

Everything You Need to Know About U.S. Real Estate Markets



Today's Facilitator



ALAIN FORGET

Head of Business Development

Alain has been working for RBC for over 40 years, holding various business and sales leadership roles in Canada, the Caribbean and the U.S. He is passionate about helping Canadians purchase U.S. homes and works closely with consumers, real estate professionals and other strategic partners to provide education and opportunity to Canadian buyers in the U.S. Alain acts as spokesperson for the media and at real estate conferences as a subject matter expert. He is also a licensed real estate agent in Florida and holds a degree in Finance & Management.

Questions



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- To register a question over the phone following the formal portion of our presentation:
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Note, this webinar is being recorded, and the presentation will be made available on our virtual advice event landing page.

Florida Real Estate



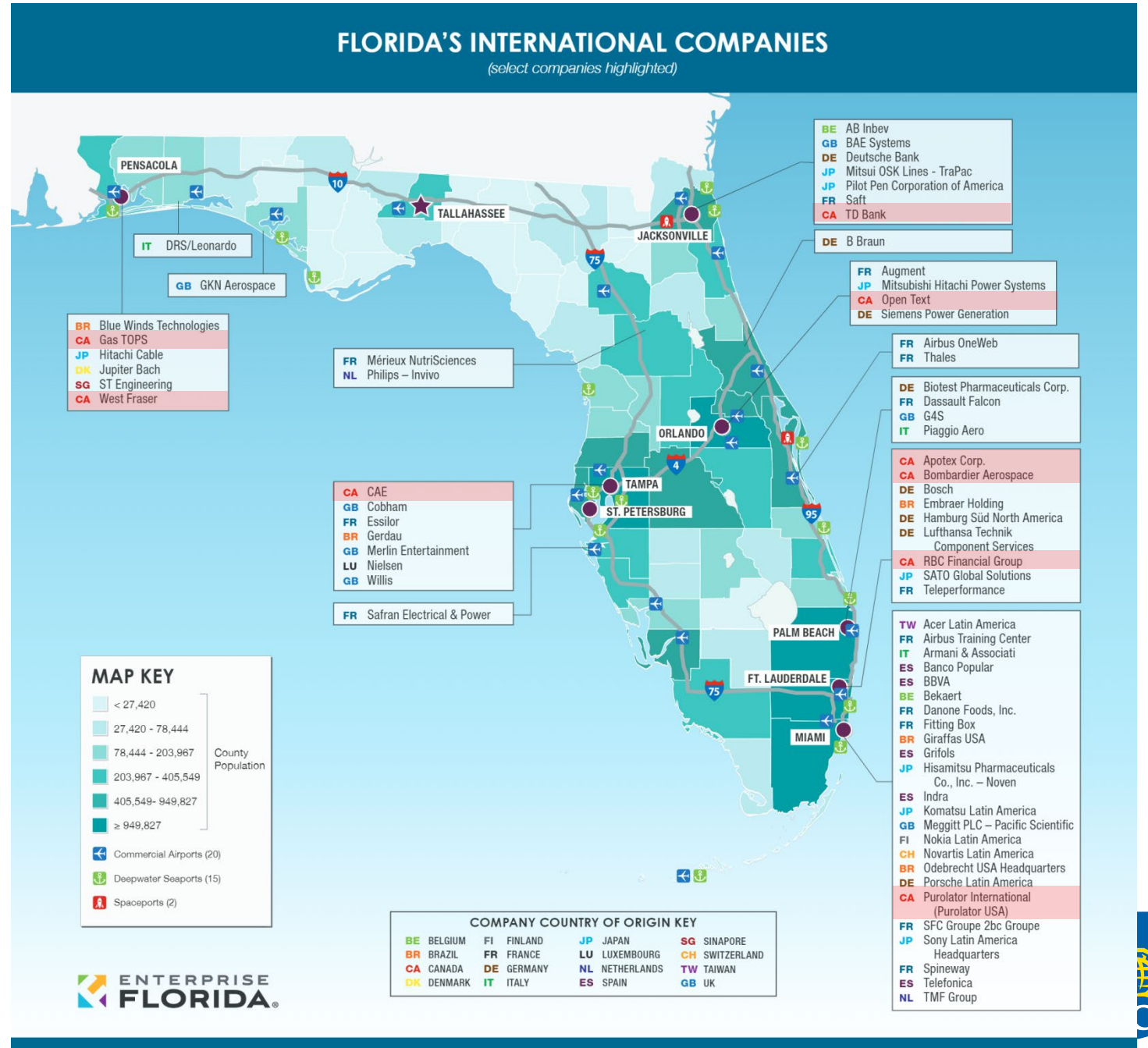
Your Presenter

ERIC SAIN – District Sales Manager, Keyes Company



Eric grew up in North Carolina and graduated with a Bachelor of Arts Degree from University of North Carolina at Chapel Hill. From an early age, volunteering has been a big part of Eric's life and his community service continues with all levels of the Real Estate Industry. In 1998, Eric moved to Florida and began his real estate career and was in the top ten agents in a large office within 3 years. Eric was awarded the Rising Star Award in 2001 from the Realtors Association of the Palm Beaches and served as their President in 2008/09. He was the local Realtor of the Year in 2010. In 2019, Eric was the President of Florida Realtors (196K members), the second largest Realtor Association in the Nation and he was recognized as the Florida's Realtor of the Year in 2020. On a national level, Eric has chaired the National Association of Realtors Public Policy Coordinating Committee, the Commitment to Excellence Committee and served as Presidential Liaison to RPAC Disbursements. In 2022, he will serve as Chairman of the Meetings and Conference Committee when hosted in Florida. In addition to his personal real estate relationships, Eric also works as the District Sales Manager for the Keyes Company, Florida's largest Independent Real Estate Company

