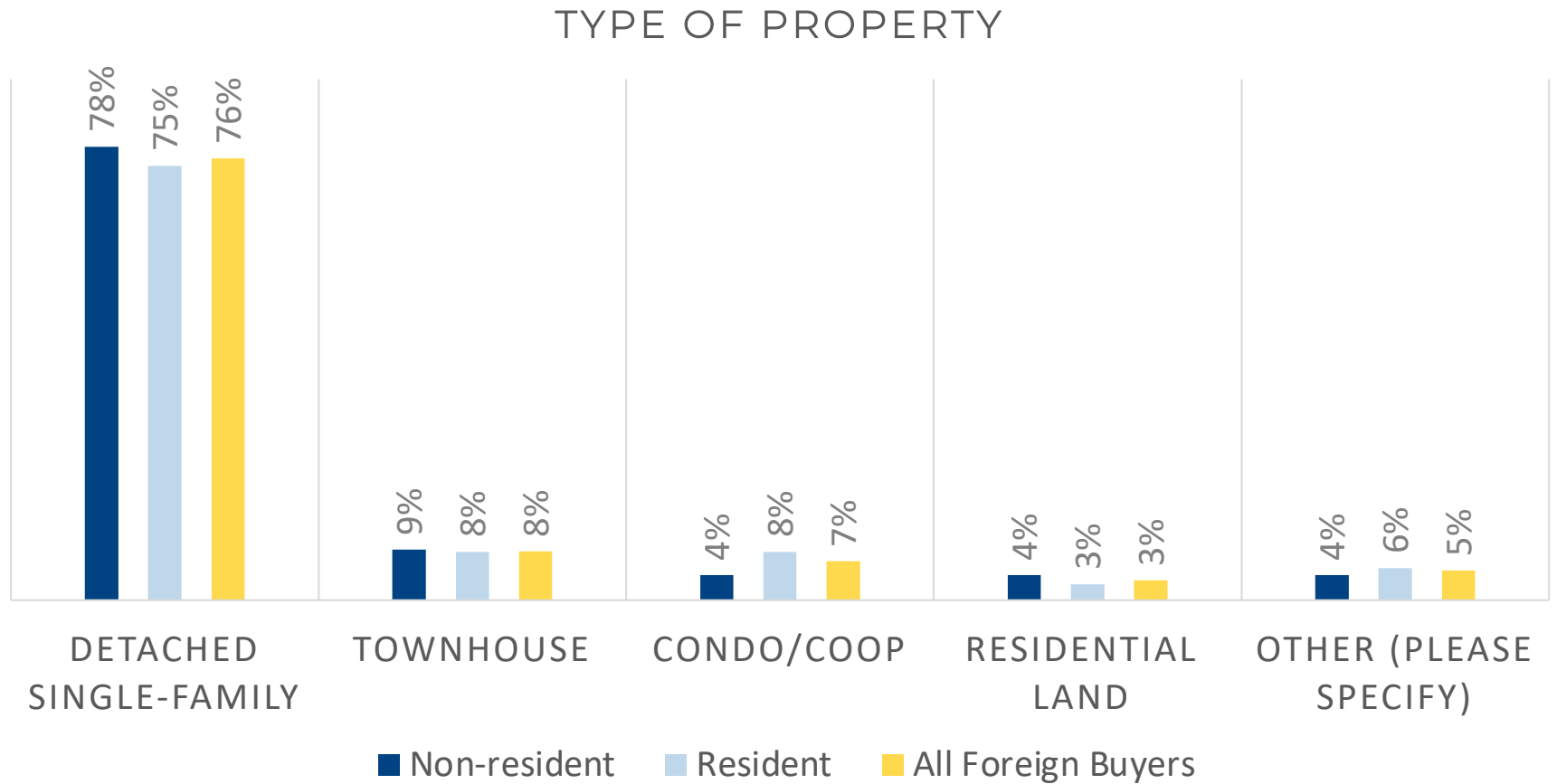
Primary Residence Use: 47%

Higher share among resident buyers (67%)

