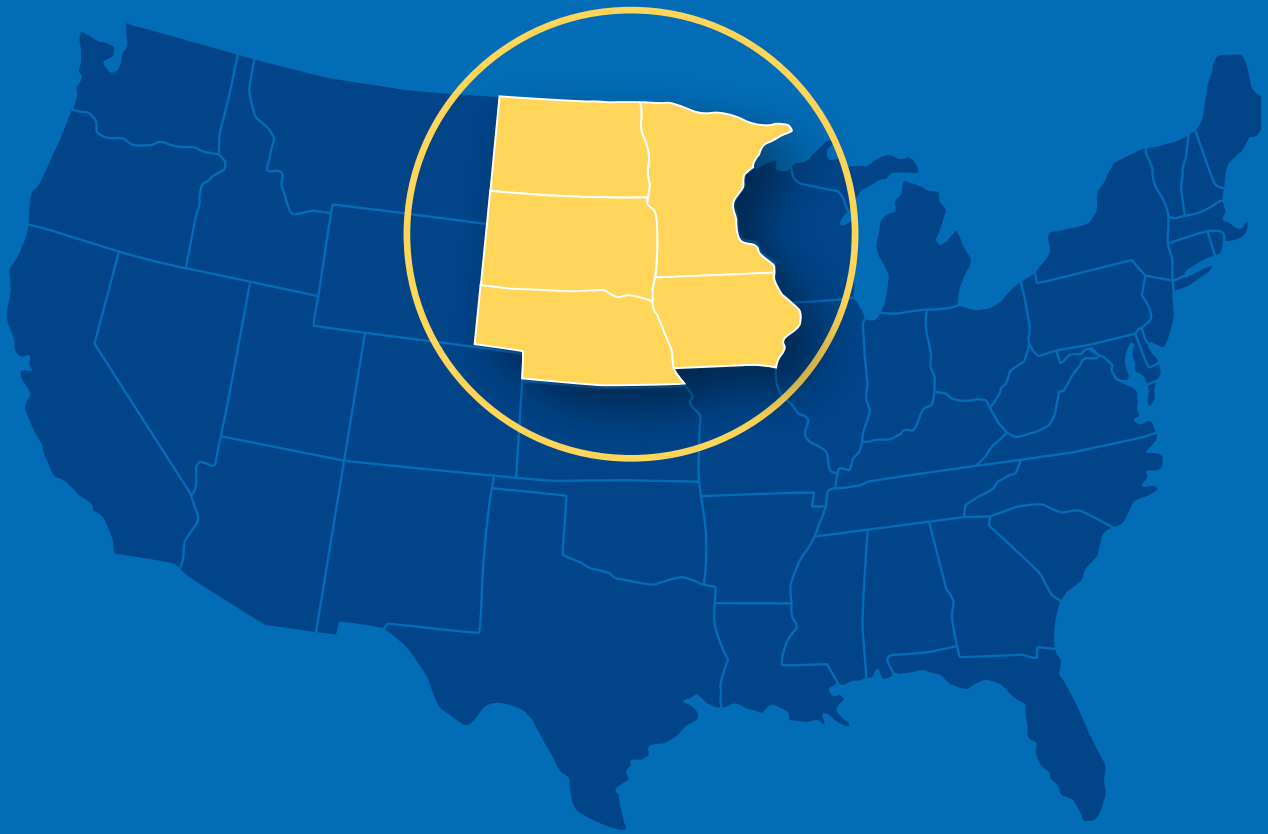


Local Market Assessment

REGION VIII

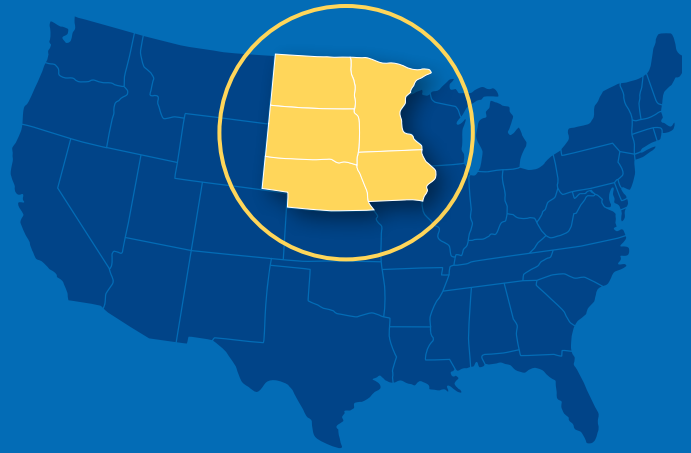
IOWA | MINNESOTA | NEBRASKA | NORTH DAKOTA | SOUTH DAKOTA

Global Influences
and Opportunities



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The global real estate market is valued in the billions and impacts the economy of every U.S. state—including secondary and tertiary markets. International business opportunities exist in even the most rural states, providing business opportunities for commercial and residential real estate specialists.

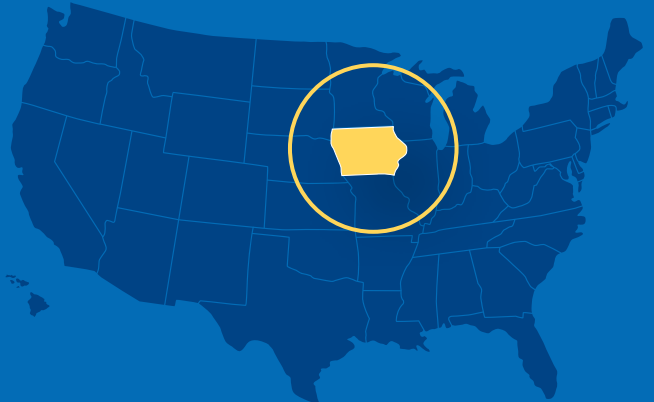
The key to finding global business, even in unexpected areas, begins with adopting a global mindset. In this assessment of local markets, we examine Iowa, Minnesota, Nebraska, North Dakota and South Dakota. While this region’s agriculture-based economy drives a significant amount of global business, many factors contribute to the opportunities for REALTORS® in these states.

Much of what you’ll discover here is applicable elsewhere in the U.S. The information in this report can help you devise a strategy to tap into the global opportunities in your local market.

Explore global real estate opportunities throughout the region. Navigate to a state using the Table of Contents links or the “Quick Navigation” bar at the bottom of each page.



Take a Closer Look IOWA




How to find global influences and opportunities in your local market

Although Iowa is among the top states for agricultural productivity, the value of the state’s manufactured products is twice that of agriculture. Its central location, integrated transportation services make the state a fast and convenient hub for manufacturing and shipping. Bordered by two rivers, Iowa has 491 miles of navigable waterways and is within 300 miles of Chicago, Minneapolis and St. Louis, among other large metro markets.

In addition, the state’s pro-business tax policies, nationally recognized research centers, strong work ethic and low cost of living give Iowa-based businesses a competitive edge with foreign investors seeking a U.S. base of operation. Consider the following steps to identify and pursue an international real estate niche to grow your business.

IOWA ADVANTAGES

 **#1** Highest concentration of agricultural engineers of any state *(BLS, 2020)*


\$30.1B Contribution from Iowa’s advanced manufacturing sector *(BEA, 2019)*




\$27.7M Venture capital & angel investment raised since 2010 *(Technology Partners)*



\$4.6B Additional wind capacity planned by state utilities *(MidAmerican Energy, Alliant Energy)*



18% Lower construction costs than U.S. average *(NAI Global)*



1. Familiarize Yourself with Iowa’s Business Advantages

The **Iowa Economic Development Authority (IEDA)** is the go-to resource for understanding the many advantages the state offers global investors—across a robust mix of industries. The following are core elements of the state business environment that will appeal to foreign investors.

Business climate. In 2022, the Tax Foundation described the ongoing transformation of Iowa’s tax code as “remarkable.” Through recent reforms, the state consolidated Iowa’s three-bracket corporate income tax into a two-bracket tax for 2023, with the top rate decreasing from 9.8 to 8.4%—down from 12% in recent years. Manufacturing machinery and R&D equipment are exempt from the state sales tax, and R&D facilities receive additional incentives. Iowa also offers generous investment and job creation tax incentives to new firms and incentivizes business growth through **innovation programs**—especially helpful for technology, advanced manufacturing and bioscience companies.

Helping boost investor interest is the state’s low cost of living—ranked #1 by CNBC in its 2023 Top States for Business. Tax legislation passed in 2022 (being phased in over several years) drops the individual income tax from a graduated top rate of 8.53% in 2022 to a flat 3.9% rate in 2026.



State Business Comparison – Compare Iowa’s business climate to other U.S. states.

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Location and transportation.

The state’s centralized location and commitment to an integrated infrastructure system enable access to U.S. shipping locations that link to global destinations. The state committed \$4.2 billion in funding for its roads and bridges in its 2023-2027 highway program to improve connections to U.S. interstates that crisscross the state. These road improvements, coupled with a statewide rail system, several regional airports and 60 barge terminals along Iowa’s borders (55 on the Mississippi River), enable the efficient shipment of goods throughout the country and to global market access points. In 2016, Iowa published a **freight optimization study**, helping Iowa businesses reduce freight costs.

Workforce development. As of June 2023, Iowa’s seasonally adjusted labor force participation was 68.7%—one of the highest in the nation (tied for 4th)—compared to the national rate of 62.6%. The manufacturing sector employs nearly 225,000 individuals, the state’s largest employment sector.

Iowa has an extensive workforce development program and offers a variety of **resources** for employers. **IowaWORKS Centers** provide labor market information, including **industry profiles** for 20 major sectors of Iowa’s economy. Each profile compares the wages and employment within the industry over several years, by county, for the state and the nation.

Iowa has ramped up its STEM (science, technology, engineering, math) education in public schools and increased its focus on technical trade skills at its network of community colleges—where the

curriculum aligns with business needs. Iowa’s research-focused universities prepare biomedical engineers and data analysts to compete in the global economy.



Laborshed Studies – Create local profiles of workforce characteristics for potential investors.

Energy. Wind energy generated 64% of Iowa’s electricity in 2022, with \$4.6 billion in additional wind capacity planned by the state’s utilities. According to the U.S. Energy Administration, Iowa’s electricity rates were 24% lower than the national average. Google, Apple and Meta are among the companies that identified low-cost wind energy as one of the motivations to locate new facilities in the state.

Solar energy in Iowa is also on the rise. In 2022, Iowa had an estimated 349 MW of installed solar. The Solar Energy Industries Association reports that as of 1Q 2023, 78 solar companies (manufacturers, installers, developers and others) were operating in Iowa. The industry represents a \$949 million investment in the state. Iowa has the technical potential for over 4,000,000 MW of solar. Foreign corporations seeking to operate facilities with a zero-carbon footprint will benefit from Iowa’s growing clean energy sources.

2. Know the Source of Foreign Investment in Iowa

Entities in Germany, the United Kingdom, the Netherlands, Italy and Japan accounted for the largest percentages of inbound foreign direct investment (FDI) between 2013 and 2022. These combined sources accounted for about half of all inbound FDI, which means significant business opportunities exist with investors from other markets. Food & beverage and industrial equipment represent the largest industry sectors of FDI, followed by chemicals, renewable energy and pharmaceuticals.

Iowa: BioScience Leader

Iowa’s competencies in the bioscience sector make it a front-runner in a global bioscience-based economy. The state’s support for private industry innovation and collaboration, business-friendly government policies and world-class research institutions have cemented the state’s position as a biosciences leader. In partnership with IEDA, **BioConnect Iowa** advances deep-tech and research-driven companies from inception to investment while providing strategy, thought leadership, mentoring and professional services. Learn about **BioConnect Iowa programs**.



Iowa Bioscience by the Numbers

Bioscience-Related Venture Capital Investments:

\$51.9 million (2021)

National Institute of Health Awards:

\$210.6 million (2021)

Bioscience Share of Total R&D:

67% (2020)

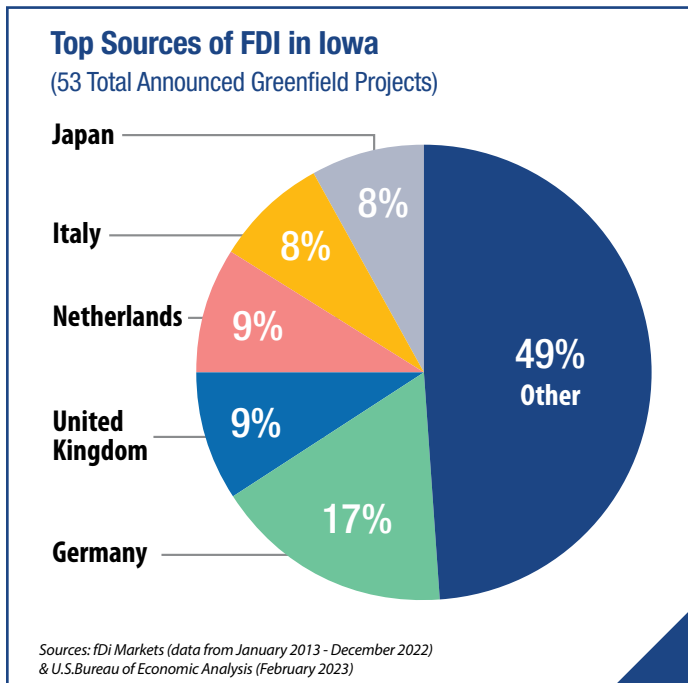
Bioscience Industry Employment:

26,469 (2021)

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IEDA's **International Trade Office** offers various global business services, including organizing virtual matchmaking, trade missions, trade shows and inbound international buyers groups. Although these services primarily focus on export activities, Iowa businesses can access international market research through **IEDA's global offices and representatives**, including an office in Europe and representatives in Latin America and Asia. Promotional **information and downloadable brochures** targeting foreign investors are available in seven languages, including English.