Florida attracts companies from across the globe



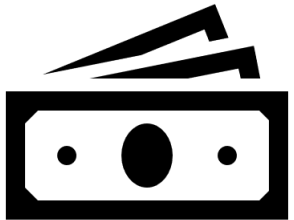
Top FL Foreign Buyer: **Canada**



21% of Florida foreign buyers



Florida's Top Origin Country for past **5** years



\$3.2 B

Dollar Volume



Median Purchase Price

\$315,000

Palm Beach, Broward, and Miami-Dade Counties

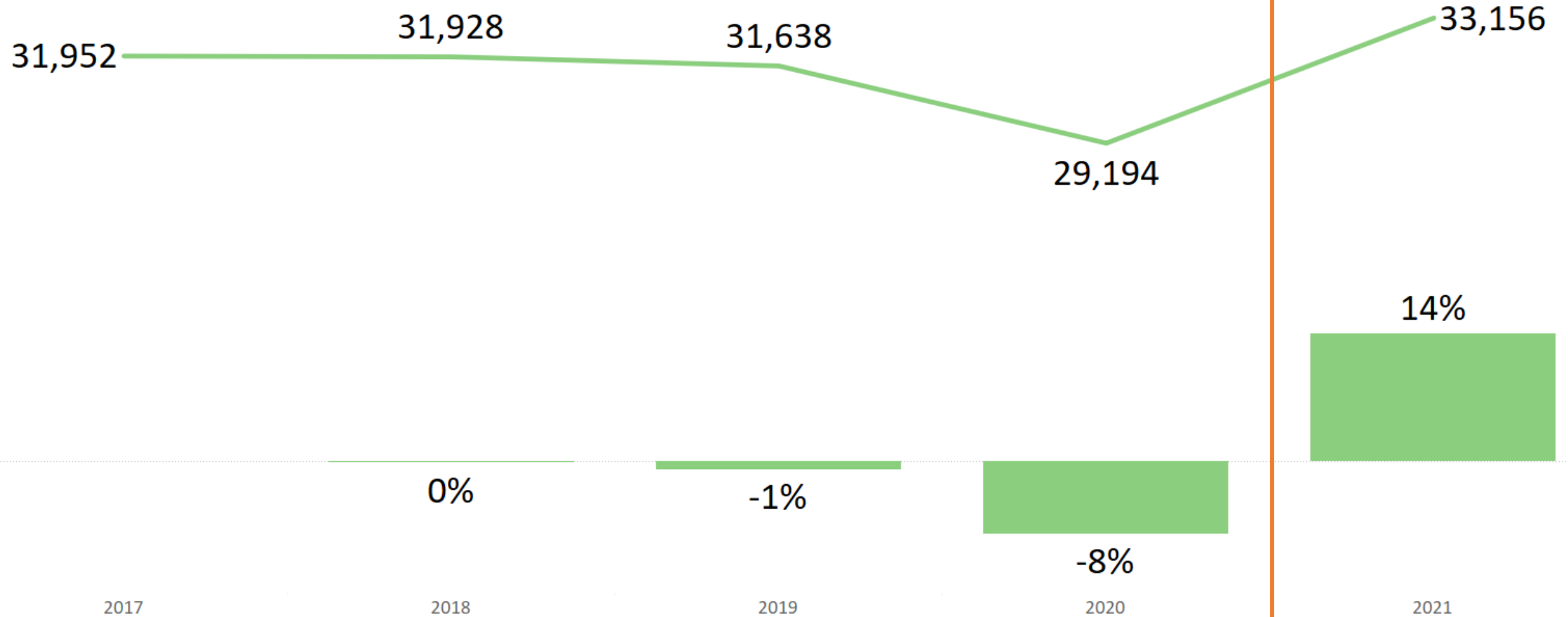
Single-Family, January 1, 2021– September 15, 2021

Under \$1M

<u>Status</u>	<u>Average Price</u>	<u>Days on Market</u>	<u>Dollar Volume</u>
Active (4,681)	\$540,929	57	
Pending (3,708)	\$468,040	40	
Closed (33,156)	\$482,604	35	\$16.0 Billion