HOW FOREIGN BUYERS INTEND TO USE PROPERTY

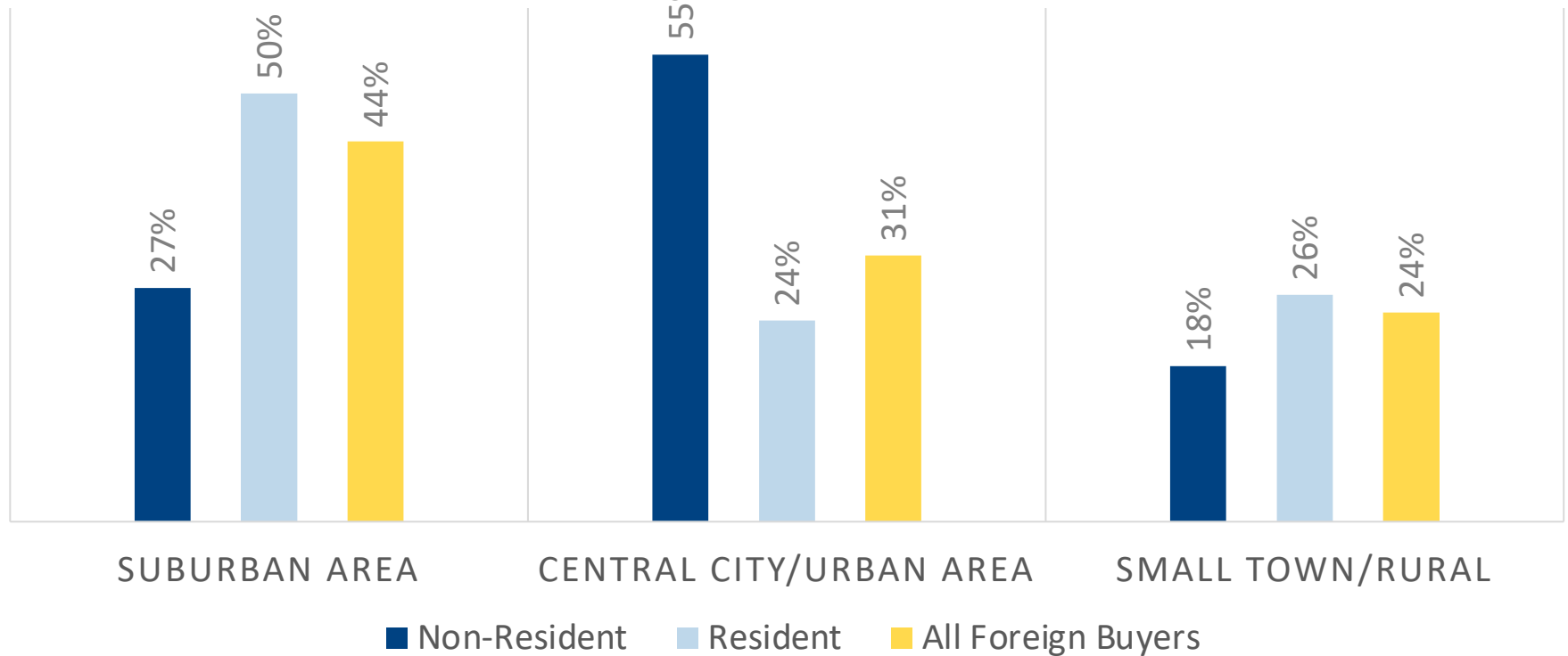


84% of Foreign Buyers Purchased Detached Single-family Homes or Townhomes



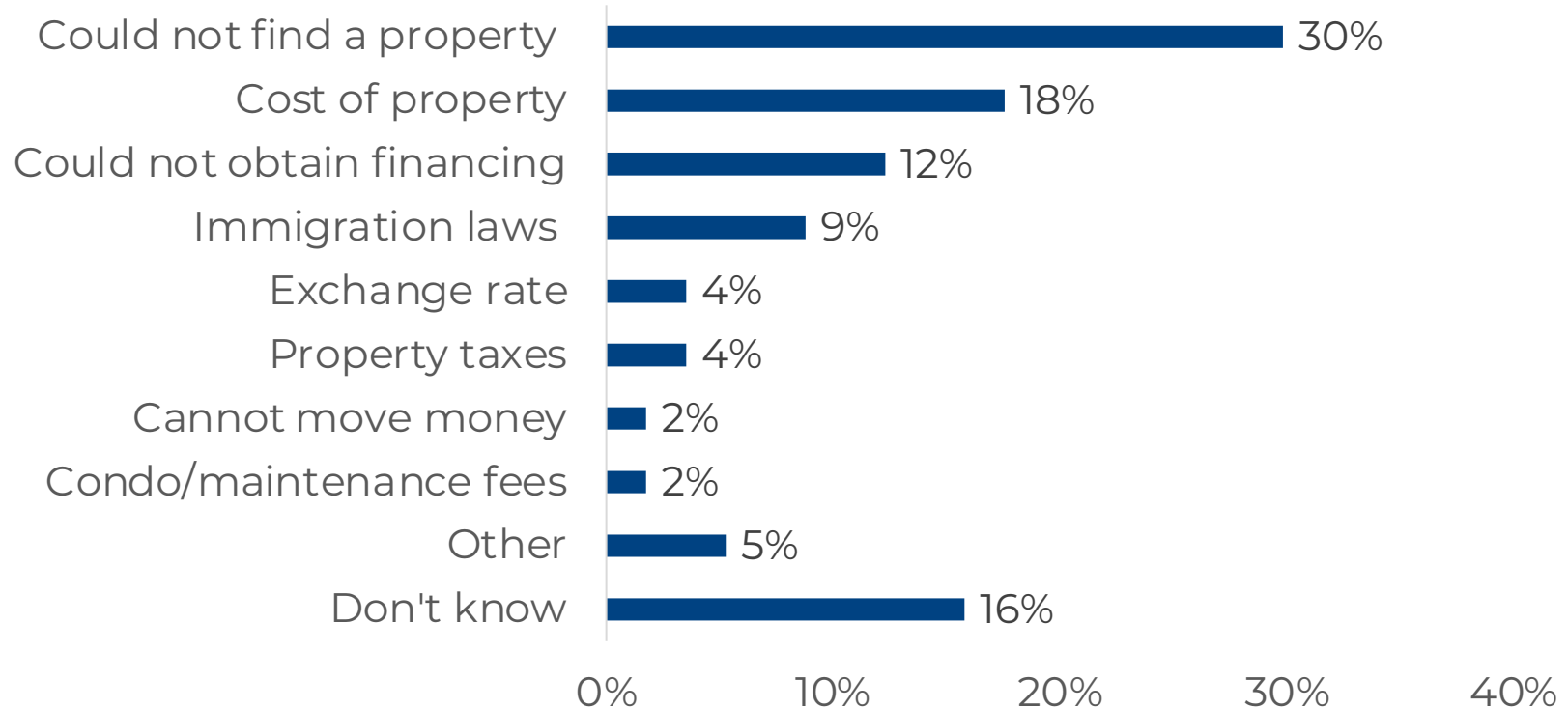
44% of Foreign Buyers Bought Property in a Suburban Area

TYPE OF AREA WHERE FOREIGN BUYERS PURCHASED PROPERTY



“Could not find property”, “Cost of property”, “Could not obtain financing”, and Were Major Reasons Client Decided Not to Purchase Property

