



NATIONAL  
ASSOCIATION of  
REALTORS®

*Global*



February 2011

# GLOBAL PERSPECTIVES

to local, international & lifestyle real estate

## ▶ GETTING INVOLVED

### I can become a global agent? Yes!

While the notion of developing an international component to your business may sound appealing or intriguing, many agents quickly cast off the idea, thinking it isn't really pertinent to their situation. Or perhaps they assume that global business is too complicated or difficult to tackle. Where would I even begin?

It is true that global business can be more complex. After all, it comes in many different forms—from immigrant communities, to foreign buyers, to relocating executives, and more—with each type of client presenting a unique set of circumstances and challenges.

Simply spotting these opportunities in your local market can be difficult. Global business often goes undetected, flying under the radar of most agents. But this is also why savvy agents are increasingly investigating the many and varied faces of global business—a collection of opportunities that translates into a significant and growing segment of the real estate market.

This issue of *Global Perspectives* takes direct aim at the question, where do I start? Inside, you'll find information on specific steps you can take, as well as insights into the many different NAR-affiliated organizations that already stand ready to support your efforts. **GP**



Building your global business from the ground up

# ONE STEP at a Time



Sometimes developing a global component to your real estate practice can feel like a “where do I start” proposition. There are, however, many ways to get involved, which is typically the best way to jumpstart your efforts.

By taking this step-by-step approach, you’ll almost certainly find yourself learning more and developing important networking connections—all of which will lead to more business with global buyers and sellers.

## **Step 1.** **Ask your local association.**

If you want to boost your efforts to work with global clients already in your area, your first inquiry should be with your local real estate board. Ask if they have organized a committee or formal group to address global business opportunities. Nearly 60 boards have formed global business councils or international local councils that offer a variety of programming and networking resources.

These groups may have already compiled details about the global influences in your local market, and can help you identify which countries are represented more than others, whether through foreign direct investment, relocation of foreign employees, immigration, or other sources.

In addition to providing this critical research, your board’s council may offer specialized information sessions with key experts, or host various events designed to stimulate referral business with agents from other countries—

excellent ways to come up the learning curve or begin making global connections.

Other local boards have not yet developed a full program of global initiatives, but are studying their market to determine the primary sources of global business and decide whether it is appropriate to take steps to form a council. (See page 5 for more about global business councils.)

## **Step 2.** **Ask your brokerage.**

Several major franchise companies have developed resources to help their agents tap into global business. If you work within such an organization, explore these opportunities to learn more and make connections.

## **Step 3.** **Check other local resources.**

If these first two steps don’t pan out, there are still plenty of other things you can do on your own, right in your community, or at the

state level. Investigate and contact these organizations:

- Tourism Bureau
- Chamber of Commerce
- Economic Development Office

While each local market is unique, groups like this are regularly engaged in developing local business opportunities by encouraging trade, travel and tourism from other areas. As a result, they place a priority on researching the international movements of people and business—data that could be very beneficial in helping you understand which countries are most important in your local economy.

## **Step 4.** **Conduct online research.**

You can learn a lot about the global influences in your local market without ever leaving your desk. Three of the best sources for online research include:

- **NAR Research** – NAR offers state-by-state international business reports,

demographics of foreign-born and -speaking residents in the U.S. (at the county level), key housing statistics and economic indicators, and much more. Go to [realtor.org/research/research/reportsintl](http://realtor.org/research/research/reportsintl) for a listing of all international research, or refer to the August 2010 issue of *Global Perspectives* for more about NAR's research offerings.

■ **U.S. Census Bureau** – Go to [quickfacts.census.gov](http://quickfacts.census.gov) for a drill-down of demographic details for all states, counties and cities/towns with more than 25,000 people. Once approved, 2010 Census data will be incorporated into the online database.

■ **City-Data.com** – Compiles a wide range of general statistics on U.S. cities, as well as many neighborhoods and zip codes. Includes information on residents (race, income, ancestries, foreign-born residents, place of birth, etc.), graphs of key real estate market statistics, and much more.

