

Business Data for Engaging in International Real Estate Transactions in Wyoming

November 2008

Produced By: NAR Research



Introduction

Today, we are living in the global marketplace. The international transactions in the production and consumption of goods and services are ever growing. In 2007, the U.S. exported \$ 1,163 billion and imported \$1,954 billion. Both expanded over 11% during the past several years, which is far beyond of domestic transactions growth. With the expansion of international trade, the flow of people across borders has also increased fast, and therefore, the demand for real estate in both residential and commercial sectors has been on the rise.

The purpose of this report is to present recent economic data related to international business activity directly associated with Wyoming and explore the possible opportunities in real estate business in today's global economy with foreign nationals, foreign companies and foreign referral counterparts.

Non-immigrant visitors to Wyoming

In 2007, total of 19,809 non-immigrant aliens came into Wyoming. Those in some selected categories are;

- 12,498 temporary visitors for pleasure
- 1,602 temporary visitors for business
- 69 treaty traders and investors
- 599 foreign students and dependant families
- 1,768 temporary foreign workers, trainees and dependant families
- 138 NAFTA professional workers and dependant families

Obviously many of them will need rental housing, second homes, or commercial properties in Wyoming. A recent study of *The 2008 National Association of REALTORS® Profile of international Home Buying Activity*¹ shows that about 3 percent of entire home sales involved foreign buyers in the nationwide. The percentage of foreign buyer's participation varies according to state. For example, over 9 % of all home sales transactions involve international buyers in Florida which has been the most popular destination of home buyers from abroad. Although Wyoming may not witness such high volume of international transactions as in Florida, there are still enough foreigners arriving in the state to make an impact on overall real estate transactions.

¹ NAR conducted a survey of REALTORS® in 2008 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, 13 percent reported that they did at least one home sale transaction with international buyers.

Foreign Direct Investment Establishment in Wyoming

A U.S. affiliate is a U.S. business enterprise that is owned 10 percent or more, directly or indirectly, by a foreign person. As of 2002, there are total of 118,588 U.S. affiliates of foreign companies in the nationwide. This is increased by 12% compared to 5 years before. In Wyoming alone, there are 234 companies in this category. They contribute local real estate industry by purchasing or renting commercial real estate properties for their business. In addition, the frequent flows of staff and their families from home countries will create housing demand.

U.S. Residents Looking for Homes Abroad

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 Mexico from Wyoming were \$ 234 million and \$ 16 million, respectively, in the past year. Third on the list of countries where Wyoming products are exported is Japan. The increase in Wyoming exports may lead locally based companies to establish company representatives and sales personnel in those countries. Wyoming real estate professionals may decide that it's time to set up referral networks with counterparts in Canada, Mexico and Japan.

Chemical Manufactures and Mining were the top export industries in Wyoming. Those two industries combined account 79% of the entire exports from Wyoming. 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.

Immigration and Naturalization in Wyoming

Immigration to the United States soared in the past two decades, which likely will lead to many more home purchases in the coming decade.² The U.S. population grew by roughly 20 million people since year 2000. The strong increase in immigration added 8 million people, and resulted nearly 40 percent of the rise in U.S. population since 2000.

In Wyoming, 190 newly admitted legal immigrants arrived in 2007. The largest group came from Mexico (98). Other top countries of origin include:

- Philippines (45)
- India (17)
- United Kingdom (14)
- Germany (13)

Real estate professionals may want to consider assisting, participating or setting up a network partner with these communities to open up business opportunities. In 2007, 190 immigrants to

