



June 28, 2009

## Canadians clean up in Lee County's real estate field

BY EVANGELIA GANOSELLIS  
[lganosellis@news-press.com](mailto:lganosellis@news-press.com)

Driven by Southwest Florida's housing crisis and a highly favorable exchange rate, Canadians are snapping up bargains for second homes and investments.

Where many here see crisis, Canadians see opportunity.

Canadians account for about 25 percent of sales to foreign home buyers in Florida, according to the National Association of Realtors.

In the past year, that number has become particularly evident in Lee County.

Terry Dona, sales manager at Gulf Coast Associates Realtors in Bonita Springs, said Canadians comprise most of her foreign buyers at about "80 to 1."

"We have quite a few Canadians who are looking for property all the time," Dona said. "It's obviously picked up even more in the last 12 months."

Dona attributed the influx of Canadian home buyers partly to the dollar's rate of exchange and also to appealing prices.

Canada has experienced an advantageous rate of exchange the past year, with exchange rates as high as \$1.30 in March.

The U.S. dollar is currently equivalent to about \$1.15 in Canadian currency.

That means a \$100,000 home in Southwest Florida is selling at a \$15,000 discount for Canadian buyers since March.

And Canadians haven't been hit as hard by the economic downturn as Americans have, said John Irons, regional mortgage manager for Florida's branches of Royal Bank of Canada.

"Canada as a whole is pretty strong economically," Irons said.

Royal Bank of Canada - known as RBC in the U.S. - has seen a 15 percent increase in Canadian mortgage applications around Florida since the beginning of the year, Irons said.

Applications in the bank's Bonita Springs branch have also increased since then, but he didn't have specifics.

Brett Ellis, an agent with Re/Max Realty Group in Fort Myers, said Canadians flock to the area because they realize "Florida is on sale."

Ellis said he began noticing an increase in Canadian home buyers in the area about six months ago.

"They're getting some tremendous bargains they couldn't get some years ago," he said.

Now, Ellis said, Canadians can buy a "second home in paradise" at a more than reasonable price.

Bill DeJong, president of Coldwell Banker Commercial Integrity Real Estate in Ontario, is taking advantage of those bargains.

DeJong recently made a trip to Fort Myers to look at a potential investment opportunity - foreclosed houses in Lehigh Acres.

The houses he found were once valued at \$250,000. Now, they're selling for \$50,000.

DeJong also looked at a condominium at the Legends Golf and Country Club in Fort Myers. The condominium was priced at \$320,000 in 2006.

DeJong could buy the condo now for \$139,000.

"We just thought that was remarkable good value," he said.

Aside from low housing prices and the attractive exchange rate, a subtropical environment is also luring potential home buyers.

Dona said the majority of her Canadian clients are looking for second homes.

"It's just a little piece of paradise here," she said.

Miami is too big and crowded, Dona said, and anywhere north of Sarasota is "too cold."

So Southwest Florida prevails.

"It's more of a place where people come to get their battery recharged," Dona said. "You feel like you're on vacation."

## Additional Facts

A favorable exchange

Why are Canadians more interested in Florida properties?

One reason is the favorable exchange rate.

In March, it took nearly \$1.30 in Canadian currency to buy one U.S. dollar. By the end of June, it only took about \$1.15 Canadian to buy a dollar.

That means a Canadian buying a \$100,000 (U.S.) home in Southwest Florida is now saving about \$15,000 Canadian or roughly \$13,000 U.S.