#### Step 5. Tap country-specific resources.

Assuming you've identified a particular country you'd like to concentrate upon that is well-represented in your market, you'll want to make sure you connect with any NAR-affiliated groups or individuals also focused on that part of the world, including:

■ **Ambassador Associations** – Numerous local associations of REALTORS® serve as ambassadors to NAR bilateral partners or Cooperating Associations located across the world. Any REALTOR® can approach any Ambassador Association and express their interest in getting involved—you are not limited to the activities undertaken by your own local board. To research these relationships, go to [realtor.org/global\\_alliances](http://realtor.org/global_alliances).

■ **President's Liaisons** – Similarly, individual members of NAR have been appointed by NAR's President to act as liaisons, helping facilitate interactions between Cooperating Associations and NAR members. You can approach these individuals, typically CIPS designees, and express your interest in a particular country. This is not a referral network but rather a peer-to-peer program offered

as a service to NAR members. A list of President's Liaisons can also be accessed at [realtor.org/global\\_alliances](http://realtor.org/global_alliances).

■ **Cooperating Associations** – These professional real estate groups, representing practitioners around the world, have formed cooperative relationships with NAR. Even if you don't plan to conduct transactions in another country, it is important to learn more about these groups. Their members have an NAR-compatible code of ethics and can help you understand how real estate is transacted in their country—an important point of reference for serving clients from the same country of origin—and perhaps facilitate referrals. Cooperating Associations can also be found at [realtor.org/global\\_alliances](http://realtor.org/global_alliances).

#### Step 6. Explore other important groups.

There are numerous other groups you can investigate for more information and global networking relationships, including:

■ **U.S. Chamber of Commerce** – The world's largest business federation represents the interests of more than 3 million U.S. businesses, 96 percent of which have less than 100 employees. The U.S. Chamber of Commerce also has an active international agenda, with programs and councils advocating for U.S. business around the world. Learn more about their national and regional events at [uschamber.com](http://uschamber.com).

■ **American Immigration Lawyers Association** – Over 11,000 attorneys are members of the AILA. While membership is restricted to lawyers, real estate professionals can tap numerous online resources, participate in conferences and online events (at a higher non-member rate), and find an immigration attorney in their area using an online directory. Visit [aila.org](http://aila.org).

This list of steps will take you far. But to some extent, it is just a beginning. Once you dig in, you'll discover countless other ideas for getting involved and building your global business well beyond what you might have initially imagined. **GP**



## ONE MORE STEP! CIPS Training

If you are interested in pursuing global opportunities, but haven't yet taken Certified International Property Specialist (CIPS) training, this is an important step to add to your list. The specialized coursework helps agents short-cut the process of becoming knowledgeable about the essential elements for success in international transactions. Plus, CIPS candidates expand their opportunities for international referrals by becoming members of the CIPS Network.

