

Foreign buyers and immigration to drive demand for U.S. housing

May 23, 2017

That's according to speakers at an international real estate forum organized by the REALTOR University Richard J. Rosenthal Center for Real Estate Studies session here at the 2017 REALTORS® Legislative Meetings & Trade Expo.

NAR's Danielle Hale, managing director of housing research, was joined by Alex Nowrasteh, immigration policy analyst at the Center for Global Liberty and Prosperity at the Cato Institute, to share insight on the current and future impact of foreign buyers and immigration on the U.S. housing market.

According to Nowrasteh, the rising U.S. population is being bolstered by a growing number of immigrant households, and their presence will continue to transform the housing market.

Referring to data from the 2015 American Community Survey, Nowrasteh said of the roughly 321.4 million residents in the U.S., 278.1 million are born here (natives) and the remaining 43.3 million – made up of 20.7 million naturalized citizens and 22.6 million non-citizens – are foreign-born.

Nowrasteh, pointing to studies conducted on immigration and housing, explained that the effects of immigration on real estate are localized, with most of the impact felt where immigrants tend to reside: low-to-middle income counties.

Each immigrant adds 11.6 cents to housing value within that county. In 2012, 40 million immigrants added roughly \$3.7 trillion to U.S. housing wealth