

INDUSTRY SPECIAL REPORT

Thursday, June 26, 2008

Real estate without borders

Industry plugs into international trends

By Matt Carter and Glenn Roberts Jr.

The declining value of the U.S. dollar, coupled with declining property values in some major markets, is attracting foreign buyers -- but the weak dollar and nation's credit crunch also pose a threat to the short-term growth in international real estate. In the long run, though, globalization and immigration to the United States are expected to stimulate the housing market.

Some real estate professionals in the United States are working to reach an international audience for U.S. properties, and also to work with U.S. buyers who are searching for homes abroad.

A range of property-search sites, from brokerage company portals to Realtor association sites and third-party platforms, are working to cut down language, currency, cultural and business barriers in gathering and supplying global property information.

In this three-part special report, Inman News explores business trends, marketing methods and technological innovations in international real estate.

INSIDE

Part 1 Global economy to power international deals page 2

Part 2 Agents, brokers tap international buyers page 6

Part 3 Property search goes global page 9



© 2008, Inman Group, Inc. All rights reserved. All trademarks are the property of their respective companies. Purchasers of this report may make one attributed copy or slide of each figure contained herein. Additional reproduction or distribution of this report in whole or in part is strictly prohibited. For information about group purchases or other distribution options go to www.inman.com.

Inman News • 1100 Marina Village Parkway, Suite 102 • Alameda, CA 94501
Phone: 510.658.9252 • Fax: 510.658.9317 • www.inman.com

THIS REPORT IS COPYRIGHTED. REPRODUCTION OR DISTRIBUTION IS PROHIBITED.

Global economy to power international deals

Part 1: Real estate without borders

By Matt Carter

Thursday, June 26, 2008

There's more to international real estate than foreigners looking to take advantage of falling U.S. home prices and the weak U.S. dollar.

In the short run, the weak dollar and the credit crunch may actually pose a threat to the growth in international real estate, experts say. But in the long run, globalization and the continued influx of immigrants to the U.S. mean international buyers may hold the key to a housing recovery and long-term growth.

It's true that the falling value of the U.S. dollar has overseas buyers scouring America for deals.

"We're cheap," says David Michonski, chief executive officer of New York City-based [Coldwell Banker Hunt Kennedy](#). "America is on sale."

Coldwell Banker has offices in 46 countries, Michonski said, and he recently played host to representatives of franchises in Russia, Dubai and Egypt. The representative from Dubai asked if the franchise took out full-page newspaper ads and put prospective buyers on a plane, "Would you host a welcome reception and a tour of New York investment and residential properties, and pair them up with a broker?" Michonski recalls. "We said, 'Yes — both hands in the air, yes — we will do that for you.'"

The weak dollar may make property in the U.S. look like a bargain to foreign investors, but it also makes it more expensive for Americans to buy homes overseas. And because the dollar's decline has raised the cost of travel by fueling steep increases in the price of oil, it could also end up dampening enthusiasm for international real estate.

"I think that's the biggest threat to the globalization of real estate markets — you can't get there," Michonski said. "Until we figure out how to make an electric airplane, that's the biggest challenge going ahead for global real estate."

The USA Patriot Act also imposed limitations that made it harder for international investors to come to the U.S. and stay in the country long enough to enjoy their property, Michonski said.

The National Association of Realtors last year produced a report on international home buying activity. Based on a survey of Realtors across the U.S., the report found 32 percent had at least one international client during a 12-month period ending in April, 2007. For a few — 7 percent of those surveyed — international buyers were involved in more than half of their transactions.

Almost half of Realtors surveyed by NAR who had international clients who were unable to complete a home sale said cost was the main reason, but another third said U.S. visa restrictions were a barrier.

In a previous NAR survey that was focused on the Florida market, Realtors said U.S. visa rules don't allow foreign buyers — particularly those who are retired — a long enough stay. Another obstacle cited by Realtors is the lack of access to U.S. credit.