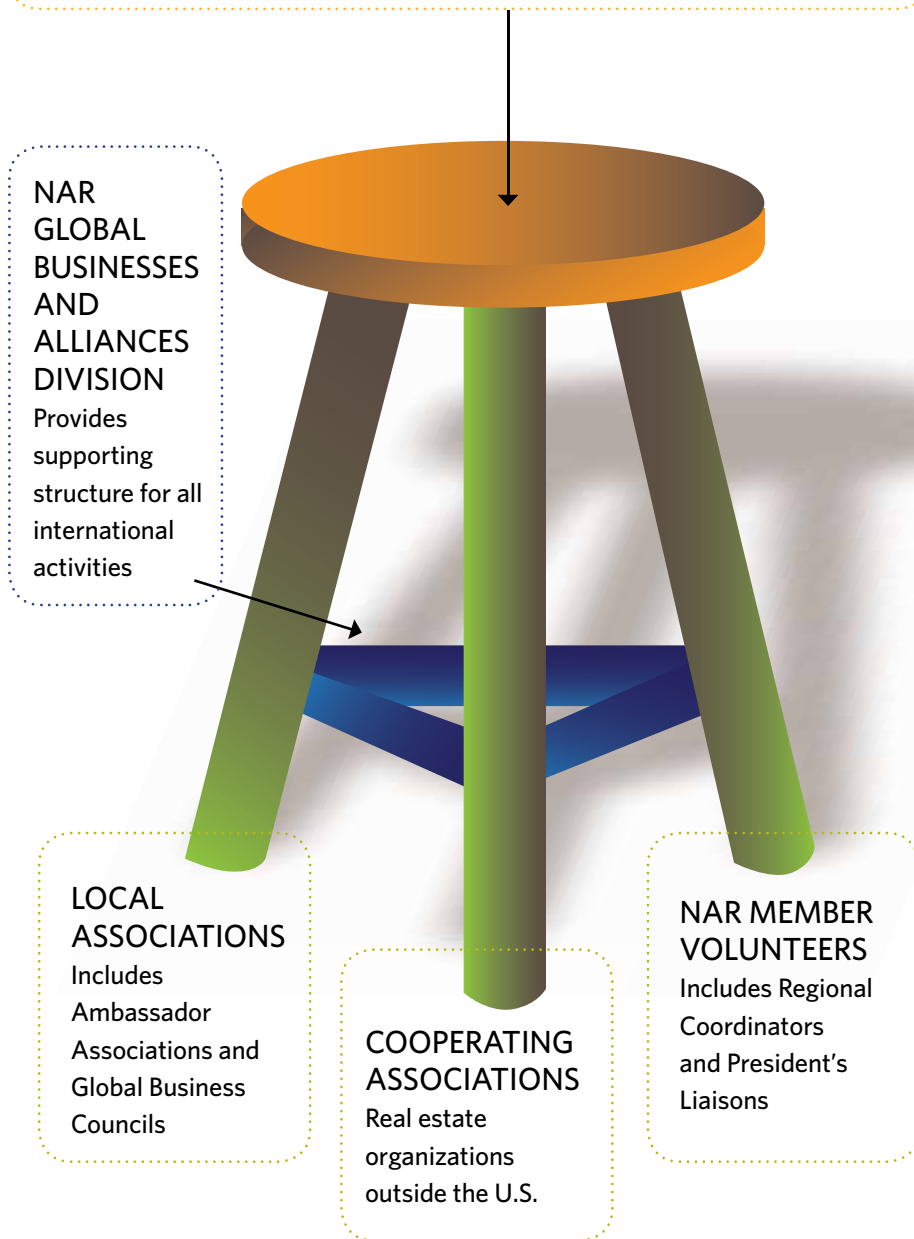
Learn more about earning your CIPS at [realtor.org/global/cips/earn\\_cips\\_realtor](http://realtor.org/global/cips/earn_cips_realtor).

# HOW NAR SUPPORTS GLOBAL AGENTS

## Learn the Lingo

If you are just beginning to navigate the supporting structure around NAR's global business activities, you're undoubtedly encountering many new terms. Following are the most important components, collectively called NAR's Global Alliances—a network of relationships all aimed at helping members tap the global marketplace.

- **Global Business Councils** — Nearly 60 local associations of REALTORS® have formed international councils, forums or committees for helping members cultivate global business. To see if your association has one, go to [realtor.org/global\\_alliances](http://realtor.org/global_alliances).
- **Cooperating Associations** — To help facilitate cross-border real estate transactions, NAR has bilateral agreements in 59 countries with 80 cooperating associations. To search by country, or by the name of the cooperating association, go to [realtor.org/global\\_alliances](http://realtor.org/global_alliances).
- **Ambassador Associations** — This “sister city” program links a foreign Cooperating Association with a U.S. state or local REALTOR® association. The Ambassador Association works closely with a President's Liaison and Regional Coordinator to expand global business opportunities. Details on Ambassador Associations can also be found at [realtor.org/global\\_alliances](http://realtor.org/global_alliances).
- **President's Liaisons** — President's Liaisons are member-volunteers appointed by NAR's President to serve as liaison to each foreign Cooperating Association. They are generally CIPS designees and, ideally, have some knowledge of their designated country's culture and language. For an online directory of President's Liaisons, go to [realtor.org/global\\_alliances](http://realtor.org/global_alliances).
- **Regional Coordinators** — Also appointed, Regional Coordinators provide strategic direction in support of NAR's global business goals and leverage the individual efforts of President's Liaisons in a specific region of the world. Contact NAR Global for information on Regional Coordinators. **GP**