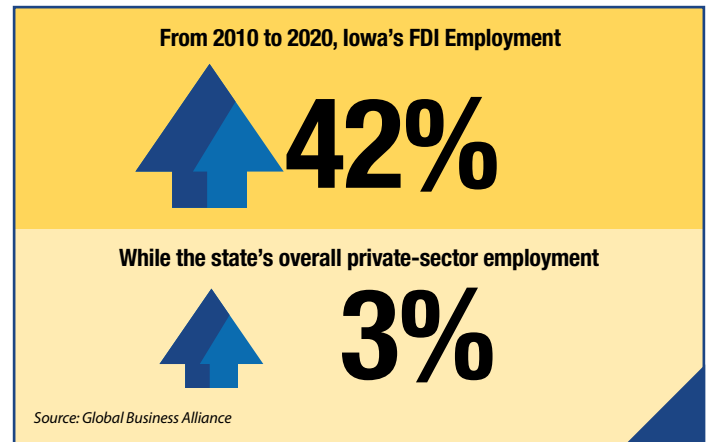
Foreign Trade Zones. Iowa has three Foreign Trade Zones: Polk County, Quad Cities (Iowa/Illinois) and Cedar Rapids. FTZs allow companies to avoid paying duties on raw materials and finished products shipped in or out of the U.S., helping companies boost their global reach.

FDI in Iowa Land

As of December 2021, just over a half million acres (507,510) of Iowa land is held by foreign entities, according to the U.S. Dept. of Agriculture. Entities in Canada hold the most acreage (192,968) followed by Italy (105,477), Germany (16,942), the U.K. (14,963) and the Netherlands (2,499). Nearly 180,000 acres are held by other foreign entities. Roughly 80% of foreign-held land in the state is categorized as cropland. Iowa is among 14 states that place **limits on foreign ownership**, as of January 2023.

FDI Employment

Foreign direct investment is responsible for 63,900 jobs in Iowa—with approximately 34,900 jobs (55%) in manufacturing. According to the **Global Business Alliance**, about 500 international employers operate in Iowa, with the United Kingdom, Germany and the Netherlands supporting the largest number of jobs. At 5%, Iowa trails the national average of jobs supported by international investment but exceeds the percentage of some neighboring states, including Nebraska and South Dakota. Between 2010 and 2020, Iowa's FDI employment grew by 42%, compared to the state's overall private sector employment, which grew at just 3% for this period.



Recent examples of FDI in Iowa include PAL Automotive, an Italian auto parts manufacturer, which announced plans to establish its U.S. headquarters and manufacturing facility in Ankeny. The \$35 million project, which will create 39 jobs, is scheduled for completion in 2025. In 2022, Valent BioSciences announced a major expansion (expected to be complete by 2024) of its manufacturing facility in Osage to meet the increasing

Iowa counties with the largest amount of foreign-held acreage:

Dickinson	47,566 (266 parcels)
Mitchell	42,564 (62 parcels)
Poweshiek	39,853 (263 parcels)
Washington	31,253 (207 parcels)
Page	27,039 (139 parcels)

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demand for alternatives to traditional pesticides and antimicrobials. Valent BioSciences is a subsidiary of Tokyo-based Sumitomo Chemical Co., Ltd.

Use corporate site selection websites to learn about new developments in your market, including **AreaDevelopment.com**, **BusinessFacilities.com** and **FDintelligence.com** (search “Iowa”). Position yourself as an expert resource with state agencies and organizations that assist foreign companies with site selection and other real property needs. While large corporations often work with multinational real estate consulting firms to source locations, many will seek a local partner—especially in smaller markets.

Residential ripple effect.

Beyond the commercial business opportunities associated with land, office and industrial sales and leasing for foreign companies looking to locate or expand in Iowa, there is often a residential ripple effect, especially in a tight labor market. Companies may need to attract workers from outside the immediate area and house executives relocating to oversee the local operation. Approach new or incoming international businesses in your market to discuss how you might help with housing support.

3. Explore Your Local Immigrant and Ethnic Demographics

Based on 2021 data, 5.4% of Iowa’s residents were born outside the country. Iowa is among the 15 states where the immigrant population grew by at least 15% between 2010 and 2016. One example is the small town of Denison. Of its roughly 9,000

residents, 30% are immigrants, surpassing the U.S. average of 13%. In 2022, Denison held its first **Immigrant Heritage Festival** to celebrate the town’s diversity.

According to the **American Immigration Council**, Iowa’s immigrant population has \$4.4 billion in spending power and \$6 billion in household income—representing business opportunities in the residential and small business markets. Iowa’s immigrant workers account for 7.3% (122,632) of all workers—many in the animal production and processing industries, which employ 60% of immigrant workers. Reflecting the strong presence of biotech companies, 13% of all STEM workers are immigrants.



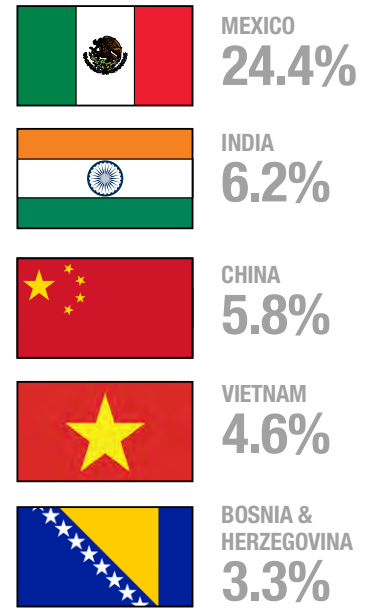
Map the Impact of Immigration – Comprehensive immigrant data at the state, county and metro levels.

Mexico leads the list of countries of origin for immigrants in Iowa at 24.4%. Other top countries include India (6.2%), China (5.8%), Vietnam (4.6%), and Bosnia and Herzegovina (3.3%). The state’s foreign-born population closely reflects the U.S. averages for each country except Bosnia and Herzegovina, for which the U.S. average is just 0.3%.

Ethnic Communities

Iowa is an increasingly diverse state. Many American-born residents identify closely with their ethnic roots and reside within ethnic communities. Between 2010 and 2021, the Hispanic population grew the most, increasing 1.7 percentage points to 6.7%. The white (non-Hispanic) population decreased by 4.5 percentage points to 84.1%.

Origin of Iowa Immigrants



Source: 2020 U.S. Census

Bosnia Immigrants in Iowa



Many Bosnian immigrants in Iowa came to the U.S. in the 1990s as war refugees, initially settling in other states before moving to Iowa. The 2000 census showed that Iowa’s Bosnian population was 5,695, with many drawn to the state by jobs in the meatpacking and agricultural processing industries and the state’s rural, family-oriented lifestyle. Polk and Black Hawk counties are home to the largest Bosnian communities at 4,000 and 1,700, respectively. (Polk is the third largest Bosnian community in the U.S., according to the 2015 – 2019 American Community Survey.) REALTORS® seeking to serve this ethnic group can connect with the community through the **Bosniak American Association of Iowa**.

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Slightly more than 75,000 (2.4%) Iowans identify as Asian, according to the 2020 census. Although smaller than the Hispanic community, Iowa’s Asian population grew by 106.4% (38,994 persons) between 2000 and 2020. There is significant diversity within the Asian community. Asian Indians are the largest Asian subgroup in Iowa, followed by Chinese (excluding Taiwanese), Vietnamese, Korean, Burmese, Filipino, Laotian and Thai.



Iowa Hispanics Fact Sheet – Demographic profile of Iowa Hispanics.

Asian Pacific Islanders in Iowa – Graphic overview of Iowa’s Asian demographic profile.

Nearly 8% of residents report speaking a language other than English at home, with Spanish most often named, followed by Chinese; German; Bosnian, Croatian or Serbian; and Vietnamese.

Serving an ethnic community calls for understanding the culture and any unique considerations concerning business. As is the case when doing business outside the U.S., “local-global” business typically results from an existing relationship. A satisfied client will likely refer you to others in the community, and soon you can establish yourself as the go-to real estate expert for the community. A **2022 report from NAR** found that 70% of international leads and referrals came from personal or business contacts.

Identify area ethnic organizations. Iowa REALTORS® can connect with ethnic community leaders and residents through government, business and community organizations such as the state’s **Office of Latino Affairs**, the **Greater Quad Cities Hispanic Chamber of Commerce**, the **Iowa Asian Alliance** (sponsors the annual **CelebrAsian** and **AsianFest**), the **Chinese Association of Iowa**, **Chinese Americans for Iowa**, the **Bosnian Cultural Foundation Waterloo Iowa**, and the **Vietnamese American Community in Iowa**. Check your local chamber of commerce for organizations and events in your community. Remember that “Hispanic” and “Asian” are broad terms representing multiple countries. Take time to identify and learn the unique nature of the ethnic communities in your market.

Immigrant Homeownership

The American Immigration Council reports 39,916 immigrant homeowners in Iowa, with the recent share of foreign-born homebuyers at 7.2%. Housing wealth held by immigrant households in the state is \$7.5 billion.

Homeownership information from a **2020 report** from the National Association of REALTORS® reveals the homeownership rate for naturalized foreign-born residents in Iowa from 2013 to 2018 (72.1%) is nearly identical to that of native-born residents (72.3%), despite the median income of native residents being roughly \$2,500 higher.

Hispanic homeownership.

A report from the **National Association of Hispanic Real Estate Professionals® (NAHREP)**



reveals that, in 2022, the U.S.’s Hispanic homeownership rate increased to 48.6%, marking eight years of consistent homeownership growth. Download the **NAHREP report** for additional analysis and insights on Hispanic consumer nuances, purchasing power and trends related to homeownership in the U.S.

Asian homeownership. The 2023

State of Asia America report from the **Asian Real Estate Association of America (AREAA)** indicates that



in the Midwest, 60.9% of Asian Americans are homeowners with a median home value of \$310,800 for this group (compared to 69.4% and \$208,500 for all homeowners). REALTOR.com reported that Asian Americans often spend more due to the areas where they buy.

4. Explore Other International Business Resources

Use the following resources to familiarize yourself with global business opportunities in Iowa.

H1-B visas. The H1-B visa program helps U.S. companies hire foreign workers when American workers with specialized skills are unavailable. According to **MyVisaJobs.com**, Iowa employers requested 2,539 H1-B visas in 2023, with an average annual salary of \$109,092. Top H1-B employers include the University of Iowa, Iowa State University of Science and Technology, Rockwell Collins, Tata Consulting Services, Cognizant Technology Solutions and Deere & Company.

Foreign-born professionals who enter on an H1-B visa often later apply for permanent residency and remain in the area. H1-B visa holders can buy or rent property in the U.S., and many look to the sponsoring employer for guidance on

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securing a place to live in the country. Use the **MyVisaJobs.com search tool** to identify H1-B visa sponsors in your market.

International Traders of Iowa (ITI). In 2022, Iowa exported \$18.1 billion of goods and imported \$13.9 billion, with Canada and Mexico being its largest trading partners. Connecting with import-export business leaders can be a link to more direct local international activity. ITI hosts educational seminars and other professional and networking events for members.



Iowa's International Trade Office LinkedIn – Follow the state's ITO on LinkedIn for news on activities, resources and services.

Foreign students. Iowa universities attract thousands of international students each year, many requiring housing while studying in the U.S. or upon accepting positions with Iowa employers. In 2022, 8,246 international students attended in-state universities. China and India overwhelmingly top the list of countries of origin at 24% and 17%, respectively. Other top sources of origin countries include South Korea, Malaysia and Canada. Iowa State University hosts the majority of these students (3,326), followed by the University of Iowa (2,176). Fewer than 500 foreign students (each) attended Grinnell College, Luther College and Drake University. All data is from **Open Doors**, a project sponsored by the U.S. Department of State.

NAR Global. In addition to the information in this report, discover the numerous resources available from **NAR Global**. These include research and information sources, education, global contacts and events.

5. Network with Other Agents

Increase your awareness and understanding of global market opportunities by connecting with other globally-minded real estate professionals. REALTOR® Global Business Councils organized within NAR's state and local association structure are a great networking source. These Councils host informational, educational and networking events and connect members to the larger global community in their market. Search NAR's **Global Councils Directory** to locate Councils in the Midwest, or consider forming a council.

Nationally, connect with Asian professionals through the **Asian Real Estate Association** and Hispanic professionals through the **National Association of Hispanic Real Estate Professionals®**. The Global Pavilion at the annual NAR REALTORS® Conference and Expo is a great place to meet and network with both U.S. and international agents from across the U.S. and over 50 countries.

NAR Global Alliances. NAR's presence extends beyond the U.S., including International REALTOR® Members worldwide. It also maintains formal relationships with **100 organized real estate associations** outside the U.S. These connections can be the basis for developing a global business plan for your market.

6. Leverage Your Knowledge and Experience

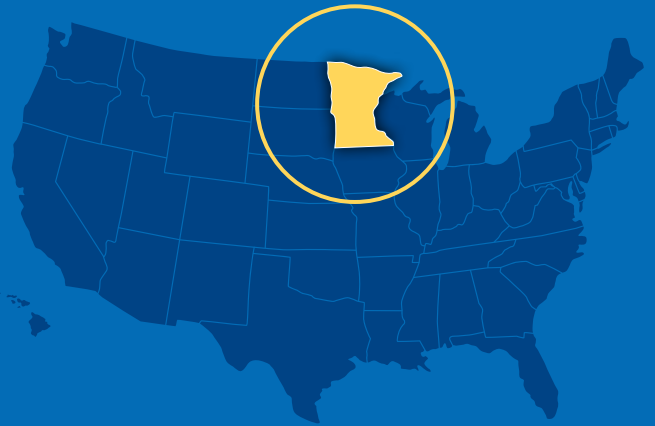
When investigating global opportunities in Iowa, it makes sense to focus initially on one area of international business. Consider a particular connection, an international corporate investor coming into your market or a personal interest, e.g., your ethnic background or language competency. As your experiences and contacts grow, so will your awareness of other global opportunities.

