

● guide to buying  
property in Florida



This guide sets out essential information for people wanting to purchase property in Florida, including advice on the buying process, legal guidance, taxation, mortgages, setting up a local bank account and currency exchange, as well as retirement and pensions.



# Contents

<b>The Florida property market and buying process</b> .....	<b>3</b>
Property supply • Florida for less • Investment prospects • Top 10 hotspots • Buying property off-plan • Foreclosed homes in Florida • Buying process • Buying costs • Top tips for buying in Florida	
<b>Legal matters</b> .....	<b>8</b>
Resale contract • New homes contract • Deposit • Title Search and Insurance • Closing documents Completion • Transfer of ownership • The Power of Attorney in Florida • Additional legal guidance Documents • Passports & Visas • Residency	
<b>Taxation</b> .....	<b>10</b>
Property tax and fees • Rates • Other taxes • Double taxation treaty	
<b>Mortgages</b> .....	<b>11</b>
Improving lending conditions • Deposit • Lending terms • Insurance • Foreclosed properties • Caution	
<b>Retirement in Florida</b> .....	<b>12</b>
Cost of living • Funding your retirement • Currency exchange • Pension • Life certificate • Rates of state pension • Payment of your pension • Tax on your state pension • Non-UK residents • Healthcare	
<b>Banking in Florida</b> .....	<b>14</b>
Selecting a bank in Florida • Applying for a bank account in Florida • Quick step-by-step guide to opening an account	
<b>Currency exchange</b> .....	<b>16</b>
Expert tips • Currency exchange when selling a property • Supporting yourself in Florida Understand your options • Main reasons for using a foreign exchange specialist • Observe the markets Rate watch • You have one new message • Social media	



Florida.

The Sunshine State.

Home of the theme park.

Sun, sea and the locals speak English. Most of us want to visit on holiday and some will buy a holiday home there. Many older people are considering moving there for good. For a real Disney happy ending, you need to do your research first. Look beyond the holiday attractions and ask key questions.



## The Florida property market and buying process

Realtors and developers in Florida will tell you that the property market is booming again, thanks to a sharp rise in demand from domestic and international buyers, with bargain-hunting holiday homebuyers and investors arriving to secure attractive homes at attractive prices. This is true, but don't let that rush you into making your own decision.

For much of the Noughties, Florida was a global property hotspot. Housebuilding levels in major metropolitan areas such as Orlando, Tampa and Miami were at a record high to meet strong demand from homebuyers, spurred on by easy access to credit. But the climate changed following the 2008 financial crisis.

Triggered by the collapse of the USA's sub-prime mortgage sector, the housing market in Florida was hit hard. However, with conditions improving, the Florida property market has now bounced back and is going from strength to strength. Estate agents believe that Brexit will only fuel that demand, especially for investors looking for stability.

### Property supply

Despite the previous glut of housing in parts of the Sunshine State, there is now a housing shortage in some areas, caused by a virtual halt in housebuilding activity and a shortage of land available.

Currently, there is a strong resurgence in property sales and prices in many price ranges are rising, due to short supply. The hike in demand is unsurprising when looking at some of the attractively priced properties available, with prices starting from well under \$100,000.

### Florida for less

You generally get more for your money in Florida, than in many other parts of the country, with household purchasing power now at an historic high, based on the average home price, average family income and average mortgage interest rate.

For those with good credit, there have rarely been better housing affordability conditions or market opportunities than we see at present.

### Investment prospects

Aside from being a great place to live or have a holiday home, Florida's property market also looks ripe for investment. After all, the underlying fundamentals of what made people want to own a property in Florida have not changed. Furthermore, the state's population is expected to grow from nearly 20 million today up to 27 million by 2030, which would place greater pressure on housing demand.

Some property experts believe that we are now at the start of a new upward cycle in Florida, with property prices rising, making it a potentially good time to invest in the market.

Greater demand from tenants has also pushed rental values higher across much of Florida; an attractive proposition for buy-to-let investors. This has helped to boost housing activity as some landlords achieve high rental returns.