If the credit crunch makes it harder for U.S. buyers to get a loan, it's making a bigger dent on the foreign side, says Lawrence Yun, chief economist for the National Association of Realtors. Concerns that some U.S. housing markets have further to fall could also hold back some foreign buyers, he said.

But in the long run, projected growth in both imports and exports means a "much brighter" long term trend line for foreigners purchasing property in the U.S., Yun said. The weakness in the dollar will also benefit foreign buyers when the currency rebounds, he predicts.

"The prospect of the dollar strengthening over the next 5 years means that on a long term horizon, foreigners buying today will get an additional currency bonus when they sell," Yun said. Together with recent declines in home prices, the U.S. represents "a tremendous opportunity" for foreign buyers.

Despite the threat posed by rising gas prices or a global recession, Michonski also sees the long-term prospects for international real estate as bright. The two forces driving the surge in interest are the global economy — which has many companies sending workers abroad — and the Internet, which makes it a snap to find a home overseas, he said.

"The megatrend that is much bigger than the falling dollar is globalization," Michonski said. "It may sound trite, but just as financial and securities markets are intertwined, real estate markets are also globalized."

The Internet, Michonski said, allows prospective buyers to get online and look at detailed information about listings around the world.

Brian Requarth, the American-born chief executive officer and co-founder of Bogota, Columbia-based VivaReal Network, is an example of a new breed of Internet entrepreneurs who have jumped on the international real estate bandwagon. His Web sites, including VivaReal.net, feature properties in Mexico, Costa Rica, Nicaragua, Panama, Honduras, the Dominican Republic, Argentina, Brazil, Columbia and Chile.

Although VivaReal.net is an English-language site, the others are in Spanish, and Requarth said much of their traffic comes from Mexico and Spain.

"It's a competitive space out there, online real estate," Requarth said. "We decided to serve a particular niche. I used to have a blog in English, and when I started writing in Spanish, all of a sudden I got way more people asking questions."

In addition to blogging, Requarth has written an e-book on the topic that he said will soon be available through the National Association of Hispanic Real Estate Professionals, or NAHREP.

Who's buying what

Nowadays, the stereotypical foreign investor in U.S. real estate comes from an oil-rich nation like Russia and Saudi Arabia, or a country that's benefiting from the strong Euro — like France, Spain and Germany. The West Coast has seen an influx of buyers from Asian nations running big trade surpluses with the U.S., such as Japan, China and Korea.

Those stereotypes are often true, Michonski said — Germans, Swedes, and Swiss residents really are clamoring for vacation properties in Florida.

But it's America's closest neighbors — Mexico and Canada — that, along with the United Kingdom, are the biggest source of foreign buyers. India and China round out the top five sources of foreign buyers, NAR found in its 2007 survey (NAR is preparing an update on the report for release later this year).

According to NAR, Florida accounted for the lion's share of international home purchases — 26 percent —

followed by California (16 percent), Texas (10 percent), Arizona (6 percent), New York (4 percent), Colorado (3 percent), and Illinois, Ohio, Georgia and North Carolina (2 percent each).

“You can make a circle around the US, and that’s where the international buyers are going,” Michonski said.

The typical international home buyer is looking for a vacation home for family and friends, NAR found, **spending a little more than 4 months a year in their property.**

International home buyers were more likely to purchase a condo or apartment — 22 percent of the time, versus 12 percent for all home buyers.

The median price of homes and condominiums purchased by international buyers was \$299,500, with buyers from China paying the most (\$340,000) and Mexico the least (\$227,300).

NAR found that only 69 percent of international buyers relied on a mortgage — the rest paid cash — compared to 90 percent for U.S. home purchases overall. International home buyers may pay cash more often because they tend to be wealthy, but the absence of mortgage interest tax deductions for some may also be a factor, NAR said.

Canadian buyers were the most likely to forego a mortgage — 47 percent paid cash — while only 19 percent of buyers from India and China paid cash.