Stay connected with global economic developments in the state with IEDA's quarterly International Updates, available under the **Iowa Stories** section of the IEDA website. ■

The global property marketplace offers many exciting and profitable opportunities in Iowa. While this report is an excellent place to begin exploring these opportunities, it does not make you an expert. NAR's Certified International Property Specialists (CIPS) designation provides the knowledge, research, network and tools to expand your global business network and do international business locally. **Learn more about the CIPS designation.**



Take a Closer Look MINNESOTA



How to find global influences and opportunities in your local market

Located in the upper U.S. Midwest, Minnesota is an increasingly diverse state due partly to the influx of immigrants—many from Asia. The state is also home to numerous international businesses that employ more than 150,000 Minnesotians. Global entities are attracted to the state’s diverse business profile, entrepreneurial spirit, infrastructure, workforce and overall quality of life.

The state’s six economic regions cover traditional industries like agriculture and manufacturing and up-and-coming industries like FinTech and renewable energy. Minnesota moved from ninth (in 2022) to fifth in CNBC’s 2023 ranking of Top States to Do Business With.

There are global business influences and opportunities statewide. Use this information to help you identify them.

Source of Foreign-owned Businesses in Minnesota

REGION

Europe	520
North America	177
Asia	174
Caribbean, Central America	20
South America	6
Australia, Pacific	5
Middle East	5
Africa	4
GRAND TOTAL	911

Source: Minnesota Department of Employment and Economic Development

Foreign Direct Investment

More than 1,100 foreign-owned companies—from about 40 countries—operate in Minnesota. These businesses have invested roughly \$37 billion in property, plant and equipment in the state as of 2020. The Twin Cities metro area is home to most of the Minnesota-based foreign companies, although more than 150 cities across the state benefit from foreign direct investment (FDI) in their community. A few examples of foreign companies with operations in Minnesota include Allianz, Daikin Applied, Geringhoff, Olympus, Takeda and Uponor.

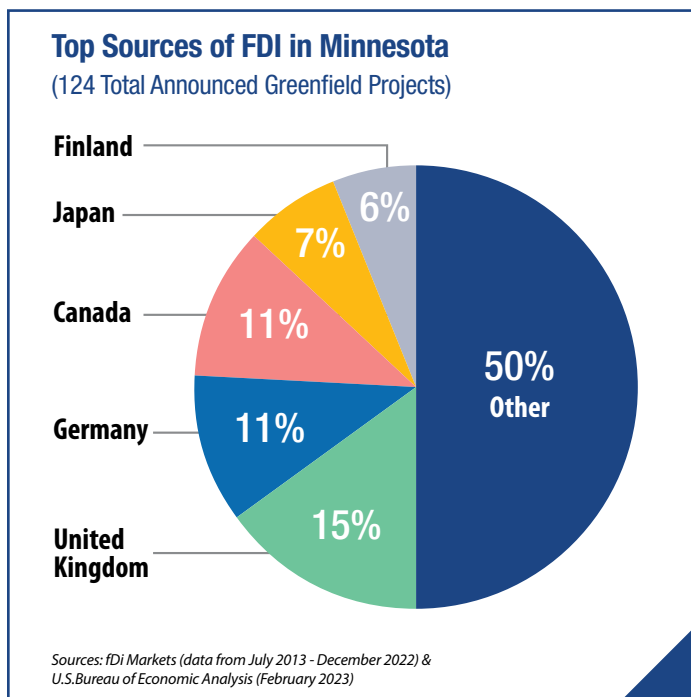


Foreign-Owned Businesses in Minnesota – View data for foreign companies operating in Minnesota. Interactive search by parent company industry and location.

During the past decade, the United Kingdom, Germany and Canada have been the source of the largest amount of inbound FDI in Minnesota, followed by Japan and Finland. These five countries account for just half of the state’s total inbound FDI, meaning that companies from numerous other countries operate in Minnesota.

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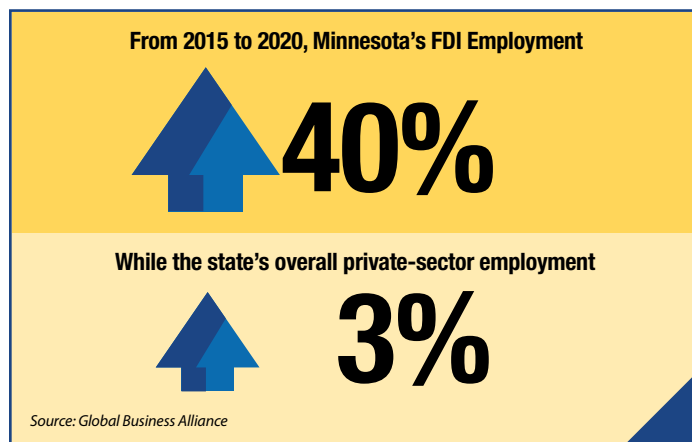
The single largest sector attracting FDI is industrial equipment, followed by software and IT services, business services, medical devices, and plastics. The state maintains **offices and personnel** in select world markets to help foreign companies explore business startup, expansion and relocation opportunities in Minnesota.

Foreign Trade Zones. Minnesota’s three designated **Foreign Trade Zones** (FTZs) encompass the greater Minneapolis metro market, Duluth and International Falls. FTZs attract foreign investors in manufacturing sectors as goods may be exported from the zone free of duty and excise tax, helping companies improve their bottom line and boost their global reach. Learn how FTZs might benefit your global clients at the **U.S. International Trade Administration website**.

FDI Employment

According to the **Global Business Alliance**, between 2014 and 2019, Minnesota’s FDI-fueled workforce grew the fastest of any state in the country, with 46% FDI employment growth—more than double the national rate. One recent example is Rolls Royce North America’s investment of \$13.9 million to expand its Mankato facility, creating new manufacturing positions.

Between 2015 and 2020, Minnesota’s FDI employment increased by over 50,000—an increase of 40%, compared to a 3% decline in the state’s private-sector employment. Minnesota’s FDI jobs as a percentage of all employment in the state is 6.7%, the highest among all surrounding states.



Minnesota ranks fifth in the 12-state Midwest region for FDI investment and employment. Use the **interactive mapping tool** at the **Minnesota Department of Employment and Economic Development** (DEED) to locate foreign-owned companies in your market.

Strategies and Resources for Pursuing FDI-related Business

Foreign-owned companies can be a nexus of multiple global transactions. You may be able to connect with relocated executives looking for homes or scouting for commercial property or industrial sites. (Don’t forget the domestic residential ripple effects resulting from new jobs in the market.) Corporate site selection websites can help you learn about new developments and inbound FDI. Search **AreaDevelopment.com**, **BusinessFacilities.com**, **Site Selection** and **FDIintelligence.com** for Minnesota foreign investment news.

While large corporations often work with multinational real estate consulting firms to source locations, many seek a local partner—especially in smaller markets. Position yourself as an expert resource with state agencies that assist foreign companies with site selection and other real property needs. Use the following additional sources to tap into the inbound FDI business.

State resources. DEED offers a wide range of information and resources useful to REALTORS® seeking to understand and promote Minnesota as a U.S. base of operations for foreign companies. While the entire site is worth exploring, the **Invest in Minnesota section** is a good place to start. A brochure promoting inbound investment is available in **nine foreign languages**.

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Regional economic development groups. Connect with local economic development agencies (EDAs) in your region. Check with your local chamber of commerce for area EDAs. **Cause IQ** provides a directory of **200+ non-profits** in the state categorized as “economic development organizations.”

Consulate offices. Contact Minnesota-based embassies or consulate offices to explore local connections and data for individual countries. Two sources are **Embassy Finder** and **Embassy Pages**.

H1-B Visas. The H1-B visa program helps American companies hire skilled workers from outside the U.S. when they cannot find American workers with the required skills. According to **MyVisaJobs.com**, for 2023, employers in Minnesota requested 7,780 H1-B visas with an average salary of \$110,419. The top five H1-B employers in the state are the Mayo Clinic, Target Enterprise, Cognizant Technology Solutions, the University of Minnesota and Tata Consultancy Services.

H1-B visa holders can buy or rent property in the U.S., and many foreign-born professionals who begin employment on an H1-B visa often decide to apply for permanent residency and remain in the area. H1-B visa holders often look to the sponsoring employer for guidance on a place to live. Use the searchable database at **MyVisaJobs.com** to identify top employers in your market.



Minnesota Economic Development Resource Guide, 2021 – Information and resources on business

development, tax credits, loans and grants, workforce development and more.

FDI: MINNESOTA STRENGTHS

Port of Duluth-Superior - #1 volume port on the Great Lakes (Superiortelegram.com)

Least Stressed State (WalletHub, 2023)

4th in technology & innovation (CNBC, Top States for Business, 2023)

3rd in Labor Force Participation Rate for Women (64%), 2022 (Bureau of Labor Statistics)

Promoting Minnesota to the World

To attract and serve global clients, understand the fit between Minnesota and the key considerations that factor into a company’s decision to establish a presence in the state. In CNBC’s 2023 ranking of top states to do business with, Minnesota scored #5 overall—up from #9 in 2022. The state excels in infrastructure, quality of life, technology and innovation, and education.

Infrastructure. U.S. World & News Report ranked Minnesota’s infrastructure as the nation’s best in 2023. There are nine commercial airports in the state. The largest (Minneapolis-St. Paul International) provides commercial service to 156 domestic non-stop and 29 international non-stop destinations. Companies shipping by water have access to seven commercial ports on Lake Superior and the Mississippi River. The Port of Duluth-Superior ranks #1 for volume on the Great

Lakes and is the second-largest dry bulk port in the U.S. Three interstate highways and four Class I freight rail lines support road and rail options.

Quality of life. In 2022, The World Population Review’s Quality of Life rankings touted the state’s quality of life—boosted by low crime, clean air and high employment. Mayo Clinic in Rochester is among the state’s top employers. The state is also home to 16 Fortune 500 companies, and food company Cargill, the nation’s largest private company, is headquartered in Minnesota. The 2023 U.S. World & News Report Best States report ranked Minnesota #9 for “opportunity,” reflecting economic opportunity, affordability and equality metrics.

Technology and innovation. The state is a fertile ground for research and development innovation. According to the National Science Foundation, Minnesota businesses pump about \$8 billion annually into R&D projects—much in conjunction with the University of Minnesota and the Mayo Clinic. The state’s largest companies also partner with accelerators and other startup programs. On the tech side, Minnesota startups raised over \$1.7B in venture capital through 198 deals in 2021. **Launch Minnesota** helps startups become established success stories. Minnesota ranks 4th in the nation for 5-year business survival rate.

Education. Foreign investors seek locations with a robust pool of skilled workers. Education is core to a strong workforce development strategy. Minnesota is home to more than 100 post-secondary institutions, boasts the highest ACT state score

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where at least 60% of students were tested, and consistently ranks in the top ten for the most educated U.S. states. Census data shows that only 5.8% of Minnesotians age 25 or older lack a high school diploma or GED equivalent, compared to the national rate of 10.7%, and 39% hold a bachelor's degree or higher. To help drive business growth, the state's **Job Skills Partnership Program** partners with companies and schools to train or retrain workers and awards grants of up to \$400,000.

Key Industries in the State

Beyond the broad advantages Minnesota offers foreign investors, the state's economic and business diversity is an important selling point—key to attracting companies that can benefit from the diverse specialized talent pool, R&D resources and technical innovation that supports the state's business ecosystem.

Among the industries thriving in Minnesota are advanced manufacturing, life sciences, clean tech and renewables, food and agriculture, world-class retail, and finance and insurance. Explore these and other leading industries at the **DEED website**, where you'll find valuable data points to support marketing efforts targeting foreign investors.



Regional Economic Diversity
– Snapshot of the state's six economic regions and business contacts for each.

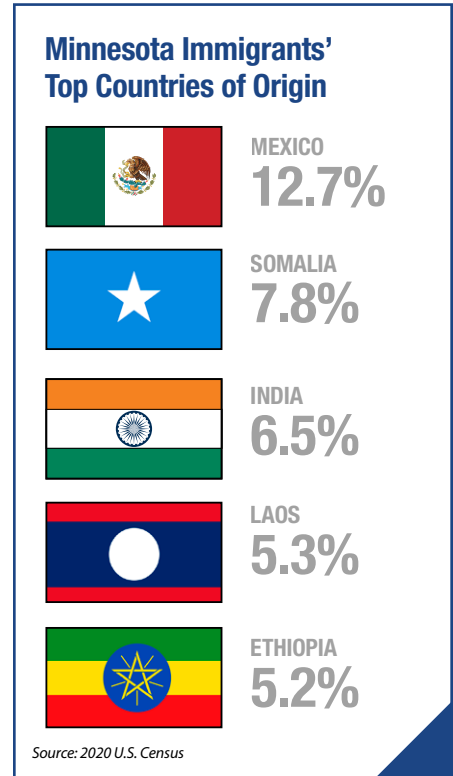
Immigration

In 2018, the **Migration Policy Institute** identified 15 states in which the foreign-born population grew by 15% or more between 2010 and 2016 (compared to the 9% national growth rate). Minnesota ranked fifth on the list with a growth rate of 20%. Immigrants accounted for approximately one-third of the state population growth during this period. Nationally, 75% of this group were refugees from one of five countries, including Somalia. Large numbers of Somalian refugees now call Minnesota home.

In 2021, the foreign-born population represented 8.5% of the state's population. The top countries of origin for the immigrant population in Minnesota are Mexico (12.7%),

Somalia (7.8%), India (6.5%), Laos (5.3%) and Ethiopia (5.2%). Compared to the U.S., Minnesota is home to significantly higher percentages of Somalians, Laotians and Ethiopians. Explore the **origin of Minnesota's immigrants** from all countries.

According to the **American Immigration Council**, the state's foreign-born population represents \$12.9 billion in spending power and \$17.5 billion in household income. More than 325,000 (10.6%) immigrants are among the state's labor force. The majority of employed immigrants (35%) work in management, business, science and arts, 24% in service occupations, 20% in production, transportation and material moving occupations, and 15% in sales and office occupations. Immigrant entrepreneurs in Minnesota account for 7.5% (roughly 20,000 persons) of the state's total entrepreneur population and generate \$412 million in business income.