## Top 10 hotspots

Florida is a wonderfully diverse state, culturally and politically, with many households speaking English, Spanish, Haitian Creole, Portuguese or French, depending on where you are looking. But ultimately you need to find a property in a part of Florida that suits your needs and tastes.

### 1. Orlando

The Orlando area attracts more than 50 million visitors annually, making it one of the world's biggest tourist destinations. It's particularly popular with Brits, who can get direct flights to the city. A combination of family fun, top-quality golf courses, low-cost of living, and array of theme parks, including Disneyland, also makes it one of the most popular places to buy property. The core property markets in Orange and Seminole counties are performing well, along with high-end markets in Dr Phillips, Bay Hill and Windermere. Kissimmee and Winter Park are still good value for money.

### 2. The Space Coast

Florida is also home to Cape Canaveral and its spectacular museums and space centre. The towns along this section of Atlantic seaboard include Titusville, Daytona, Melbourne and

Cocoa Beach. Here, you can get property near the beach from about £75,000, and there's still plenty to see and do.

### 3. Tampa

With a wide array of homes available from under \$100,000, homes in Tampa are not only cheap but often offer room for growth. The city is on the Gulf Coast, with pale sand beaches and warm seas where you might spot dolphins. There's a tropical feel to the area, with lush vegetation and 361 days of sunshine.

### 4. Naples

This is one of the best places for golf enthusiasts to live. It has more golf courses than almost any other area of the US. It sits on the west side of the Everglades, on the Gulf Coast. The downtown area is lovely and house prices are high. You can find a family home for about £350,000, but if you want to be central, add a zero.

### 5. Sarasota

For a wee piece of Scotland in balmy Florida, head to Sarasota. The town, on the west coast, was founded by the Scots who brought with them their love of golf. The first course in the state (and the second in America) was set up in 1886 by Colonel John Hamilton Gillespie, who later created several other courses in the area. It's still big on golf around here, with 40 public courses.





## 6. Miami

From luxury seafront houses to contemporary high-rise apartments, Miami is home to some of the most luxurious properties in the USA. Property sales are booming, with the volume of transactions in some parts of the region exceeding levels witnessed during the height of the last property boom in 2005/2006. The city has gorgeous beaches, historic streets and is a shopping paradise.

## 7. Jacksonville

Up in the north of the state, on the Atlantic coast, Jacksonville boasts that it's the state's youngest city, with an average age of 35. It actively promotes arts, cultural and outdoor events. It boasts 22 miles of beaches and 88,000 acres of parks. Demand for property here is high and prices are up 7% on last year. Real estate agents say prices would grow more, except that tough bank lending rules are keeping a lid on them at the moment.

## 8. The Florida Keys

This chain of islands stretch out into the Gulf of Mexico, ending in romantic Key West, beloved of Ernest Hemingway. You'll find life is slower, revolving more around the sea – and the sunsets. There are 113 islands, all with their own vibe. Prices are up for the third year in a row. You can buy a two-bedroom house for about £266,000.

## 9. Out in the Boondocks

If you head out of Orlando, north or south, you'll end up in orange groves and country towns. Property here will be cheaper than in the major cities of the state, but remember it might not be so popular with renters if you want to recoup costs. See how close the shops are, what they sell, the prices and the opening hours before you start to yearn for the rural life.

## 10. Everglades

You can even buy your own lot in the national park and build your own home here. A decent size plot will set you back under £100,000.

Florida is a  
wonderfully diverse  
state, culturally and  
politically

## Buying property off-plan

Buying off-plan property inevitably involves higher risk than buying re-sale property. If you are considering buying off-plan in Florida there are important points to consider.

- There will be staged payments meaning your mortgage costs increase gradually
- There will always be the chance that the developer goes bust during construction of your Florida home
- The finished property may not always meet expectations
- There is the potential inconvenience of having to wait some time before your home is completed

However, you do get to choose your own fixtures and fittings and have a say in what the end product looks like.