While 47 percent of international buyers purchased a vacation home for family and friends, another 31 percent regarded their purchases as a vacation home and a rental property. Another 22 percent purchased a home solely as a rental property for investment.

Michonski said international buyers look at the American market through a long term lens — they thoroughly research and analyze purchases, and aren’t looking for properties to flip.

NAR found that nearly half of foreign home buyers purchased property in the South, compared to 31 percent in the West, 11 percent in the Midwest and 9 percent in the Northeast.

Driving the recovery

A [new report](#) by the Joint Center for Housing Studies of Harvard University sees immigration as one of the long-term drivers of a housing recovery. The main risk to the long-run housing outlook, in fact, is a dip in the level of immigration from its recent 1.2 million a year pace. Immigrants come to the U.S. for jobs, and weaker labor markets could slow their arrival, the report found.

Higher rates of immigration and births meant that minorities contributed over 60 percent of household growth from 2000-06, the report said. Minorities now account for 29 percent of all households, up from 17 percent in 1980, and should represent more than one in three households by 2020.

While international migration affects all regions of the country, the report found the biggest impact on the South and West. In California, the arrival of 1.8 million immigrants from 2000-07 more than made up for a net loss of domestic out-migrants. Texas, which saw the highest total population growth over that period, welcomed 843,000 international migrants on top of 582,000 domestic migrants.

“More and more, international migrants are settling in locations where the foreign-born share of the population is relatively low,” the report said. Often, these are outer suburbs of metropolitan areas, but smaller cities and towns as well as rural counties are also becoming locations of choice. Foreign-born migrants are increasingly likely to spread into housing markets where young domestic out-migrants have left a vacuum.

“In many of these areas, domestic out-migration of young adults and the consequent decline in natural in-

crease have left communities to depend upon foreign immigrants to fill jobs, buy houses, and keep up school enrollments,” the report found.

Navigating unfamiliar waters

One advantage America has over other countries in attracting foreign real estate investors is that “compared to the rest of the world, there are virtually no obstacles to purchasing property in the U.S.,” Michonski said. “We are the freest, most transparent, welcoming market in the world, bar none.”

In many other countries — particularly those that have adopted civil law, buying property can be “a very byzantine process.” Former English colonies like Singapore are exceptions, because they have adopted common law, “but if you are in Mexico or France, you are not going to get the same bundle of (property) rights that we as Americans are accustomed to, from the heavens to the center of the Earth.”

The home buying process is actually smoother in some Eastern European countries because, after the breakup of the Soviet Union and the fall of the Iron Curtain, “they had a blank slate.”

Poland, for example, has adopted the American system of title, brokerage, and multiple listing services. “They had massive title problems in Poland” that are taking time to resolve, but the country is on the right path to attract homebuyers from outside of its borders, Michonski said.

It’s always advisable for an American buying property in another country to consult an attorney, Michonski said — the tax implications alone can be complicated. International buyers seeking to buy a home in the U.S. should consult an immigration attorney, and make sure their passports are stamped properly. If they spend more than 180 days in the U.S., they could be taxed as American citizens, he said.

When it comes to getting a loan, many foreign investors will find that lenders will want to see higher down payments. With a standard 20 percent down payment, lenders are going to look closely at the individual applying for a loan. With a 50 percent down payment, “Many lenders will look at the property. They’ll say, ‘We’ve got 50 percent equity — we can just foreclose on them (if the borrower defaults)’ “ and approve the loan.

Michonski said that because it has branches and personnel in many countries, Deutsche Bank has become a leader in cross-border lending.

Deutsche Bank subsidiary MortgageIT Inc. originates mortgage loans in all 50 states, and last year launched a cross-border lending program that finances the purchase of resort properties in the Caribbean and Latin America

According to research conducted by Deutsche Bank, more U.S., Canadian and European residents are buying second homes in those areas, but mortgage options are limited and buyers usually pay cash. MortgageIT Inc. is providing up to 70 percent financing of up to \$6 million on both completed residences and “to-be-built” homes.