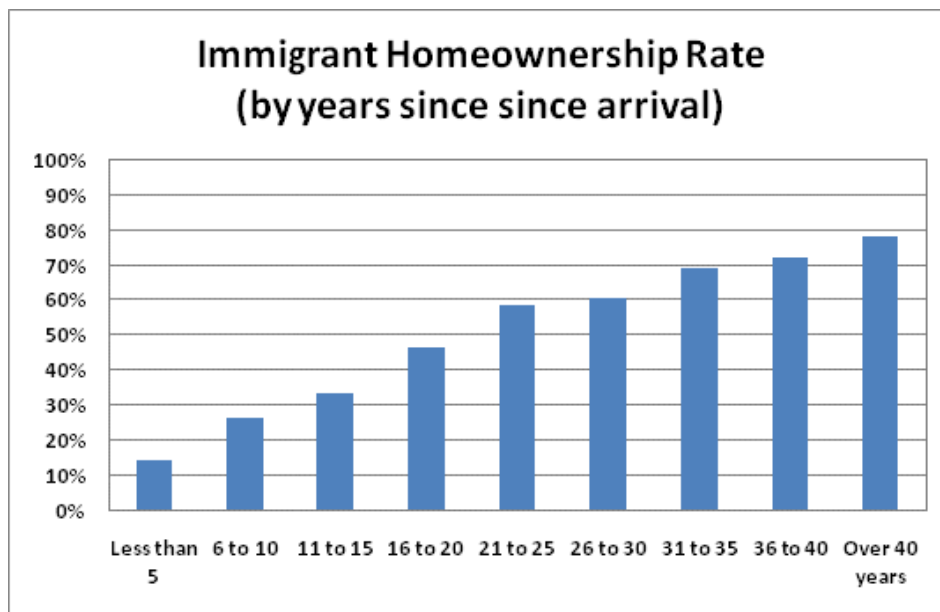
² There are contentious issues relating to swelling illegal immigration and assimilation, and this paper does not attempt to delve into this difficult topic.

Wyoming became U.S. citizens. Natives of Mexico led with the highest number (67) of newly naturalized citizens in the state last year. Other top countries represented include:

- Canada (10)
- China, People's Republic (10)
- Germany (7)
- United Kingdom (7)

As of 2007 there are 6,052 (1.2% of the state population) of naturalized citizens and 10,308 non-citizens (2.0% of the state population) in Wyoming. 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.³

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.



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

³ 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. Larger number of people translates into more housing demand.

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 75 partner associations in more than 56 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 – <http://www.realtor.org/international>
- **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, <http://www.realtor.org/international>
- **Expand Your Market Course** – Turn-key course to introduce agents/brokers to the global real estate market. They are eligible for continuing education approval. More information is available at <http://www.realtor.org/cipshome.nsf/pages/eym>
- **International Real Estate Report** (Electronic Newsletter) – Available free to any NAR member. You may review all the current and past reports at <http://www.realtor.org/cipshome.nsf/webreport> . To subscribe to this newsletter, please visit your Profile page at 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. You may download 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. You may find speaker contacts and deals directly with the speaker. Access the database at <http://www.realtor.org/cipshome.nsf/pages/speakers>
- **The International Consortium of Real Estate Associations (ICREA): NAR International Association Network** – NAR partners with 75 national associations in more than 56 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>
- **WorldProperties.com.** WorldProperties.com is backed by the International Consortium of Real Estate Associations (ICREA). Currently, it is comprised of 30+ leading national real estate organizations representing 2 million brokers/agents worldwide, each of whom adhere to a code of conduct. WorldProperties.com provides benefits to broker/agent members by assisting them in marketing and facilitating business in the global marketplace. WorldProperties.com assists consumers in locating properties outside their country and in finding a qualified real estate professional. Access www.WorldProperties.com

For more information on NAR’s International programs, please email us at NARGlobe@realtors.org or visit us online at www.Realtor.org/international.

Population Demographics in Wyoming

	Total Population	U.S. Born Citizen	Foreign Born (%)	Naturalized Citizen	Non-U.S. Citizen	
Male	266,763	258,865	7,898	3.0%	2,491	5,407
18 and Over	200,750	194,020	6,730	3.4%	2,193	4,537
Under 18	66,013	64,845	1,168	1.8%	298	870
Female	256,067	247,605	8,462	3.3%	3,561	4,901
18 and Over	196,674	188,958	7,716	3.9%	3,227	4,489
Under 18	59,393	58,647	746	1.3%	334	412
Total	522,830	506,470	16,360	3.1%	6,052	10,308

Source: Census Bureau, American Community Survey 2007

Foreign Born Population in Wyoming by Year of Entry

	Total Population	U.S. Born Citizen	Foreign Born	Naturalized Citizen	Non-U.S. Citizen
2000 or later	6,433	568	5,865	574	5,291
1990 to 1999	3,443	585	2,858	810	2,048
Entered 1980 to 1989	3,320	490	2,830	1,245	1,585
Entered before 1980	6,784	1,977	4,807	3,423	1,384
Total	19,980	3,620	16,360	6,052	10,308