REASONS CLIENT DECIDED NOT TO PURCHASE PROPERTY

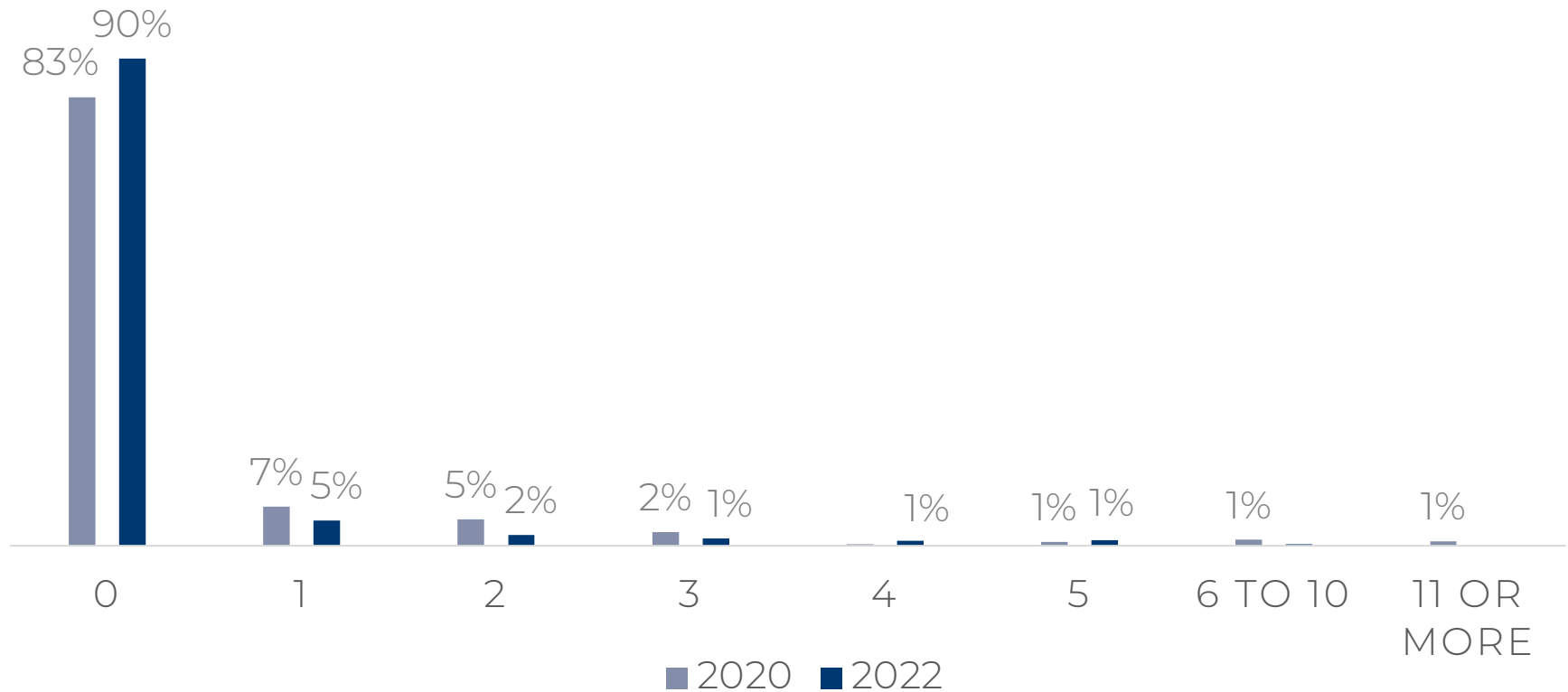


INTERNATIONAL TRANSACTIONS



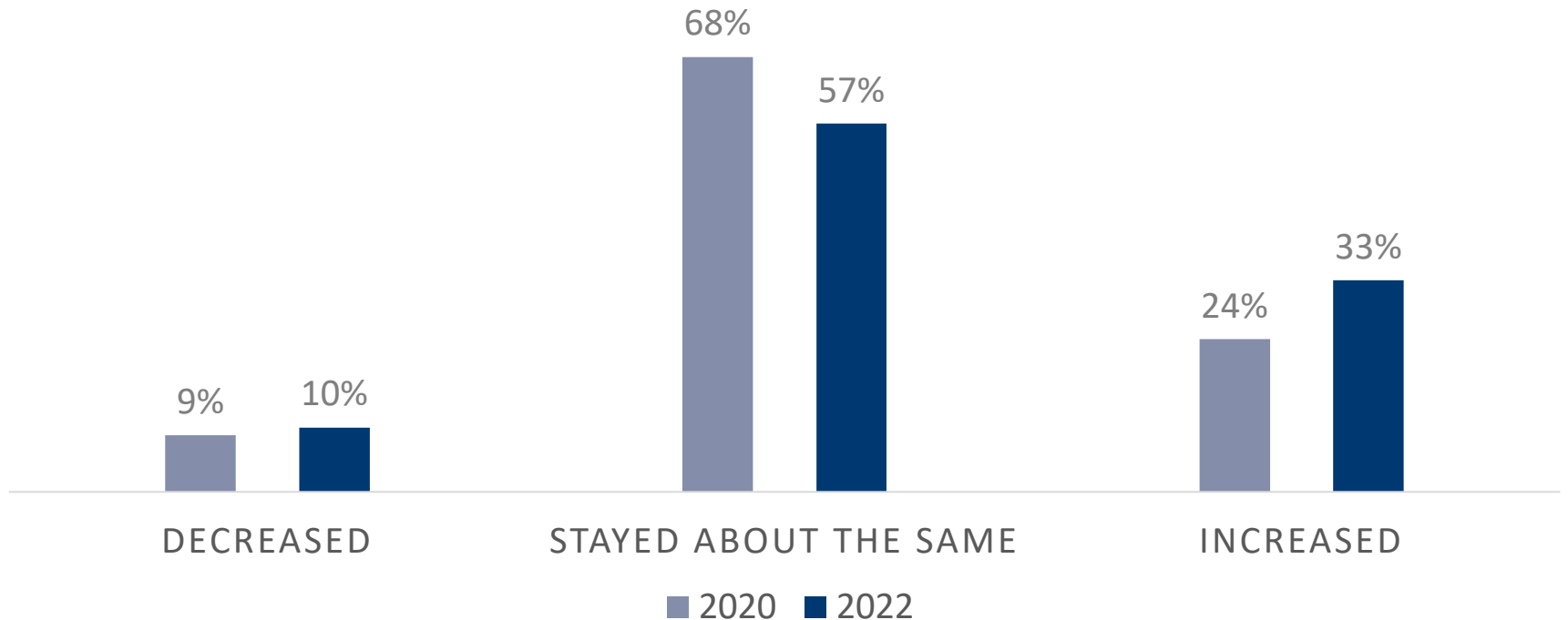
10% of Respondents Had an International Client

