

**Business Data for Engaging in  
International Real Estate Transactions in Oregon**

**Produced By: NAR Research  
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## ***Introduction***

The purpose of this report is to present recent international-related data trends directly associated with Oregon. Such data, properly gleaned, will present real estate opportunities with foreign nationals, foreign companies and foreign referral counterparts.

## ***Global Presence***

The exchange of goods and services across international borders has greatly increased, with the growth in international transactions far exceeding growth in domestic transactions in recent years. U.S. exports of goods and services increased 10.5 percent, while imports from foreign countries rose 12.8 percent in 2005. Such increases are three to four times higher than growth in the overall national economy. Due in part to the significant rise in international business activity, the flow of people across borders has increased, as well. At the same time, the demand for real estate - both residential and commercial – has been on the rise. Fast-growing international trade leads to relocation of foreigners in the United States, as well as U.S. businesses opening offices abroad. In short, conditions are ripe for engaging in international property brokerages.

Consider the number of foreigners (non-immigrants) arriving in Oregon in 2004 by category:

- 64,687 foreigners for vacation
- 1,294 traders and investors
- 6,263 foreign students
- 2,563 foreign workers due to intra-company transfers
- 518 foreign workers related to NAFTA
- 28,510 foreigners for other business

Obviously, many of these foreigners will need rental housing, second homes, or commercial property in Oregon. A recent study of home purchases in Florida revealed that 15 percent of all sales were made by foreigners - largely for vacation homes.<sup>1</sup> Though Oregon may not witness such a high level of foreign transactions, there are still enough foreigners arriving in the state to make an impact on overall real estate transactions.

It is not only foreigners that will significantly impact international home buying. Many U.S. residents will require a home abroad. Exports of products to Canada and South Korea from Oregon increased 24 percent and 17 percent, respectively, in the past year.

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<sup>1</sup> NAR conducted a survey of REALTORS® in Florida in 2005 to better understand the extent of non-U.S. resident homebuyers, why those buyers purchased U.S. homes, and what types of properties they bought and for what purpose. Of the REALTORS® who participated in the survey, 87 percent reported that they did at least one home sale transaction with international buyers. Two thirds – 66 percent – of those REALTORS® who brokered foreign-buyer purchases noted that one to four of *all* their transactions were with international clients.

Third on the list of countries to which Oregon products are exported is Japan. This increase in Oregon exports may lead locally based companies to establish company representatives and sales personnel in those countries. Oregon real estate professionals may decide that it's time to set up referral networks with counterparts in Canada, South Korea and Japan.

Digital monolithic integrated circuits were the top export product for Oregon. Savvy real estate professionals may want to visit the human resource departments of the companies producing these exports to let them know about relocation services offered in your professional global network.

### ***Immigrants to Oregon***

Immigration to the United States soared in the past two decades, which likely will lead to many more home purchases in the coming decade.<sup>2</sup> The U.S. population grew by roughly 30 million people during the last decade of the 20th century and by another 12 million in the last four years. The strong increase in immigration contributed to nearly 40 percent of the rise in U.S. population since 1990.

In Oregon, 8,389 newly admitted legal immigrants arrived in 2004. Most came from Mexico (2,057). Other top countries of origin include:

- Ukraine (653)
- Vietnam (610)
- China (552)
- India (506)
- The Philippines (286)

Real estate professionals may want to consider assisting, participating or setting up a network partner with these communities to open up business opportunities.

