

THE IMPACT OF RESIDENTIAL PROPERTY SALES TO FOREIGNERS ON TOURISM: ANTALYA CASE

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*This paper is supported by Çanakkale Onsekiz Mart University, Scientific
Research, Project No: SDK-2024-4868*

In Turkey, after the sale of housing to foreign nationals was permitted, foreigners have begun to purchase homes in large numbers, particularly in big cities and along the Mediterranean and Aegean coasts, where tourism is developed.

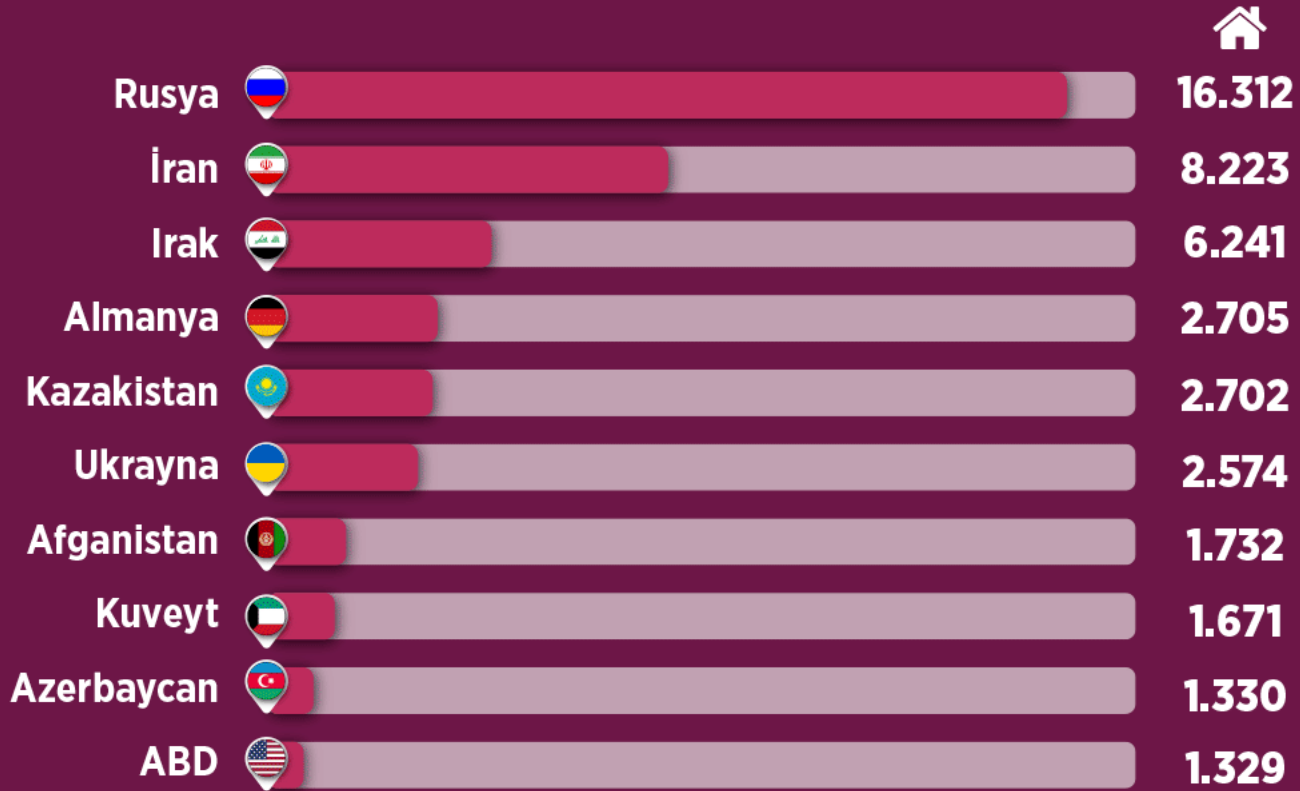


Housing sales to foreigners by year

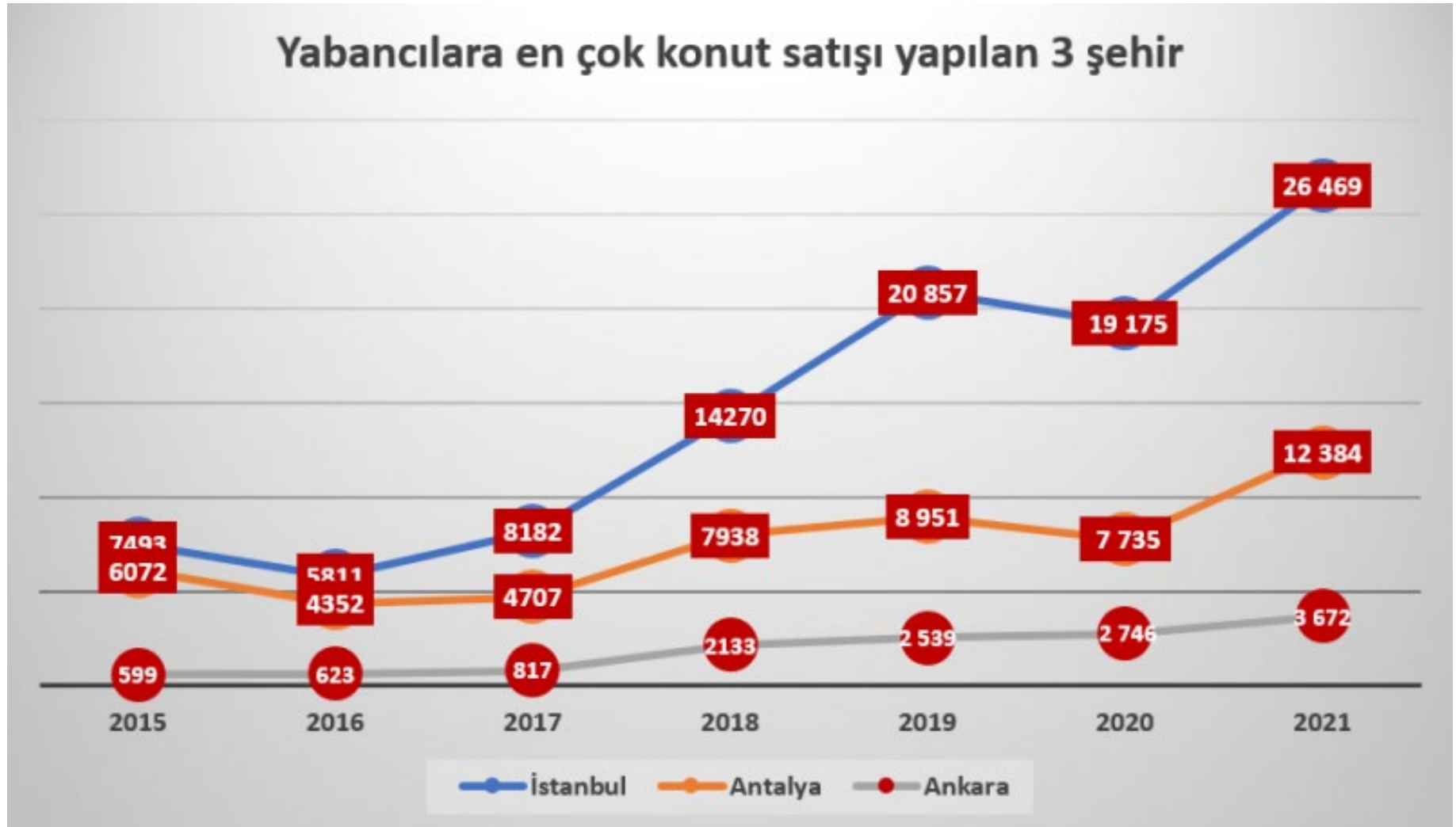


2013	12.181	🏠
2014	18.959	🏠
2015	22.830	🏠
2016	18.189	🏠
2017	22.234	🏠
2018	39.663	🏠
2019	45.483	🏠
2020	40.812	🏠
2021	58.576	🏠
2022	67.490	🏠

Nationalities that bought the most homes - 2022



Top 3 cities where the most houses were sold to foreigners



Housing sales to foreigners have both positive and negative consequences.