Somalis in Minnesota

According to 2021 U.S. Census American Community Survey data, 86,610 Somali Americans reside in the state, the largest Somali population in the country. Of this group, roughly 37,000 were born in Somalia, arriving in the U.S. as refugees in the early 1990s. Nearly half of the current population is aged 17 years or younger, indicating the likely growth rate of this population segment. More than 75% reside in the Twin Cities metro area. In 2019, the Minnesota State Demographer's Office reported that 40% of the state's Somali Americans were born in the U.S., and slightly more than 80% are U.S. citizens. Connect with the Somali community through numerous organizations, including the **Minnesota Somali Community Center**, the **Confederation of Somali Community In Minnesota** and the **Somali Action Alliance of Minnesota**.



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Immigrant Homeownership

More than 100,000 Minnesotian immigrants are homeowners with over \$28 billion in housing wealth. The share of recent homebuyers who are foreign-born is nearly 10%. NAR's **2020 State Economic Data for Engaging in International Real Estate report** shows that between 2013 and 2018, the homeownership rate for naturalized foreign-born residents in Minnesota was 71.5%, just slightly less than the 73.8% rate for native-born residents, despite a median household income that was more than \$9,000 less than the median household income for native-born residents.



Map the Impact of Immigration - Comprehensive immigrant data at the state, county and metro levels.

Foreign students. Minnesota universities and colleges attract thousands of international students each year, many requiring housing while studying in the U.S. or upon accepting positions with state employers following graduation. In 2022, 13,503 international students attended in-state institutions. China (24%) and India (14%) were the top countries of origin. Other leading places of origin included South Korea, Nepal and Ethiopia. The University of Minnesota (Twin Cities) hosted the majority of these students at 5,948. Other institutions attracting large numbers of foreign students included Minnesota State University, St. Cloud University, University of St. Thomas and Olaf College. All data is from Open Doors, a project sponsored by the U.S. Department of State. Explore this niche by contacting the university department that assists international students.

Connect with Minnesota's Ethnic Communities

Minnesota is becoming more ethnically diverse. Between 2010 and 2020, the state's Asian population increased by 39.7%. Ramsey, Hennepin and Washington counties report the highest percentage of residents who self-identify as Asian. The state's Hispanic population grew by 38.1% during this same period. Counties with the largest Hispanic communities (by percentage) are Nobles and Watonwan.



MINNESOTA: 2020 Census – Explore ethnic data at the county level.

Census data shows that nearly 12% of Minnesotans (age 5+) speak a language other than English at home. The top five foreign languages spoken at home include (in order) Spanish, Hmong, Somali (or other Afro-Asiatic language), Vietnamese and Swahili (or other Sub-Saharan African languages).

MINNESOTA: Top five foreign languages spoken at home

- 1 Spanish
- 2 Hmong
- 3 Somali (or other Afro-Asiatic language)
- 4 Vietnamese
- 5 Swahili (or other Sub-Saharan African language)

Many American-born residents identify closely with their ethnic roots and reside within ethnic enclaves. Immigrant communities can be a highly productive business opportunity for REALTORS® in both the residential and commercial sectors. A satisfied client will likely refer you to others in the community, and before long, you can establish yourself as the real estate expert for a specific ethnic group. A **2022 report from NAR** found that 70% of international leads and referrals came from personal or business contacts.

Serving an ethnic community calls for understanding the culture and any unique considerations concerning doing business. Watch for ethnic, cultural and social events and directly engage with affiliated organizations to make connections with ethnic communities. Explore business groups such as the **Asian American Chamber of Commerce of Minnesota**, the **Latino Chamber Of Commerce** and the **Hispanic Chamber of Commerce Minnesota**. Remember that "Asian" and "Hispanic" encompass many different ethnicities with unique cultures and business practices and seek more targeted organizations such as the **Japan America Society of Minnesota** and the **India Association of Minnesota**. Check your local chamber of commerce for organizations in your community.



Minnesota Council on Latino Affairs and Council on Asian Pacific Minnesotans – State agencies serving the Hispanic and Asian communities.

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Agent-to-Agent Connections

For those in the early stages of global business development, networking with other globally-minded real estate professionals is an excellent way to broaden your knowledge, expand your contacts and develop international business opportunities. Local REALTOR® association Global Business Councils are a great networking resource. These Councils are organized within NAR's state and local association structure and host informational, educational and networking events and connect members to the larger global community in their market. Locate Global Business Councils in Minnesota by searching NAR's **Global Councils Directory**. The Global Pavilion at the annual NAR REALTORS® Conference and Expo is a great place to meet and network with both U.S. and international agents from across the U.S. and over 50 countries.

NAR's presence extends beyond the U.S., including International REALTOR® Members worldwide. It also maintains formal relationships with **100 organized real estate associations** outside the U.S. These connections can be the basis for developing a global business plan for your market.

To support your efforts to serve Hispanic and Asian communities, join the **Asian Real Estate Association of America** (AREAA) or the **National Association of Hispanic Real Estate Professionals** (NAHREP), including its **Twin Cities chapter**. Both groups offer extensive informational resources and networking opportunities.

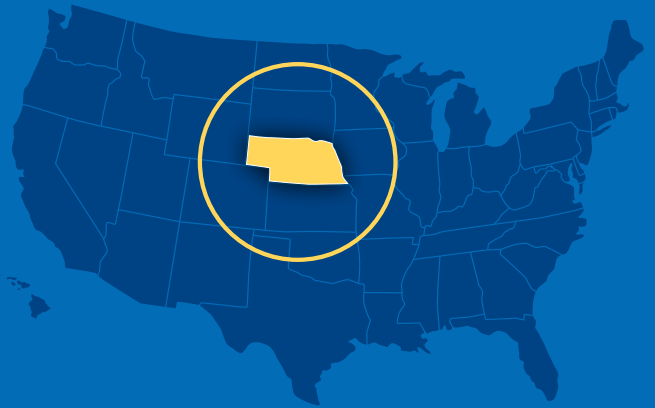
Leverage Your Knowledge and Experience

When investigating global opportunities in Minnesota, it makes sense to focus initially on one area of international business. Consider a particular connection, an international corporate investor coming into your market or a personal interest, e.g., your ethnic background or language competency. As your experiences and contacts grow, so will your awareness of other global opportunities. ■

The global property marketplace offers many exciting and profitable opportunities in Minnesota. While this report is an excellent place to begin exploring these opportunities, it does not make you an expert. NAR's Certified International Property Specialists (CIPS) designation provides the knowledge, research, network and tools to expand your global business network and do international business locally. **Learn more about the CIPS designation.**



Take a Closer Look NEBRASKA



How to find global influences and opportunities in your local market

Agriculture has been the cornerstone of Nebraska’s economy for many decades, accounting for nearly 34% of business sales, 22% of the gross state product and about three-quarters of jobs in the state, according to a report released by the University of Nebraska – Lincoln in 2020.

A fast-growing manufacturing sector complements the state’s strength in agricultural industries. Food processing is one of the top manufacturing sectors in the state, representing seven of the top ten manufacturing companies. Transportation is another leading industry. Nebraska is home to several of the nation’s leading transportation companies and sits on one of the busiest rail corridors in North America.

These are just a few factors that attract foreign investors and represent global business opportunities for REALTORS® in Nebraska. Follow these steps to learn more and to pursue international real estate opportunities.

WHY NEBRASKA: By the Numbers

40% Increase in manufacturing exports from 2010 to 2018 to \$6.48B
 Source: National Association of Manufacturers

\$9M 2022 airport improvement grants across nine major airports
 Source: 2021 Infrastructure Report Card

#8 State ranking for business-friendliness
 Source: CNBC 2023 Top States for Doing Business Report

87.5% High school graduate rate, exceeding the national rate
 Source: U.S. News & World Report, 2023

#1 Power grid reliability ranking
 Source: U.S. News & World Report, 2023

Step 1: Brush Up on Nebraska’s Business Profile

A 2022 report from Deloitte indicates that foreign investors in U.S. commercial properties resurged in the second half of 2021 with the easing of pandemic-related restrictions. The market saw a \$53 billion bump in the year’s second half, accounting for most of the \$69 billion total for 2021. Real Capital Analytics reported this was the strongest H2 since 2001 when this data was first tracked.

Nebraska REALTORS® hoping to tap into the rise in foreign direct investment (FDI) need to understand what investors look for and how their market fits those needs. Key considerations include economic profile, infrastructure, tax environment and incentives, property availability, workforce resources, and cost and reliability of utility service. The following highlights Nebraska’s strategic advantage for each consideration.

Economic profile. In 1Q 2022, using U.S. Bureau of Economic Analysis data, the **NE Chamber** reported that manufacturing ranked as the state’s largest industry sector based on GDP, generating \$19.1 billion in economic activity in that quarter alone. Nebraska has over 2,000 manufacturing establishments, with the largest manufacturing industry being food manufacturing, representing 17% of all manufacturing establishments in 4Q 2021. The second-largest sector was fabricated metal product manufacturing, which accounted for 15% of manufacturing establishments. Advanced manufacturing sectors have seen the most significant growth over the past three decades. Stay on top of what’s happening in this sector at the **NE Manufacturing Alliance** website.

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Infrastructure. The state is home to nine major airports and over 300 miles of inland waterways and is one of the busiest rail corridors in North America. Nebraska is also home to several of the nation’s leading transportation companies, including two of the nation’s top ten trucking companies (Werner Enterprises and Crete Carrier Corporation), which enable deliveries to reach 90% of the U.S. population within two days via truck. This multi-modal connectivity is critical for global producers of goods.

Tax environment and incentives. CNBC’s 2023 Top States for Doing Business ranking put Nebraska at #8 for business friendliness—up four points from the 2022 ranking. The state also ranked in the top 20 for cost of doing business (#19) and cost of living (#12)—earning a B+ rating in each category. The **Nebraska Department of Economic Development** (DED) emphasizes the state government’s commitment to business friendliness, supported by passing legislation that removes the red tape and provides robust **incentives** to new and expanding businesses.

Property availability. Nebraska uses the Location One Information System (LOIS) to help property professionals and investors find the best location for a business. Search by available **sites, buildings** and **communities**. LOIS features include detailed local ESRI reports, interactive local map layers and more.

Workforce resources. As the home of Berkshire Hathaway, Medical Solutions, Union Pacific, Kiewit and Cabelas, Nebraska understands today’s labor challenges. The **Customized Job Training Program** helps Nebraska businesses train employees on new equipment and technologies, helping employers find the talent they need to run their businesses. In 2023, Senator Loren Lippincott introduced **LB610**, which (if passes) will appropriate \$10.2 million to the Department of Education to fund career and technical education programs in secondary and post-secondary schools. Use the state’s **NEworks** site to understand the labor profile in your market, including for specific industries.

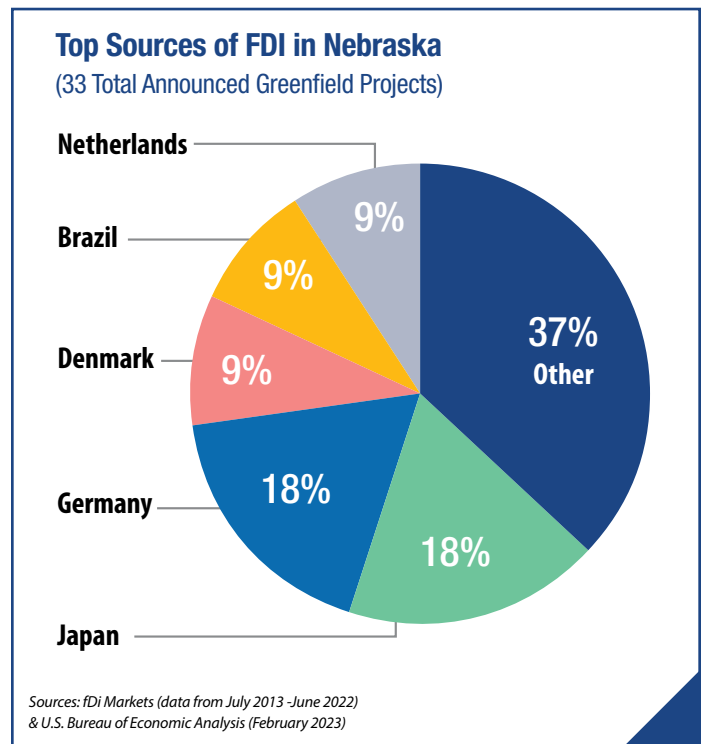
Cost and reliability of utility service. Nebraska is the only state served 100% by publicly-owned utilities, e.g., municipal utilities, electric cooperatives and public power districts, which emphasize service over profit. Beyond cost, Nebraska consistently ranks high for energy. The **2023 U.S. News and World Report “Best States” report** ranked the state #1 for power grid reliability, #5 for electricity price and #11 for renewable energy usage (23.5% compared to the national average of 12.3%).



DED 2022 Annual Report – A detailed look at the state’s economic development strategy and related data.

Step #2: Know Who’s Investing and Working in Nebraska

Nebraska’s leading foreign direct investment (FDI) sources come from companies based in Japan and Germany (18% each). Other sources of significant inbound FDI are Denmark, Brazil and the Netherlands, at 9% each. The food and beverage sector represents the largest number of FDI projects, followed by renewable energy, chemicals, electronic components, and software and IT services.



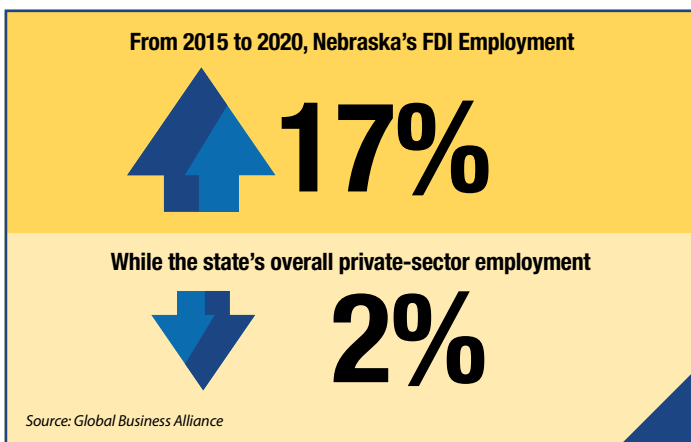
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Foreign Trade Zones. Nebraska has two designated **Foreign Trade Zones** (FTZs), serving Omaha and Lincoln. FTZs attract foreign investors in manufacturing sectors as goods may be exported from the zone free of duty and excise tax, helping companies improve their bottom line and boost their global reach. Learn how FTZs might benefit your global clients at the **U.S. International Trade Administration website**.