If you're wondering how to explore global business in your market, a good first stop is a visit to your local board's global business council, whose mission is to develop opportunities in its members' local market. By joining and becoming involved with a council, you'll be able to arm yourself with knowledge and connections to help you move through the sometimes complex world of global transactions.

Councils go by various names. The Naples Area Board of REALTORS® (NABOR) calls theirs the Global Business Network. In Boulder, it's the Boulder International Council, and in the San Francisco area, the South Bay International Committee. To find out if there is a council in your market, check [realtor.org/global\\_alliances](http://realtor.org/global_alliances).

# Access a world of opportunities by joining a **GLOBAL BUSINESS COUNCIL**

## What can a council do for you?

Whether you are new to international sales or already have your CIPS designation, a council has something for any level of experience. Here are a few of the benefits a council can provide.

### > *Identify local international opportunities.*

In most markets, sources of international business aren't immediately obvious, nor is it easy to gauge the size of the opportunity. Your local council may have already done this work for you. It can tell you what types of international sales are prevalent in your area including, for instance, resort

properties, vacation and seasonal homes, or residential housing in immigrant enclaves.

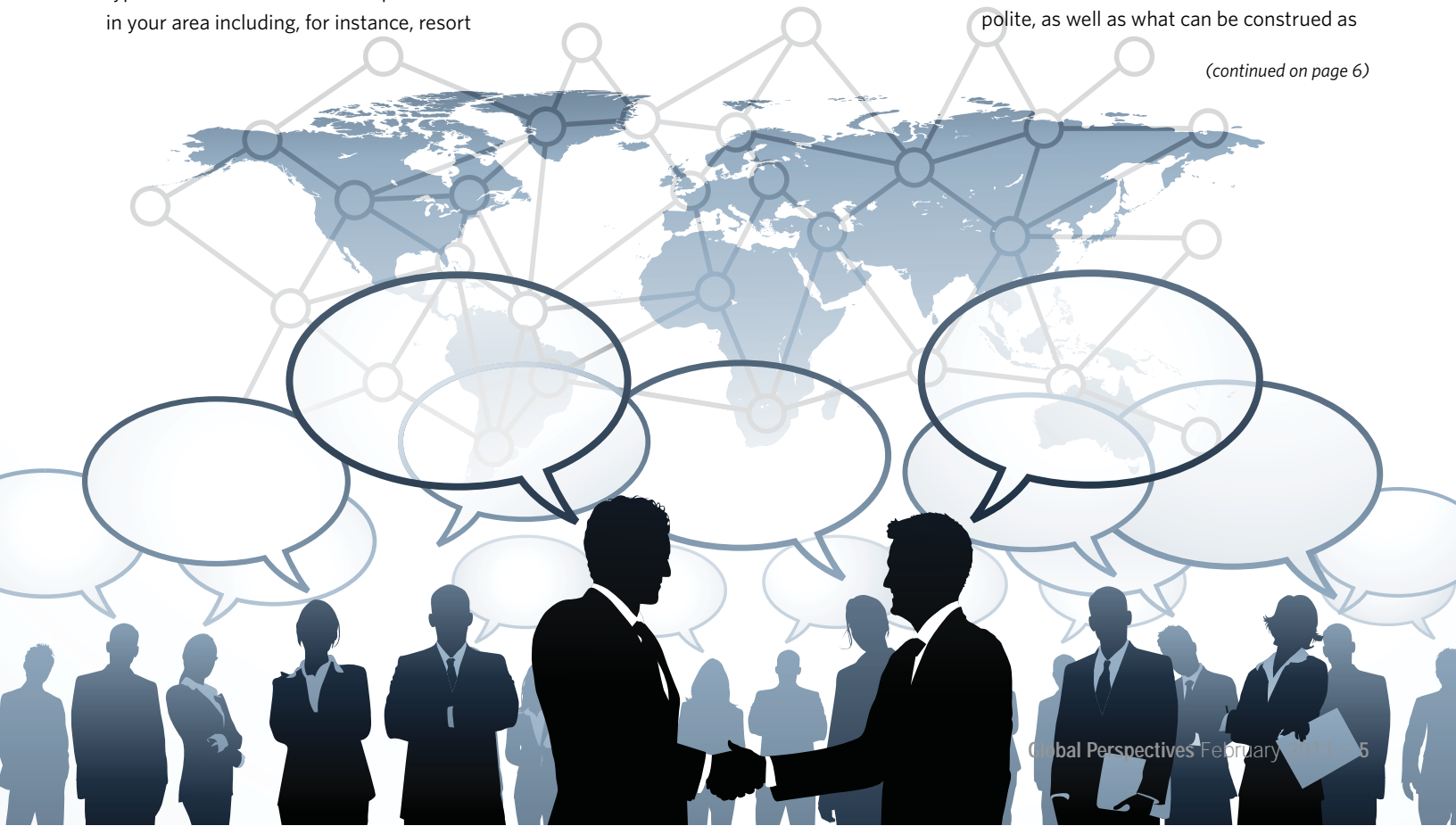
You'll also be able to find out which countries provide the most inbound activity—information that may surprise you. For instance, in Naples, Florida, the vast majority of international purchases last year were made by Canadians seeking winter homes; Germany and the U.K. ran a distant second and third. The local council in Cape Cod, Massachusetts, discovered that there were approximately 25,000 Brazilians in the area, and took steps to bridge the language gap to reach out to them.