## Foreclosed homes in Florida

There has been some talk about foreclosures. Foreclosures are 'real estate owned' (REO or bank-owned properties), and they have the

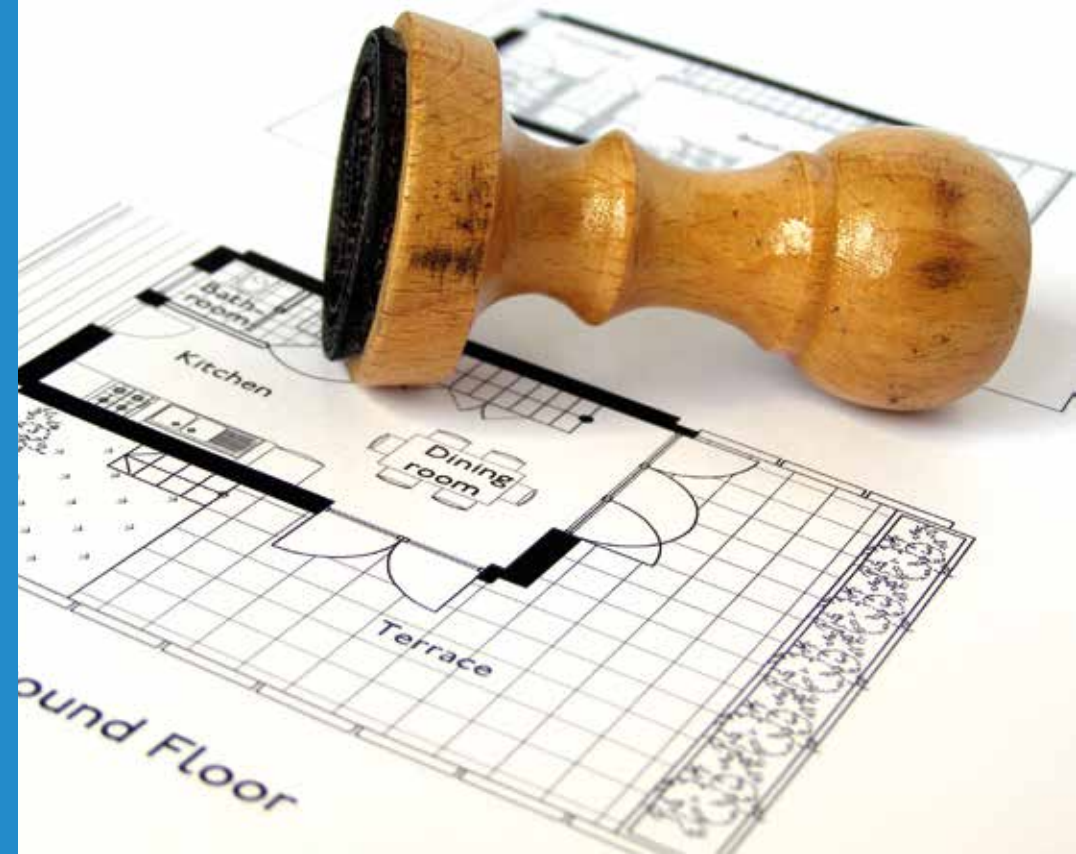
potential to offer an affordable option to the right buyers.

Following the credit crunch, there were a high number of property foreclosures in the US, as homeowners fell behind with mortgage payments. This led to a sharp rise in foreclosure-related sales, accounting for a significant proportion of US residential property transactions.

But the volume of distressed sales is now falling thanks to the more recent recovery in the country's housing market, owed in part to rising home prices in many markets, while there are now more incentives for both homeowners and lenders.

Nevertheless, there are still some opportunities available for people looking to buy a distressed home, with properties that fit your budget, homeownership goals and lifestyle. Most major real estate agents and mortgage lenders can help you learn more about home foreclosures with helpful resources and mortgage products that can help make the process of buying a bank foreclosure easier.

Buying off-plan property inevitably involves higher risk than buying re-sale property.





