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How to Cultivate Overseas Buyers

Factor in the dropping value of the dollar, Florida's affordable housing prices and the Sunshine State's mild climate, and it's easy to see why foreign real estate investors — particularly the British — find Florida appealing. Read on to find out how one broker and her sales team find this "British Invasion" just smashing for business.

by Lesley Dolby, CCIM



"The fact that we live here and most of our competitors don't, gives us a considerable advantage with British buyers," says Lesley Dolby, a Central Florida broker who serves buyers from her native country, the United Kingdom.

The British are coming...

to Central Florida. Thanks to the pound-to-dollar exchange rate that's tipped the scale in their favor for the past few years, a growing number of British investors are discovering that their money can go a lot further in Florida than it can back home. For example, £150,000 could buy a \$200,000 home in Orlando a couple of years ago. Today, that same £150,000 investment can almost buy a \$300,000 home.

My company specializes in the sale of investment properties for short-term or long-term rental, including villas, vacation homes, second homes, businesses and commercial real estate in Central Florida and on the Gulf Coast. We primarily work with international buyers from the United Kingdom in addition to out-of-state buyers.

Many of our competitors are U.K.-based companies that promote Florida to potential buyers across the Atlantic but aren't licensed to sell real estate here. Even though we are selling the same products, the fact that we live here and most of our competitors don't, gives us a considerable advantage with British buyers.

To set us apart we emphasize our local expertise and credentials, such as our memberships in the Orlando Regional REALTORS® Association, the Florida Association of REALTORS (FAR) and the Central Florida Commercial Real Estate Society as well as our professional designations, such as Certified Commercial Investment Member (CCIM), Certified International Property Specialist (CIPS) and Accredited Buyer Representative (ABR®). Because of the long distance between our buyers and us, trust plays a central role in our relationships so we underscore our high standard of ethics and professionalism. For example, most of our salespeople have the ABR designation.

We work very hard to get our share of the business (we don't network, and nobody hands us business on a platter), so forgive me if I don't reveal all of our trade secrets, but here are some fundamental tips that

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might help you target your own segment of overseas buyers:

1. Observe Cultural Differences

Real estate transactions are handled differently in other countries than they are here, and sometimes this makes things confusing for overseas buyers. That's why it's important for your sales staff to be familiar with the differences between our industry and those in their home countries. Most of our associates are British by birth (seven out of 10 were born in the United Kingdom), so they know the culture and are able to help educate our customers about the differences in real estate practices.

For example, what we call a home inspection is a survey to them. When they ask, "When is the survey going to be done?" we have to make sure we're talking about the same thing.

In England, there is no Multiple Listing Service (MLS). People who want to buy a property march into an agent's office and ask to see the properties he or she has listed for sale. But they can see only that agent's listings; they have to go to different offices to see additional listings.

Rather than waste time spinning our wheels, we have to educate U.K. buyers not to go to a bunch of different real estate professionals over here, but to first find one they're comfortable with and then stick with him or her to locate property.

2. Be a Buyer's Advocate

Because most of our buyers are 5,000 miles away, they rarely stay here beyond writing the contract and many of them don't come here at all. Out of necessity, international buyers have to rely on us and trust us to get the job done smoothly and with no problems.

In fact, 95 percent of our closings are by "mail-away." That means our associates really have to take the ball and run with it, representing the buyer in all aspects of the transaction.

Being an expatriate myself (having left England in the '70s to live in Canada and New York, before moving to Florida in 1989), I'm sure one of the reasons Brits love Orlando (besides the weather) is the service-oriented atmosphere. So we

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emphasize our customer service and then work hard to meet their expectations. The most important part of our job is actually the after-sales service, especially because our buyers are not here to take care of issues themselves.

We try to specialize in what we know best. We've actually turned away business because we felt we couldn't do it justice. For example, one time I got a call from someone wanting to buy a shopping center in Longwood, but since my commercial expertise is not shopping centers or longwood, I turned it down.

3. Learn to Wait It Out

This isn't the type of niche where you have walk-ins. We spend months building rapport with people and grooming our leads. Patience is definitely a virtue because transactions can sometimes take four or five months to complete.

Generally, I will assign an associate to each prospect. That associate will send the prospective buyers information and find out how they want us to help them and whether they may come to Florida in the near future.

It's a good idea to travel to your niche country at least once a year. Europe is very expensive at this time, however, which makes it more costly for us to market ourselves over there. After months of effort, sometimes we're still uncertain whether they're going to come over or even buy in Florida. We sometimes have to compete with other countries, such as Bulgaria, Croatia, Cyprus, France, Spain and Turkey, for buyers. We promote this area by focusing on the common language, similarity of culture and stability and consumer protection of our government, especially as it compares to some of the Eastern European countries. Although we might be farther away (about nine hours in total by plane), our cost of living is lower than most countries in Europe.

4. Be Aware of the Legalities

Very few of our overseas buyers live here; they're all investors. We're not attorneys, so we obviously can't provide legal advice; however, it does help to have a working knowledge of what buyers from other countries may and may not do in this country.

For example, many people from the United Kingdom dream of moving to the United States, and they're being told back home (primarily by ill-informed media and other sources) that if they own three properties here, they can relocate. Unfortunately, it's not as easy to come here as they might think as there are qualifying standards that are defined by the immigration statutes.

For buyers from countries that have investment treaties with the United States, there's a special E-2 visa that will let foreigners invest a certain amount of money, employ a certain number of American citizens and get a visa for about five years (plus conditional renewals). Many want to retire here, but a retirement visa isn't offered at this time. As a member of the FAR International Operations Committee, I've encouraged discussions in the group about our association lobbying the government to issue retirement visas.

Regardless of which foreign country you look at to find customers, if you know their experience with real estate and adapt your relationship building to their culture and service requirements, you can be successful serving foreign buyers too. ■

Lesley Dolby is broker-owner of Dolby Properties Inc. in Orlando. Licensed in Florida since 1989, Dolby serves on the board of directors of the Orlando Regional REALTOR® Association, Florida Association of REALTORS and the Central Florida Commercial Real Estate Society.