In recent years, **the negative impacts**, particularly on the tourism sector, have been frequently reported in various media.

Many foreigners purchase multiple residences and illegally rent out their unused residences to other tourists.

Similarly, it's a common practice for foreigners who purchase a residence to rent it out when they don't use it.



This study aims to examine positive and negative impacts of the sale of residential properties to foreigners on tourism.

The field work realized in Antalya, where foreigners buy houses intensively, and considered as Turkey's tourism capital.



Antalya leads in housing sales to foreigners.

The universe of the research consists of hotels and travel agencies operating in Antalya.

A semi-structured questionnaire form was developed and used, as one of the qualitative research methods.

Face-to-face interviews were conducted with hotel and travel agency managers in Antalya city center, Kemer, Side/Manavgat, and Alanya provinces in July 2024.

Interviews lasted an average of 30 minutes and were realized with 20 managers.

Content analysis was used to analyze the obtained data.

Table 1. Demographic data of interviewers

<i>Interviewer</i>	<i>Age</i>	<i>Gender</i>	<i>Education</i>
<i>K1</i>	<i>24</i>	<i>Male</i>	<i>University</i>
<i>K2</i>	<i>21</i>	<i>Male</i>	<i>Lycee</i>
<i>K3</i>	<i>27</i>	<i>Female</i>	<i>University</i>
<i>K4</i>	<i>61</i>	<i>Male</i>	<i>Lycee</i>
<i>K5</i>	<i>45</i>	<i>Male</i>	<i>University</i>
<i>K6</i>	<i>48</i>	<i>Male</i>	<i>Lycee</i>
<i>K7</i>	<i>37</i>	<i>Male</i>	<i>University</i>
<i>K8</i>	<i>54</i>	<i>Male</i>	<i>Lycee</i>
<i>K9</i>	<i>40</i>	<i>Male</i>	<i>Master degree</i>
<i>K10</i>	<i>53</i>	<i>Male</i>	<i>Lycee</i>
<i>K11</i>	<i>20</i>	<i>Male</i>	<i>Lycee</i>
<i>K12</i>	<i>44</i>	<i>Male</i>	<i>University</i>
<i>K13</i>	<i>35</i>	<i>Male</i>	<i>University</i>
<i>K14</i>	<i>29</i>	<i>Male</i>	<i>Lycee</i>
<i>K15</i>	<i>39</i>	<i>Female</i>	<i>University</i>
<i>K16</i>	<i>47</i>	<i>Male</i>	<i>University</i>
<i>K17</i>	<i>49</i>	<i>Male</i>	<i>University</i>
<i>K18</i>	<i>59</i>	<i>Male</i>	<i>Lycee</i>
<i>K19</i>	<i>53</i>	<i>Male</i>	<i>Lycee</i>
<i>K20</i>	<i>50</i>	<i>Male</i>	<i>Lycee</i>

Table 2: Themes addressed in the study

<i>No.</i>	<i>Theme</i>
<i>1</i>	<i>Positive impacts of housing sales to foreigners</i>
<i>2</i>	<i>Negative impacts of housing sales to foreigners</i>
<i>3</i>	<i>Economic impact of housing sales to foreigners in tourism industry</i>
<i>4</i>	<i>Tourism stakeholders affected by housing sales to foreigners</i>
<i>5</i>	<i>Illegal rental activities</i>



Some participants stated that selling housing to foreigners is beneficial because it facilitates their acquisition of citizenship.