## Buying process

Buying a property in Florida involves a straightforward process:

- Once a price is agreed, the purchaser may have to pay a small goodwill deposit before making a formal offer in the form of a purchase contract
- When signed, this is binding, though contingency clauses allow either side to withdraw in defined circumstances
- A further deposit of around 10% is then paid into an escrow account
- A title insurance company scrutinises the public records and insures the property against any third party claims
- The buyer and seller appoint a settlement company to complete the transaction
- The buyer pays the balance owing and both parties sign all the final documents

- The transfer of ownership is registered with the local authority after completion

## Buying costs

Allow between 3% and 5% for buying costs, although this will be more like 2% if you do not need to take out a mortgage on the property.

## Top tips for buying in Florida

- 1 Location, location, location. Buying a property in Florida is much like buying anywhere else. If you have resale in mind, make sure there are convenient services nearby. Shops, public transport, schools and leisure activities will all help sell your house at a later date, even if you don't want them now.
- 2 Don't buy the first place you see as you step off the plane. You're spending a lot of money, so explore the area in detail and

read up on neighbourhoods, regulations and lifestyle. Go to the shops and talk to people.

- 3 If you are planning to rent out the property to cover your costs, do your homework. Some areas have regulations that limit holiday rentals or may ban them altogether. Work out your running costs and research the market. Speak to some rental agents to get a full picture.
- 4 Check out the prices of houses similar to the one you like. Look at similar homes in different districts and different styles of house in the same district.
- 5 Do your research, so that you understand the sales process.
- 6 All properties are logged on a central database, so you don't need to check every real estate agent. But it does help to go there and not rely on the internet

description. You wouldn't necessarily buy a house in the UK because it's cheap and near to Alton Towers.

- 7 There are agents for the sellers and agents for the buyers. Find a buyer's agent who is experienced in working with Brits. Most will be self-employed. The seller pays the seller's agent, who splits the commission with the buyer's agent.
- 8 Be a stickler for deadlines. If you don't meet them, it gives the seller a chance to pull out.
- 9 Insurance is important. You will need it in place to get your mortgage and insurance companies can be quite demanding. Watch out for extra premiums if there's a risk of flooding or extreme weather events.
- 10 See a tax accountant. Florida offers some tax breaks and you can maximise yours if you understand them.



## Section 2

### Legal matters

Lawyers are not always used during the buying process in Florida, as title insurance firms review all documents. However, it is better to be safe than sorry, by seeking advice from one to check your rights and fully understand your legal obligations. After all, the Floridian system of property purchase is very different from the UK, with several pitfalls for those unfamiliar with it, so appropriate professional guidance is essential.

#### Resale contract

Once a price has been agreed between the buyer and seller, a standard contract setting out the conditions of the sale, which also includes title checks and property inspections, will be used. This FarBar form has been drawn up by the Florida Association of Realtors and The Florida Bar specifically to be used in the sale and purchase of real property.

The seller and buyer are represented by different agents. But it is wise to also have your legal representative thoroughly check the terms and conditions of the agreement, because once accepted and signed by the vendor, it is legally binding. Once signed, the vendor cannot sell the property to anyone

else as long as the contract is in force. Make sure you stick to the deadlines, however, or the seller might be able to renege on the deal.

#### New homes contract

New homes which are bought in pre-construction stage from a developer will often have a different contract of sale. This contract will also show the legal description of the property, the price, terms of payment, including any stage payment schedules. There will also be clauses that stipulate time limits for payments by the buyer and the terms of financing.

When buying from a developer, you will be asked to sign a purchase agreement which will give basic information about the property

that you wish to buy. You must have a copy of this signed by the developer, because up until it is signed it is not legally binding and the developer retains the right to make changes to the property.

NOTE: Most Florida developers write their contracts for Americans and not for foreign buyers and this can be detrimental to international purchasers, and so make sure you (and your lawyer) go through the contract in detail looking for any potential loopholes.

## Deposit

Whether buying a resale property or a new-build home, a deposit is occasionally paid by the purchaser at the time of making the offer on the property as a show of good faith. These deposit monies are held by an "Escrow Agent" who is a third party to the sale.