Source: Census Bureau, American Community Survey 2007

Main Languages Spoken in Households

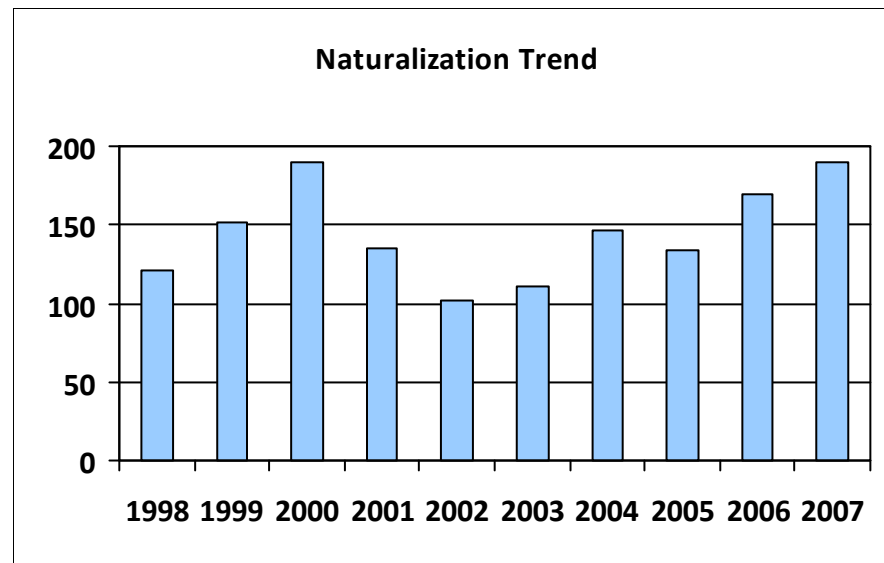
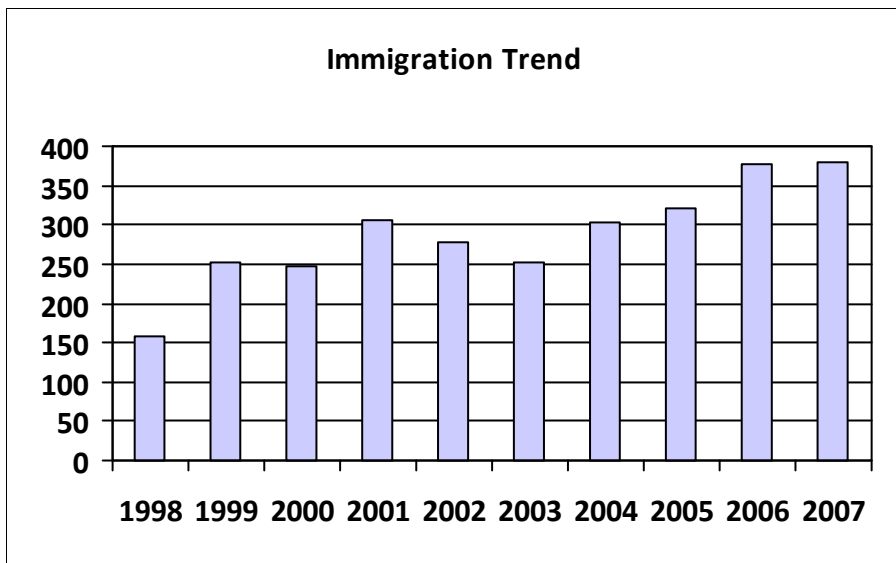
Main Language	Total Household	Linguistically Isolated	Not Linguistically Isolated
English	189,228		
Spanish	10,810	2,126	8,684
Indo-European	4,164	63	4,101
Asian-Pacific	790	131	659
Other	1,144	0	1,144
Total	206,136	2,320	14,588