In 2004, 3,612 immigrants to Oregon became U.S. citizens. Natives of Mexico led with the highest number (493) of newly naturalized citizens in the state last year. Other top countries represented include:

- Vietnam (435)
- China (283)
- The Philippines (165)
- Korea (164)
- India (162)

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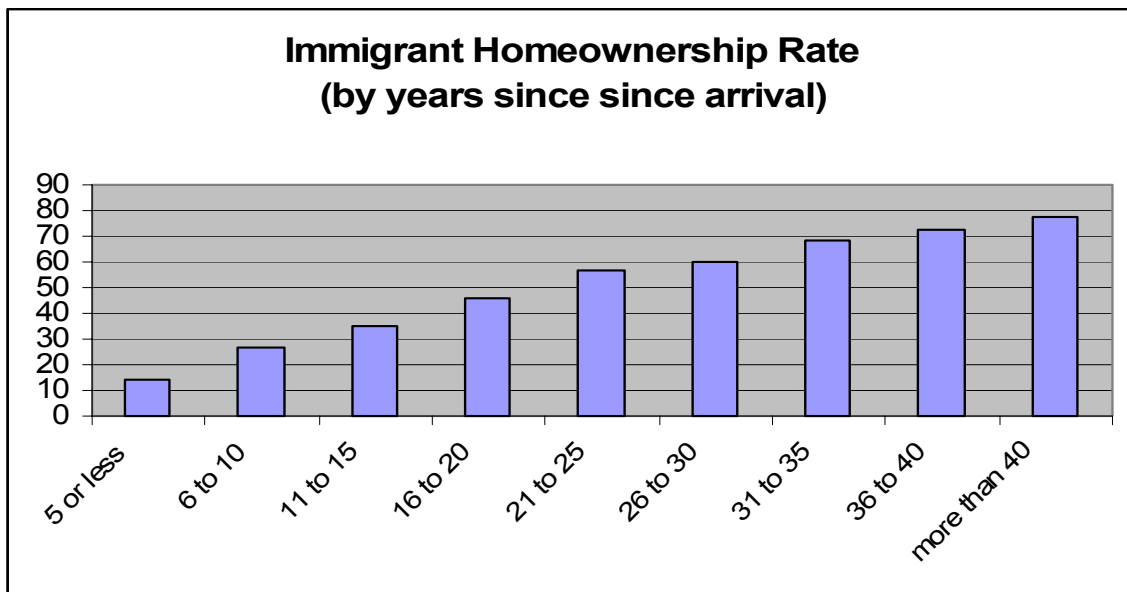
<sup>2</sup> There are contentious issues relating to swelling illegal immigration and assimilation, and this paper does not attempt to delve into this difficult topic.

The new citizens and immigrants, brought the total number of naturalized citizens in Oregon to 110,942 (3 percent of the population) and 213,277 non-citizens (6 percent of the population) in 2004.

Immigration boosts the residential housing market for the simple reason that people need a home in which to live. So it should not be surprising that dynamic housing markets of recent years have been in those regions with significant immigrant populations. The fast-growing regions of Las Vegas, Phoenix, Washington D.C. and much of Florida have seen strong housing demand – and a significant run-up in home prices – due in no small part to the fact that these markets have strong immigrant populations.<sup>3</sup>

Also consider what happens to housing markets when there is no immigration. For example, home prices in Japan have been stagnant for the past 20 years. One reason is that the country’s population has been virtually unchanged during that same time period. The same stagnation is also present in East Germany (where many have left for West Germany). Similar situations can be found in U.S. areas such as Elmira, NY and Danville, IL.

The homeownership rate of foreign-born households who came to the U.S. in the past five years is only 18 percent. The ownership rate then steadily rises over time.



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<sup>3</sup> A study by the Philadelphia Federal Reserve Bank showed that home prices in immigration-heavy neighborhoods rise much more slowly than other neighborhoods in the local region. That is, the “there goes the neighborhood” reaction may be at work as established residents flee an area and newcomers move in. However, home prices in metro regions with a high concentration of immigrants in general rose at a significantly faster clip than those metro regions with little immigration. More people translates into more housing demand.

Naturally, due to language, cultural and institutional adjustments, homeownership among recent immigrants lags behind that of native-born Americans and the population as a whole. However, obtaining U.S. citizenship quickly raises the odds of becoming a homeowner. In fact, among households who entered the country more than 30 years ago, the homeownership rate surpasses that of the national average, with 78 percent of foreign-born U.S. residents owning a home - far higher than the national homeownership rate of 69 percent.

