

## Central Florida Law Reporter

### Buying a Home – The Home Stretch

This edition details the last installment of our home buying process series. After a buyer is approved for financing and decided on the house to purchase, there are still several important steps in the process that will occur prior to closing.



**1. Prepare an offer.** Consider the list price, target monthly payments, necessary renovations or improvements, and the overall housing market. Review contingencies that the offer is predicated upon, such as obtaining lender financing, or the satisfactory outcome of a home inspection. Agree upon a period of time during which the offer is valid.

**2. Make the offer.** Your realtor should convey the offer to the potential buyers or their representatives with some amount of money, referred to as “earnest money”. This money serves two purposes; it shows the sellers that you are a serious buyer and acts as a deposit in the event the sale is consummated.

**3. Prepare for a counter-offer from the seller.** Understanding the current economic environment, housing market, and mindset of the seller helps a buyer anticipate the seller’s response to an offer. A buyer should also understand the consequences of withdrawing an

offer in case their situation changes. Consult with an experienced real estate attorney to understand when a seller may withdraw an offer, and the resulting consequences.

**4. Acceptance of the offer.** Once an offer or counter-offer is accepted you will need to finalize financing, homeowner’s insurance, a survey of the property, a final walk-through, and the closing date.

**5. The closing date.** Your realtor and attorney should work together to provide all of the closing documents for the buyer’s and seller’s review, and explain their significance prior to closing. At the closing, a buyer signs the loan and title documents.

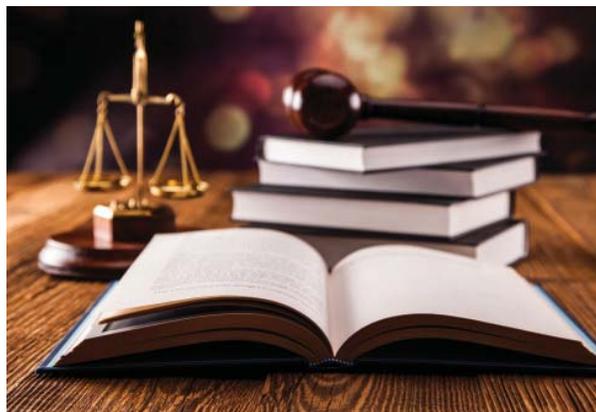
**6. Move in and check the mail.** After the closing, your attorney will work to make sure the transaction is properly recorded with the appropriate authorities. In the months following the closing, you should receive the title insurance policy and the deed to your house. Be sure to store both of these documents in a safe place, as they are very important. Additionally, if the new purchase will become your permanent residence, apply for the homestead tax exemption.

While this series provides a review of the basic steps involved in a typical real estate transaction, please consult with an attorney, real estate professional, and tax professional prior to entering into a contract. This will ensure that you understand the details and potential implications of a purchase or sale of real property.

## Changing Laws: Florida Real Estate Transactions and Lending

Over the past year several, significant changes were made in the laws governing Florida real estate transactions. Some of these key changes, discussed in Florida Real Estate Transactions Publication Update, include: the liberal construction of Servicemembers Civil Relief Act, which provides better protection to members of the U.S. armed forces; changes to the requirements necessary to set aside a judicial sale of property; the subordination of Homeowner's Association Assessment lien's priority upon issuance of a tax deed; and the priority of mortgages over municipal enforcement liens.

At a national level, the enactment of Dodd-Frank has several implications for seller and private financing for real estate transactions of residential dwellings. Newly imposed restrictions prompted a warning from the Real Property, Probate, and Trust Section of the Florida Bar about the implication of Dodd-Frank on certain types of loans and certain mortgage characteristics. In addition to making sure that loans are properly secured, it is important for lenders (including private lenders) to make sure that the loan complies with the latest changes in lending regulations.



## Consumer Watch: The Latest Fraud

KPMG recently reported an alarming trend in the persons perpetrating fraud. Traditionally, corporate fraud was committed by older professionals with unquestioned authority. However, in the first half of 2014 frauds committed by persons aged 26-35 increased 285% from the previous year. KPMG speculated that the figures suggested a change in the profile of perpetrators, from the rogue executive to younger individuals financing grandiose lifestyles.



In addition to the traditional year-end accounting audit, consider random audits or consultants that specialize in developing procedures and implementing software that guard against corporate fraud.

For more information about the topics contained in this newsletter, and other important legal matters, please visit our website: [WWW.HMTLAW.COM](http://WWW.HMTLAW.COM)

**Disclaimer:** To be removed from this mailing list, please e-mail [Reasst3@cfglawoffice.com](mailto:Reasst3@cfglawoffice.com) with your name and address. The information contained herein is for general educational purposes only. Each client's needs and situations are unique, please consult an attorney before acting on any information in this publication. Please visit our website or like us on Facebook for more information about Cantwell & Goldman, P.A.