



WITH record numbers of people wanting to buy property abroad, it pays to know the right way to go about it.

Each country has different rules and regulations and knowing the pitfalls can you save time and money. Each month we'll be featuring questions and answers on purchasing a home in a different country. This time we focus on Florida

Buying in florida



Q How do I buy a property in Florida?
A The system is similar to that which exists in the UK. From a buyer's perspective it's as simple as locating a suitable property. Buyers can use the services of a realtor/broker – like myself they are usually one and the same – and they will help choose and buy a property, at no cost to the buyer. A documented contract ensures buyers and sellers fully understand the transaction.

Q Do I need a solicitor?
A A solicitor is not usually needed. In Florida we work with standardised contracts if the property is a resale. If it's new, the builder writes a legally approved contract. These contracts remove the likelihood of most problems cropping up, and solicitors are only usually needed if anything out of ordinary happens.

Q What is the difference between an off-plan property and a resale property?
A Off-plan properties have an allocated plot of land, but have not yet been built. Resale homes are those which have been bought before.

Q What can I do to make sure I do not lose my money should the builder go bust?
A Florida has a state protection fund against builders going bust.

Q Do I need a bank account in the country where I am buying?
A This is strongly recommended as it makes all transactions easier.

Q Can I get a mortgage?
A Loans up to 80 per cent of the value of the property are readily available. Low-start loans plus fixed rates up to 30 years are also available. We advise buyers consider the Abbey scheme (British Mortgages Abroad) and also speak to a US mortgage broker.

Q Do I need to make a new will in the country where I am buying the property?
A No, we suggest consult your UK lawyer. If you acquire numerous assets in the US, you can easily make a will in Florida, covering those.

Q What charges are there on top of my purchase price?
A As you would in the UK, you need to consider legal and closing costs. Their level will depend greatly on amount borrowed and a mortgage broker can give a "Truth in Lending" estimate. This is very accurate, but as a rough guide allow about five per cent of the amount borrowed.

Q What is the process of buying the property?
A After choosing a resale home then a formal contract of offer is made. If this is accepted you will be given a closing date and have to make a goodwill deposit, which gives time to put funds in place. Expect completion within about six weeks. If you choose a new property, you will usually have to give a deposit to the builder, of about \$5,000. A contract will be issued about one month later and the builder then normally asks for the deposit to be increased to 10 per cent of the purchase price. You should then expect to pay nothing more until the property is completed.

Q Can I sell my off-plan property before completion?
A Generally no, although some firms do allow this.

Q Can I rent the property out?
A No.

Q What costs can I expect to pay a rental agency for renting out my property for me?
A Typically 10 per cent.

Q Can I get a property with a rental guarantee so I know what my income will be?
A Guaranteed rentals can be offered on certain properties, but usually only for the first year. The rental market depends heavily on tourism.

Q What maintenance costs do I expect to pay?
A There will be monthly management fees, which if you include a pool, lawn, pest control and cleaning, are typically about \$300 to \$400 a month.

Q If I am buying a property for an investment, what should I look for?
A Location, location, location first, then the property's features, for example, a pool or spa, whether it is south facing, whether it has a games room, and so on. Homes in Florida, especially the new ones, tend to have the "wow" factor, so make sure you aren't bowled over by the first, without looking at a selection.

Q How do I arrange residency in the country, should I decide to go and live there?
A This is complicated, but not impossible – after all, I did it. You need a good immigration lawyer in the UK to help you pick a visa application to suit your circumstances.

Q What are hospitals like in Florida?
A Florida has excellent hospitals, but you will need to pay for healthcare. Before you leave, ensure you have good travel insurance.

Q How can I find a good school?
A In certain areas the schools are very good, but to be sure those you are considering for your children are up to scratch, a broker could offer advice.