NUMBER OF INTERNATIONAL CLIENTS AMONG RESPONDENTS WHETHER OR NOT CLIENT PURCHASED A PROPERTY



33% of Respondents Reported an Increase in International Buyers in the Past Year

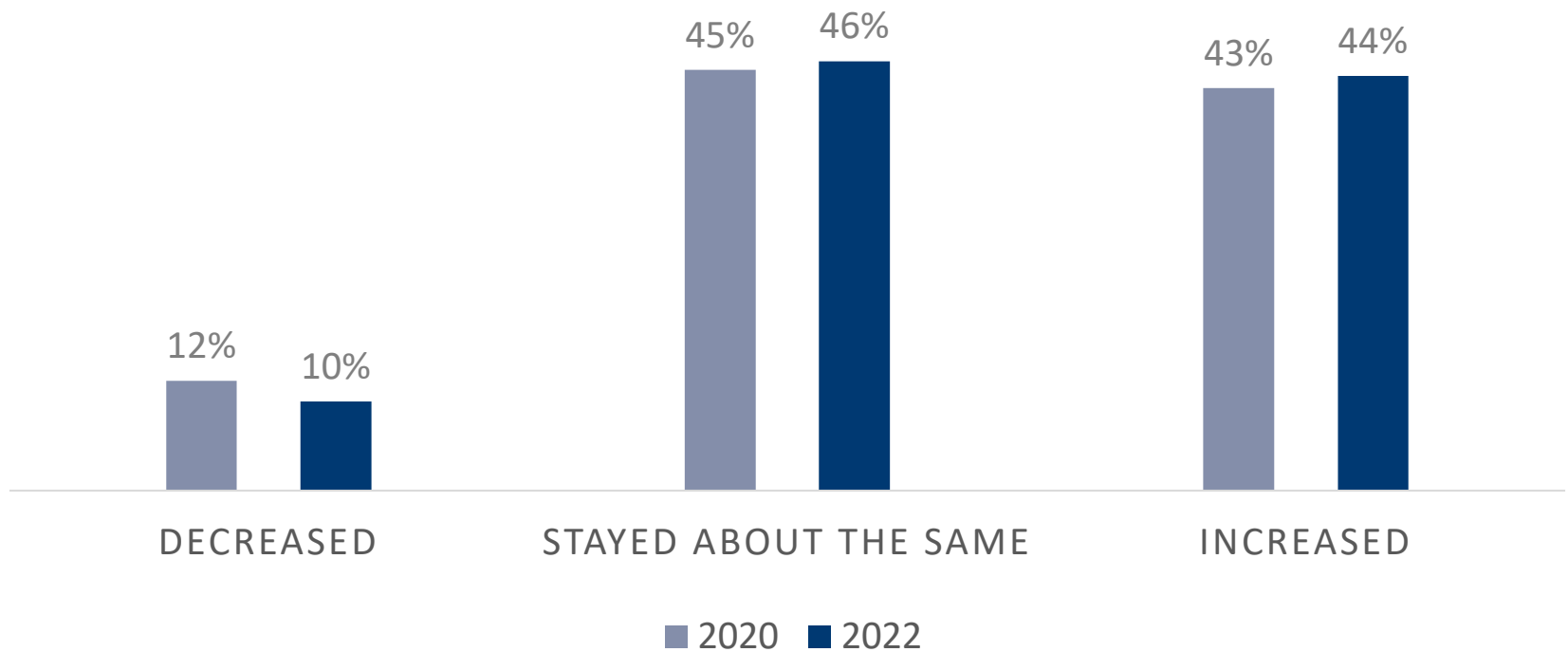
HOW BUSINESS WITH INTERNATIONAL RESIDENTIAL BUYERS HAS CHANGED IN THE PAST YEAR



*Among respondents with at least one year of experience

44% of Respondents Reported an Increase in International Buyers in the Past 5 Years

