

Demand as hot as Arizona sun

Canadians eager to buy property in Greater Phoenix area

BY GERALD VANDER PYL

When many Canadians start looking for recreational or investment property, their gaze turns south toward the United States.

According to a survey released in July by the U.S. National Association of Realtors, Canadians made up 23 per cent of international buyers of U.S. real estate during the previous 12 months, the third straight year they have been the largest percentage of foreign buyers.

A favourite destination for Canadians buying real estate in the U.S. is the Greater Phoenix area.

Former Winnipeg resident and now Phoenix realtor Diane Olson says her staff of 20 has been kept busy all summer dealing with Canadians looking to buy real estate in the area.

“(The demand) is as hot as the Arizona sun,” says Olson.

She says prices in some cities that make up the Greater Phoenix area are down about 50 per cent from several years ago.

As an example she points to a 1,800-square-foot townhome condominium on the 9th hole of the Troon North golf course in Scottsdale that originally sold for \$650,000 in 2007

and recently resold for \$305,000.

Olson says it’s amazing what you can get for even \$150,000 these days, although she cautions people about stories of properties selling for \$30,000 or \$40,000.

As a former police officer, she says if it sounds too good to be true, it probably is, so people need to consider not just price but location and issues like security and possible crime.

Canadians are also snapping up properties in places like Palm Springs, Calif., the resort area made famous years ago by Hollywood stars.

Realtor Paul Kaplan with Mid-Century Modern Properties says last year about 50 per cent of his clients were Canadians.

Kaplan says that, again, lower prices were a huge draw, with the real estate market back down to where it was about seven years ago.

He says it’s possible to buy a condominium as a vacation getaway for under \$100,000, while other people are attracted to higher-end

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Kaplan says a Canadian recently bought a beautiful Spanish-style villa for over \$2 million, one that would have cost double that a few years ago.

Prices in the Naples and Fort Myers area of southwest Florida are also down from their highs of 2005-06 — about 50 per cent inland and 30

to 35 per cent on the beach, says Ken O’Brien, realtor-broker with Southwest Coast Realty Inc.

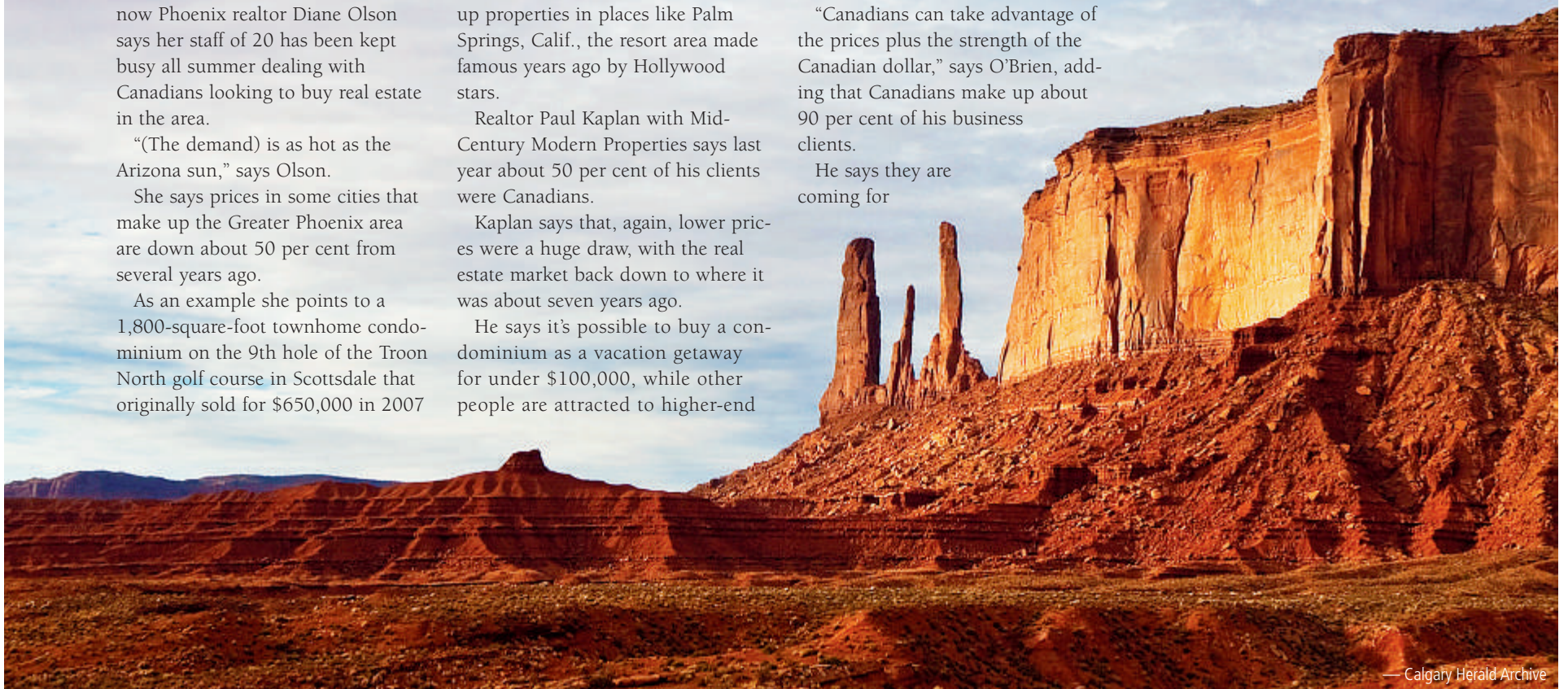
“Canadians can take advantage of the prices plus the strength of the Canadian dollar,” says O’Brien, adding that Canadians make up about 90 per cent of his business clients.

He says they are coming for

the great deals, and also the lifestyle offered by the southwest Florida region, which he says has more golf courses per capita than anywhere else in the world.

With prices down so dramatically from their peak in many areas of the U.S., many buyers are wondering if now is the time to buy, or if the market has yet to bottom out.

O’Brien says the MLS median price in his region has basically been flat for the past 18 months, following the initial dramatic decline. He says the number of listings has also decreased from earlier highs, which some people feel indicates the real estate market has bottomed out.



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