FDI Employment

Nebraska is home to nearly 400 global companies that employ 36,700 workers across multiple industries—representing a significant investment in the state. Approximately 20,000 of those jobs are in the manufacturing sector. Nebraska’s FDI employment rose 17% between 2015 and 2020, compared to the state’s overall private sector employment, which fell by 2% during this period.



While the eastern part of the state is home to most foreign-owned parent companies, there are numerous local outlets throughout the state. Use the DED’s **interactive FDI database** to locate foreign-owned business operations by country, Nebraska location and industry.

Use corporate site selection websites to learn about new developments in your market, including **AreaDevelopment.com**, **BusinessFacilities.com** and **FDIintelligence.com** (search “Nebraska”). Position yourself as an expert resource with state agencies and organizations that assist foreign companies with site selection and other real property needs. While large corporations often work with multinational real estate consulting firms to source



State-led Foreign Outreach and Trade Missions

Former Nebraska Governor Pete Ricketts championed international trade and engagement as part of the state's economic growth strategy. During his term, he led trade missions to Germany, Japan, Mexico, China, Canada, Belgium, Italy and Denmark; signed a memorandum of understanding with the Consul-General of Japan; hosted international visitors for a Nebraska Business and Trade Investment Conference in conjunction with Berkshire Hathaway's annual meeting; and formed the Governor's Council for International Relations. During his first year in office, Governor Jim Pillen led a trade mission to Vietnam to promote Nebraska agriculture and food products. While most of these activities focused on exports, there's always potential for new inbound global business. Follow news from the Governor's office to stay on top of international initiatives.

locations, many will seek a local partner—especially in smaller markets.

Beyond the commercial business opportunities associated with land, office and industrial sales and leasing, there is often a residential ripple effect. Companies may need to attract workers from outside the immediate area and house executives relocating to oversee the local operation.

H1-B Visas. Many domestic companies employ skilled workers from outside the U.S., especially in STEM-related fields (science, technology, engineering and math). The H1-B visa program helps American companies hire immigrant workers when they cannot find American workers with the required specialized skills. According to **MyVisaJobs.com**, for 2023, 1,911 H1-B visas were requested in Nebraska, representing an average annual wage of \$103,363.

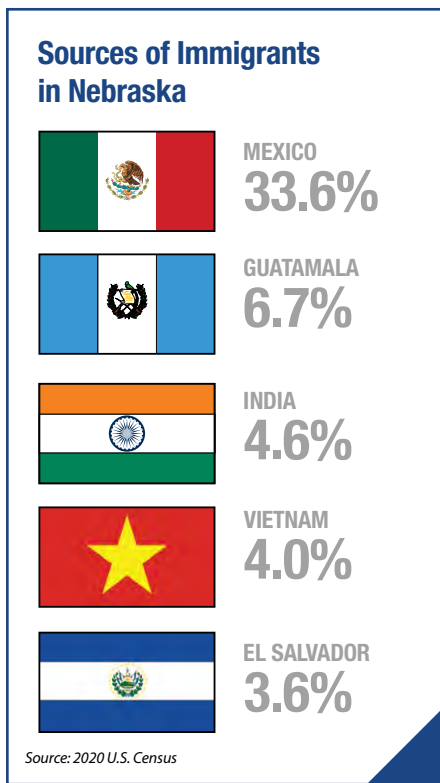
The leading H1-B employers in Nebraska are ProKarma (recently acquired by Concentrix), the University of Nebraska, Fisery Solutions, the University of Nebraska Medical Center and Mutual of Omaha Insurance Company. Foreign-born professionals who enter the U.S. on an H1-B visa often later apply for permanent residency and remain in the area. H1-B visa holders can buy or rent property in the U.S., and many look to the sponsoring employer for guidance on securing a place to live in the country. Use the **MyVisaJobs.com search tool** to identify H1-B visa sponsors in your city and sponsor contacts.

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Step #3: Connect with Immigrant and Ethnic Communities

According to the **American Immigration Council**, Nebraska is home to nearly 145,000 foreign-born individuals, who, in 2021, comprised 7.4% of the state's population. Census data (2020) shows Mexico is overwhelmingly the top source of Nebraska immigrants at 34%. Other leading sources include Guatemala, India, Vietnam and El Salvador. The state's number of Mexican and Guatemalan immigrants is significantly higher than the national average.



Immigrants make up 9.6% of the state's labor force (100,792 persons) and add billions to the economy. Nebraska residents in immigrant-led households report \$3.9 billion in household income and have \$3 billion in spending power. More than half work in the animal processing industry, and approximately 20% in the construction industry. Among all Nebraskan entrepreneurs, 8.9% are immigrants.

The state's Department of Health & Human Services reports that, in 2021, Spanish was the most spoken foreign language in Nebraska at 7.4% (an estimated 131,151 people), followed by Vietnamese at 0.39% (6,961) and Arabic at 30% (5,387).

Language Proficiency Report Card 2021 – A deep dive into foreign language spoken (and where) in Nebraska.

Immigrant homeownership. Immigrants make up an increasingly larger share of the U.S. population. In 2021, over one in seven U.S. households (16%) were headed by a foreign-born resident. Harvard University's Joint Center for Housing Studies reports that, by 2040, foreign-born households will constitute the primary source of new housing demand.

NAR's **2020 State Economic Data for Engaging in International Real Estate report** shows that between 2013 and 2018, the homeownership rate for naturalized foreign-born residents in Nebraska was 66.5%, just 1% lower than native-born residents. The median immigrant household income for this period was \$55,744,

compared to \$60,325 for native-born residents. Immigrant homeownership varies significantly by country of origin, with Vietnam topping the list at 73%, according to the 2021 American Community Survey. Nebraska's top five countries of origin (see chart) are also among the top ten countries representing the highest percentage of homeownership nationally.

Immigrants' Access to Homeownership in the U.S. – Prepare to serve immigrants with this review of barriers and opportunities to immigrant homeownership.

Serving Ethnic Communities

Many American-born residents identify closely with their ethnic roots and reside within ethnic enclaves. Immigrant communities can be a highly productive business opportunity for REALTORS® in both the residential and commercial sectors. Serving an ethnic community calls for understanding the culture and any unique considerations concerning doing business.

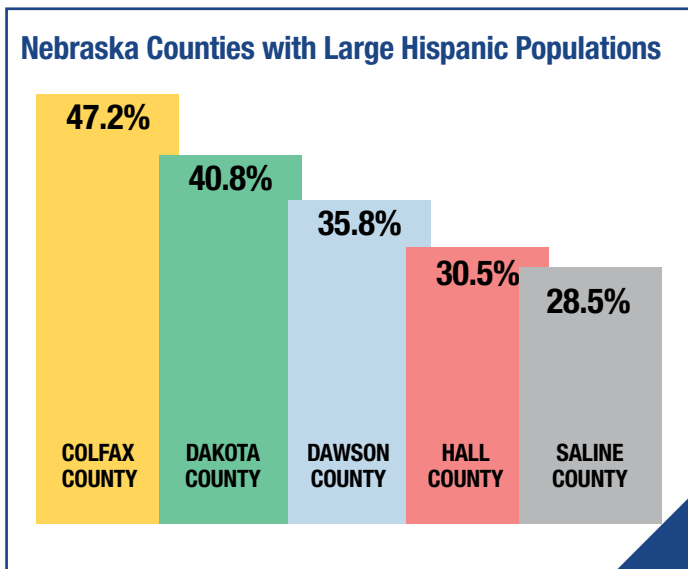
As is the case when doing business outside the U.S., "local-global" business typically results from an existing relationship. A satisfied client will likely refer you to others in the community, and before long, you can establish yourself as the real estate expert for a specific ethnic group. A **2022 report from NAR** found that 70% of international leads and referrals came from personal or business contacts. Check your local chamber of commerce for ethnic-oriented organizations in your community and watch for sponsored

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cultural and social events to connect with community leaders and directly engage with affiliated organizations.

Hispanic communities. Between 2010 and 2020, Nebraska’s Hispanic community grew by more than 40% to 234,715, representing 12% of the population. Rock County saw a 900% increase in the Hispanic population during this period, although that equates to a small number of people. Other counties experiencing significant percentage growth were Rock, Brown, Keya Paha, Wheeler and Boone. Looking at the number of people, the Nebraska counties with the largest Hispanic population include Colfax, Dakota, Dawson, Hall and Saline. A report by the University of Nebraska at Omaha’s Center for Public Affairs Research predicts the number of Hispanics/Latinos in the state will more than triple by 2050.



Nebraska Hispanic Chamber of Commerce – Source for insights and business networking opportunities.

Asian communities. At 3.5% (69,006 persons), the state’s Asian population (defined as Asian alone or in combo with another race) is significantly smaller than its Hispanic population. Counties with the largest Asian population include Douglas (5.8%), Lancaster (5.4%), Sarpy (4.0%), Dakota (3.2%) and Saline (2.4%).



NEBRASKA: 2020 Census – View ethnic data by county (by decade).

Don’t Forget Foreign Students

In 2022, 3,984 international students attended Nebraska universities. The majority of these arrive from China and India. Other leading countries of origin include Oman, Japan and Vietnam. The University of Nebraska – Lincoln overwhelmingly hosted the largest number of these students (2,017), followed by the University of Nebraska – Omaha, the University of Nebraska Medical Center, the University of Nebraska – Kearney and Creighton University. All data is from **Open Doors**, a project sponsored by the U.S. Department of State.

Wealthy parents of international students sometimes purchase property for their children’s use for the length of their studies. After graduation, the property is sold or retained as an investment property vis-à-vis student rentals. Explore this niche by contacting the university department that assists international students.

Step #4: Connect with Like-minded Agents

Networking with other globally-minded real estate professionals is an excellent way to broaden your knowledge, expand your contacts, and develop international business opportunities. Local REALTOR® association Global Business Councils organized within NAR’s state and local association structure host informational, educational and networking events and connect members to the larger global community in their market. Locate Global Business Councils in the region by searching NAR’s **Global Councils Directory**, or consider forming a group in your market.

Nebraska REALTORS® can connect with real estate professionals serving Asian communities by joining the **Asian American Real Estate Association of America** (AREAA). Connect with the real estate professionals serving Hispanic clients by joining the **National Association of Hispanic Real Estate Professionals** (NAHREP). Even if you’re not near a local chapter, valuable resources are available from these organizations. The Global Pavilion at the annual NAR REALTORS® Conference and Expo is a great place to meet and network with both U.S. and international agents from across the U.S. and over 50 countries.

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Step #5: Leverage Your Knowledge

Focusing on one area of international business makes sense when investigating global opportunities in Nebraska. Consider a personal connection or interest, e.g., your ethnic background, foreign language skills or global experiences. As your experiences and contacts grow, so will your awareness of other global opportunities.

Sometimes, the best opportunities may stem from efforts to create global connections. For example, about a dozen communities across the state have a sister city program. Omaha tops the list with six established relationships: Yantai (China), Braunschweig (Germany), Naas (Ireland), Shizuoka (Japan), Šiauliai (Lithuania) and Xalapa (Mexico).

Consider the mid-size community of Hastings, Nebraska, which has proactively worked to engage at the global level, including through a sister city relationship with Ozu, Japan. Hastings is an excellent case study of how any community can develop international ties that lead to business. Learn about Hastings's efforts, highlighted in a [U.S. Global Leadership Coalition blog](#).



The state's leading universities, chambers of commerce and internationally focused non-profits are a good place to uncover opportunities and resources to help develop and sustain global business for real estate professionals and help you build a globally-minded network. ■

The global property marketplace offers many exciting and profitable opportunities in Nebraska. While this report is an excellent place to begin exploring these opportunities, it does not make you an expert. NAR's Certified International Property Specialists (CIPS) designation provides the knowledge, research, network and tools to expand your global business network and do international business locally.

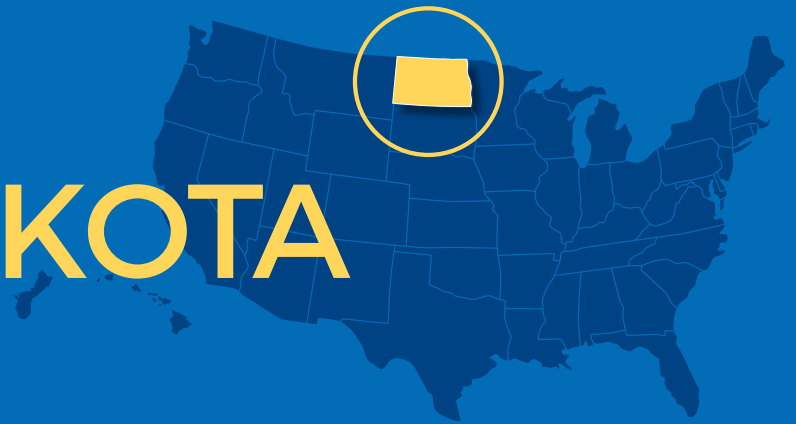
[Learn more about the CIPS designation.](#)



Take a Closer Look

NORTH DAKOTA

How to find global influences and opportunities in your local market

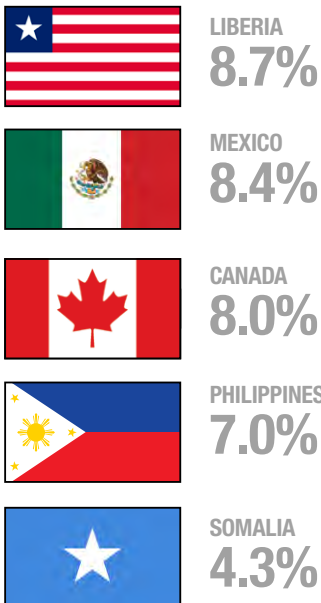


While the country’s growth rate of 7.4% between 2010 and 2020 was the second slowest in U.S. history, according to the Census Bureau, some regions saw significant growth—including North Dakota, where the population growth for this period was 15.83%, more than double that of the national rate. Although relatively small in absolute numbers, immigrants contributed to the growth rate, with a whopping 179% increase in foreign-born residents between 2000 and 2021, compared to only a 29% increase between 1990 and 2000.