Source: Census Bureau, American Community Survey 2007

Immigration and Naturalization Trend in Wyoming

Year	Admitted Immigrants	Naturalization
1998	159	121
1999	251	151
2000	247	190
2001	306	135
2002	278	102
2003	253	111
2004	304	146
2005	321	134
2006	376	169
2007	380	190

Source: Department of Homeland Security, Yearbook of Immigration Statistics: 2007

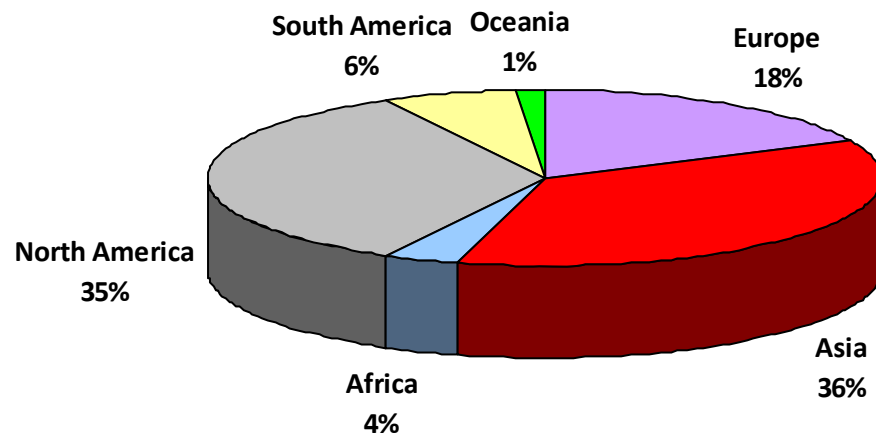


2007 Immigration to Wyoming by Country of Birth

										Total	380
Europe	68	Asia	137	Africa	14	North America	131	South America	24	Oceania	5
United Kingdom	14	Philippines	45	Ethiopia	4	Mexico	98	Brazil	7	New Zealand	3
Germany	13	India	17	Nigeria	3	Jamaica	6	Colombia	6		
Russia	6	Indonesia	5			Guatemala	5	Peru	5		
Czech Republic	4	Thailand	5								
France	3	Iran	4								
Spain	3	Korea	4								
		Kazakhstan	3								
		Nepal	3								

Source: Department of Homeland Security, Yearbook of Immigration Statistics: 2007

2007 Immigration to Wyoming by Origination Region

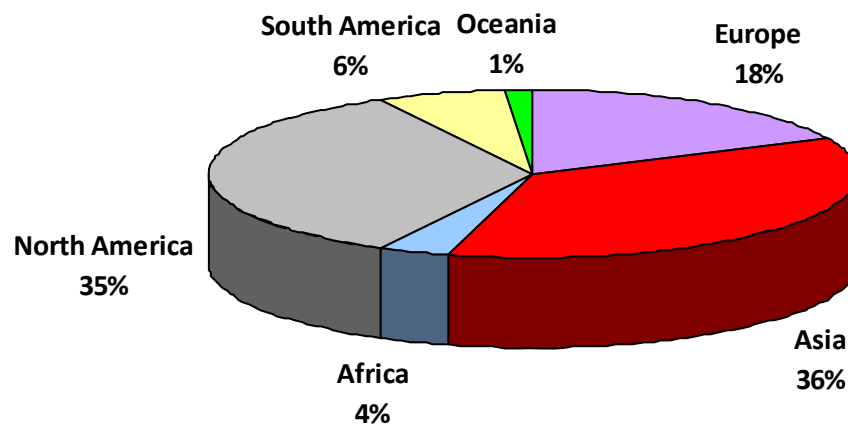


2007 Naturalization in Wyoming by Country of Birth

Europe	39	Philippines	13	Africa	6	North America	85	South America	11
Germany	7	China	10			Mexico	67	Peru	4
United Kingdom	7	India	6			Canada	10	Bolivia	3
Ukraine	6	Korea	5			El Salvador	3		
Russia	5	Pakistan	5						

Source: Department of Homeland Security, Yearbook of Immigration Statistics: 2007