Breaking into the international scene

For agents and brokers seeking to get into international real estate, “You’ve got to be with a firm like Coldwell Banker, Century 21, Prudential, or Sotheby’s — somebody that’s got their feet outside the U.S.,” Michonski said.

Michonski also recommends obtaining NAR’s [Certified International Property Specialist](#) designation.

“It literally takes you around the world, and teaches you everything you need to know about international real estate.

Michonski teaches CIPS courses himself, a job that's taken him to Greece, Russia, Scandinavia and Malaysia, among other destinations.

"I had 250 people show up in Bangalore, India," Michonski said. "If you want to be an American and stick your head in the sand, fine — people all around the world are doing these (courses). If somebody is truly serious about getting into the flow of international real estate, I just can't imagine not doing the CIPS courses."

Michonski also sees the International Consortium of Real Estate Associations, or ICREA, as playing an important role in fostering the growth in international real estate. Since it was founded 7 years ago, ICREA has created a referral platform that simplifies the process of landing clients and passing them on to others and built a Web site, WorldProperties.com, that features 3 million listings and information about buying properties in various countries.

Agents, brokers tap international buyers

Part 2: Real estate without borders

By Glenn Roberts Jr.

Thursday, June 26, 2008

For French speakers who view his [online profile](#), Fort Myers, Fla., Realtor LLOYD Nichols includes the message "Bienvenue Les Francophones!" and notes that he can speak to them in their "langue maternelle," or mother tongue.

He advertises properties in French at [craigslist's Paris site](#) and uses other international sites to draw the attention of foreign buyers to U.S. properties.

Phoenix Realtor Jonathan Dalton includes a "For Canadian Buyers" button at his Web site, complete with a maple leaf image, that links to blog posts relevant to Canadian buyers.

He's also learning the lingo: a bungalow is a single-story home in Canada; a holiday is a vacation; "hooped" is a naughty word; and it's usually customary to take off your shoes before touring a home.

Other agents, too, are trying to cater to foreign buyers by speaking the language or through targeted international marketing.

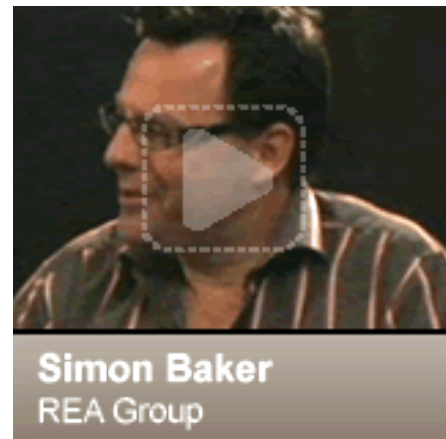
"Learn your stuff. Make sure you know some of the things that are going to confront some of these buyers," says Dalton, a Realtor for RE/MAX Desert Showcase who operates the AllPhoenixRealEstate.com site.

"Give good advice once you get to them. Go electronic. You've got to know what you're doing once you get these folks there. There are people who want to target Canadians but they have no idea how to do it. You're not going to send a postcard to everyone in Calgary and hope they know who you are," he said.

Dalton has focused his attention on electronic marketing. He writes about retirement communities in the area that are popular with Canadian buyers, for example.

He has been interviewed by the Canadian press and posted guest articles on several Canadian blogs.

"The rest I do off my own blog here, just writing on topics of interest to Canadians," Dalton said.



Buyers have concerns about the security of units they purchase in the United States — they want to know the properties are safe while they are away. They also have questions and concerns about the tax implications of buying a property here and the potential for fluctuations in the currency exchange rate and how that could impact their purchase.

While Dalton doesn't see much European interest in Phoenix, there are long-established ties between Canada and Arizona. The term "Snowbirds" refers to those Canadians who winter in Arizona and other Sunbelt states.

Canadian interest in U.S. purchases seemed to pick up last year as the Canadian dollar reached toward parity with the U.S. dollar, Dalton said, and he began to market his services more actively toward Canadian buyers at that time.