REALTORS® can seize the opportunity and help close the early-year homeownership gap through counseling and homebuyer education programs for their foreign-born clients. Many REALTORS® have already realized the potential business opportunities. Over the last five years, almost half of NAR members indicated that they have participated in a transaction involving an international element, and this trend will inevitably increase.

### ***Information on NAR International and WorldProperties.com***

NAR's international program has a long and progressive history, demonstrating the foresight of NAR leaders over a number of decades. Through carefully developing and nurturing international bilateral and multilateral relationships worldwide, NAR has laid a solid foundation for participation in today's global marketplace. NAR's **International Network** – today 70 partner associations in more than 50 countries – demonstrates the value of NAR's international leadership and emphasizes its commitment to promote business development opportunities for U.S. members. NAR's International Mission statement is as follows: "Increase REALTORS®' (commercial and residential) ability and opportunity to do business at home and abroad in an increasingly global/multicultural real estate environment."

Numerous products and resources have been developed to assist NAR members and REALTOR® Associations in including a global market component in their business plan/member services program. These resources include:

- **NAR International home page at Realtor.org** – Best general resource for information on NAR international programs and services – [www.realtor.org/international](http://www.realtor.org/international)
- **Expand Your Market Course** – Turn-key course to introduce agents/brokers to the global real estate market. Eligible for continuing education approval. More information at <http://www.realtor.org/cipshome.nsf/pages/eym>
- **Certified International Real Estate Specialist (CIPS)** designation program and business network – Provides introductory and advanced training for real estate professionals and administrators, along with business development/networking tools, resources and events. Access course descriptions, schedule, benefits and other information on CIPS from NAR International home page, [www.realtor.org/international](http://www.realtor.org/international)
- **Monthly International eReport (Electronic Newsletter)** – Available free to any NAR member. Sign up via "Subscribe to News" link on home page at [www.realtor.org](http://www.realtor.org)

- **Pre-packaged Meeting Tool Kits for Broker Meetings** – Series of short, informational training modules on global market topics; ideal for use in sales agent meetings, local council meetings, etc. Downloads at <http://www.realtor.org/cipshome.nsf/pages/toolkits>
- **International Speaker Cadre & Presentation database** – Resource for REALTOR® Associations looking for a speaker and/or a presentation on a topic related to global real estate business. Group seeking a speaker contacts and deals directly with the speaker. Access the database at <http://www.realtor.org/cipshome.nsf/pages/speakers>
- **NAR International Association Network** – NAR partners with 70 national associations in more than 50 countries—all of whose members subscribe to a code of conduct similar to the NAR Code of Ethics. Review the full list of foreign partners, NAR’s liaisons to these groups, and/or access the association directly at <http://www.realtor.org/intlnet.nsf/coopassocmain>

The International Consortium of Real Estate Associations (ICREA)/WorldProperties.com is the centerpiece of NAR’s International multilateral strategic initiative and can be found online at **www.WorldProperties.com**. NAR is a founding member and co-chair of the 25-member alliance of leading national real estate associations, which collectively represent more than 2 million real estate professionals worldwide and 3 million property listings. WorldProperties.com assists consumers in locating broker assisted properties outside their country and in locating a qualified real estate professional. Key site features include a distinctive resale property advertising service, links to 3 million residential and commercial property ads, a portal featuring high quality resort/new developments, a cross border client referral system, comparative business practice profiles, and more. It is the only organization of its kind and is constantly looking to the future to provide its members with new products and services that will help them more effectively compete in increasingly global real estate environments and keep the broker central to the real estate transaction.