2007 Naturalization in Wyoming by Origination Region



Nonimmigrant Visitors to Wyoming

	2005	2006	2007
Total	16,094	16,972	19,809
Foreign government officials and families	66	78	36
Temporary visitors: for business	1,249	1,312	1,602
Temporary visitors: for pleasure	11,270	11,183	12,498
Transit aliens		8	3
Treaty traders and investors	58	50	69
Students and dependant family	500	566	599
Representatives to international organizations and families	8	6	3
Temporary workers and trainees, dependent family	236	1,423	1,768
Representatives of foreign information media and families	42	32	33
Students and exchange visitors, and dependant family	1,185	1,668	2,489
Fiances/spouses of U.S. citizens and their children	75	53	55
Intracompany transferees and dependant family	220	225	314
Vocational students and dependant family	111	116	107
NATO officials and families		13	4
NAFTA professional workers and dependant family	111	128	138
Fiances/spouses of permanent residents and their children	8		
All other classes	35	97	72

Source: Department of Homeland Security, Yearbook of Immigration Statistics: 2007

Foreign Direct Investment Established in Wyoming

	U.S.	Wyoming
All industries	118588	234
Mining	1107	28
Utilities	815	19
Construction	1082	4
Manufacturing	10322	19
Wholesale trade	15798	29
Retail trade	30540	58
Transportation and warehousing	5468	13
Information	5046	7
Finance: Depository credit intermediation	3263	0
Finance: Insurance	3709	2
Real estate and rental and leasing	1890	5
Professional and technical services	4275	8
Accommodation and food services	15255	15
Other	16824	21

Source: Department of Commerce, Foreign Direct Investment in the United States Establishment Data for 2002

Wyoming Exports by Product

(Unit: \$1,000)

	2004	(%)*	2005	(%)	2006	(%)	2007	(%)	% Change, ** 2006-2007
Wyoming Exports Total	680,239	0.1%	669,078	0.1%	830,046	0.1%	801,822	0.1%	0.1%
Chemical Manufactures	479,904	70.5%	513,455	76.7%	622,317	75.0%	566,219	70.6%	70.6%
Mining	108,356	15.9%	64,169	9.6%	87,836	10.6%	69,692	8.7%	8.7%
Machinery Manufactures	35,222	5.2%	40,203	6.0%	56,370	6.8%	61,117	7.6%	7.6%
Oil & Gas Extraction	195	0.0%	444	0.1%	4,506	0.5%	23,643	2.9%	2.9%
Transportation Equipment	9,802	1.4%	10,144	1.5%	7,845	0.9%	18,924	2.4%	2.4%
Fabricated Metal Products	9,813	1.4%	9,211	1.4%	13,117	1.6%	10,000	1.2%	1.2%
Computers & Electronic Prod.	12,993	1.9%	5,083	0.8%	7,615	0.9%	7,619	1.0%	1.0%
Crop Production	2,035	0.3%	2,571	0.4%	6,370	0.8%	6,984	0.9%	0.9%
Elec. Eq., Appliances & Parts	1,924	0.3%	3,941	0.6%	3,086	0.4%	5,830	0.7%	0.7%
Plastic & Rubber Products	1,382	0.2%	3,059	0.5%	3,543	0.4%	5,040	0.6%	0.6%
Processed Foods	2,630	0.4%	2,656	0.4%	2,210	0.3%	4,974	0.6%	0.6%
Non-Metallic Mineral Mfgs.	1,069	0.2%	4,247	0.6%	3,431	0.4%	3,804	0.5%	0.5%
Primary Metal Manufactures	608	0.1%	356	0.1%	774	0.1%	3,180	0.4%	0.4%
Used Merchandise	2,230	0.3%	640	0.1%	3,707	0.4%	2,671	0.3%	0.3%
Beverage & Tobacco Products	1,327	0.2%	1,491	0.2%	1,228	0.1%	2,390	0.3%	0.3%
Wood Products	1,370	0.2%	1,829	0.3%	1,600	0.2%	1,859	0.2%	0.2%
Spec. Classification Provisions	1,372	0.2%	1,456	0.2%	707	0.1%	1,669	0.2%	0.2%
Goods Returned to Canada	1,855	0.3%	163	0.0%	373	0.0%	1,355	0.2%	0.2%
Misc. Manufactures	1,204	0.2%	1,284	0.2%	1,148	0.1%	1,305	0.2%	0.2%
Forestry & Logging	46	0.0%	110	0.0%	47	0.0%	972	0.1%	0.1%
Petroleum & Coal Products	131	0.0%	312	0.0%	186	0.0%	793	0.1%	0.1%
Non-Apparel Textile Products	64	0.0%	34	0.0%	261	0.0%	441	0.1%	0.1%
Fabric Mill Products	372	0.1%	68	0.0%	55	0.0%	284	0.0%	0.0%
Paper Products	529	0.1%	689	0.1%	309	0.0%	249	0.0%	0.0%
Animal Production	123	0.0%	0	0.0%	31	0.0%	248	0.0%	0.0%