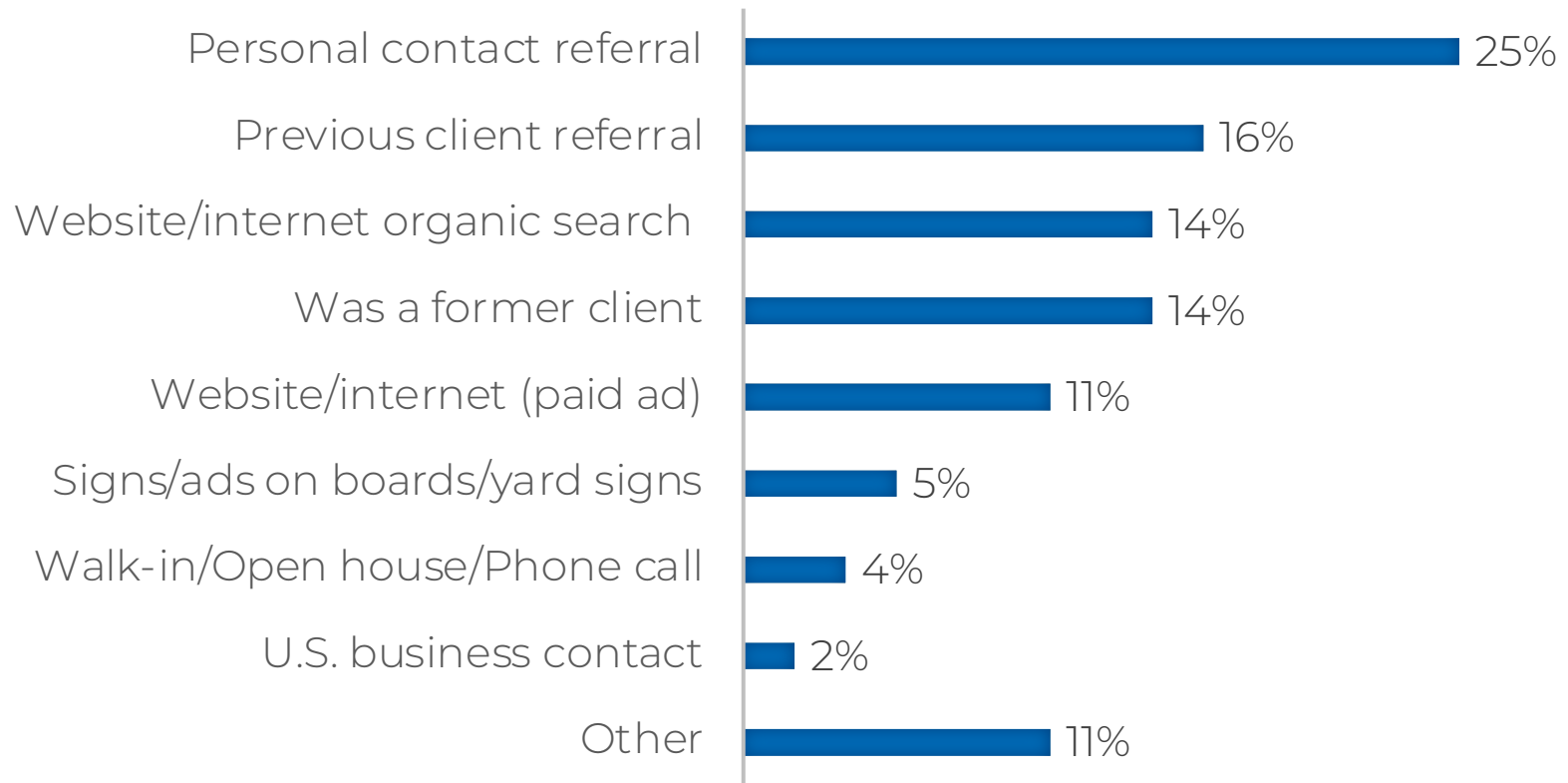
HOW BUSINESS WITH INTERNATIONAL RESIDENTIAL BUYERS HAS CHANGED IN THE PAST FIVE YEARS