*For more information on NAR’s International programs, please email us at [NARGlobe@realtors.org](mailto:NARGlobe@realtors.org) or visit us online at [www.Realtor.org/international](http://www.Realtor.org/international).*

## Population Demographics in Oregon

	U.S. Born Citizen	Foreign Born			
		Naturalized Citizen	(%)	Non-U.S. Citizen	(%)
Male	1,570,243	48,489	1.52%	121,366	3.81%
18 years old or more	1,152,989	45,363	2.89%	105,269	6.70%
Under 18 years old	417,254	3,126	0.27%	16,097	1.40%
Female	1,618,895	62,855	15.06%	91,911	22.03%
18 years old or more	1,222,969	59,150	3.65%	79,995	4.94%
Under 18 years old	395,926	3,705	0.30%	11,916	0.97%
<b>Total</b>	<b>3,189,138</b>	<b>110,942</b>	<b>3.16%</b>	<b>213,277</b>	<b>6.07%</b>
<b>Total Population in Oregon :</b>	<b>3,513,759</b>				

Source : Census Bureau, American Community Survey 2004

## Year of Entry of Foreign Born Population in Oregon

Entered to U.S.	Total	U.S. Citizen Born Abroad	Foreign Born		
			Total	Naturalized Citizen	Non-U.S. Citizen
2000 or later	68,655	2,237	66,418	3,258	63,160
1990 and 1999	132,689	4,264	128,425	28,622	99,803
1980 and 1989	70,258	5,477	64,781	33,350	31,431
Before 1980	80,677	15,680	64,997	46,114	18,883
<b>Total</b>	<b>352,279</b>	<b>27,658</b>	<b>324,621</b>	<b>111,344</b>	<b>213,277</b>

Source : Census Bureau, American Community Survey 2004

## Household Languages

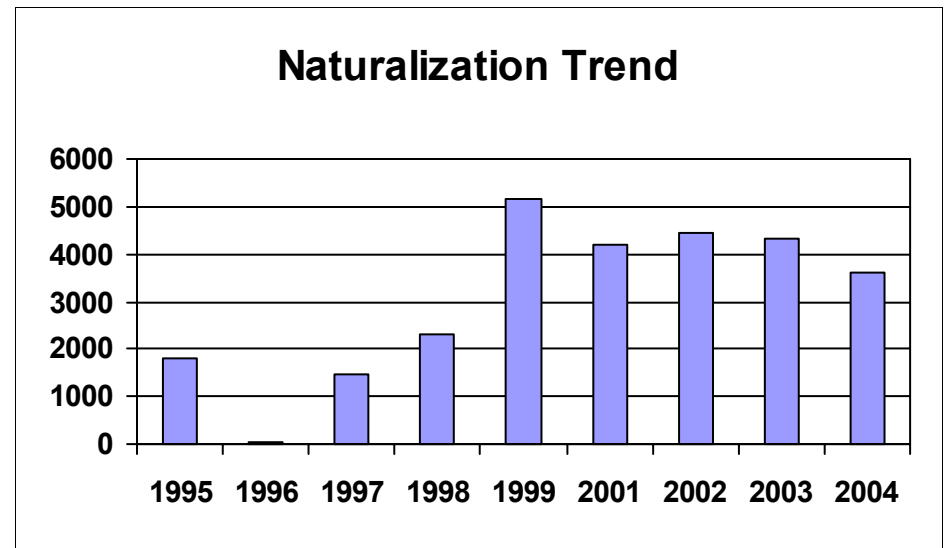
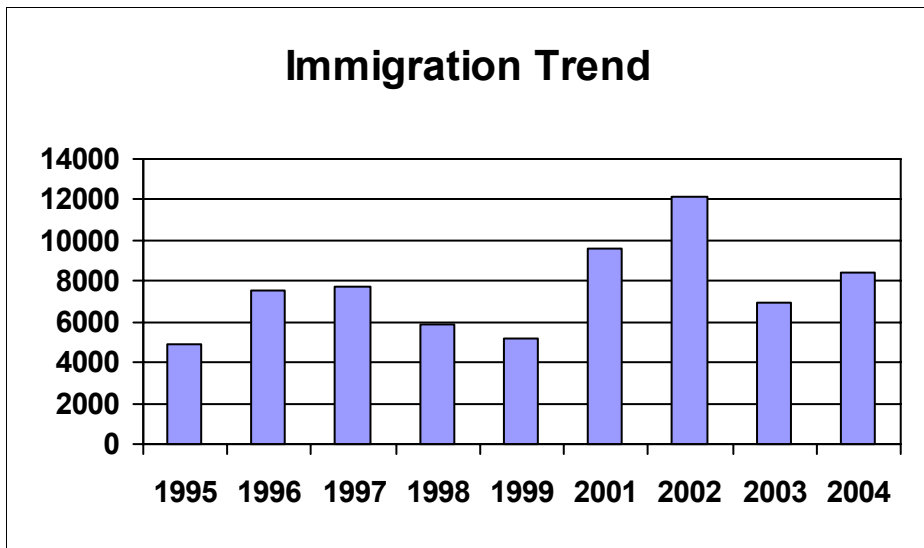
Main Language	Total Household	Linguistically Isolated	Not Linguistically Isolated
English	1,232,993		
Spanish	102,453	33,927	68,526
Indo-European Languages excluding English	45,308	5,563	39,745
Asian and Pacific Island Languages	41,225	9,765	31,460
Other Languages	5,732	1,293	4,439
<b>Total</b>	<b>1,427,711</b>		

