



## Buying a Home in Florida: 10 Key Questions You Can't Afford to Ignore

If you are preparing to buy a home, congratulations! Whether you are a first-time homebuyer, a seasoned real estate investor, or somewhere in between, there is nothing quite like the feeling of signing on the dotted line and receiving the keys to your new home.

But as you may know, the process of purchasing a home is a complex legal transaction, and financing the home adds another layer of legal complexity. **The stakes are high, and if you aren't careful, the purchase of your dream home could turn in to your worst nightmare.** That's why it is so important that you have a qualified and experienced real estate attorney on your team throughout the process.

In this special report, we highlight ten key questions that must be asked in order to eliminate unpleasant surprises down the road. While these questions are a great starting point, please understand that there is no substitute for hiring a qualified lawyer who can provide the specific guidance you need throughout this process.

**1) Will the seller provide a marketable title?** A marketable title ensures that no other parties, such as banks or construction companies, have a claim on the home. Without a marketable title, it is possible that you could wake up one morning to discover that a lender you didn't even know about is attempting to take possession of the home that you thought you owned. Your attorney will review the title and supporting documentation in order to ensure that nobody else has a claim on the home you are about to pay for.

**2) Are there any restrictions (such as zoning regulations) on the home and property?** Are you planning to run a business out of your home? Depending on the nature of your business and the zoning regulations of the home, it is possible that you may not be allowed to do so. In some cases, holding large gatherings such as book clubs or religious activities may not be allowed. And often, any future remodeling you want to do is subject to zoning law and other types of regulations. It is important to find out what the regulations are regarding your home and property before purchasing it, because even if you don't anticipate any issues, you can't know for sure without a proper investigation.



**3) What is included in your offer agreement?** When completing your offer agreement, which is an important early step in the home-buying process, it's critical that you define exactly what is included in your offer. For instance, will appliances like a refrigerator and dishwasher be included? How about outdoor patio furniture? Don't assume that *anything* "comes with the house." The only way to be sure that you'll get everything you are expecting is to be specific in your agreement.

**4) What are the requirements of your lender regarding insurance?** If you will be seeking outside financing, which most homebuyers are, it is important to understand that almost all mortgage lenders require the borrower to insure the property. Ask your lender what types of insurance are required, and what the minimum levels are. Then figure out how much the required insurance will cost you and be sure that you have budgeted for these costs.

**5) Are there any prepayment penalties in your mortgage agreement?** While reviewing the paperwork for your mortgage, be sure to check whether or not a prepayment penalty is included. A prepayment penalty is a mechanism that banks often use to discourage refinancing, and such a penalty could limit your refinancing options in the future. In some cases, the prepayment penalty is negotiable, and in some cases it is not – but either way, it's important that you understand what you are committing to.

**6) Does your lender have the right to change your interest rates during the term of the loan?** There are a wide variety of loan structures available to homebuyers (one of the many reasons it's important to have a lawyer on your team with experience in this area!), including loans in which the interest rate can be changed. If you are requesting a variable rate loan, it's important that you understand how and when the interest rate can change. Otherwise, you risk ending up with mortgage payments that you can't afford to make.

**7) Who is responsible for loan closing costs?** In some cases, sellers will agree to cover the costs of closing the mortgage loan. In other cases, this isn't an option. Be sure to specify, in writing, who is responsible for these costs as they can be significant.



**8) Have utilities been installed, and are they fully paid for? If not, who is responsible for these costs?** While you may assume that utilities such as water, electricity, gas, phone lines, cable lines, and so forth have already been installed, this isn't always the case. It is important to specifically check for basic utilities, and if any aren't installed or need repair, you will want to account for these costs while negotiating your price.

**9) If the home is under construction (or being repaired), are there any costs which have yet to be incurred? If so, who is responsible for them?** If the home has been recently remodeled, or is currently being worked on, verify whether or not all payments have been made. If there are payments yet to be made, specify whether you or the seller are responsible, and adjust the price you are offering accordingly. Otherwise, you risk being hit with a massive bill for work that you assumed was already paid for.

**10) Are the boundaries of the property clearly and properly defined?** Request to see documentation which defines the legal boundaries of the property you plan to purchase. Your attorney can determine whether there are any disputes regarding these boundaries, such as disputes with neighbors or the local government. The majority of the time, you won't find any issues – but if there is a dispute or a related boundary problem, finding out about it before closing on the deal can make all of the difference.

Buying and financing a home is a complicated process, and there are plenty of opportunities to make a costly mistake. Your home represents your future, and will often be the most expensive purchase you make in your lifetime. The stakes are high, and you can't afford to make a mistake or overlook a key detail. It's very important to have a qualified and experienced lawyer on your team, and to seek their legal guidance every step of the way.

If you are preparing to purchase a home, we would love to represent your interests in this process. **Please call us at 1-855-513-5880 or email us at [Info@Marinatitle.com](mailto:Info@Marinatitle.com) to schedule a free consultation.**

Congratulations once again on your plan to purchase a home, and we look forward to assisting every step of the way!