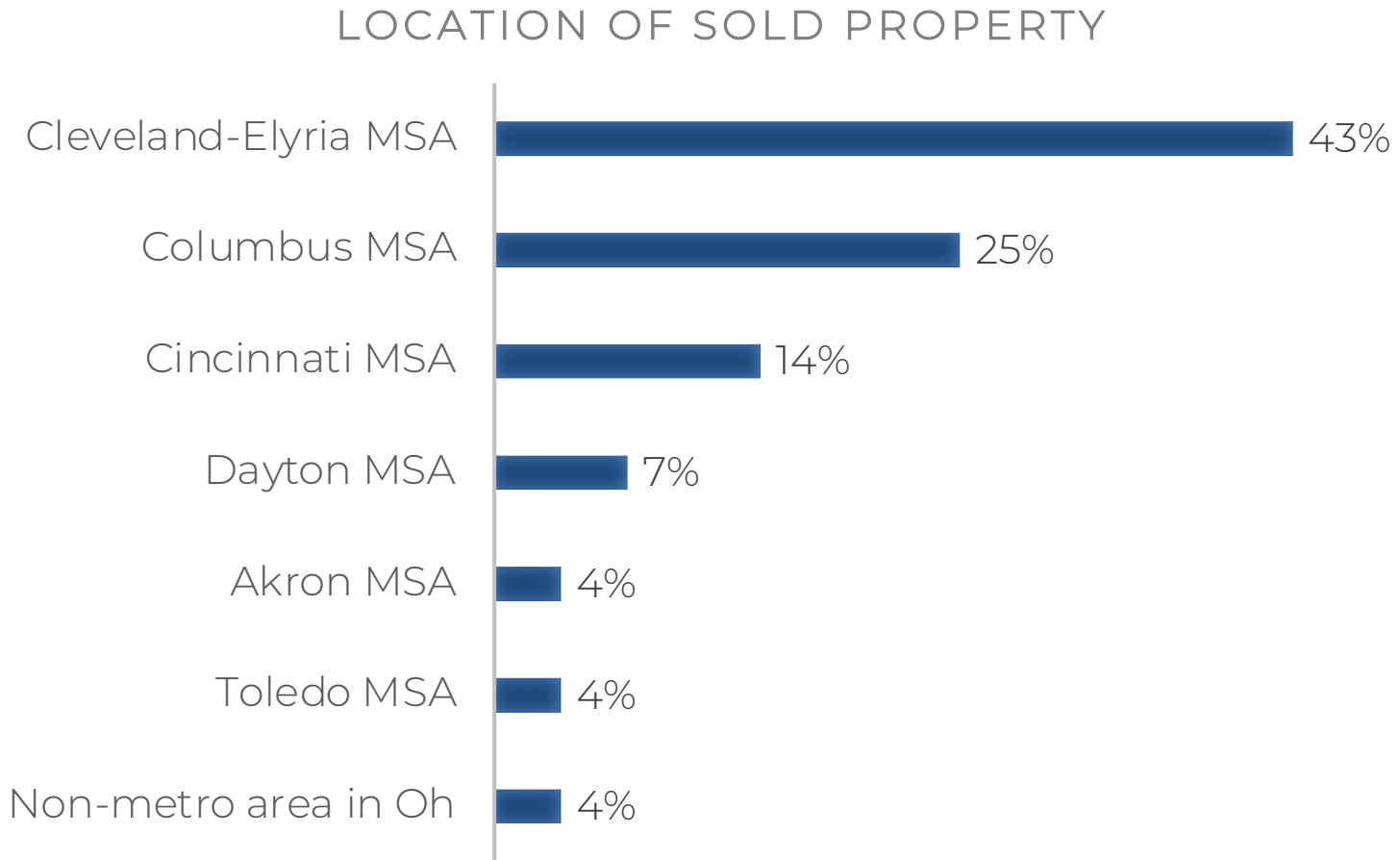
*Among respondents with at least five years of experience

56% of Referrals or Leads Came from Personal/Business Contacts or Were Past Clients

