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Canadians flock to Arizona for second homes

By Diane Wedner

March 2, 2010

Americans who knew little of Canadians aside from their funny pronunciation of "house" and "about" know a lot more about their northerly neighbors after the Olympic Games. They really *are* good at skiing, ice hockey and curling.

Turns out, they're also savvy about real estate. And they're flocking to Arizona, where the buyin' is cheap and the weather is warm.

"We've always looked at Western Canadians as our feeder market," says Cambridge Properties broker Keith Mishkin. "They made up about 1% of our marketplace before, but that number has now doubled."

At Corriente Residences in Scottsdale, Ariz., "Canadians make up about 10% of the buyers," Mishkin said. Canucks comprise the largest group of buyers there, after Arizonans, according to sales data, followed by buyers from Colorado, Illinois and California. More than 7,000 residential properties in Maricopa County list Canadian addresses as their primary residences, according to the Maricopa Tax Assessor's Office.

Why the Grand Canyon State? To begin with, winter temperatures in the 70s. And it is a lot closer to Calgary than Miami. But the real draw is a condo market that's hit rock bottom. Buyers are picking up second homes for prices not seen in 10 years, agents say.



Donald Miralle, Getty Images

For a population that typically uses condo units only as winter vay-cay escapes a few weeks a year -- so renting often is the economical route -- the lure of low prices is spurring Canadians to jump in as buyers.

Some condominiums are going for "\$75,000 to \$200,000 less than at the peak," Mishkin said. At Corriente, one-bedroom units in 1,000 square feet are available in the \$220,000 range. Those seeking two-bedroom units in 1,550 square feet can land one in the \$300,000 range. Monthly condo fees are \$295. Pity the buyers who forked over \$651,000 for condos with golf-course views a few years ago. It will be a long time before they fetch that price again, agents say.

Janet and Stephen Flesch, buyers from Calgary, Alberta, purchased a two-bedroom Corriente condo in December for \$345,000. They did so "because the price was right. Also, the weather is great in Phoenix and is not in Calgary," Janet, 53, said. "Our family is using the condo already, and we will retire there in a couple of years."

Still, buying even lower-priced condos can be challenging, Mishkin says. Bank credit is still tight; even those with good credit and 40% down sometimes are turned down for loans. Cash is king in Arizona, as it is elsewhere. Bring it along, apparently, to get the goods while goods are low-priced.