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Weak U.S. dollar = Strong R.E. opportunities in the U.S.

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The U.S. Dollar is at a record low, how does this affect the real estate market?

On the plus side, a weak U.S. dollar encourages foreign investment. Applied to real estate concerns, this means that buyers from overseas (especially countries where the greenback is worth a fraction of their currency) will be enticed to purchase property here in the United States as opposed to other options, especially with the numerous foreclosures and short sales on the market. The second home market stands to benefit as well. Tourism to American destinations will be bolstered by the value of vacation rentals for international travelers. Now foreign investors can buy more real estate for their same financial investment because of their increased purchasing power. In addition, some U.S. real estate markets are weak, too, which means even better news and more profitable opportunities for buyers! Even in strong residential markets like New York City, prices can be considerably lower than in competing cities, such as London, Tokyo, and Paris.

Being a realtor whose specialty is incoming expatriates, I have seen an increase in foreigners investing in United States real estate, and the trend is on the upswing. Considering that the American housing market is in turmoil and people are being forced to foreclose on or Short Sale their properties a housing crunch has been created. This has put downward pressure on housing prices, making it a great opportunity for foreign buyers.

There is the argument that money should be kept in the native country. However, if one remembers the not-so-distant past, Americans would shop and invest in our neighbor country Canada because everything was "so cheap up there". Take into consideration that even though the rental income will be brought back to and taxed in the investor's home country it will be subject to an instant 30% withholding before it leaves America which provides much-needed tax revenue that wouldn't exist if the structure was left abandoned. Plus, local businesses will be contracted for repairs and renovations to the buildings and the contractors will need to purchase supplies from local establishments which will result in employment and cash flow for the community. Before bemoaning foreign ownership of American real estate, think of the benefits such investments bring to neighborhoods.

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