Some participants, viewed housing sales to foreigners as positive from both social and economic perspectives.

They stated that foreigners who buy house

- contribute to cultural richness,

- help to generate income by bringing foreign currency into the economy, and that

- foreigners staying in the properties they purchase or renting them out allows tourism to expand throughout all seasons.



Table 3: Findings Regarding Positive Impacts of Housing Sales to Foreigners

<i>Theme</i>	<i>Statement</i>
<i>Positive Impacts of Housing Sales to Foreigners</i>	<i>Obtaining citizenship</i>
	<i>Investing</i>
	<i>Foreign exchange inflow</i>
	<i>Permanent tourist accommodation</i>
	<i>Cultural richness</i>



Table 4: Findings Regarding Negative Impacts of Housing Sales to Foreigners

<i>Theme</i>	<i>Statement</i>
<i>Negative Impacts of Housing Sales to Foreigners</i>	<i>Rising housing rents</i>
	<i>Increased housing purchase prices</i>
	<i>Difficulties of Turkish citizens to access housing</i>
	<i>Exodus of tourism employees</i>
	<i>Damage to demographic structure</i>
	<i>Decrease in hotel overnight stays</i>
	<i>Illegal accommodation activities</i>



Civil servants don't want to work in Antalya.

Table 5: Findings Regarding Economic Impact of Housing Sales to Foreigners on the Tourism Industry

<i>Theme</i>	<i>Statement</i>
<i>Economic Impact of Housing Sales to Foreigners on the Tourism Industry</i>	<i>Increase in real estate prices</i>
	<i>Decrease in expenses</i>
	<i>Income-generating effect</i>
	<i>Illegal activities</i>
	<i>Reduction in the number of overnight stays</i>



Foreigners have started working as unlicensed tour guides.

Table 6: Findings Regarding Tourism Stakeholders Affected by Housing Sales to Foreigners

<i>Theme</i>	<i>Statement</i>
<i>Tourism Stakeholders Affected by Housing Sales to Foreigners</i>	<i>Accommodation Enterprises</i>
	<i>Travel Agencies</i>
	<i>Transfer Service Agencies</i>
	<i>Tour Service Agencies</i>
	<i>Construction Companies</i>
	<i>Real Estate Agents</i>
	<i>Local Residents</i>



Conclusions

The findings of the research indicate that housing sales to foreigners have numerous **positive and negative,**

direct and indirect impacts on the tourism sector.

As in other countries,

- housing sales to foreigners positively impact the national economy due to their foreign currency-generating effect.
- They also play a role in attracting foreign investors and extending the tourism season to all seasons.
- Interviews indicate that the required purchase price for foreigners to purchase housing in Turkey should be higher.
- Foreign demand for housing is beneficial for the construction sector.
- Real estate companies also generate revenue.

However, to prevent a leakage in the economy, it is necessary to investigate whether real estate companies are foreign companies or not.

According to participants, negative impacts are greater than positive ones on the tourism sector.

The most significant impact, as cited by most participants, is

- the excessive increase in housing rents and sales prices in the region.
- Access to housing has become increasingly difficult for locals and tourism workers.
- This situation leads to emigration from the region and loss of employment.

This migration of workers could also lead to the emigration of qualified personnel in large hotels in the region, leading to a decline in service quality.

Decreasing service quality could lead to a risk of high-quality tourists turning to other regions or countries.

It has been observed that foreign homebuyers are illegally renting their properties to others while they are not in use.

This situation negatively affects small and medium-sized accommodation businesses in particular, decreasing occupancy rates and overnight stays.

Furthermore, foreign home owners are observed providing illegal tour and transfer services to tourists.

These uncertified activities create unfair competition, financially harm small and medium-sized businesses in the region, and

generate tax and employment losses.

Furthermore, it negatively affects locals' perceptions of foreigners.



Thank you for paying attention

