

## 10 Simple Steps To Successful Florida Property Ownership

Although there are fewer horror stories about buying property in Florida than there are for some popular European areas, it is very dangerous to assume that our cultural and language similarities mean that the property-buying process in Florida is the same as the UK. The systems are actually very, very different in a number of critical areas and ignoring that fact can leave you open to a great deal of risk.

As they say, forearmed is forewarned, so here are ten areas the experts consistently return to with their British clients.

### *One Rule To Bind Them*

Even if you listen to no other piece of advice about buying property in Florida, please, please, please don't ignore this.

The only way to be 100% sure of avoiding the many pitfalls is to enlist the help of experienced professionals who are based in Florida but who are expert in dealing with British people buying property there. It's not enough to simply work with people in Florida – if they don't understand where you are coming from, they won't know which parts of their system need to be specifically explained and highlighted as different.

### *Getting Into The Country*

Getting into Florida to find a property shouldn't be a problem for British people with a current passport. You don't need a Visa for a visit of less than 90 days, which should be enough for any research and buying trips. Bear in mind that the final contracts can usually be signed by mail – though you may have to do this in front of a USA-recognised notary (the American embassy can help you find one).

Although it's beyond the scope of this article, please bear in mind that staying long-term or permanently in Florida is a different matter entirely and you should obviously confirm your status before buying a residential property.

### *Recruit a Buyer's Agent*

Buyer's agents are paid from the seller's commission, so you don't have to pay them – but they have a legal responsibility to give their client (you) fair advice. Make sure your agent has experience of dealing with British clients.

### *Use The Listings*

A major difference between property buying in the UK and Florida is that virtually all Florida properties are listed on one central database that all reputable agents can access. That means that you don't have to trudge round multiple agencies to see all the properties on offer, and there is really no excuse for falling under the spell of owners selling their own properties, developers selling their own developments – or any other

sellers with a highly vested interest. Identify what you want, prioritise your needs, and sit down with your agent to identify potential properties in the locations and price ranges that suit you.

#### *Don't Buy The Show House*

At least – don't buy a property on a new development thinking that your home will look like the show house. We're used to show homes in the UK being furnished and dressed to look their best, but a Florida show home is more like the cars they show in the TV ads – metallic paint, air conditioning, alloy wheels and a whole range of other extras that might add 30% or more to the price.

Indeed, many specialists go further and advise British clients against visiting any developments on spec. There are too many stories of Brits being friendly and open with the on-site agents only to find later that they have been verbally signed up for services, or even worse, property!

#### *Recruit a Mortgage Agent*

There are many critical differences between how mortgages work in Florida and the USA, and there can be serious consequences if you get the wrong kind of mortgage for the property you buy – or the way you plan to use it.

#### *Get Pre-approved For A Mortgage*

You can get pre-approved in principle for a mortgage before you start looking seriously at properties. As well as putting your mind at rest about the availability of mortgages, this helps you set an affordable budget right at the beginning – and show sellers and their agents that you are a serious buyer with funds available. Don't underestimate the extra respect you earn when sellers know you are a qualified buyer rather than a tyre-kicker!

#### *Don't Forget The Golden Rule*

Location, location, location. Florida is a massive state, and there are regional variations in market conditions, resale values and other factors – just as there are across the UK. Don't fall into the trap of treating the whole state as one equally desirable sun-soaked location – ask your advisers about the differences between the different regions within Florida, and dig right down to the level of local zoning regulations to make sure that a specific property can be used the way you want to use it.

#### *The Deal Isn't Closed Until ...*

Purchasing a property in Florida has two key stages. Once you have found the property you want, you will sign an agreement of sale. This commits both you and the seller to the deal, but usually only within the context of a number of conditions or clauses that you must both satisfy. For example, this may make the sale conditional upon you getting the right kind of mortgage, or upon the seller providing appropriate documentation to prove ownership, and so on. Be aware that any commitment to actions by specific dates is binding, and missing them can give the seller an

opportunity to pull out of the deal (which they might do if they have received another offer).

The final stage is "settlement" or "closing", and brings with it a significant range of different fees. Too many to deal with adequately here, but a useful leaflet from the US Department of Housing and Urban Development contains full details of everything to account for – and handy tables to help you keep track of all the costs involved.

#### *Cost Of Ownership*

Finally closing the deal on your dream is a massive landmark – but don't forget it is also the beginning of your life as a property-owner in Florida, so make sure your plans and calculations have included all the ongoing costs that apply. The calculation, application and payment of property taxes for example is very different from the Council Tax system in the UK, so it's important you understand how this will apply to every property you consider buying – and that you factor the costs into your budget.

The key to successfully buying property in Florida is really quite simple – find experienced advisers who specifically understand the business of helping British people through the process. Follow that one simple rule and you will soon join the many thousands of Brits with property in the Sunshine State!