A deposit of at least 10% is then usually paid at the point that the initial contract between the buyer and seller is signed. The purchaser of the property loses this if he/she withdraws from the deal, but if the property fails to meet the conditions of the sale outlined in the contract, then the deposit is refunded.

## Title Search and Insurance

Title Insurance is a policy that you take out to insure against any liens (claims to the legal ownership of the property) that may be against the property, but have not shown up during the regular title searches. The cost is based on the purchase price as a percentage. It is advisable to get a few quotations before signing. A good realtor may be able to obtain refunds based on the vendor's previous policy which could reduce your costs.

## Closing documents

Closing documents are another set of paperwork that you have to agree to and have notarised. Unfortunately, these documents generally only tend to arrive only a few days before the closing, which could leave you with little time to get them notarised and sent off in time.

## Completion

Once all necessary checks have been completed and the property purchaser and vendor are satisfied and happy to proceed, they will then both appoint a settlement company in order to complete the transaction. The balance is paid by the buyer and both parties sign the final documents.

## Transfer of ownership

Once the contract has been signed and monies paid, the transfer of ownership is registered with local authorities.

## The Power of Attorney in Florida

When buying property in Florida you may find it hard to spend the necessary time out there, especially if you are based in the UK. One potential option you have is to take out a Power of Attorney. This would allow the legal process to proceed without you actually being in Florida. You can elect a trusted individual, such as a legal representative, relative or friend based in Florida. This person will have the legal rights to represent you in specified transactions.

## Additional legal advice

Aside from having a legal representative in the US, it may be worth also hiring a UK-based American notary to also oversee the paperwork.

## Documents

When visiting or living in Florida, it is important to get the necessary passports, visas or residency papers arranged in good time.

## Passports and visas

British citizens may visit the US for business or pleasure without a visa for up to 90 days per year. A passport is required.

## Residency

Florida's immigration laws are strictly enforced. Those seeking a Florida Green Card, which entitles them to live and work in the state, face close scrutiny by the Immigration and Naturalization Service, particularly if they wish to start a business.

Those wishing to immigrate into the USA will require an EB-5 Investment Visa, and in order to qualify for one, will need to meet the following criteria:

- Have an immigration and real estate attorney advise and assist you in selecting the best means for your individual needs and investment taxation strategies dependent on your purpose, to immigrate or just invest
- Select your type of visa from the multiple visas available which best suits your needs, whether it is an EB-5 Investment or any of the other visas readily available to you as an investor in the USA

## Section 3

# Taxation

The US taxation system is a complicated one, and may involve payments to at least four different levels of government: local, regional, state and federal.

However, although income tax, a progressive tax ranging from 0-35% of taxable income, forms the bulk of taxes collected by the US government, Florida does not collect personal income tax or inheritance tax for that matter. In fact, there is also no tax on retirement.

Instead, a significant proportion of state and local revenues come from property tax and sales tax, with more than half of the Sunshine State's non-federal revenue collected at local level, mostly through property taxes, which, for homeowners, amount to around 1.5% of their property's value per annum.

### Property tax and fees

Real estate tax rates vary across Florida's 67 counties, so purchasers must verify the assessed value and the local tax rate to determine the established tax on any given home or parcel of land.

Property purchase taxes do not exist in Florida, while there are no agents' fees for the buyer, as this cost is covered by the seller. But homeowners in Florida will need to pay annual taxes of around 1.5% of the value of the property, as well as a few hundred dollars for title service companies.

Overall, to cover legal, title insurer and notary fees, title insurance premiums, transfer taxes, property taxes and mortgage fees, if applicable, you should generally allow up to 5% of the purchase price.

### Rates

The Florida property tax is based on assessed value of the property at the start of each year, minus any potential exemptions or adjustments used to determine the property's taxable value. A local millage rate – typically \$10-\$25 dollars per \$1,000 of taxable value – is applied to calculate the annual tax.

### Other taxes

#### Personal income tax:

Although Florida does not tax personal income, retirement income or some forms of 'intangible' property such as stocks and bonds, all residents in Florida must file a federal income tax return, in accordance with IRS rules.