"Probably about a quarter of my business so far this year has been with Canadian buyers. My prospects — a third of them are from Canada. Half the battle is just trying to help these folks get a feel for where they want to be," as the Phoenix metro area covers such a large area, he said.

Prospective buyers from Canada are generally looking for single-family or condo properties in gated communities that have at least two bedrooms, two bathrooms and a pool. "What they all want is something that they can lock the door and forget about it when they leave."

Most of these buyers are seeking vacation homes, and the Canadian buyers in Phoenix are predominantly from Western provinces in Canada such as Alberta and British Columbia, he said.

Meanwhile, Nichols of Right Choice Realty LLC in Florida said the buyers he works with in France are very interested in buying properties at the low end of the market — typically in the \$150,000 to \$250,000 range.

In some cases they are seeking waterfront properties in the \$350,000 to \$400,000 range.

In the last few months Nichols said he has communicated with about five or six prospective buyers from France, and two of them are particularly serious.

"The hits are coming quite strong. They want deals," he said, and he often has to explain the short-sale process to foreign buyers, as these properties in which the sellers owe more than the home is selling for seem to fit the buyers' price range.

Foreign buyers will often pay cash for properties, he said.

Nichols, whose native language is French, markets properties online to buyers in France, England, Ireland, Canada and Germany.

According to the [2007 Profile of International Home Buying Activity](#), a National Association of Realtors report, about 52 percent of sales to foreign buyers in 2006 were concentrated in Florida (26 percent), California (16 percent) and Texas (10 percent).

About one-third of all foreign buyers of U.S. homes are from Europe, while buyers from Asia represent about one-fourth of the international market and foreign buyers from within North America also represent about one-fourth of the market.

About 13 percent of foreign buyers came from Mexico; 12 percent were from the United Kingdom; and 11 percent were from Canada.

Those Realtors who reported they closed sales to international clients said that sales to foreign buyers represented about 15 percent of their total annual business, on average, with 25 percent of Realtors reporting a rise in sales to international buyers and 8 percent reporting a decrease.

Nichols writes blog posts that seek to answer questions that foreign buyers have about property purchases in the United States.

He uses about a dozen Web sites to reach a broad Internet audience and has used foreign craigslist and Yahoo sites to advertise properties.

The strength of foreign currencies against the U.S. dollar has helped Nichols' cause in marketing properties to international buyers.

"That's a selling point. It is a bit of a 'now' situation for them," he said. In some cases he shoots videos or photographs of properties for buyers who want to get a closer look at properties before traveling to see them in person.

Nichols' wife works as a property manager for some of the properties that he sells to foreign buyers. These buyers aren't usually interested in fixer-uppers, he said.

Foreign buyers are well aware about weakness in the U.S. economy and in many U.S. housing markets, he said.

"They know that we're having trouble all around the country, and they know they can't flip (properties immediately)." Many foreign buyers are willing to wait until the market rebounds to consider a sale, he said.

Nichols said that many Realtors in Florida are working with foreign buyers from Latin American nations, and he is learning Spanish so that he can tap into this business, too.

Agents in other countries are typically open to referrals, he said, and in one case he received 50 percent for a referral to an agent in Paris — the typical going rate for domestic referrals is 25-30 percent.

Stan Ponte, president of the [Coldwell Banker Previews International division](#) at Coldwell Banker Hunt Kennedy brokerage in Manhattan, said his division benefits from an international footprint, with about 3,800 offices in 48 countries.

That makes Coldwell Banker "the most spread-out luxury brand in the world," he said.

"The movement of international (real estate) investment dollars today is really enhanced by the fact that we are already their broker in that country," he said.

Foreign buyers of real estate in Manhattan have a sense of security in buying there because it is "truly a global city," Ponte said, that is not dependent on a single industry.

He noted that at one condo development site only 21 percent of the unit owners are U.S. residents.