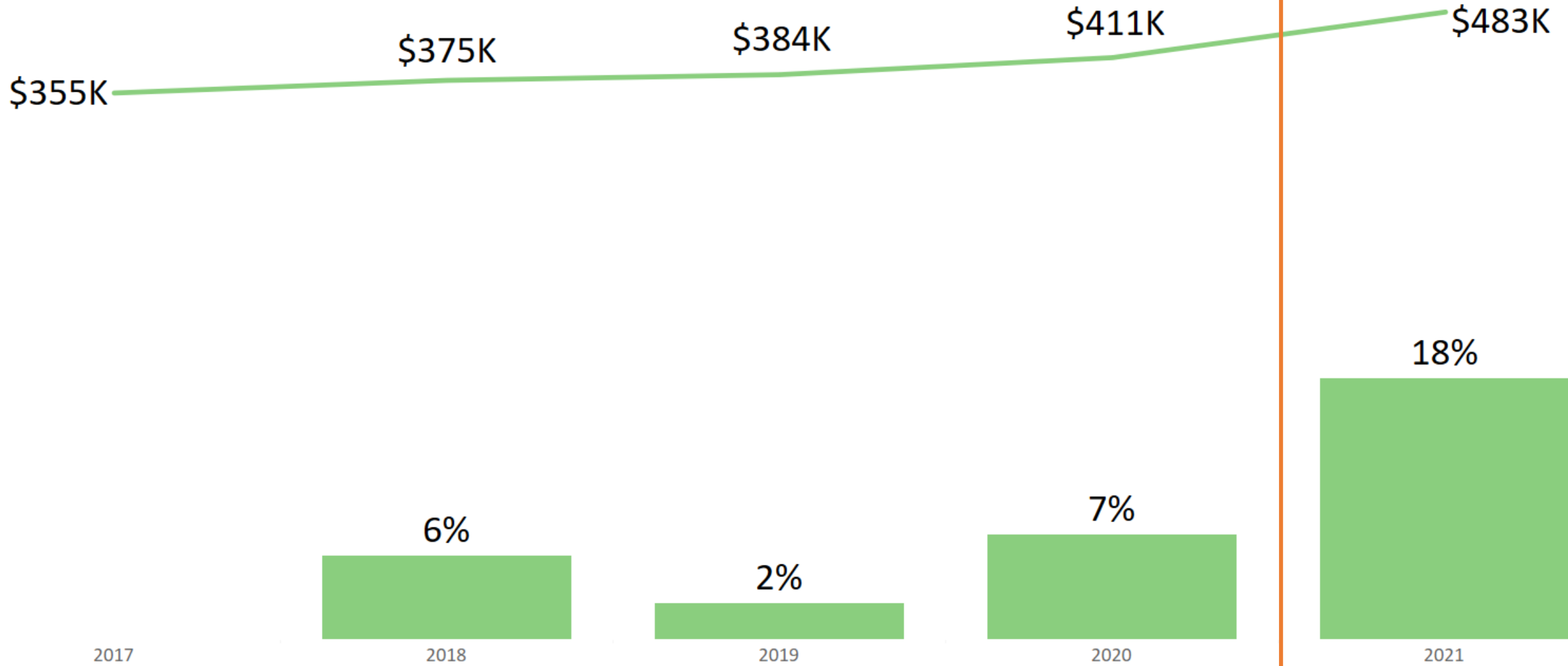
2021 Closed Sales Reach New Heights

*Palm Beach, Broward, and Miami-Dade Counties
Single Family, Up to \$1M, January - September*



Consumers Face Strong Price Growth

*Palm Beach, Broward, and Miami-Dade Counties
Single Family, Up to \$1M, January - September*



Palm Beach County

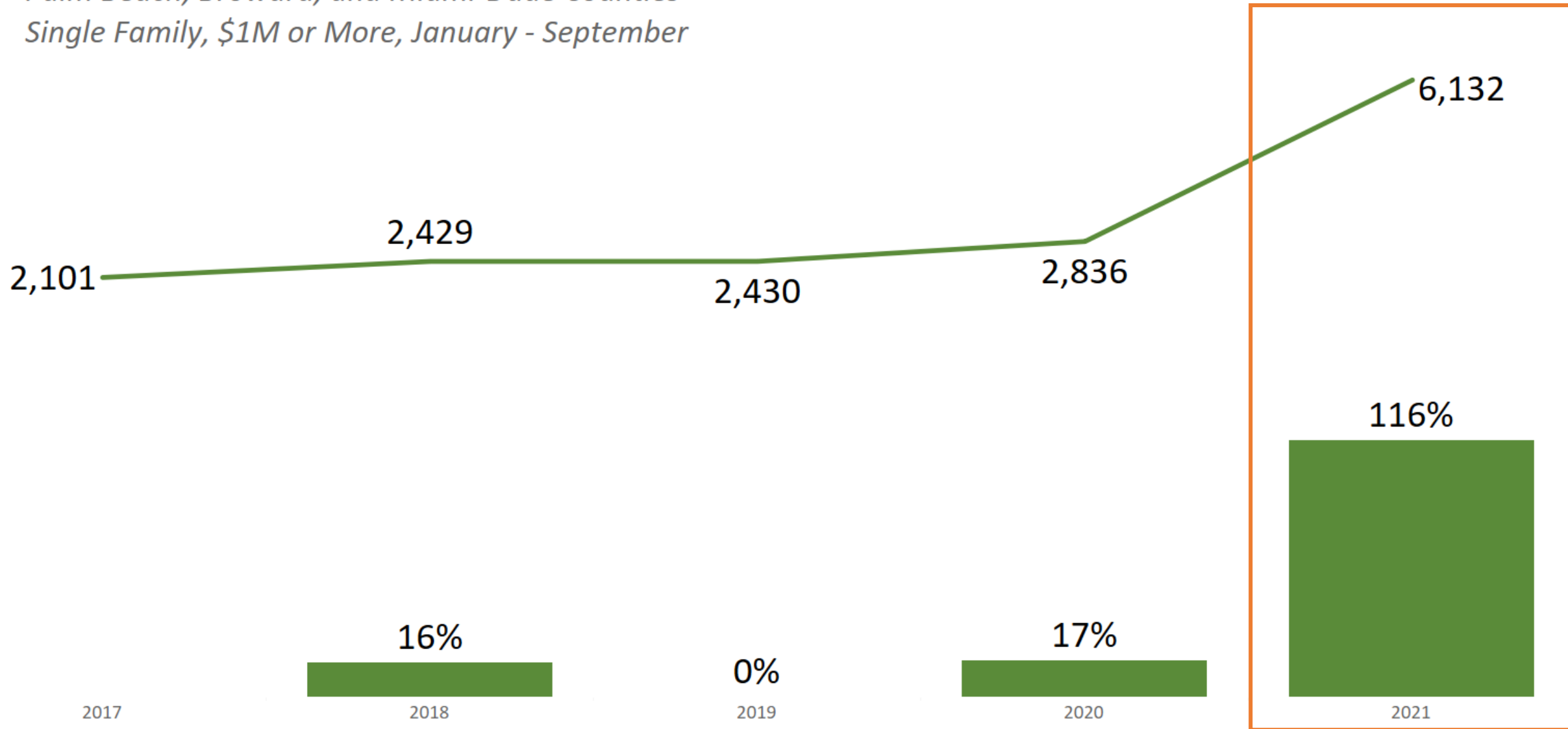
Single-Family, January 1, 2021– September 15, 2021

Under \$1M

<u>Status</u>	<u>Average Price</u>	<u>Days on Market</u>	<u>Dollar Volume</u>
Active (1,273)	\$550,061	46	
Pending (902)	\$487,276	27	
Closed (11,432)	\$483,375	30	\$5.5 Billion

2021: An Explosion in Luxury Sales

*Palm Beach, Broward, and Miami-Dade Counties
Single Family, \$1M or More, January - September*



