

## Things You Should Know About Buying a Florida Home

1. Homeowner's Insurance - Casualty insurance on residences in Florida can be difficult to get, in certain areas and certain price ranges. Be sure to check this out and the cost before signing a contract. Also, hurricane insurance may not be available when a hurricane threatens. Your contract needs to contemplate this.
2. Open Permits – There are thousands of permits for work on residences in southeast Florida that have been obtained by contractors but have not been "closed." There may be a variety of reasons for this, but the most common is that the contractor completed the work but never requested a final inspection from the city or county. This can be a terrible problem for a buyer who may innocently purchase a home with open permits, and then not be able to obtain a building permit to do additional work until all of the prior open permits have been resolved. This can be an extremely time consuming and expensive process. The simple solution is to check with the local (city or county) building department to determine whether there are any open permits outstanding on the residence you are purchasing.
3. State Closing Fees and Costs - There are several cost related to the sale of property that are present at every closing. The seller will pay certain state fees. Florida Documentary Stamp Tax on the Deed is computed at .70 per \$100 of the sale price of the property, rounded up to the nearest hundred. The buyer will be responsible for paying the documentary Stamp Tax and the Intangible Tax on the Mortgage. Recording fees are \$6 for the first page, \$4.50 for each additional page. The Seller pays to record the deed (usually a 1-2 page document) and the Buyer pays to record the Mortgage.
4. Other Closing Fees and Costs - In DADE County, the seller will also be responsible for paying for the title insurance on the property. A seller will also be responsible for paying the commission to any real estate broker involved. Other fees that occur at closing may include: title search, title exam, document preparation, attorneys' fees, recording fees, courier/overnight fees, etc. These fees will vary among different closing agents.
5. Real Estate Taxes - In Florida, annual property taxes are due in March of the following year. Discounts apply if property taxes are paid before the due date. Tax bills are mailed in November of each year. At closing, property taxes are prorated as of the closing date.