North Dakota’s location, hugging the Canadian border, creates business opportunities with our northern neighbor, and the state’s 2023 top ranking for business friendliness by CNBC encourages foreign investors worldwide to look at opportunities to locate or expand in the state.

These are just some contributing factors to global business opportunities for REALTORS® in North Dakota. Follow these steps to learn more and to pursue international real estate opportunities.

Sources of Immigrants in North Dakota



Source: 2020 U.S. Census

Step 1: Tap into North Dakota’s Growing Immigrant Population

North Dakota has a small but growing community of immigrants. In 2021, 4.4% of North Dakota’s population (nearly 34,000 persons) were foreign-born. This group represents \$652 million in spending power.

Liberia is the top source of North Dakota’s immigrants at 8.7%, followed by Mexico (8.4%) and Canada (8%). Other primary sources include the Philippines (7%) and Somalia (4.3%). Except for Mexico, the percentage of immigrants from these countries exceeds the national rate, some significantly. Nationally, Liberians represent a mere 0.2% and Canadians just 1.9%. According to the **American Immigration Council**, the state’s 21,000+ immigrant workers comprise 5% of the labor force, representing \$837 million in household income.

Between 2010 and 2016, the foreign-born population of North Dakota experienced the fastest growth rate in the country at 48%. While this high growth percentage reflects the small size of the state’s immigrant population, there are significant business opportunities for REALTORS® serving communities home to foreign-born persons.

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Immigrant Homeownership.

NAR's 2020 **State Economic Data for Engaging in International Real Estate** report shows that between 2013 and 2018, the homeownership rate for naturalized foreign-born residents in North Dakota was 69.2%, more than 5% higher than the homeownership rate for native-born residents, even though the median immigrant household income for this period approximately \$13,000 less than that of native-born residents.



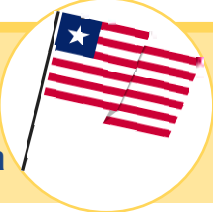
N.D. Demographics Data –
Take a deep dive into the state's immigration profile.

Map the Impact of Immigration
– Explore where immigrants reside in North Dakota.

Serving Ethnic Communities

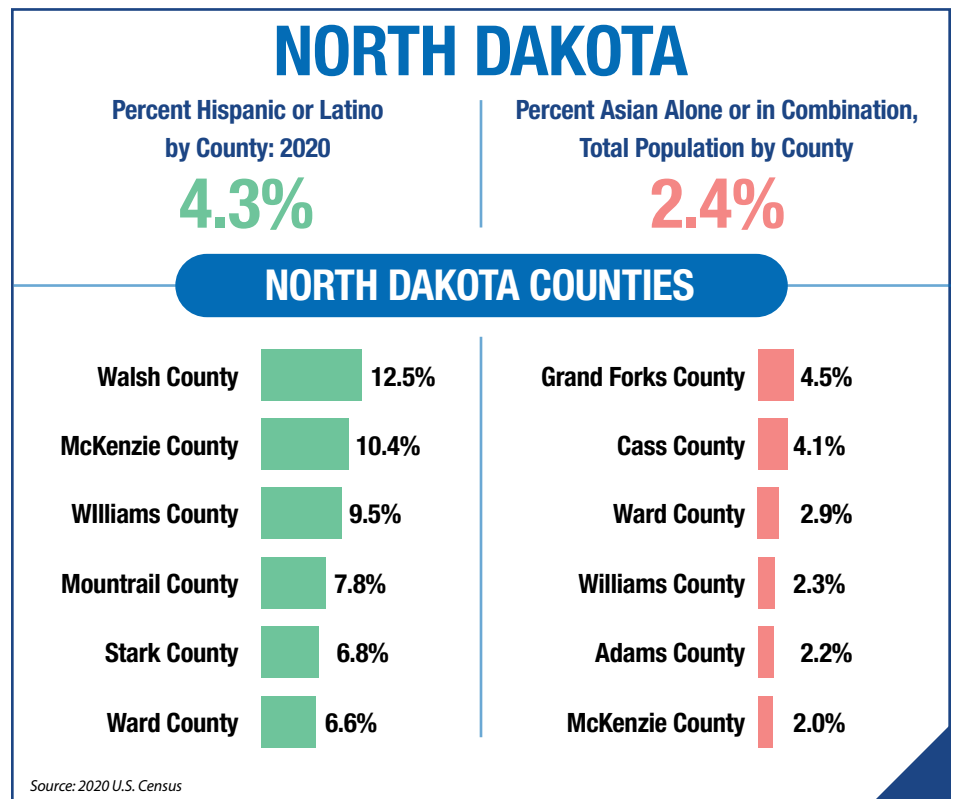
Many American-born residents identify closely with their ethnic roots and reside within ethnic enclaves. Immigrant communities can be a highly productive business opportunity for REALTORS® in both the residential and commercial sectors. Serving an ethnic community calls for understanding the culture and any unique considerations concerning doing business.

Hispanic and Asian communities. According to 2020 census data, 4.3% of the state's population identifies as Hispanic or Latino. Walsh County is home to the largest Hispanic population at 12.5%, followed by McKenzie (10.4%) and Williams (9.5%). At 2.4%, the state's Asian population is roughly half of North Dakota's Hispanic population. Counties with the largest Asian population include Grand Forks (4.5%), Cass (4.1%) and Ward (4.9%).



Liberians in North Dakota

The Fargo-Moorhead area is home to the state's largest community of Liberian immigrants. An estimated 5,000 Liberian Americans live in the region, many of whom arrived on specialized visas beginning in 1989, fleeing a worn-torn country. Since then, Congress has granted them permanent residency. While there has been some racial tension in recent years, city leaders have undertaken efforts to strengthen their relationship with the Liberian community. Connect with this community through various Facebook pages, such as **Liberian United Association of Grand Forks** and watch for cultural events, such as an annual **celebration of Liberian Independence Day**.



Six percent of the households in North Dakota reported speaking a non-English language at home as their primary shared language—significantly lower than the national average of 21.5%. The most common non-English languages spoken as the primary language are Spanish (13,295 households), German (4,953 households), and Amharic, Somali or other Afro-Asiatic languages (2,256 households).



North Dakota: 2020 Census – View ethnicity data by county.

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Foreign Students Seeking Housing

In 2022, 1,869 international students attended Nebraska universities. The majority of these arrive from Canada. Other leading countries of origin include India, Japan, China and Bangladesh. North Dakota State University–Fargo and the University of North Dakota–Grand Forks hosted the largest number of these students (684 and 657, respectively). Other institutions attracting foreign students include Minot University, University of Jamestown and Dickinson State University. All data is from **Open Doors**, a project sponsored by the U.S. Department of State.

Wealthy parents of international students sometimes purchase property for their children’s use for the length of their studies. After graduation, the property is sold or retained as an investment property. Contact the university department that assists international students to explore this niche.

Step #2: Be Prepared to Promote the State’s Business Advantages

In a **2022 report** on commercial estate international business trends, NAR estimates that foreign investor acquisitions of commercial real estate facilitated by NAR commercial members more than doubled in 2021 to \$4.8 billion from \$2.0 billion in 2020. Supporting this is a 2022 report from Deloitte that shows foreign investors in U.S. commercial properties resurged in the second half of 2021 following the easing of pandemic-related restrictions. The market saw a \$53 billion bump in the year’s second half—the strongest H2 since 2001, reported Real Capital Analytics.

To take advantage of the rise in foreign direct investment (FDI), know what investors look for and how your market aligns with those needs. Key considerations include leading industries, infrastructure, workforce availability and incentives.

Industry sectors. Advanced manufacturing, production agriculture, and energy are among the state’s leading industries. **Manufacturing** accounts for 7.3% of North Dakota’s gross state product and employs 7.7% of its workforce. While much of the country experienced a manufacturing retraction in the past decade, North Dakota saw an expansion, partly supported by international market growth. **Production agriculture** refers to changes made to crops and livestock that increase the product’s value, creating new economic activity and jobs. Canada is the top export destination for the state’s agricultural products.

North Dakota is the second-largest **energy-producing** state in the nation, embracing an approach encompassing oil, gas, coal and alternative energy production. The state boasts the 4th lowest cost of electricity in the country with a growing investment in renewables.



Download fact sheets on the state’s manufacturing, agriculture and energy sectors for details on incentives available to investors operating in the state.

Infrastructure. North Dakota is set to receive more than \$846 million in federal funds for transportation to invest in roads, bridges, public transit, ports and airports across the state. A 2019 American Society of Civil Engineers report identified several infrastructure needs. The report ranked North Dakota among the highest-spending states per capita on highways, resulting in 67% of urban roads and 77% of county and township roads in good or very good condition.

Workforce development. Between 2000 to 2020, North Dakota’s labor force grew from 342,761 to 406,839 (a net increase of 19%). In 2020, the state ranked third nationally for labor force participation at 69.5% and, in 2022, twelfth for labor productivity. The state **Workforce Development Division** partners with other state agencies and the public sector industry to deliver specialized programs and services to ensure employers have access to a skilled talent pool.



N.D. Workforce Review – Trends and projections for North Dakota’s labor force.

Incentives. North Dakota offers competitive financial packages and tax incentives to assist new and expanding businesses. Corporate income tax rates range from 1.41% to 4.31% of North Dakota taxable income. State income is determined using an equally weighted three-factor apportionment formula. Starting with the 2019 tax year, corporations may use an apportionment formula with a single sales factor. Use the state’s **finance and incentives** database to search site locations and incentives for companies looking to create or expand their presence in North Dakota.



Tax incentives brochure – Details tax incentives for North Dakota-based businesses.

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Step #3: Know Who's Investing in North Dakota

Canada is the top source of foreign direct investment (FDI) coming into North Dakota at 23%, followed by Norway at 15%. In 2022, Bitzero, a Norway-based data center developer, selected an abandoned Cold War-era military installation in Nekoma for its North American headquarters. The company expects to invest some \$500 million in the state. Other sources of significant inbound FDI include Italy, Denmark and France. The renewable sector represents the largest number of FDI projects, followed by industrial equipment, chemicals, communications, and business services.



2021, Enerplus, the Calgary-based independent oil and gas producer, acquired nearly 80,000 largely contiguous net acres in the Bakken shale. Calgary-based TC Energy continues to operate an extensive network in North Dakota despite the 2021 cancellation of the Keystone XL oil pipeline. The company operates 411 miles of natural gas pipeline and 218 miles of its Keystone oil pipeline, entering the U.S. in North Dakota to deliver Canadian crude to U.S. markets.

NDTO offers an in-depth look at the North Dakota-Canada connection, including aerospace technologies. Canada is the fifth largest market for aerospace technologies. With North Dakota having several companies at the forefront of aerospace engineering and products, there are opportunities to explore this booming industry. Renewable energy is another vital sector for Canada, as 65% of their electricity generation in 2019 was renewable, according to the International Trade Administration. Follow cross-border business activity at the North Dakota section of the **Business Council of Canada**.

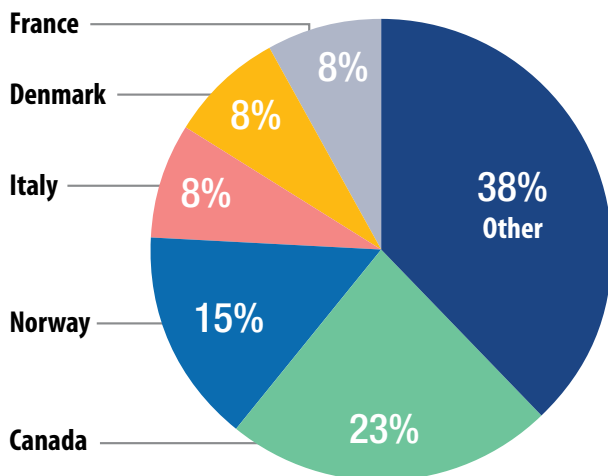
Foreign Trade Zones. North Dakota has two designated **Foreign Trade Zones** (FTZs) granted to the Grand Forks Regional Airport Authority and the Municipal Airport Authority of Fargo. FTZs attract foreign investors in manufacturing sectors as goods may be exported from the zone free of duty and excise tax, helping companies improve their bottom line and boost their global reach. Learn how FTZs might benefit your global clients at the **U.S. International Trade Administration website**.

EB-5 Regional Centers. The state has two EB-5 Regional Centers: the **North Dakota/Minnesota EB-5 Regional Center** and the **Center for Innovation Foundation**. EB-5 Regional Centers sponsor projects to attract foreign investment and create jobs for U.S. citizens. Among the requirements, EB-5 visa applicants must establish a U.S. residence. Go to **eb5projects.com** to search for open projects in your market.

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Top Sources of FDI in North Dakota

(26 Total Announced Greenfield Projects)



Sources: FDI Markets (data from July 2013 - June 2023) & U.S. Bureau of Economic Analysis (August 2023)

The state's **Global Engagement Office** works to recruit specifically in energy, tech and biotech fields. In partnership with the **North Dakota Trade Office** (NDTO), it identifies and engages compatible foreign markets and expansion-ready foreign businesses, acts as a liaison between the state and foreign business, conducts foreign market research, and plans and executes foreign trade missions.