South Korea, the United Kingdom, Netherlands, Denmark, Venezuela and Mexico are among the nations that are home to buyers of Manhattan residential real estate, he said, and their appetite is primarily for new or newly renovated condos.

"One of our recruiting initiatives is to recruit people in international teams so that we have not just the ability to speak the language but a cultural sensibility about the needs and styles of different buyers from around the world," Ponte said.

Properties that are close to major, internationally known landmarks, such as Central Park, are most desired by foreign buyers, he said. In some cases the properties are intended as a place to park money, as real estate is considered a safer investment than the stock market. "You're not going to wake up in the morning to a 90 percent loss in value" with Manhattan real estate, Ponte said.

The company's global network allows for some international referrals to stay within the Coldwell Banker system, he said.

This summer, the company is planning to launch a new Web site that will allow foreign buyers to view property information in various currencies and measurements.

A weak U.S. dollar is making Manhattan properties more affordable to international buyers, Ponte said, and there is a running joke about foreign jet-setters “getting of the plane, buying an apartment and buying five bags at Louis Vuitton — currency is the big driver there.”

He said that foreign buyers appear to be “pretty bullish” on the U.S. market. “It’s anybody’s guess what 2009 will look like,” he said, and buyers sometimes take a wait-and-see approach to real estate purchases in an election year.

At the other side of the country, Scott L. Gibson has launched a new luxury brokerage company in the Los Angeles area that incorporates a global strategy in its business model and name: [Gibson International](#).

Gibson, a 30-year real estate industry veteran, is a former president and chief operating officer for Coldwell Banker Residential Brokerage in Greater Los Angeles who left California in 2004 to serve in a regional post with brokerage giant NRT in New Jersey. NRT is a subsidiary that oversees the company-owned real estate brokerage operations of Realogy Corp., which owns and franchises major real estate brands including Coldwell Banker, Century 21, ERA and Sotheby’s International Realty.

The company is bringing aboard agents who have ties to foreign markets, Gibson said, and seeks to build up an international network by establishing a presence “in each of those countries that correlates to the type of clientele we work with here or might come here.”

Money is pouring into the Los Angeles real estate market from Asia, England, Russia, Australia and South America, among other global regions, he said, and “there is tremendous support here for the world’s moneyed elite.”

He has hopes that his agents will serve as “trusted confidants” for their clients’ purchases here and abroad. “I truly believe that the world is becoming a smaller and smaller place. There are agents who are going around the world on treks with clients. We can provide them support to virtually any country they need to go, to help them learn the market,” Gibson said.

Gibson said he believes the high end of the real estate market in the Los Angeles area is inexpensive by global standards, given the currency trends — “we are a bargain to the world out there — I think there are going to be more and more people coming here.”

Property search goes global

Part 3: Real estate without borders

By Glenn Roberts Jr.

Thursday, June 26, 2008

Picture, if you can, a global consortium of real estate associations that together launch an international, multilingual, multicurrency online portal featuring millions of for-sale and rental properties.

Imagine an electronic system for receiving and paying out cross-border and even intercontinental referrals among real estate practitioners.

It can be done. And, in fact, it has been done.

In 1999, representatives from the National Association of Realtors and eight other national real estate associations in Europe, Asia and the Americas gathered to discuss the need for an international forum for real estate associations.

Future meetings led to the formation of the International Consortium of Real Estate Associations, an alliance that now includes real estate groups from 28 countries.

The consortium in 2002 launched the WorldProperties.com property-search Web site, which features more than 3 million properties and allows visitors to choose from five languages and 21 currencies — ranging from the Australian dollar to the Polish zloty.

The consortium also offers a “[Transnational Referral System](#)” for brokers and agents that allows members of its partner organizations to make and receive referral payments.

While WorldProperties.com has a powerful set of real estate groups as backers — which together represent about 2 million real estate agents and brokers worldwide — it is just one site among a growing segment of international real estate search sites.