Source : Census Bureau, American Community Survey 2004

### Immigration and Naturalization Trend in Oregon

Year	Admitted Immigrants	Naturalization
1995	4,923	1,810
1996	7,554	23
1997	7,699	1,464
1998	5,909	2,307
1999	5,233	5,165
2001	9,638	4,191
2002	12,125	4,445
2003	6,968	4,301
2004	8,389	3,612

Source : Office of Immigration Statistic, 2004 Yearbook of Immigration Statistics



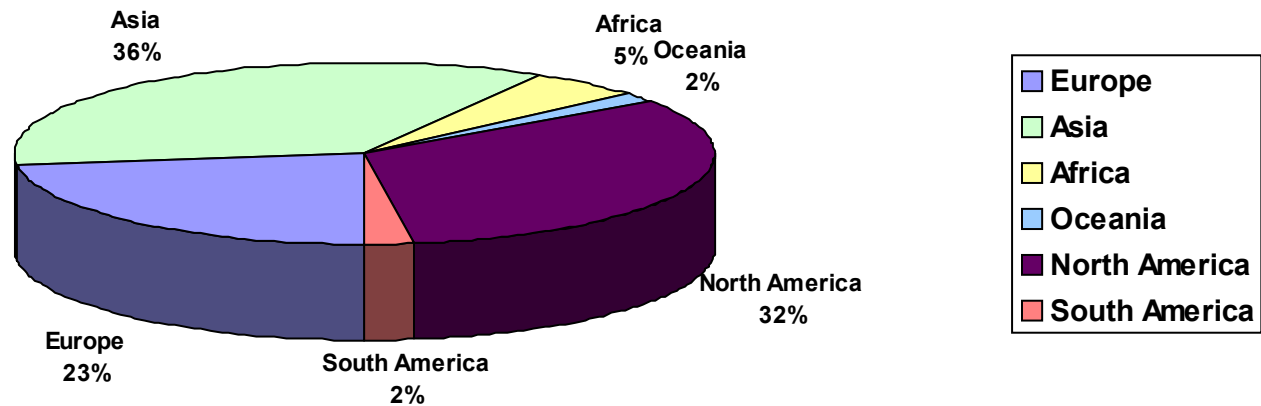
## Oregon Immigrants in 2004 by Country of Birth

