

Why Do A Lot Of Property Seminars Just Paint A Rosy Picture?

Once you have decided in principle that you are interested in buying a property in Florida, the next step is to decide how you are going to identify the right property for you, arrange finance and close the deal.

Florida is proving to be an extremely magnetic area for Brits like you, and a whole industry has grown up with the sole purpose of selling Florida property to British citizens. This means you can view property listings in magazines, browse property details on the internet, and attend one of many seminars that are arranged around the UK for British buyers.

Now, it's always a good idea to do as much research as you can, and immersing yourself in publications and listings, and picking up useful information at seminars all help to make you a better-informed buyer – as long as you do enough research to develop a snake-oil radar that will prevent you being misled by the smoother seminar operators.

Selling property at a distance is always a high-risk business, and “Florida swampland” is a cliché in America for property that is sold as highly desirable but turns out to be a mosquito-infested swamp. Although you are unlikely to end up buying swampland at a London property seminar these days (unless that's what you really, really want!), there are modern equivalents that can leave you not getting the best property, mortgage or value for money.

The first thing to consider is exactly who is travelling all the way to the UK to sell property? In the main, these seminars are based around selling property in one or two specific developments. They may be dressed up to look like general-purpose information-driven Florida property seminars, but in reality the agents you are talking to can only sell you property in their own developments.

What does that mean to you?

Well, the main problem it creates is that they have no reason to be anything other than highly biased about the attractiveness of their developments. These developments have probably been designed and built specifically with this kind of sales model in mind, so although they look like an attractive proposition to a naive foreign buyer, they may be a very poor candidate for resale – either to better educated foreign buyers or to local families.

Too many British buyers are blinded by the photographs and videos showing beautiful new American-style houses and nicely landscaped plots all in a pristine setting in the “Sunshine State”. They forget what the golden rule of property buying – location, location, location – really means. Sitting at a seminar in the dismal UK winter, they think the “location” is Florida, and that everything – anything – in Florida is an attractive alternative.

They forget that Florida is a massive state, and there are the same regional variations within the state as there are in the UK. The decision to buy a property in Miami or Florida, on the Gulf coast, the Atlantic coast, or in central Florida can be critically important – especially if some or the entire mortgage is to be paid by holiday rentals. You wouldn't think that buying a property in Liverpool was interchangeable with buying in the Lake District, so don't make the same mistake with Florida.

You may be quite happy about the idea of moving into a purpose-built development with no local shops or schools, but you have to think about how that will affect the future resale value. Local families are unlikely to find such developments attractive – not only do they have few amenities, but Florida families do not enjoy living in the middle of rental properties with a constant flow of holidaymakers moving in and out. Yes, the property may be attractive to other British buyers like you, but bear in mind that the same company may have built three new developments in the same area by the time you are trying to sell.

Even at a very local level, there are zoning restrictions in Florida that can influence all kinds of things, from the number, size and style of houses in the area – to what you can do with them. For example, you can't buy a property as a primary or secondary home (that is – where only you will live in it) and assume you can later decide to start renting it out, as there may be zoning restrictions that prevent this. There may even be local zoning restrictions that apply to swimming pools – so you really do need to dig right into the detail before committing to a Florida property.

Bear in mind also that it is relatively expensive for Florida-based companies to bring a seminar team to the UK, a fact that influences a few aspects of what they sell. Firstly, it is only economic for agents from the most popular parts of Florida to make the trip – so you may find out about properties in and around Orlando (and get a heavy sales pitch about why Orlando is the right place for you), but you won't get anyone representing other areas, or recommending places to consider based on your exact requirements.

Basically, they will sell what they have rather than sell what you need.

The next economic factor about buying at a property seminar is that you may well pay over the odds. Partly to cover the additional costs of travelling to the UK, and partly because they have a captive market with little access to competitive information, the commissions being paid to agents selling these properties can easily be twice as high as the commissions being paid to agents in Florida.

Agents selling at seminars will try to tell you that buying property in Florida is easy – and that may be true if you are willing to pay the price they ask for the property they offer and use only their financing, and only the agents and officials on their payroll.

Buying property in Florida *can* be easy – and you can get the best deal on exactly the right property for you with a finance package that is right for

your circumstances and needs. But the way to do this is by working with specialists based in Florida who understand all the issues that face British people buying property there. Virtually every property in Florida is listed in a central database that can be accessed by all agents – and the services of a buyer's agent are paid from the seller's commission, so they don't cost you a penny. Deal with the specialists and you will have the pick of Florida properties at the right price and you will avoid the pitfalls that lie in wait for the unwary.

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