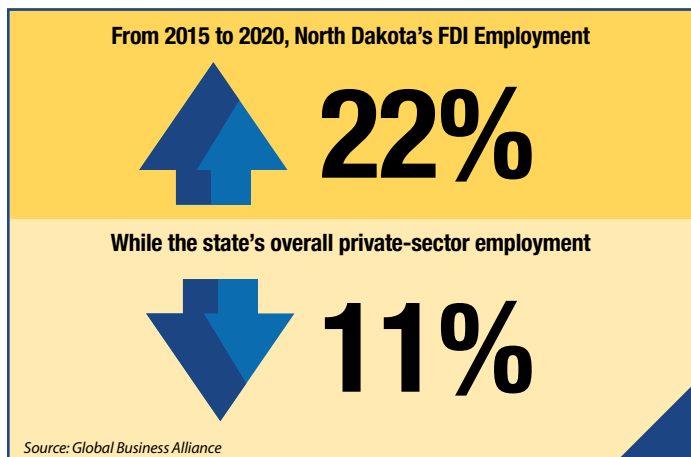
Canadian Connection

North Dakota shares a 310-mile border with Canada, creating unique cross-border business opportunities. In 2018, Canadian-owned companies employed 1,800 workers in the state, many in the oil and gas sector. In

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FDI Employment

North Dakota is home to nearly 250 global companies that employ 16,400 workers—6,100 in the manufacturing sector. The state’s FDI employment rose 22% between 2015 and 2020, compared to the state’s overall private sector employment, which fell by 11% during this period. In 2020, employers from Canada, the United Kingdom, the Netherlands and Germany supported the majority of FDI jobs in North Dakota.



According to the U.S. Department of Commerce, between 2012 and 2021, 26 greenfield FDI projects were announced in North Dakota with an estimated capital expenditure of \$1.3 billion, creating nearly 1,800 new jobs. Use corporate site selection websites to learn about new developments in your market, including [AreaDevelopment.com](https://www.areadevelopment.com), [BusinessFacilities.com](https://www.businessfacilities.com) and [FDIintelligence.com](https://www.fdiintelligence.com) (search “North Dakota”). While large corporations often work with multinational real estate consulting firms to source locations, many seek a local partner. Position yourself as an expert resource with state agencies and organizations that assist foreign companies with site selection and other real property needs.

Beyond the commercial business opportunities associated with land, office and industrial sales and leasing, there is often a residential ripple effect. Companies may need to attract workers from outside the immediate area and house executives relocating to oversee the local operation.

H1-B Visas. Many domestic companies employ skilled workers from outside the U.S., especially in STEM-related fields (science, technology, engineering and math). The H1-B visa program helps American companies hire foreign workers when they cannot find American workers with the required specialized skills. According to [MyVisaJobs.com](https://myvisajobs.com), for 2023, 428 H1-B visas were requested in North Dakota, representing an average annual wage of \$100,377.

The leading H1-B employers in the state are North Dakota State University, University of North Dakota and Sanford Health (multiple locations). Foreign-born professionals who enter the U.S. on an H1-B visa often later apply for permanent residency and remain in the area. H1-B visa holders can buy or rent property in the U.S., and many look to the sponsoring employer for guidance on securing a place to live in the country. Use the [MyVisaJobs.com](https://myvisajobs.com) search tool to identify H1-B visa sponsors in your city and sponsor contacts.

Step #4: Connect with Like-minded Agents

Networking with other globally-minded real estate professionals will broaden your knowledge, expand your contacts and help develop international business opportunities. Local REALTOR® association Global Business Councils organized within NAR’s state and local association structure host informational, educational and networking events and connect members to the larger global community in their market. Locate Global Business Councils by searching NAR’s [Global Councils Directory](#), or consider forming a group in your market.

Connect with real estate professionals serving the Hispanic and Asian communities by joining the [National Association of Hispanic Real Estate Professionals](#) (NAHREP) and the [Asian American Real Estate Association of America](#) (AREAA). Even if you’re not near a local chapter, these organizations offer valuable resources to help REALTORS® serve Hispanic and Asian homebuyers.

The Global Pavilion at the annual NAR REALTORS® Conference and Expo is a great place to meet and network with both U.S. and international agents from across the U.S. and over 50 countries.

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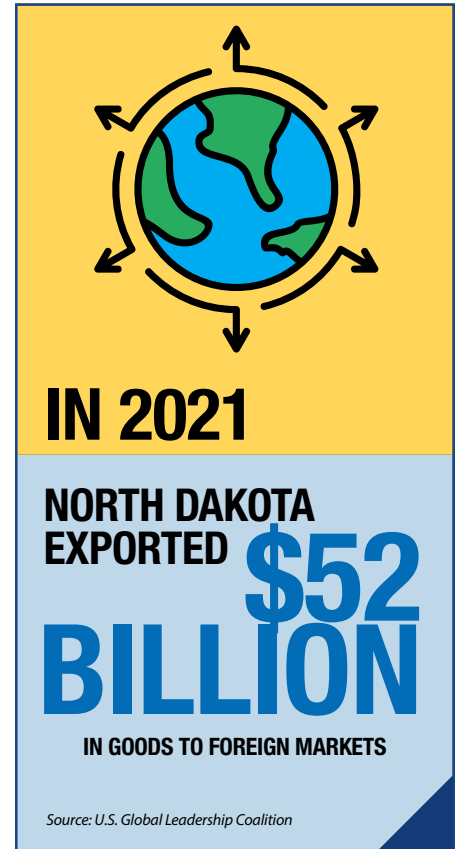
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Step #5: Grow and Leverage Your Knowledge

Focusing on one area of international business makes sense when investigating global opportunities in North Dakota. Consider a personal connection or interest, e.g., your ethnic background or foreign language skills. As your experiences and contacts grow, so will your awareness of other global opportunities.

The best opportunities may stem from existing global business activity, including the export market. According to the **U.S. Global Leadership Coalition**, North Dakota exported \$5.2 billion in goods to foreign markets in 2021. NDTO sponsors events to bring together the state’s exporters to expand globally and to gain insights. NDTO’s **services** include general international business education tools and access to international opportunities to build a global network.

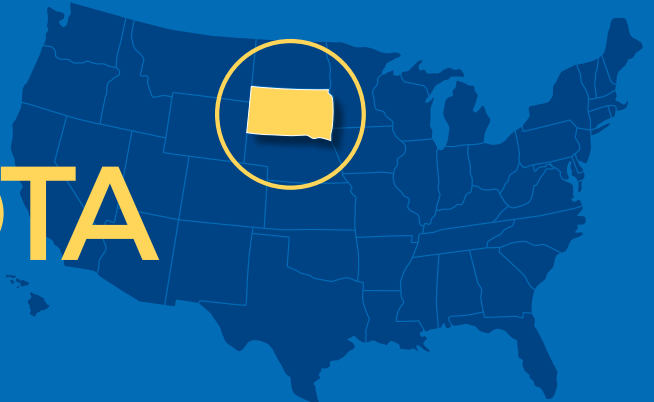
The state’s universities, chambers of commerce and internationally focused non-profits are a good place to uncover opportunities and resources to develop and sustain global business and help build a globally-minded network. For example, the University of North Dakota’s **Culture Nights** provides learning opportunities. While business development is not the focus, such events can be good networking opportunities to connect with ethnic and international business leaders. Also, look for and follow area Facebook groups such as **Hispanos Unidos en Dakota del Norte** in Watford City. All it takes is one personal connection to engage with the larger community. As your network grows, so too will your business opportunities. ■



The global property marketplace offers many exciting and profitable opportunities in North Dakota. While this report is an excellent place to begin exploring these opportunities, it does not make you an expert. NAR’s Certified International Property Specialists (CIPS) designation provides the knowledge, research, network and tools to expand your global business network and do international business locally. **Learn more about the CIPS designation.**



Take a Closer Look SOUTH DAKOTA



How to find global influences and opportunities in your local market

Agriculture has historically been the business driver in South Dakota and remains important to the state’s economy, especially in rural areas. Ranches and farms cover more than 90% of the state. Other industries have expanded rapidly in recent decades, including the service industry, which is the largest economic contributor in South Dakota. This sector includes the retail, finance and healthcare industries.

Although it is the 17th largest U.S. state, South Dakota is the 5th least populous. Still, it is home to diverse foreign-owned companies across various industries. The state is recognized as one of the friendliest states for businesses with no taxes on personal income, capital gains or corporate income—making it attractive to foreign investors. South Dakota also exports millions in goods each year.

These are just a few contributing factors that can lead to global business opportunities for REALTORS® in South Dakota. Follow these steps to learn more.

South Dakota’s Leading Exports Partners (2021)



CANADA
\$726.3M



MEXICO
\$425.4M



CHINA
\$129.6M



JAPAN
\$119.6M



SOUTH KOREA
\$59.6M

Source: South Dakota Trade

Step #1: Engage with Economic Development Organizations

Local economic development organizations (EDOs) are at the forefront of attracting business to their markets. They act as a central hub for details on key initiatives in the areas they represent. The **South Dakota Governor’s Office of Economic Development** (GOED) works to grow the state’s economy by, among other strategies, fostering new business, including from outside the U.S. Recruitment efforts focus on **leading industries**. Additionally, the GOED administers a variety of **financing opportunities** available to new and existing companies. Stay abreast of GOED activities on their **Facebook page**.

In addition to GOED, South Dakota is served by six **economic development districts** and a regional office of the U.S. Economic Development Administration in Denver. The services offered vary by district. Spend time exploring the available resources in your area and opportunities to connect with district representatives.

GOED works closely with local and regional economic development organizations. Get to know the people at the state and regional EDOs. They have a finger on the pulse of local business creation and can direct you to the people and organizations making deals happen. Tap into sponsored activities to network with developers and business leaders. Learn which investors are coming to your area and look for opportunities to meet them. Your relationship with them can also boost your credibility when meeting potential investors.



2021-22 EDC Directory – Contact information for local (city) economic development corporations.

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The **Economic Development Professionals Association** (EDPA) champions the growth and diversification of South Dakota’s economy through professional development, networking and advocacy. Members represent communities across the state, private sector economic development stakeholders and state legislators. EDPA provides oversight, governance, direction and advice. Basic membership is available for a modest annual fee and provides access to EDPA’s business networking programs.

Step #2. Brush Up on South Dakota’s Thriving Industries and Business Profile

South Dakota works to attract investors and trade partners through trade missions. In 2023, the Lt. Governor and Secretary of Agriculture led a delegation to Mexico to identify trade markets and business opportunities, particularly for value-added agriculture companies. Mexico is South Dakota’s second-largest international trade partner, following Canada. South Dakota REALTORS® pursuing inbound and outbound global business must be familiar with the state’s business environment and leading industries.

South Dakota’s Export Market

Export activities comprise a significant portion of South Dakota’s global business activity. According to **South Dakota Trade**, exports represent 10.9% of the state’s GDP and support more than 27,000 jobs. Most (82%) exports come from small businesses, mainly in the agricultural and manufacturing sectors. Between 2012 and 2021, South Dakota exported \$6.71 billion in goods—contributing to the nearly 30% rise in export activity in the last decade. The **International Trade Center** works with South Dakota businesses of all sizes to support import and export opportunities.

South Dakota Exports to the World (2012-2021)

<p style="font-size: 24px; margin: 0;">TOTAL EXPORTS</p> <p style="font-size: 36px; margin: 0; color: #0056b3;">\$6.71 BILLION</p>	
<p style="font-size: 24px; margin: 0;">MANUFACTURING</p> <p style="font-size: 36px; margin: 0; color: #0056b3;">\$1.73 BILLION</p>	
<p style="font-size: 24px; margin: 0;">AGRICULTURAL</p> <p style="font-size: 36px; margin: 0; color: #0056b3;">\$4.92 BILLION</p>	

Source: South Dakota Trade

Agriculture

South Dakota has a rich history of agricultural production. The state generated nearly \$12 billion in agricultural cash receipts in 2021. That same year, the value of agricultural production and processing industries represented 11% of South Dakota’s total state GDP. Three distinct sectors combine to represent the agriculture industry: **value-added agriculture, livestock development** and **precision agriculture**. Explore the resources and business success stories associated with each sector.

Foreign land holdings. Nearly 383,000 acres of agricultural land in the state are held by a foreign entity. Spanish-owned Tatanka Wind Farm was the state’s largest foreign landowner as of 2016, with about 40,000 acres in McPherson County. French-owned Power Partners Midwest LLC owned about 17,500 acres in Minnehaha County. Recently, Chinese food manufacturer Fufeng Group bought 300 acres near Grand Forks to set up a milling plant.

Most foreign-held land is cropland or pasture. Entities in Canada hold the largest percentage of this land, followed by the United Kingdom, Germany, the Netherlands and Italy. Entities from other countries hold more than 136,000 acres. View the most current agricultural data from the **U.S. Department of Agriculture**.

Manufacturing

In 2021, South Dakota’s **manufacturing** sector represented \$5.2 billion in GDP—9% of the state’s total GDP. More than 93% of exports are manufactured goods (representing \$1.7B), and 22% of South Dakota manufacturers distribute their products internationally—primarily to Canada (39.1%) and Mexico (22.9%). China, Japan and South Korea are also top export trade partners. Processed food is the largest class of manufactured exports at 36.6%, followed by chemicals (12.3%), machinery (10.2%), beverages and tobacco products (9.2%) and transportation equipment (5.7%). The state’s largest manufacturer, employing 3,500 people, is Smithfield Foods, purchased in 2013 by China’s Shuanghui Group (now known as WH Group).

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Bioscience

More than 700 bioscience establishments comprise South Dakota’s **bioscience** sector, including cGMP-compliant facilities (FDA regulations), state-of-the-art research parks and world-class healthcare systems. Numerous state university degree programs in the bioscience field deliver a skilled workforce. Nearly 20% of graduates in the state’s public university system pursue bioscience-related degrees, and approximately half remain in South Dakota—resulting in the nation’s highest concentration of animal, soil and plant scientists.

Business Profile

South Dakota prides itself on being a business-friendly state. CNBC’s **2023 Top States for Doing Business** ranked South Dakota #2 for business friendliness—up six points from the 2022 ranking. The state also ranked #11 for cost of doing business.

Tax environment and business incentives. Underpinning the state’s business-friendly moniker is its tax policies. The Tax Foundation ranked South Dakota #2 nationally in its **2023 State Business Tax Climate Index** and #1 for corporate and individual taxes. In addition, South Dakota business owners benefit from paying no personal property or business inventory tax. U.S. News & World Report ranked South Dakota #3 for fiscal stability in its **2023 Best States Report** and #12 overall. GOED offers various financing options to meet the needs of new and existing companies. Loans, bonds and grants support companies seeking working capital, workforce training money or low-interest loans.