### > *Educate agents on ways international transactions are different.*

Most councils sponsor educational events that might include talks by authors of books on international business, foreign nationals discussing business practices in their native countries, panels of outside professionals, or a look at best business practices for developing international business.

These programs are designed to help you become more familiar with the nuances of global transactions, like understanding cultural differences in social and business behavior. Knowing what is considered polite, as well as what can be construed as

*(continued on page 6)*



# GLOBAL BUSINESS EVENTS 2011

Following are numerous programs being hosted by global business councils across the U.S. Other programs are also in development, so be sure to check with your local association for more events in your area.

## Denver Board of REALTORS®

### Alternate Energy Solutions: Meeting the Green Expectations of the Global Buyer

**March 24, 2011, 4:00 p.m.**  
at Denver Board of REALTORS®  
4300 East Warren Avenue, Denver

### How Currency Affects Our Transactions

**May 26, 2011, 4:00 p.m.**

at Denver Board of REALTORS®  
4300 East Warren Avenue, Denver

For more information, contact Inge Frerichs  
Chair, International Steering Committee  
[frerichs1737@yahoo.com](mailto:frerichs1737@yahoo.com)  
(303) 667-1737

## Manhattan Association of REALTORS®

### Insider Tips and Tools for REALTOR® Members in Predicting Global Market Trends and Potential International Investment Opportunities

**April 7, 2011**  
Location TBD

For more information, contact Elise Barry  
Association Executive  
[ebarry@manarrealtor.com](mailto:ebarry@manarrealtor.com)  
(212) 594-2233

## REALTOR® Association of Greater Ft. Lauderdale

### International Women's Day

**March 17, 2011**

Time and Location TBD

For more information, contact Sharon Lindblade,  
Director of Professional Development  
[slindblade@r-world.com](mailto:slindblade@r-world.com)

Philip Vias, Chairman, Global Real Estate Council  
of the REALTOR® Association of Greater Ft.  
Lauderdale  
[Philip@philipvias.com](mailto:Philip@philipvias.com)

## Access a world of opportunities by joining a GLOBAL BUSINESS COUNCIL (continued from page 5)

rude, can help put you on good footing with an international client.