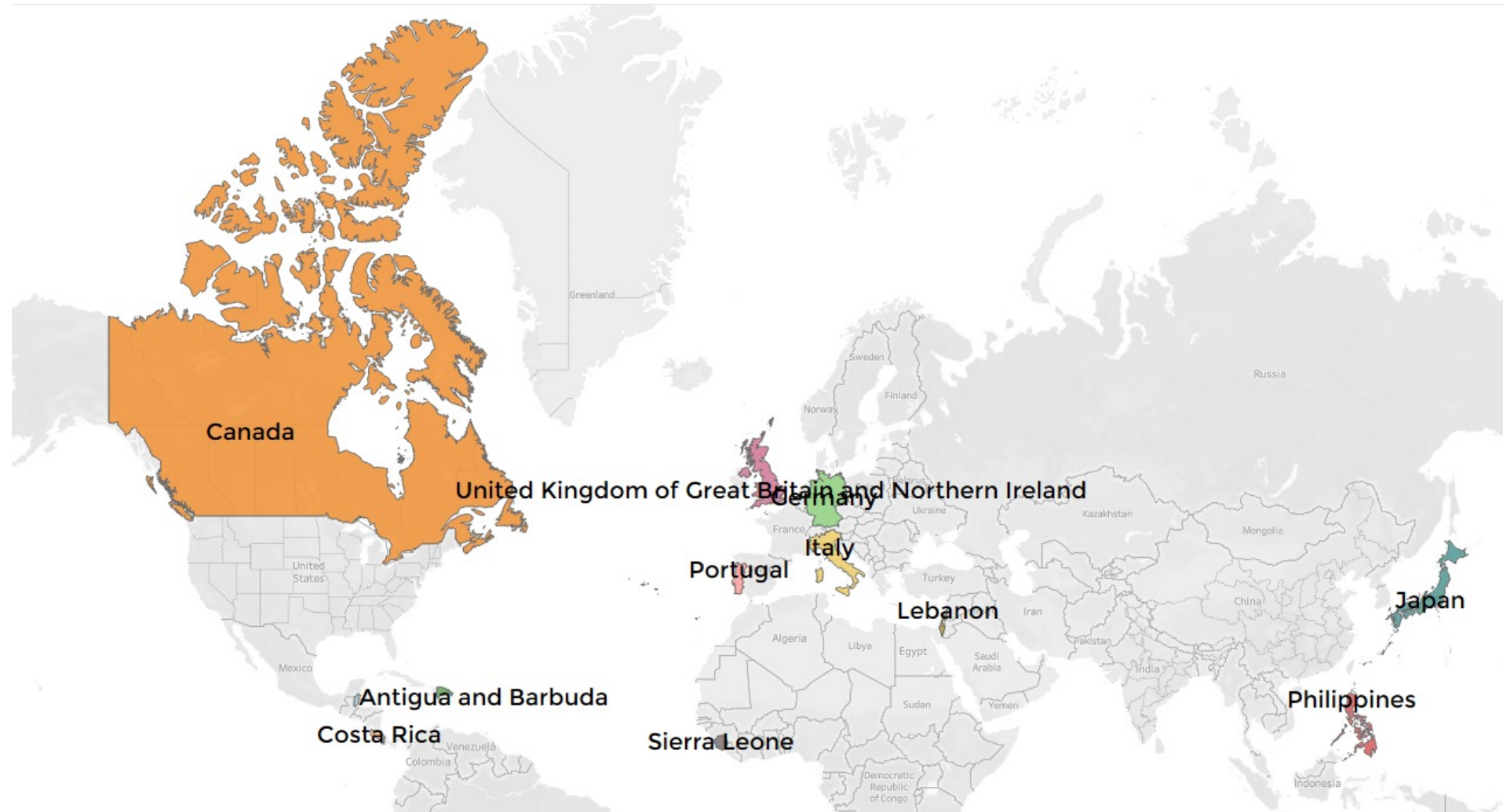
SOURCE OF LEADS/REFERRALS



82% of Properties Sold by Foreign Homeowners Were in Cleveland, Cincinnati, and Columbus



5% of Respondents Reported They Had U.S. Clients Searching for Property Abroad



Appendix: Estimation of Foreign Buyer Purchases

Estimation of Foreign Buyer Purchases		2020	2022
Line 1	Share of foreign buyer purchases to OHIO REALTORS® home sales/1	1.6%	1.2%
Line 2	OHIO REALTORS® residential sales	166,321	167,682
Line 3	Foreign buyer purchases	2,700	2,000
Line 4	Share of non-resident (Type A) foreign buyers	28%	40%
Line 5	Share of resident (Type B) foreign buyers	72%	60%
Line 6	Non-resident (Type A) foreign buyer purchases (units)	767	795
Line 7	Resident (Type B) foreign buyer purchases (units)	1,933	1,205
Line 8	Average foreign buyer purchase price	\$191,900	\$298,500
Line 9	Dollar volume of foreign buyer purchases, in millions	\$518.1	\$597.0
Line 10	Foreign buyer dollar volume of purchases, as a percent of OHIO REALTORS® dollar sales	1.6%	1.5%
<i>OHIO REALTORS® Home Sales/1:</i>			
Line 11	Average price of OHIO REALTORS® residential sales	\$198,000	\$242,400
Line 12	Dollar sales volume, in billions	\$32.9	\$40.6

/1 share of Type A and Type B total home sales based on REALTORS® Confidence Index Survey

This study was conducted by the National Association of REALTORS® for the OHIO REALTORS®.

National Association of REALTORS® Research Group

Lawrence Yun, PhD, Chief Economist and SVP Research

Gay Cororaton, Senior Economist, Director of Housing & Commercial Research

OHIO REALTORS®

Scott R. Williams, Chief Executive Officer

For information about this study, please contact:

Carl Horst, Vice President, External Affairs at horst@ohiorealtors.org





NATIONAL ASSOCIATION OF REALTORS®

The National Association of REALTORS® (NAR) is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property.

NATIONAL ASSOCIATION OF REALTORS® Research Group

The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

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National Association of REALTORS®
500 New Jersey Avenue, NW
Washington, DC 20001
202.383.1000



Ohio REALTORS® is the major champion of private property rights in Ohio. The purpose of Ohio REALTORS® is to assist member associations in serving the needs of our members and to advocate public policies beneficial to the real estate industry.

On January 26, 1910, major players in Ohio's real estate market established the Ohio Association of Real Estate Boards, now known as Ohio REALTORS®. The Association now counts as the state's largest professional trade organization, with more than 36,000 members.

It offers services to its members in addition to protecting private property rights for the public. Those member services include lobbying state legislators on industry issues, research and professional development, providing current real estate information and member discounts on products and services, legal assistance.

The staff, housed in the fully-owned REALTOR® building at 200 E. Town Street, Columbus, continue seeking fresh ways of responding to REALTORS®' business and professional needs. They carry out directions from Ohio REALTORS® elected officers and Directors, who in turn are appointed by the Local Boards/Associations to determine policies, goals and programs.

<https://www.ohiorealtors.org/about/>

OHIO REALTORS®
200 E. Town St., Columbus OH, 43215
614.228.6675 | oar@ohiorealtors.org