The field includes major U.S.-based brokerage company sites like ReMax.com and ColdwellBanker.com, as well as third-party search sites like craigslist.org, Point2Homes.com, Properazzi.com, Propertyfinder.com, and RealEstate.com.au, among others.

Realtor.com, the most popular real estate search site in the United States, also offers searches of homes in Canada, Guam, Puerto Rico and the Virgin Islands.

Some local Realtor groups have forged alliances with foreign real estate groups in an effort to provide more visibility for U.S. properties.

The Realtor Association of Greater Miami and the Beaches Inc., for example, has partnered with real estate groups in Argentina, Brazil, Central America and Caribbean Multiple Listing Service, France and Russia, to share for-sale property information, pushing its members’ property listings out to more than 100,000 real estate professionals in other nations.

Teresa King Kenney, CEO for the group, said the group has forged an agreement to share members’ listings with the Fédération Nationale de l’Immobilier real estate group in France through an international Internet Data Exchange agreement — IDX is a type of data-sharing agreement among MLS participants.

The data-sharing collaboration between the Greater Miami-area Realtor group and the Paris-based group is the first international IDX effort of its kind, according to an announcement by the Miami-area group, and “will give members of both associations the ability to have the MLS listings for each other’s markets on their individual or company Web sites, thereby giving South Florida properties more exposure” to a French audience.

The association’s Web site, at MiamiRE.com, features property-search tools in 13 languages, from Korean to Italian. The association worked with Immobel.com, a company that provides translation services for several real estate clients including the Washington, D.C.-area Metropolitan Regional Information Systems Inc. MLS.

Florida is a particular hotbed for international real estate transactions, the National Association of Realtors has reported, and an estimated 7.3 percent of home sales in the state went to foreign purchasers, according to a [2007 NAR study](#). Also, about 65 percent of Realtors in the state brokered at least one home-sale transaction with a foreign buyer, according to the study.

And Florida ranked first among states in home sales to foreign purchasers, accounting for 26 percent of sales. Next on the list was California, accounting for 16 percent of sales to foreign buyers.

Properazzi.com, an international online real estate portal that had about 1 million visitors in May, this month reported that it has added six new languages, including Arabic, Greek, Hungarian, Swedish, Norwegian and

Czech, for a total of 10 languages at the site. There are plans to add Finnish, Danish and Hebrew in the coming months, according to the announcement.

“The portal’s new language versions are more than just translations of the interface ... keywords in agents’ listings are automatically translated for the user, and major place names are recognized in all of the Web site’s languages,” the company announced.

Properazzi is the first real estate portal to offer five alphabets, including right-to-left text and left-to-right text, according to the announcement. The site aggregates property listings from more than 50 countries — from Albania to the United Arab Emirates — and does not offer real estate services.

The company, based in Barcelona, Spain, launched in 2006 and features about 4.5 million properties. The site uses automated programs to extract property listings from thousands of Web sites, and “thousands of estate agents also provide us with data feeds of their listings so that their properties get seen by as many people as possible,” the company reports.

Yannick Laclau, Properazzi CEO, told Inman News that visitors to the site are widely disbursed geographically, with the bulk of traffic coming from Western European countries.

The site just opened up to U.S. properties about a month ago. It is free for agents and brokers to share basic property information with the site though the site also offers enhanced listing services for a subscription fee.

“The fact that the U.S. has gone through some pretty important price adjustments, combined with the dollar going down, is a really interesting opportunity ... for buyers,” Laclau said. “We felt it was a really important market to open up.”

The site allows users to convert property for-sale and rental prices to more than 90 different currencies.

Visitors from about 150 countries are using the site, he said, adding that Properazzi aims to be a truly global destination for rental and for-sale properties by the end of this year or early next year. “I think we still have a long way to go but we’re well on our way,” Laclau said.

“There has never been a great percentage of the population in the world that is really cross-border. About 400 million are living in a country that is different from where they were born and raised,” and that has created more demand for international real estate information.

“So there is a lot of investment. Governments realize if they create a really transparent legal structure to defend the property rights of investors they can attract capital and attract investment and bring growth.