"It's a case of what you don't know can really hurt you—and your community," says Brett Brown, ABR®, CIPS, CRB, CRS, e-PRO®, GRI, RSPS, TRC, broker/salesperson at Downing-Frye Realty, Inc., and former NABOR president. "Your client may not tell you when you do something wrong. But they may go home and tell their friends not to go to that city, because the people there don't know what they're doing."

A council can also be a great resource for learning about other differences. Real estate practices, that is, the process, documentation, transaction costs, financing, and title, vary from country to country. You may find that you have to educate your clients on U.S. practices, and your council may be able to provide guidance on how to do that. Other potential roadblocks to the international sale include currency exchanges, overseas money transfers, visa issues, conversion of price-per-foot to metric and euro equivalents. Once again, a council can steer you towards resources to learn more. (Also see the October 2010 issue of *Global Perspectives* for articles on these topics.)

### > Help agents build their professional team.

Agents with global clients should have a team of international specialists to assist clients in areas outside their venue, like taxation and immigration law. Finding good people can be hit-or-miss and time-intensive. Many councils search for and reach out to professionals with relevant experience as a way to widen their members' resources.

### > Introduce members to international marketing platforms.

Councils can steer their members toward NAR-associated platforms that reach the international market—both clients and other agents. These include social media, such as Facebook pages for CIPS and other councils; listing websites; a formalized network of global alliances; and referral best practices.

## Miami Association of REALTORS®

### CIPS Institute

**June, 2011**

Dates and location TBD

### 2011 Miami International Real Estate Congress & Expo

**November 6–8, 2011**  
Miami, FL

For more information, contact Lynda Fernandez  
Vice President, Public Relations  
[Lynda@miamire.com](mailto:Lynda@miamire.com)  
(305) 468-7040

### > Foster referrals through building relationships with globally-focused agents.

Joining a council will keep you in the loop for programs and events that give you a way to interact and network with agents sharing your interests. (See related sidebars for a sampling of upcoming local events.)

Many REALTOR® boards with well-established global business councils have formal NAR-sanctioned relationships with organizations in foreign cities called Cooperating Associations. The board is designated as an Ambassador Association, coordinating activities between the two organizations. You can access a list of Ambassador Associations and their cross-border partners through [realtor.org/global\\_alliances](http://realtor.org/global_alliances).

## Naples Area Board of REALTORS®

### 2011 Global Overview with Tony Macaluso February 18, 2011

at Naples Area Board of REALTORS®  
1455 Pine Ridge Road, Naples

### United Kingdom with Steve Barker March 24, 2011 - morning; time TBD

at Naples Area Board of REALTORS®  
1455 Pine Ridge Road, Naples

### International Legal Issues April 28, 2011, 3:00 p.m.

at Heritage Bay, Naples

### Germany with Birgit Wolf May 19, 2011 - evening; time TBD

at Naples Area Board of REALTORS®  
1455 Pine Ridge Road, Naples

### International Networking with Doug Devitre June 23, 2011, 8:30 a.m.

at Naples Area Board of REALTORS®  
1455 Pine Ridge Road, Naples

For more information, contact Maribeth Shanahan  
Director, Professional Development Services  
[maribeth@nabor.com](mailto:maribeth@nabor.com)  
(239) 597-1666

Some councils have reached out to develop less formal business bonds with cities in other countries. For example, NABOR's Global Business Network has formed a successful informal partnership with agents in Toronto, Canada, after meeting them through a NABOR-sponsored inbound trade mission held for foreign agents last summer. The Toronto agents helped spur Canadian interest in the Naples market, generating a stream of referral business for counterparts in Naples.

### Host trade missions.

As in the Naples example, your local or state association may sponsor inbound trade missions to attract foreign agents' interest in your area, or even outbound missions to cities and countries outside the U.S. Getting involved can help you establish agent relationships that generate business in both directions.