Source: Department of Commerce, State by State Exports: 2007

* % of State export total is the share of entire U.S. export, and others are shares of state export.

** (Z) means that % change is greater than 500%, and (-) means that the product is a new export.

Wyoming Exports by Trading Partner Countries

(Unit: \$1,000)

	2004	(%)*	2005	(%)	2006	(%)	2007	(%)	% Change,** 2006-2007
World Total	680,239	0.1%	669,078	0.1%	830,046	0.1%	801,822	0.1%	0.1%
Canada	195,531	28.7%	161,240	24.1%	232,930	28.1%	233,652	29.1%	29.1%
Mexico	70,997	10.4%	71,473	10.7%	46,554	5.6%	15,509	1.9%	1.9%
Japan	50,808	7.5%	45,259	6.8%	42,220	5.1%	39,972	5.0%	5.0%
Indonesia	32,530	4.8%	38,174	5.7%	38,559	4.6%	38,751	4.8%	4.8%
South Korea	25,592	3.8%	30,196	4.5%	31,847	3.8%	31,956	4.0%	4.0%
China	13,513	2.0%	14,673	2.2%	16,458	2.0%	19,912	2.5%	2.5%
Chile	25,950	3.8%	31,783	4.8%	42,362	5.1%	39,531	4.9%	4.9%
Taiwan	19,416	2.9%	28,597	4.3%	31,049	3.7%	38,115	4.8%	4.8%
Argentina	21,478	3.2%	6,859	1.0%	16,813	2.0%	14,238	1.8%	1.8%
Thailand	18,948	2.8%	21,278	3.2%	29,635	3.6%	20,987	2.6%	2.6%
Belgium	10,172	1.5%	13,866	2.1%	20,594	2.5%	23,173	2.9%	2.9%
Malaysia	12,876	1.9%	17,681	2.6%	15,815	1.9%	12,362	1.5%	1.5%
Venezuela	18,672	2.7%	11,625	1.7%	22,488	2.7%	29,080	3.6%	3.6%
Saudi Arabia	12,669	1.9%	12,732	1.9%	18,624	2.2%	18,630	2.3%	2.3%
United Kingdom	11,500	1.7%	11,877	1.8%	6,898	0.8%	8,781	1.1%	1.1%
Brazil	22,908	3.4%	51,592	7.7%	62,083	7.5%	54,745	6.8%	6.8%
France	15,890	2.3%	4,723	0.7%	6,819	0.8%	10,345	1.3%	1.3%
Australia	22,367	3.3%	14,496	2.2%	18,990	2.3%	18,190	2.3%	2.3%
South Africa	5,463	0.8%	5,883	0.9%	14,182	1.7%	12,935	1.6%	1.6%
Spain	12,676	1.9%	13,750	2.1%	20,611	2.5%	19,249	2.4%	2.4%
Guatemala	2,824	0.4%	2,803	0.4%	7,264	0.9%	6,441	0.8%	0.8%
United Arab Emirates	3,550	0.5%	3,800	0.6%	8,687	1.0%	8,335	1.0%	1.0%
Netherlands	11,614	1.7%	11,187	1.7%	11,763	1.4%	20,955	2.6%	2.6%
Peru	3,773	0.6%	3,841	0.6%	6,505	0.8%	7,584	0.9%	0.9%
Colombia	6,364	0.9%	9,343	1.4%	17,310	2.1%	14,693	1.8%	1.8%

Source: Department of Commerce, State by State Exports: 2007

* % of State export total is the share of entire U.S. export, and others are shares of state export.

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