“There are a lot of interesting pieces falling into place to make this a really interesting opportunity,” he said.

PropertyFinder.com, one of the top property-search sites in the United Kingdom, attracts about 1.9 million unique visitors each month and features about 350,000 properties from 4,000 real estate agency offices. The site was established in 1995 and in 2005 was purchased by REA Group, a publishing company that operates the largest global network of real estate portals.

REA Group also owns RealEstate.com.au, Australia’s largest residential real estate site, as well as Casa.it, Italy’s largest residential property site, and a range of other property sites in Belgium, China, Dubai, France, Germany, Luxembourg, New Zealand and the United Kingdom.

REA’s AllGlobalProperties.com site is an international real estate portal that provides information on about 900,000 properties in 45 countries.

REA Group reports that its network of real estate sites draw about 7 million unique Web visitors each month.

Craigslist.org, a collection of area-specific online community sites that include postings about for-sale and rental properties, got its start in San Francisco in 1995 and has since spread to 500 market areas in 50 U.S.

states and more than 50 nations. The company added 130 of those city-area sites in November 2006 and 120 new city-centered sites in April 2008.

An estimated 40 million people use craigslist each month, including more than 30 million in the U.S. alone, the company reports. An estimated 10 million images are uploaded to the network of sites each month, and the sites collect more than 10 billion page views per month, on average.

Property listings are free at most craigslist sites — the company does charge for brokered apartment listings at its New York City site.

Some U.S. agents actively market their properties at foreign craigslist sites, among other sites.

In some cases, real estate brokerage companies have incorporated their international scope into their brand names — brokerage and franchise company Realty Corp. licensed the internationally recognized Sotheby's brand name in 2004 to form a Sotheby's International Realty franchise company and corporate-owned real estate brokerage network, for example.

And the Sotheby's property-search page predominantly features search options for properties in the United States, Canada, France, the United Kingdom, Spain and Switzerland, with a link to a list of dozens more. The site also offers lifestyle-focused search tools to find beach properties, historic properties, ranches and farms, among other property types.

RE/MAX International's main Web site, at ReMax.com, offers a "non-U.S." property-search option that channels users to an international search page. The company offers property listings in about 65 countries on six continents.

And Coldwell Banker's homepage features a list of 29 nations in which visitors can search for properties, with more nations featured on other search pages at the site.

Canada-based real estate technology company [Point2 offers options](http://Point2Offers.com) to list and search for properties around the globe through its Point2Homes.com site, though by far the largest concentrations of properties at the site are in the United States and Canada.

A network of affiliated real estate sites, including SecondSpace.com, ResortScape.ca, ResortScape.co.uk and LandWatch.co.uk, carry information about vacation properties, new developments and luxury properties and other property types to a global audience. SecondSpace was founded in 2006 and affiliated sites were launched this year to target users in Canada and the United Kingdom. The sites feature about 600,000 properties from about 40 nations.

Many luxury real estate networks and Web sites [market to an international clientele](#).

Donna Lee Laue, president and CEO of [Unique Global Estates](http://UniqueGlobalEstates.com), said the group's Web site carries more than 50,000 property listings, with a focus on properties valued at \$1 million or more. The company has members in about 70 countries, she said. It's free for real estate professionals to become members and list for-sale property information at the site.

Some small brokerage companies and individual agents are marketing their properties to a global audience. Gibson International, a newly launched brokerage company in the Los Angeles area, for example, seeks to drum up an international clientele through online marketing efforts and by hiring agents with ties to foreign lands.

Some individual agents, likewise, tap their multilingual skills, diverse cultural backgrounds and marketing savvy by advertising services online to an international audience.

© 2008, Inman Group, Inc. All rights reserved. All trademarks are the property of their respective companies. Purchasers of this report may make one attributed copy or slide of each figure contained herein. Additional reproduction or distribution of this report in whole or in part is strictly prohibited. For information about group purchases or other distribution options go to www.inman.com.