Palm Beach, Broward, and Miami-Dade Counties

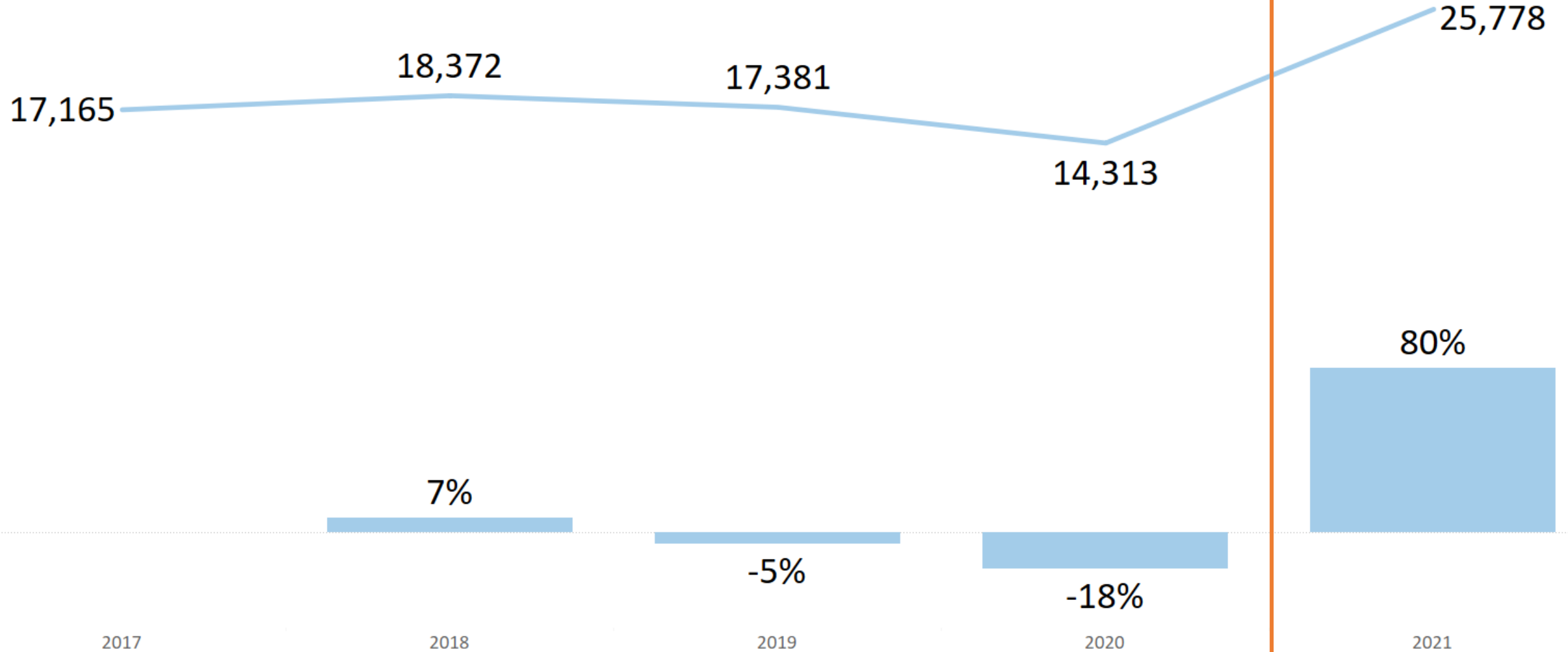
Condominium, January 1, 2021– September 15, 2021

Under \$1M

<u>Status</u>	<u>Average Price</u>	<u>Days on Market</u>	<u>Dollar Volume</u>
Active (6,011)	\$418,084	121	
Pending (2,650)	\$310,011	74	
Closed (25,778)	\$314,224	83	\$7.8 Billion

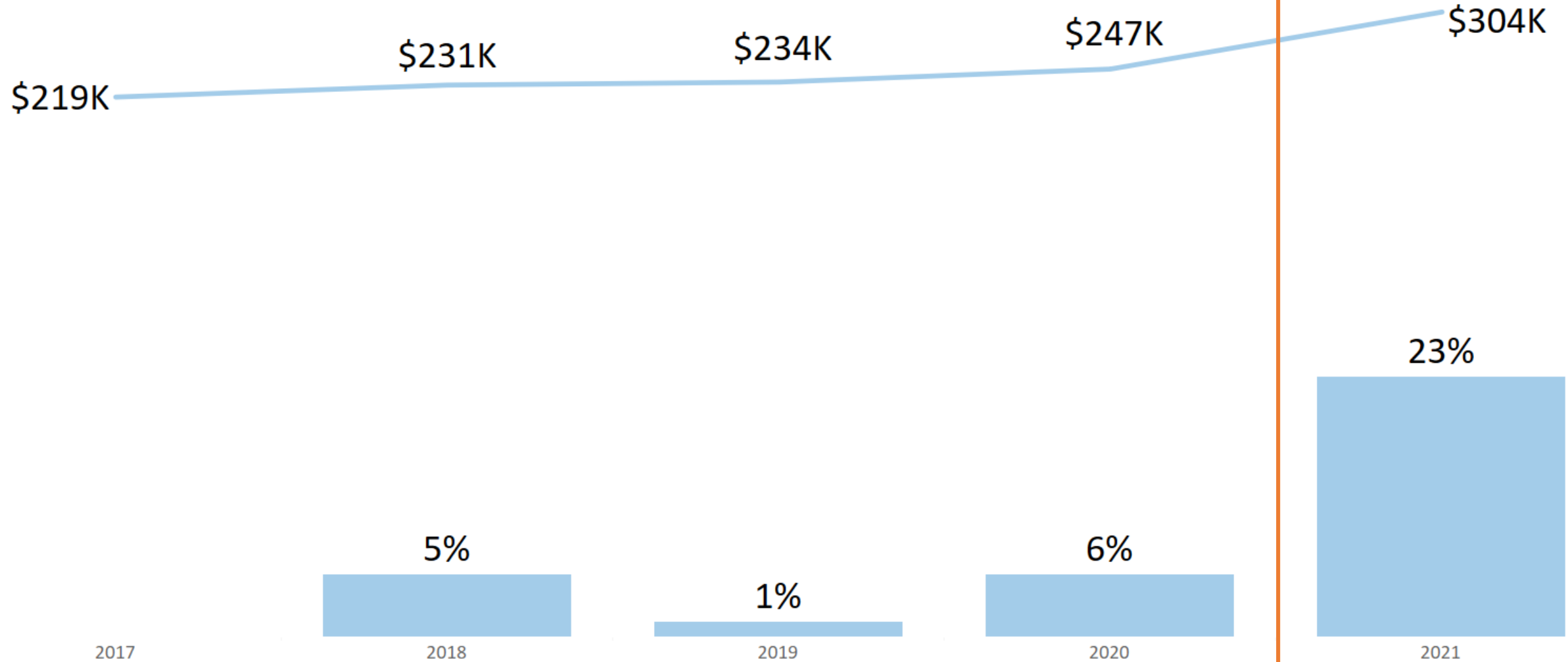
Condominium Sales Were Even Stronger

*Palm Beach, Broward, and Miami-Dade Counties
Condominiums, Up to \$1M, January - September*