Total : 8,389

Europe		Asia		Africa		Oceania		North America		South America	
Ukraine	653	Vietnam	610	Ethiopia	124	Australia	68	Mexico	2,057	Peru	48
Russia	219	China, People's Republic	552	Somalia	70	Fiji	48	Canada	209	Brazil	44
Romania	146	India	506	Egypt	31	New Zealand	18	Guatemala	127	Colombia	23
United Kingdom	142	Philippines	286	South Africa	30	Tonga	7	Cuba	124	Venezuela	22
Moldova	128	Korea	176	Liberia	29			El Salvador	90	Argentina	18
Germany	113	Japan	143	Nigeria	22			Haiti	23	Chile	16
Bosnia-Herzegovina	75	Iran	96	Kenya	17			Honduras	21	Ecuador	10
Kazakhstan	36	Thailand	75	Morocco	17			Costa Rica	16	Guyana	4
Uzbekistan	34	Cambodia	60	Togo	16			Nicaragua	9	Paraguay	4
France	33	Taiwan	52	Ghana	13			Trinidad & Tobago	9		

Source : Office of Immigration Statistics, 2004 Yearbook of Immigration Statistics

## Oregon Immigrants by Region



# Oregon

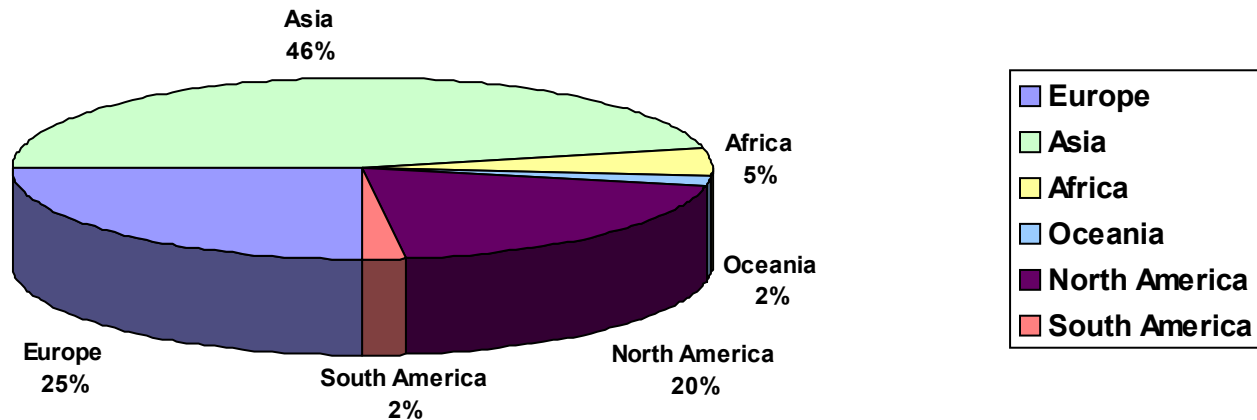
## Oregon Naturalization in 2004 by Country of Birth

Total : 3,612

Europe		Asia		Africa		Oceania		North America		South America	
Ukraine	144	Vietnam	435	Somalia	49	Fiji	26	Mexico	493	Peru	26
Romania	131	China, People's Republic	283	Ethiopia	34	Australia	17	Canada	117	Brazil	14
Russia	107	Philippines	165	South Africa	17	New Zealand	11	Cuba	30	Colombia	11
Bosnia-Herzegovina	88	Korea	164	Eritrea	11	Samoa	5	El Salvador	24	Chile	9
United Kingdom	74	India	162	Nigeria	10			Guatemala	20	Argentina	7
Soviet Union, former	47	Iran	90	Egypt	9			Honduras	6		
Germany	33	Laos	73	Morocco	6			Jamaica	6		
Poland	23	Cambodia	42	Kenya	4			Nicaragua	5		
Serbia and Montenegro	18	Thailand	36	Libya	4			Haiti	5		
Netherlands	16	Taiwan	34	Algeria	4						

Source : Office of Immigration Statistice, 2004 Yearbook of Immigration Statistics