Workforce development. The state has a dependable and growing workforce with a 93% high school graduation rate. The U.S. Bureau of Labor Statistics ranked South Dakota #5 nationally for best labor force participation—exceeding the U.S. average by 6.5%. Higher education is integral to advancing the state’s economy and its industries. In addition to undergraduate, graduate and trade, schools offer the tools and resources to bridge skills gaps and support innovation across industries. For example, the **Research Park at SDSU** is a hub for academic and commercial collaboration to ensure business competitiveness in a global market.



South Dakota Prospector – Search for available property sites and explore community demographics. Compare communities for client reports.

Infrastructure and energy. South Dakota is home to the geographical center of the U.S.—near Belle Fourche. Companies operating within the state have convenient access to all U.S. regions and Canada thanks to a robust network of highways, two Class I railroads and seven commercial airports. South Dakota-based companies have access to more than 30 regional and national fiber telecommunication networks, providing a next-level state fiber optic infrastructure. In early 2023, work began on a solar energy project in Pennington County, and permits were approved for a wind project in Hughes and Hyde Counties.



South Dakota Port – Infrastructure resources associated with international trade and investing.

Step # 3. Know Who Is Investing in South Dakota

The amount of foreign direct investment (FDI) in South Dakota may surprise you, as the business name often obscures the foreign parent company. A 2018 **list of foreign companies** in South Dakota names 50 foreign-owned parent companies in 15 countries.

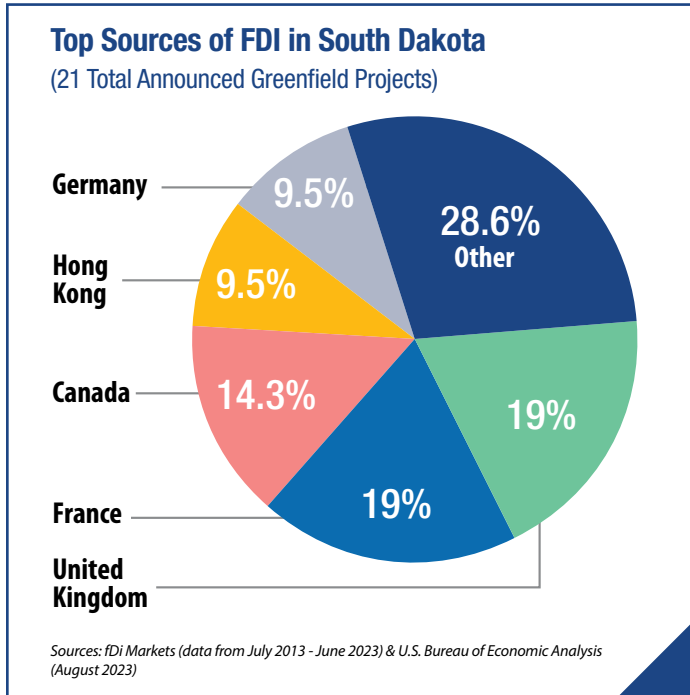


Foreign Business Incorporation – Guide to assist foreign incorporation in the state.

In 2023, the United Kingdom, France and Canada were the leading sources of inbound FDI, followed by Hong Kong and Germany. More than 25% of the state’s FDI comes from other countries, indicating the diverse nature of foreign investment in South Dakota. The food and beverage and industrial equipment sectors represent the largest number of FDI projects, followed by renewable energy, healthcare and chemicals.

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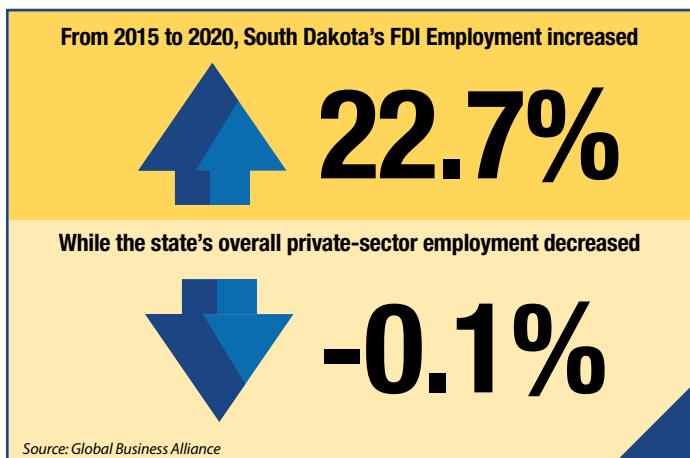
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Foreign Trade Zones. South Dakota’s designated **Foreign Trade Zone (FTZ)** serves Sioux Falls. FTZs attract foreign investors in manufacturing sectors as goods may be exported from the zone free of duty and excise tax, helping companies improve their bottom line and boost their global reach. Learn how FTZs might benefit your global clients at the **U.S. International Trade Administration website**.

FDI Employment

Nearly 250 international companies in South Dakota employ 14,600 U.S. workers. Approximately 8,400 of those jobs are in the manufacturing sector. The state’s FDI employment rose 22.7% between 2015 and 2020, compared to the state’s overall private sector employment, which declined by 0.1% during this period.



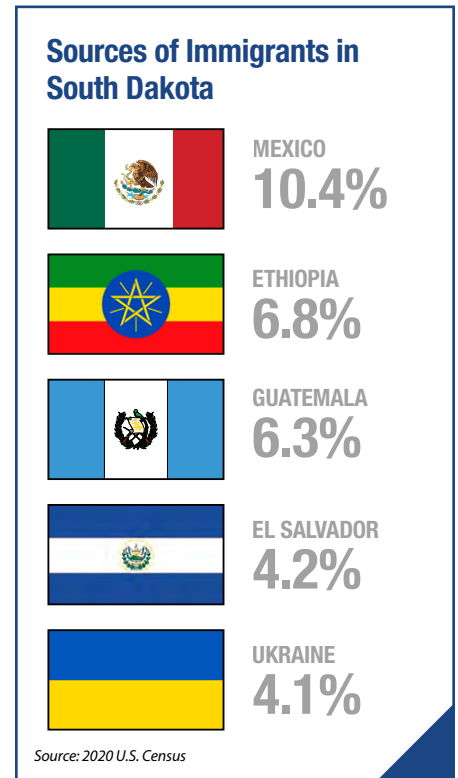
Step # 4. Connect with Immigrant and Ethnic Communities

According to the **Migration Policy Institute**, the foreign-born population in South Dakota grew by 39%—one of the fastest-growing immigrant populations in the U.S. This growth is magnified due to the small size of the state’s immigrant population in 2010. Still, it represents a business opportunity for those knowledgeable enough to tap into it.

South Dakota is home to more than 33,000 foreign-born individuals, who, in 2021, comprised 4.4% of the state’s population. The **American Immigration Council** reports that immigrants comprise 5.3% of the state’s labor force (24,801 persons), representing \$877.2 million in household income and \$689.5 billion in spending power.

Mexico is the top source of South Dakota’s immigrants at 10%, followed by Ethiopia, Guatemala, El Salvador and Ukraine. The state’s number of Ukrainian and Ethiopian immigrants is significantly higher than the national average.

Spanish is the most common non-English language spoken in South Dakota, as the primary shared language between all members living in the household (approximately 17,500 households). Native languages of American Indians are the second-most often non-English language spoken at home (9,475 households), followed by German (5,128 households).



South Dakota Demographics Data – View a detailed demographic profile of the state’s foreign-born residents.

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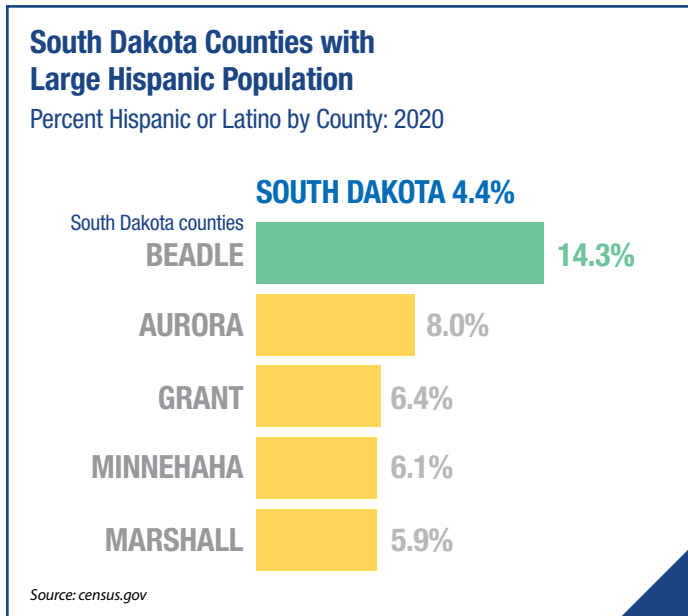
Immigrant homeownership. NAR’s **2020 State Economic Data for Engaging in International Real Estate report**

shows that between 2013 and 2018, the homeownership rate for naturalized foreign-born residents in South Dakota was 66.5%, nearly identical to the 67.6% rate for native-born residents, despite having a median immigrant household income that was almost \$5,000 less than that of native-born residents.

Serving Ethnic Communities

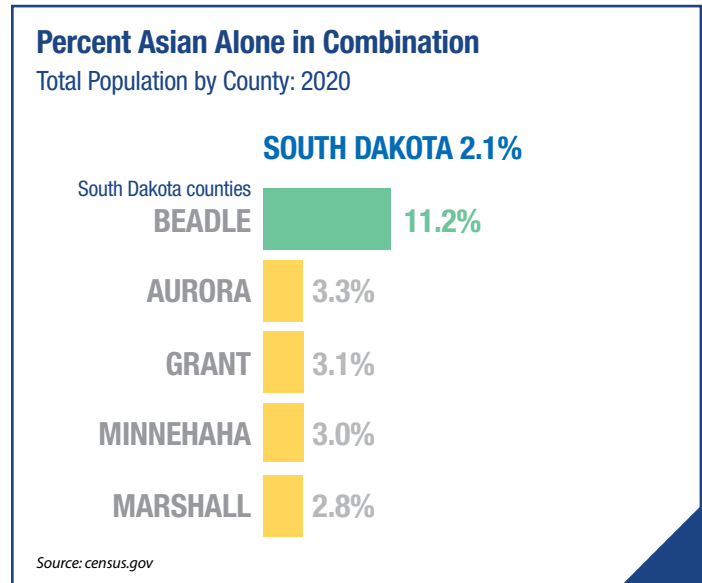
Many American-born residents identify closely with their ethnic roots and reside within ethnic enclaves, providing business opportunities for REALTORS® in both the residential and commercial sectors. Serving an ethnic community requires understanding the culture and any unique considerations concerning doing business. A **2023 report from NAR** found that 70% of international leads and referrals came from personal or business contacts. Check area chambers of commerce for ethnic-oriented organizations and watch for sponsored cultural and social events to connect with community leaders.

Hispanic communities. Census data shows 44,581 Hispanic persons, representing nearly 5% of the state population residing in South Dakota. The state’s Hispanic population has more than doubled since the 2010 census. While Hispanic immigrants traditionally gravitated to urban gateway cities, South Dakota’s food processing and manufacturing facilities attract workers to smaller, more rural settings for jobs, low cost of living and high quality of life. Beadle County is home to the largest community of Hispanic residents, followed by Aurora County.



South Dakota Hispanic Chamber of Commerce – Launched in 2022, the group works to support and promote Hispanic businesses.

Asian communities. The state’s Asian community represents 2.1% of South Dakota’s population—roughly half that of its Hispanic community. As with Hispanics, Beadle County is home to the state’s largest Asian community (11.2%).



SOUTH DAKOTA: 2020 Census – Dive into the state’s race and ethnicity demographic profile.

Step #5. Tap into Global Resources; Connect with Like-minded Professionals

Global business opportunities exist across the state. Consider these often-overlooked sources.

H1-B Work Visas

Domestic companies employ skilled workers from outside the U.S. when they cannot find American workers with the required specialized skills. According to **MyVisaJobs.com**, for 2023, 329 H1-B visas were requested in South Dakota, representing an average annual wage of \$101,543.

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The leading H1-B employers in the state are Sioux Falls School District 49-5, South Dakota State University, Sanford Health, Sanford Clinic and Avera McKennan Hospital and University Center. Foreign-born professionals who enter the U.S. on an H1-B visa often later apply for permanent residency and remain in the area. H1-B visa holders can buy or rent property in the U.S., and many look to the sponsoring employer for guidance on securing a place to live in the country. Use the [MyVisaJobs.com search tool](#) to identify H1-B visa sponsors in your city and sponsor contacts.

Foreign Students

In 2022, 1,670 international students attended South Dakota universities. The majority of these arrive from India (13.7%). Other leading countries of origin include Nepal (9.7%), Bangladesh (9.3%), China (5.1%) and Ethiopia (5%). Note that Ethiopia is also the second-largest source of immigrants. South Dakota State University hosted the largest number of these students (800), followed by the University of South Dakota - Vermillion (308). Also attracting notable numbers of foreign students were South Dakota School of Mines and Technology, Augustana University and Northern State University. All data is from [Open Doors](#), a project sponsored by the U.S. Department of State.

Wealthy parents of international students sometimes purchase property for their children's use for the length of their studies. Explore this niche by contacting the university department that assists international students.

Networking with Global Real Estate Specialists

Networking with other globally-minded real estate professionals will broaden your knowledge and expand your contacts—helping you identify global business opportunities. Search NAR's [Global Councils Directory](#) for REALTOR® groups in the region or consider forming a new group closer to home.

Connect with real estate professionals serving the Hispanic and Asian communities through the [National Association of Hispanic Real Estate Professionals](#) (NAHREP) and the [Asian American Real Estate Association of America](#) (AREAA). Even if you're not near a local chapter, these organizations offer valuable resources to help REALTORS® serve Hispanic and Asian homebuyers.

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