Typical Prices for Condos Around \$300,000

*Palm Beach, Broward, and Miami-Dade Counties
Condominiums, Up to \$1M, January - September*



Palm Beach County

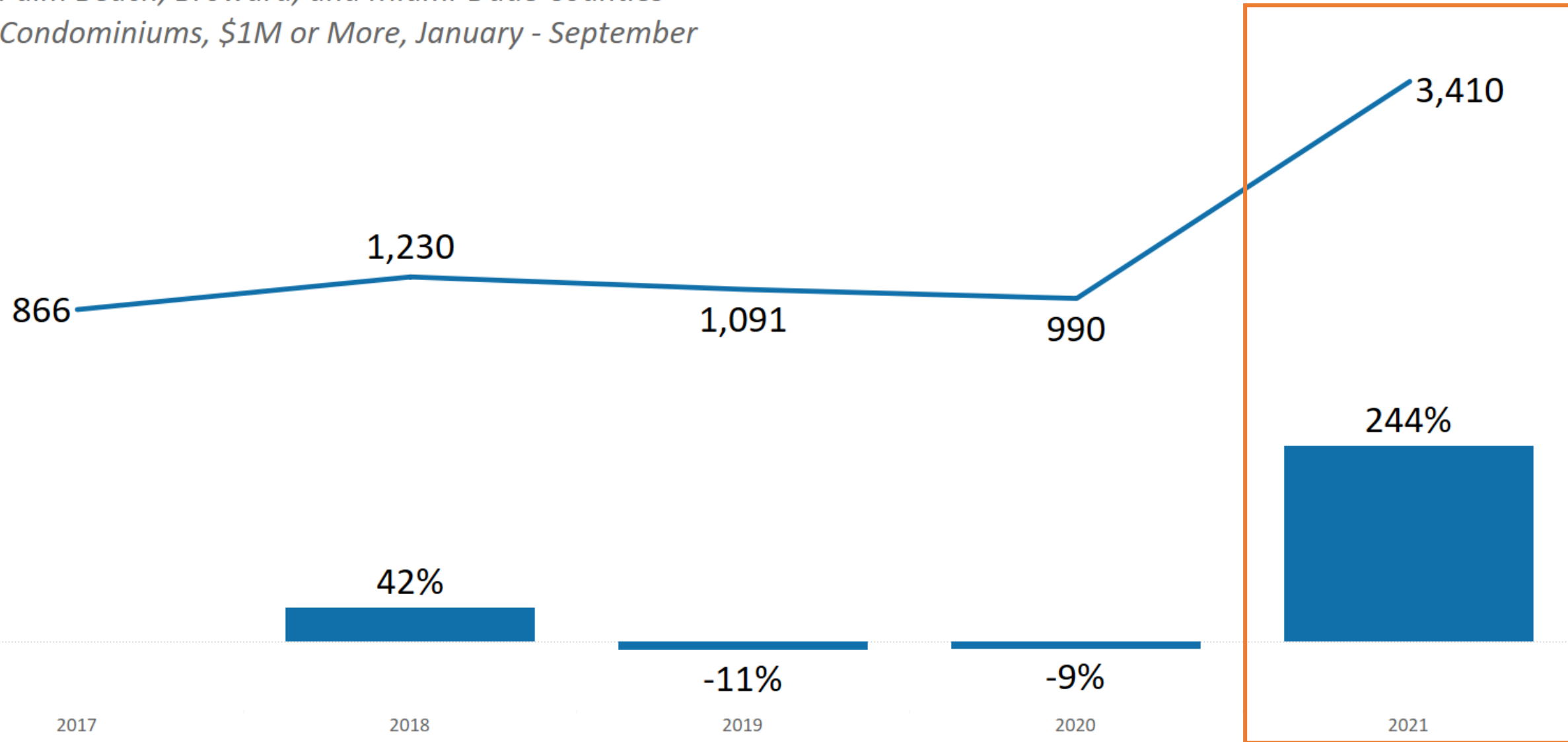
Condominium, January 1, 2021– September 15, 2021

Under \$1M

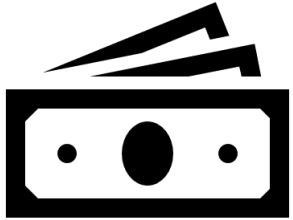
<u>Status</u>	<u>Average Price</u>	<u>Days on Market</u>	<u>Dollar Volume</u>
Active (1,019)	\$315,271	72	
Pending (635)	\$267,255	46	
Closed (8,182)	\$274,733	61	\$2.25 Billion

Luxury Condo Sales were nearly 2.5 times higher

*Palm Beach, Broward, and Miami-Dade Counties
Condominiums, \$1M or More, January - September*



Preferences of **Canadian Buyers**



83% purchase with cash



66% purchase a vacation home



48% purchase a condominium



42% purchase a detached single-family



Eric Sain

2020 Florida Realtor of the Year

2019 President of Florida Realtors

Realtor at the Keyes Company

Florida's Largest Independent Brokerage

11290 Legacy Avenue #210

Palm Beach Gardens, FL 33410

Cell Phone 561-758-3959

Arizona & California Real Estate

Your Presenters

GABRIEL BROWN – VP of Corporate Services, BHHS



Gabe has been in the real estate and relocation industry since 2007. Ten of those years were with BGRS as a client services manager, supporting clients within many private and government sectors. That experience instilled the importance of client centric service, collaboration, leadership, performance based coaching, identifying KPI's and looking for process efficiencies. As the VP of Corporate Services, Gabe's focus is to build partnerships with brokers, relocation companies and other sources of business to ensure Berkshire Hathaway Home Services AZ, CA and NV is the only choice with they have a relocation need. With 3,000 agents and 30 branch offices covering three very unique states, this company has the coverage and market share to provide the best service in the region. Gabe carries with him two accreditations from the Worldwide ERC, Global Mobility Specialist and Certified Relocation Professional