## Oregon Naturalization by Region



## Nonimmigrant Visitors to Oregon

	2001	2002	2003	2004
All classes	110,320	100,327	104,339	115,522
Foreign government officials	175	194	211	233
Temporary visitors for business		22,122	24,635	28,510
Temporary visitors for pleasure		55,089	57,668	64,687
Transit aliens	621	583	661	807
Treaty traders and investors	1,452	1,281	1,159	1,294
Students	7,696	7,256	6,570	6,263
Spouses and children of students	446	431	392	337
Temporary workers and trainees	3,152	2,903	2,749	2,949
Spouses and children of temporary workers and trainees	1,158	933	787	897
International representatives	28	31	22	58
Representatives of foreign information media	85	80	104	134
Exchange visitors	3,172	2,950	3,168	2,833
Spouses and children of exchange visitors	512	465	483	381
Fiances of U.S. citizens	410	496	365	460
Intracompany transferees	2,403	2,380	2,253	2,563
Spouses and children of intracompany transferees	1,357	1,239	1,090	1,292
NATO officials	11	13	21	28
North American Free-Trade Agreement workers	810	596	466	513
Spouses and children of North American Free- Trade workers	289	181	145	136

Source : Office of Immigration Statistice, 2004 Yearbook of Immigration Statistics

## Oregon Exports by Product\*

Unit: \$ million

	2002		2003		2004		2005		% Change, 2004-2005**
		(%)		(%)		(%)		(%)	
<b>Total Oregon Exports and % Share of U.S. Total</b>	<b>10,086</b>	<b>1.5</b>	<b>10,357</b>	<b>1.4</b>	<b>11,172</b>	<b>1.4</b>	<b>12,381</b>	<b>1.4</b>	<b>10.8</b>
<b>Total, Top 25 Commodities and % Share of State Total</b>	<b>6,072</b>	<b>60.2</b>	<b>6,402</b>	<b>61.8</b>	<b>6,751</b>	<b>60.4</b>	<b>7,643</b>	<b>61.7</b>	<b>13.2</b>
1 Digital monolithic integrated circuits	2,878	28.5	3,029	29.2	2,436	21.8	2,611	21.1	7.2
2 Wheat and meslin	906	9.0	940	9.1	1,180	10.6	1,076	8.7	-8.8
3 Parts and accessories for automatic data processing machines	276	2.7	225	2.2	223	2.0	575	4.6	158.2
4 Road tractors for semi-trailers	300	3.0	385	3.7	387	3.5	555	4.5	43.5
5 Motor vehicles for transport of goods	136	1.3	184	1.8	352	3.1	388	3.1	10.4
6 Fertilizers	150	1.5	189	1.8	196	1.8	275	2.2	40.7
7 Compression-ignition internal combustion piston engine	54	0.5	85	0.8	172	1.5	261	2.1	51.6
8 Non-digital monolithic integrated circuits	212	2.1	204	2.0	238	2.1	177	1.4	-25.6
9 Non-coil flat-hot-roll iron and nonalloy steel	19	0.2	9	0.1	44	0.4	141	1.1	223.7
10 Machine and mechanical appliances with individual function	110	1.1	120	1.2	191	1.7	137	1.1	-28.4
11 Instruments to check semiconductor wafers and such that rec	52	0.5	53	0.5	91	0.8	136	1.1	48.6
12 Uncoated and unbleached kraftliner in rolls or sheets	59	0.6	80	0.8	102	0.9	114	0.9	12.0
13 Parts and accessories of bodies of motor vehicles	33	0.3	37	0.4	73	0.6	110	0.9	51.9
14 Parts of instruments for measuring electrical quantity	69	0.7	72	0.7	94	0.8	110	0.9	16.9
15 Footwear parts such as heel cushions or gaiters	86	0.9	90	0.9	86	0.8	109	0.9	26.3
16 Chemical elements doped, used in electronics, discs, wafers	131	1.3	115	1.1	152	1.4	104	0.8	-31.5
17 Printed circuits	113	1.1	119	1.1	156	1.4	98	0.8	-36.9
18 Instruments and appliances with recording device	100	1.0	78	0.8	123	1.1	94	0.8	-23.3
19 Automatic data processing input or output units	110	1.1	113	1.1	91	0.8	89	0.7	-2.2
20 Turbojet and turboproller parts	32	0.3	53	0.5	64	0.6	86	0.7	35.1
21 Gas turbine parts	76	0.8	47	0.5	79	0.7	84	0.7	6.5
22 Forage products (hay, clover, vetches)	86	0.9	93	0.9	72	0.6	83	0.7	15.4
23 Adp machines and thier units with magnetic or optical readers	6	0.1	10	0.1	66	0.6	81	0.7	21.3
24 Recorded media for reproducing sound or images	4	0.0	1	0.0	1	0.0	75	0.6	(Z)
25 Coniferous wood sawn, sliced over 6 mm thick	74	0.7	73	0.7	85	0.8	73	0.6	-14.0

