



Flood of South American buyers starting to find financing

BY YUDISLAIDY FERNANDEZ

Foreign buyers are still flooding Miami's residential market, with Brazilians, Venezuelans and Argentines making the biggest splash.

International buyers continue to scoop up properties throughout Miami-Dade. Most are making all-cash buys, but those needing financing are starting to find it.

The foreign buyer market remains stronger than the national market, said Ralph De Martino, broker and president of Ocean International Realty in Miami Beach.

Mr. De Martino, who specializes in selling oceanfront condos in South Florida, said he's working with buyers mainly from Argentina, Uruguay and Canada.

This buyer pool is attracted to "the whole Miami brand," he noted, "which people think of as beautiful beaches and great weather, and it also has all the culture, restaurants and shopping."

While Miami's urban paradise is the main motivation for some foreign buyers, for others it's economic, political or social unrest affecting their home countries.

"In some countries, the motivation is to park their money here because it is a safe place," Mr. De Martino said. "For other people it is a great place for a second home because of the



Photo by Maxine Usdan

Emilio Palomo: "We've had so many Venezuelan clients... so they recommend new ones to me and bankers also recommend... clients."

lifestyle, and most of them are starting to realize the market has already bottomed out and it's on the way up."

He added that an Argentinean buyer once told him: "I'd rather have my money in bricks in the US than in a bank in Argentina."

Mr. De Martino currently sits on the Master Brokers Forum's advisory board and serves as residential president of the Miami Association of Realtors.

Although he's working mostly with Latin American buyers, he said some Europeans, specifically from Italy and France, are touring the Miami market.

Venezuelans are taking a big piece of the residential pie.

"I have been dealing mostly with Venezuelans," said Emilio Palomo, broker and owner of Riteway Properties III. "We've had so many Venezuelans clients in the past, so they recommend new ones to me and bankers also recommend friends and clients."

Along with Venezuelans, he's representing buyers from Argentina and Mexico.

More Venezuelans are acquiring homes in South Florida not only as a second home or an investment, but middle-class Venezuelans are buying residences with the intention of coming here to live because of the political turmoil affecting

the country under President Hugo Chavez.

"The ones [Venezuelans] that are buying to live, in my experience, are mostly buying in Doral and Weston," said Mr. Palomo, chairman of the Master Brokers Forum.

He added that second-home buyers are mostly buying in Brickell and downtown in Miami and in Coral Gables.

Last year, most foreign buyers were paying cash, in part because banks weren't offering financing to foreign nationals, the realty professionals said, but that's starting to change.

Today, Mr. De Martino said, some financing is available for international buyers willing to make a substantial down payment.

About 70% to 80% of the international buyers Mr. Palomo is working with are buying in cash, he said, and the rest are obtaining financing with a down payment of 30% to 40% of the home's price tag.

Brazilians are also very active in the housing market, said Michael Sadov, director of operations at Pordes Residential Sales & Marketing, which is selling condos at One Bal Harbour Resort & Spa and Canyon Ranch Living in Miami Beach.

"We are seeing more and more the Brazilians really come out strong," he said. "They are buying all over town, the Venezuelans have been buying and the

Mexican market is starting to buy again."

He also highlighted Ecuadorian and French buyers and said British buyers, who generally focus in the Orlando residential market, are making their way to Miami.

At One Bal Harbour, where Pordes bought 42 condos and began sales in January, 10 units have been sold, about eight of them to international buyers.

"The people buying at One Bal Harbour love the location. It's one of the most exclusive properties in Bal Harbour," Mr. Sadov said. "Some are moving their money because of the political situation, but most are buying because the prices are right to use as a vacation or second home."

But this year international buyers are facing more competition from Americans.

For example, at the hotel and condo Canyon Ranch, a three-tower property with 420 condos, the Pordes sales team has sold 50 residences since October, 80% to domestic buyers.

Mr. De Martino agrees more US buyers are coming into the mix, especially from the Northeast, some looking to buy a second home and others eyeing a property for their future retirement.

"Some are buying now," he said, "so later they can sell what they bought or use it as a retirement home."