MYIESHA MAJORS – REALTOR, BHHS



Myiesha epitomizes drive, integrity, hard work, commitment, all with a strong level of service. Myiesha grew up in Southern California, and started her career in Real Estate, over 7 years ago. In the past 7 years, Myiesha has set a great record of listing homes for top dollar and selling them fast. Myiesha's career started in Mortgage Servicing over 20 years ago, where she rose quickly into top leadership roles negotiating Short Sales, Deed in Lieu of Foreclosure, as well as Loan Modifications. Even working within the bank, Myiesha worked with many aspects of Mortgage and Real Estate Servicing while representing the bank.

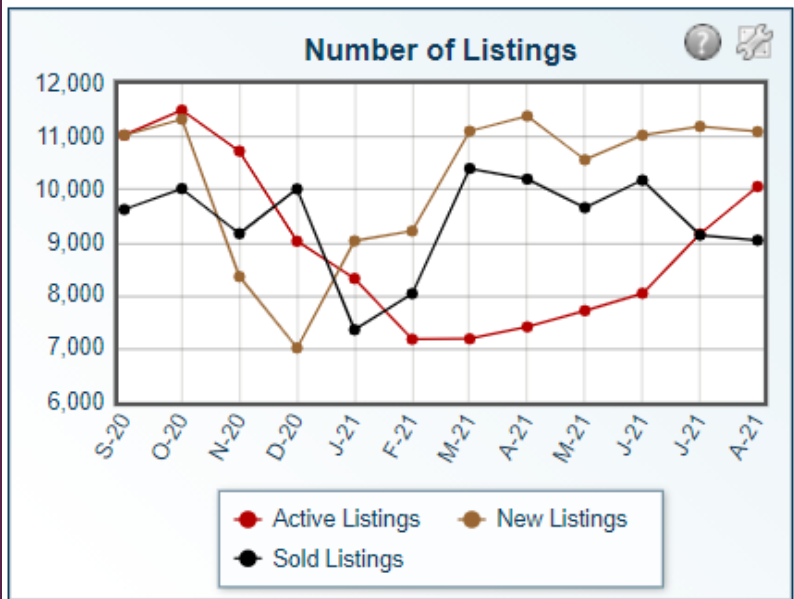
Myiesha is a mother and wife. She loves being of service to her local community, and makes it her business to provide her clients with exemplary service.

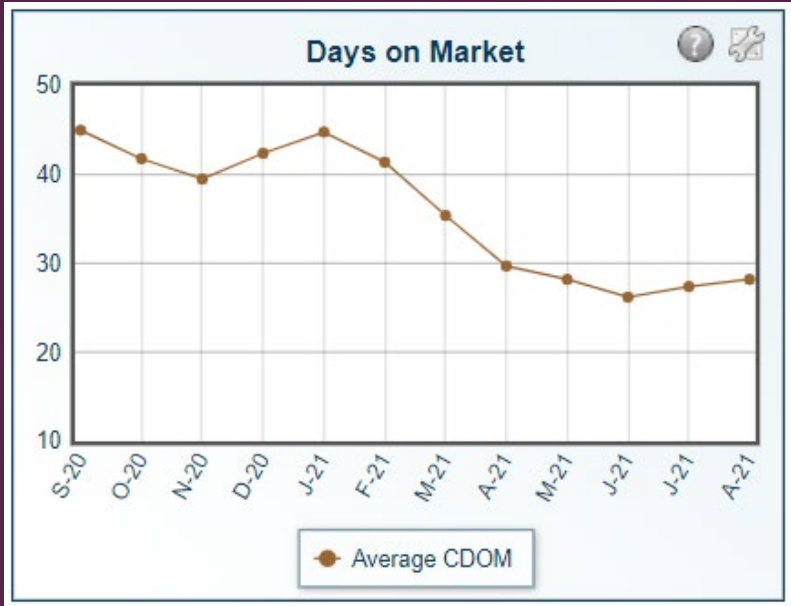



ARIZONA AND CALIFORNIA MARKET UPDATE

RBC Fall Virtual Advice Event








BERKSHIRE HATHAWAY
 Home Services
 Arizona Properties
 California Properties
 Nevada Properties