Source : Census Bureau

\* The U.S. Census Bureau assigns detailed names to export products. For example, products listed as digital monolithic integrated circuits are essentially semiconductors. To maintain the integrity of government's export records, this report follows the terminology used by the Census.

\*\* (Z) means over 500% growth.

## Oregon Exports by Trading Partner Country

Unit: \$ million

	2002		2003		2004		2005		% Change, 2004-2005*
		(%)		(%)		(%)		(%)	
<b>Total Oregon Exports and % Share of U.S. Total</b>	<b>10,086</b>	<b>1.5</b>	<b>10,357</b>	<b>1.4</b>	<b>11,172</b>	<b>1.4</b>	<b>12,381</b>	<b>1.4</b>	<b>10.8</b>
<b>Total, Top 25 Countries and % Share of State Total</b>	<b>9,463</b>	<b>93.8</b>	<b>9,707</b>	<b>93.7</b>	<b>10,397</b>	<b>93.1</b>	<b>11,540</b>	<b>93.2</b>	<b>11.0</b>
1 Canada	1,440	14.3	1,567	15.1	1,888	16.9	2,337	18.9	23.8
2 Korea, South	1,170	11.6	1,363	13.2	1,122	10.0	1,308	10.6	16.6
3 Japan	1,382	13.7	1,276	12.3	1,213	10.9	1,210	9.8	-0.2
4 Malaysia	579	5.7	515	5.0	496	4.4	915	7.4	84.4
5 Mexico	330	3.3	394	3.8	668	6.0	811	6.6	21.4
6 China	682	6.8	575	5.6	791	7.1	805	6.5	1.8
7 Taiwan	604	6.0	602	5.8	659	5.9	640	5.2	-2.9
8 Philippines	829	8.2	767	7.4	676	6.0	609	4.9	-9.8
9 Singapore	291	2.9	242	2.3	246	2.2	357	2.9	45.1
10 Australia	220	2.2	257	2.5	321	2.9	350	2.8	9.0
11 Federal Republic of Germany	314	3.1	322	3.1	330	3.0	320	2.6	-3.2
12 Costa Rica	125	1.2	237	2.3	257	2.3	265	2.1	3.0
13 Hong Kong	221	2.2	209	2.0	255	2.3	230	1.9	-9.8
14 France	281	2.8	195	1.9	212	1.9	223	1.8	5.0
15 United Kingdom	180	1.8	209	2.0	231	2.1	221	1.8	-4.6
16 Netherlands	186	1.8	175	1.7	177	1.6	173	1.4	-2.3
17 Italy	93	0.9	102	1.0	116	1.0	115	0.9	-0.3
18 Finland	62	0.6	113	1.1	162	1.5	115	0.9	-29.3
19 Ireland	141	1.4	176	1.7	141	1.3	113	0.9	-19.8
20 Egypt	29	0.3	131	1.3	134	1.2	101	0.8	-24.6
21 Belgium	83	0.8	65	0.6	78	0.7	74	0.6	-4.9
22 Israel	66	0.7	52	0.5	58	0.5	70	0.6	20.2
23 Sweden	47	0.5	68	0.7	64	0.6	67	0.5	4.2
24 Republic of Yemen	39	0.4	46	0.4	54	0.5	57	0.5	6.2
25 Indonesia	72	0.7	51	0.5	46	0.4	54	0.4	17.2

Source : Census Bureau

\* (Z) means over 500% growth.