

8 Questions to Ask When Buying a Property in the U.S.

Buying real estate in the U.S. is different than in many parts of the world. Here are 8 questions to answer before you sign a contract for the perfect Florida vacation home.

1. How do I find properties? In the U.S., all Realtors® list properties in the Multiple Listing Service (MLS). All agents can show any property found online.

2. How long will it take once I sign a contract? The process from having an offer accepted to closing on the home takes about 30 days but may take longer if you need to secure financing.

3. How should I hold the property? You may 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 should an accident occur; but every situation is different. Consult a tax attorney who specializes in international transactions before making a final decision.

4. How should I pay for the property? Do you plan to obtain a mortgage or pay cash? You may find that U.S. lenders charge foreign buyers a higher interest rate than they do U.S. buyers. You

may also have to put down a downpayment of 30% or more of the purchase price.

5. What are closing costs? In addition to the purchase price, buyers of U.S. properties face costs such as title search and insurance and recording fees that can add between 1.5% to 3% to the final cost of the home.

6. How long may I stay in the U.S.? The amount of time you can stay in the U.S. varies by your country of origin. Residents of select countries, including Canada, do not need visas to visit the

U.S. For more information, go to travel.state.gov

7. Do I have to be in the U.S. to close the transaction? Possibly. Many countries offer the ability to do closings through remote online notarization. Consult your title company for your options.

8. What can my Realtor® help me do? Real estate agents can do a lot more

than find you a property and help you with the offer and contract. Many specialize in working with global buyers. Often these agents have a team of experts—including tax attorneys, international lawyers and international accountants—who can smooth the process of buying and owning a home in the U.S.

Sources: Internal Revenue Services, National Association of Realtors®, U.S. Department of State