Summary Statistics YoY

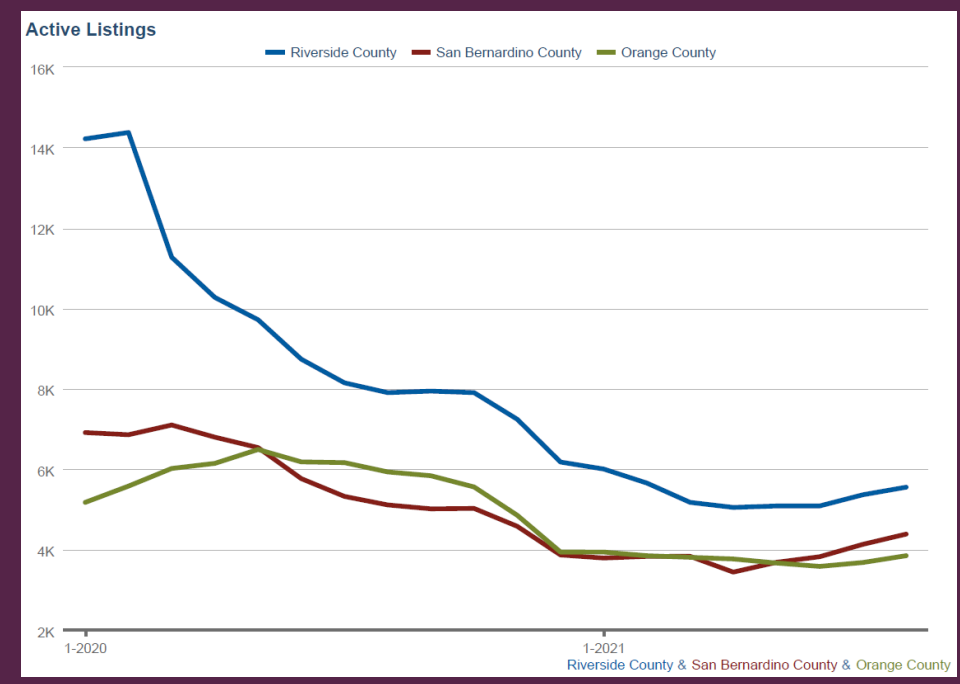
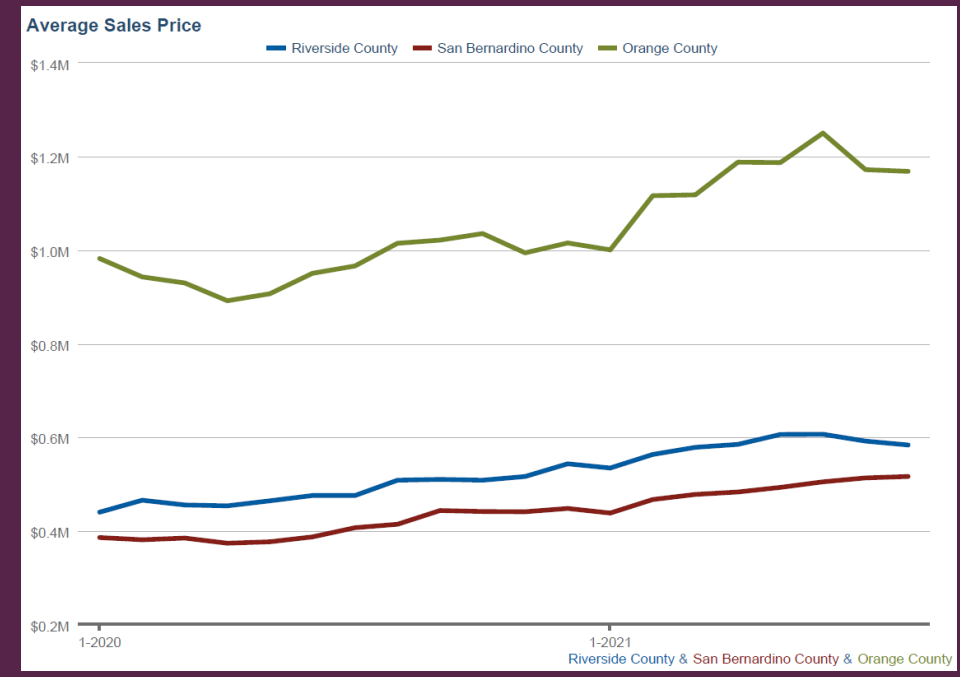
	21-Aug	20-Aug	% Chg	2021 YTD	2020 YTD	% Chg
Absorption Rate	1.07	1.38	-22.46	0.89	1.66	-46.39
Median List Price	\$455,000	\$389,900	16.7	\$390,000	\$324,900	20.04
Median Sale Price	\$401,500	\$325,000	23.54	\$380,000	\$305,000	24.59
Median CDOM	20	31	-35.48	21	35	-40

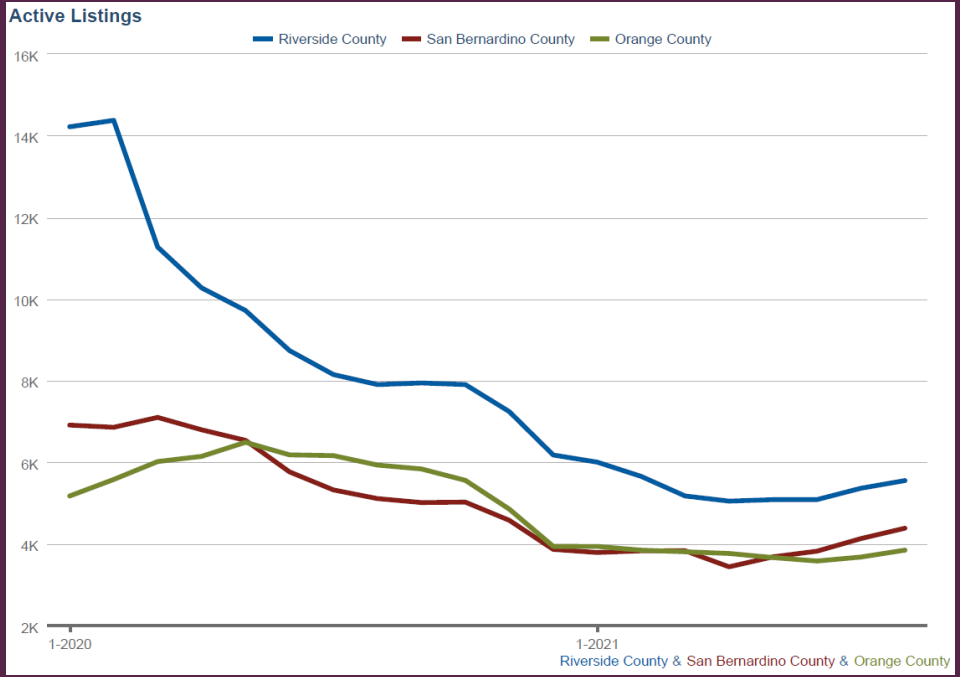
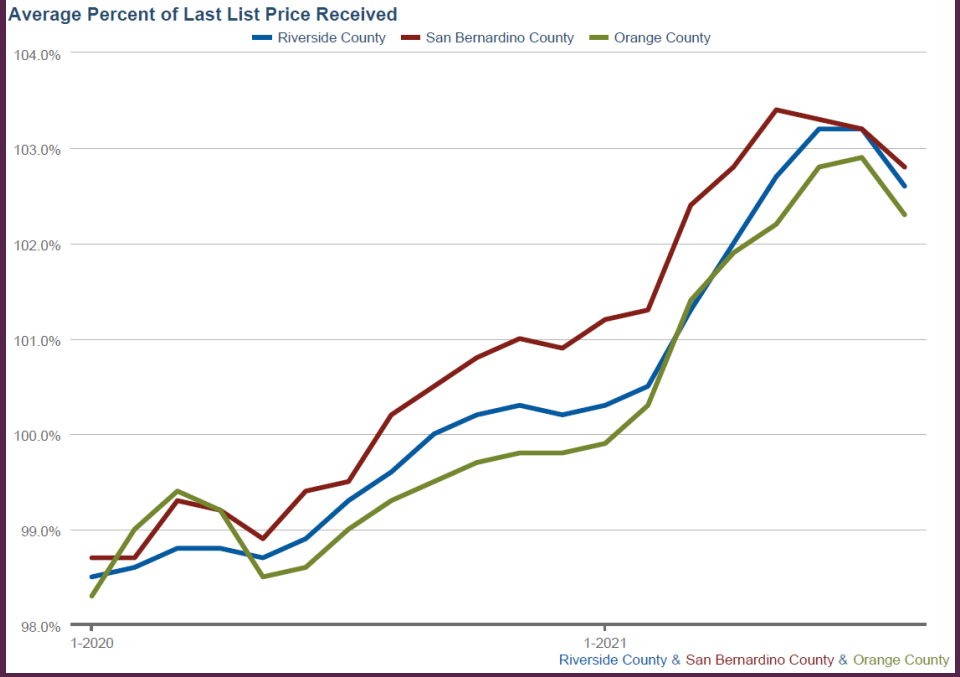
- *Interest Rates are still at historic lows making it more affordable to buy even with record price increases*
- *Amount of new an existing listings are still hitting the market and moving closer to meeting the demand*
- *New home construction and developments are increasing due to the stabilizing costs of materials and the labor force*
- *Eviction moratorium for renters and landlords are ending and forbearance programs from lenders may be expiring and coming due which could interest some sellers to list their homes for sale on the market*