"If people don't personally know you and trust you, they won't make referrals to you," says Sally Masters, ABR®, CIPS, RSPS, TRC of Coldwell Banker Residential Real Estate in North Naples, Florida, whose global business is 90 percent referral-based. "It's all about building relationships, and international events give me the opportunity to establish and grow them." Sally reports that her business with Canadian clients has tripled in the last year.

## Seattle King County REALTORS®

**Trade mission to Japan** featuring NAR leadership and four Japanese trade associations:

National Federation of Real Estate Transaction Association (NFRETA)

All Japan Real Estate Association (AJREA)

Association of Real Estate Agents of Japan (FRK)

Real Estate Companies Association of Japan (RECAJ)

### April, 2011

At various locations throughout Japan.

For more information, please contact Claudia Crowell, RCE, Director of Business Practices  
[ccrowell@nwrealtor.com](mailto:ccrowell@nwrealtor.com)  
(425) 974-1014

### Track international sales.

Local boards can request their MLS to add fields to their databases that help track international sales and their sources, giving members a benchmark against which to measure change and results. For example, NABOR has used the MLS database and public records to track business growth, flagging sales made to buyers with international addresses. This provides a conservative estimate of sales, because it doesn't capture international buyers who have U.S. addresses or purchases through U.S.-based companies.

## South Bay (Los Angeles) Association of REALTORS®

**International Marketing Mixer**  
Thursday, February 9, 3:30-6:00 p.m.  
Location TBD

**International Networking Luncheon**  
Friday, May 6, noon-2:00 p.m.  
Sacramento, CA (exact location TBD)

For more information and updates on event locations, please contact:

Roger Phillips, 2011 South Bay Association of REALTORS® International Council Chair  
[rphillips@phillipsgroupusa.com](mailto:rphillips@phillipsgroupusa.com)

Tashia Hincliffe, 2011 California Association of REALTORS® International Forum Vice Chair  
[TashHD@aol.com](mailto:TashHD@aol.com)  
(310) 376-8871, extension 165

David Kissinger, South Bay Association of REALTORS®  
[david@southbayaor.com](mailto:david@southbayaor.com)

## Getting involved yields results.

In the period November 2009 to May 2010, international business in Naples grew by 42 percent. This corresponded with a growth in the Global Business Network's membership from 200 to 700 agents. "A large portion of this is due to educating agents in how to handle international clients and transactions differently," says Brett Brown. "Not only does the organization sponsor events, we've also created a helpline between members and the Global Business Network Committee to handle questions about international transactions as they come up."

## If you don't have a council in your area.

Many boards have not yet formed an official group to support global business development. If yours has not, contact your association executives and encourage them to join NAR Global's Race to 100, or volunteer to help start a council in your area. To learn more, visit [realtor.org/global/ae](http://realtor.org/global/ae).

What a local council can do for your global business is only limited by how involved you choose to be. Dive in, and you will reap the rewards. **GP**

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The burning question on every real estate practitioner's mind: how can I get my property listings in front of over half a million new, unique visitors from all over the world, every month? The mystery is solved with **Realtor.com®**. Globalize your listings and benefit from international exposure for your properties and nearly 10 million unique visitors every month.

**Realtor.com®**, the nation's No. 1 homes-for-sale website, will add translation services and increase its presence in international markets to attract even more international visitors to U.S. listings. More than 575,000 consumers from non-U.S. destinations currently visit **Realtor.com®** each month.

"This expansion of the strategic collaboration between Move and NAR benefits REALTORS®, provides home sellers with access to an even broader audience beyond our domestic borders, and delivers greater choice to home buyers interested in property in the U.S. and internationally. It is the result of the strong and long-lasting partnership between NAR and Move that continues to evolve with the real estate market," said **Realtor.com®** President Errol Samuelson.

Work is already underway to make these features available. Stay tuned for more details!



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- **Three times more pages were viewed** on **Realtor.com®** than the next closest competitor.
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Suggestions for future topics? Please send them to [NARglobe@realtors.org](mailto:NARglobe@realtors.org).

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