

# 10 Steps to a Smooth Global Transaction

If you're a foreign buyer who's looking to purchase property in Florida, there are a few things you should consider to smooth your transaction.

## 2. Decide How to Pay.

Do you plan to obtain a mortgage or pay cash? You may find U.S. lenders charge foreign buyers a higher interest rate and require a down payment of 30% or more.

## 4. Learn How to Search.

While it is common in some countries to use a different agent to visit each potential property, in the United States all Realtors® have access to the same Multiple Listing Service and can take you to any home included in the MLS.

## 6. Investigate Closing Costs.

In addition to purchase price, buyers of U.S. properties face costs such as title search and title insurance, and legal and recording fees that can add anywhere from 1½ percent to 3 percent to the final cost.

## 1. Consider how to buy.

You can purchase the property as an individual or through a legal entity such as a limited liability corporation (LLC). If you choose an LLC, it could protect the property from estate and gift taxes and limit liability if an accident occurs. Consult a tax attorney before making a final decision.

## 3. Choose a Lender.

Want to go the mortgage route? Look for a bank that operates in both the U.S. and your home country. It may simplify the process.

## 5. Prepare for the Process.

Buying a home in the U.S. is a deliberative process that can take 45 days, on average, from the time you make an offer.

## 8. Follow the Tax Rules.

If you buy the home through a corporation, you'll need to sign a lease to use it and make rental payments. Also, the corporation should file federal, state and foreign (if required) tax returns. Fail to take these steps, and the Internal Revenue Service could challenge the corporation as a sham.

## 7. Study Taxes and Fees.

If you are borrowing to buy your home, the lender will require you to purchase homeowner's insurance. Also, if the property is close to the water you may need to buy hurricane and flood insurance.

## 10. Recognize the Value of an Experienced Realtor.

Consider working with an agent who specializes in international sales. Often these agents have a team of experts—including a tax attorney, international lawyer and international accountant—who can help smooth the process of buying and owning a home overseas.

## 9. Understand the Restrictions on Your Stays.

The amount of time you can stay in the U.S. varies by your country of origin. Also, residents of select countries, including Canada, do not need visas to visit the U.S. For more information on the rules, go to [travel.state.gov](http://travel.state.gov).

Sources: National Association of Realtors, Internal Revenue Service, U.S. Department of State, Steven L. Cantor.



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