BERKSHIRE HATHAWAY
 HomeServices
 Arizona Properties
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 Nevada Properties

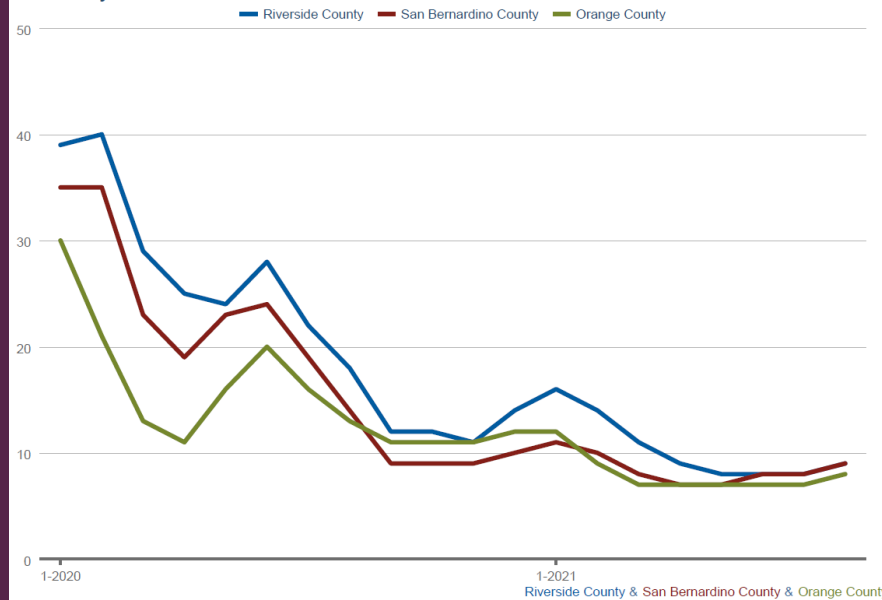





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 Nevada Properties



Median Days on Market




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California Properties
Nevada Properties



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Arizona Properties
California Properties
Nevada Properties



IMPORTANT THINGS TO KNOW WHEN PURCHASING REAL ESTATE IN THE US

- FIRPTA (Foreign Investment in Real Property Act)
 - Title and Escrow
- Pre-qualification and Earnest Money
 - Inspections and Appraisals
- Down Payment and access to US funds
 - Homeowners Associations
- Building materials used on homes
 - Termites and Pests

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Upcoming Events – Register at rbcbank.com/vae

Ask the Expert - Tax and Legal Considerations for Owning a U.S. Property

Wed Sep 29 1:00 - 2:30 PM ET

Ask the Expert - Everything You Need to Know about Buying U.S. Property

Wed Oct 6 1:00 - 2:30 PM ET

Economic Update & Outlook

Wed Oct 13 3:00-4:30 PM ET

Disclaimer

This presentation offers general information only and is not intended as legal, financial or other professional advice. A professional advisor should be consulted for your specific situation. While information presented is intended to be factual and current, its accuracy is not guaranteed and it should not be considered a complete analysis of the subjects discussed. All expressions of opinion reflect the judgement of the presenter(s) as of the date of publication and are subject to change. No endorsement of any third parties or their advice, opinions, information, products or services is expressly given or implied by Royal Bank of Canada or its affiliates.



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All loans and lines of credit are subject to credit approval.

Mortgages and Home Equity Lines of Credit (HELOCs) are subject to approval, including verification of acceptable income, credit worthiness and property valuations. Minimum and maximum property values and maximum loan-to-value ratios apply. Homeowner's insurance is required for all loans and lines of credit and flood insurance is required if the property is located in a Special Flood Hazard area. Escrows may be required on mortgages. There are closing costs associated with mortgage products. In addition to a ½% Origination fee (with a \$500 minimum and a \$2,000 maximum) due at origination and a \$50 annual fee, third party closing costs for Home Equity Lines of Credit may range from \$900 to \$9,000. Home Equity Lines of credit are not offered for properties in Texas. Home Equity Lines of Credit are not available for investment properties. An investment property is a property that is not occupied by the owner/borrower for at least two weeks per year.