#### Sales tax:

Florida's general sales tax rate is 6%. With the addition of local surtaxes (which is levied on the first \$5,000 of the sales price), the total sales tax for most Florida counties ranges from about 6.25% to 8.5%.

#### Real estate transfer tax:

A transfer tax of 0.7% of the sale price – known as a 'documentary stamp tax' – is charged to sellers in all Florida property transactions, except in Miami-Dade County, where sales of single-family residences are taxed at a rate of 0.6%.

#### Capital Gains Tax:

Capital Gains Tax is charged at 15% when a property is held for over one year.

#### Estate tax:

There is no estate tax in Florida, except on the estates of people who died before December 31, 2004.

### Double taxation treaty

Britain has a double taxation agreement with the United States, ensuring that people do not pay tax on the same income in both countries.

In accordance with US and wider international law, all residents in Florida (nationals and non-nationals), just like the rest of America, are required to declare assets or groups of assets held outside of each country. Assets may include bank accounts, securities, rights, insurance, annuities and property. The declaration is a separate exercise to the annual tax return.

Florida does not collect personal income tax or inheritance tax

## Section 4

## Mortgages

If you do not already have the funds available to buy a home in Florida, you will almost certainly need to take out a mortgage in the US. You can take out a mortgage in the UK against a property in Florida and several lenders will offer this option. However, your payments will be affected by the currency exchange rates which are unpredictable. You could also raise a mortgage on your UK property and use the money to fund your Florida purchase.

But if you decide to go for a US mortgage, you should arrange it before you start your property search. This will allow you to move forward with confidence, knowing how much you have to spend and that finance is in place. It would be upsetting to find your dream home and then lose it because you haven't arranged your mortgage. Rushing into a mortgage deal could mean you end up with a less attractive borrowing rate.

### Improving lending conditions

Despite Florida's recent economic woes, mortgage market conditions have improved rapidly since the Florida property market started to embark on the long road to recovery, with plenty of US lenders willing to lend to overseas nationals.

In fact, the main lenders are keen to lend to property purchasers, including non-residents,

with some attractive interest rates being offered. However, you should still analyse and compare a range of different products and services offered by different companies.

### Deposit

For a mortgage in Florida, you will generally need a deposit of 20-35% of the property's purchase price. The Florida mortgage will be secured on the property you are buying, meaning your UK assets will not be put at risk in the event of default.

### Lending terms

Most Florida mortgages are normally repayment loans, meaning you pay back both capital and interest. There have been a number of innovative mortgage products introduced in recent years with overseas investors in mind. When you purchase property in Florida, the repayment timetables available generally range from 10 to 30 years.

The minimum sum which you can borrow to buy a property in Florida is \$50,000 with your credit rating and income taken into account. Interest rates vary, but they are generally at competitive levels, currently starting from around 3%. Interest rates on mortgages in Florida are generally higher than those available in the UK.

Also, administrative fees can generally add around 5% to the cost of your Florida purchase.

### Insurance

It is also worth noting that you will generally not qualify for a mortgage in Florida unless your home is insured.

### Foreclosed properties

It is a totally different if you are planning to purchase a repossessed, or foreclosed, property from the bank, with some lenders willing to offer higher loan-to-value (LTV) mortgages in an effort to offload the remaining repossessed stock on their books.

### Caution

Your property in Florida will be at risk if you do not keep up repayments on a mortgage secured on it. Be sure you understand the repayments and can afford them before entering into any credit agreement.

The  
main lenders  
are keen to lend  
to non-resident  
property  
purchasers

Section 5

## Retirement in Florida

For many retirees, relaxing in Florida is the ultimate American dream. Palm trees, coastal breezes, a place to enjoy – the Sunshine State appeals to many Brits, as well as US citizens.

Those people not planning to work must be able to demonstrate substantial means. This can sometimes be an obstacle to some people's dream of retiring to Florida.



The Sunshine State appeals to many Brits

## Cost of living

Brits will find that costs vary widely across state, with some things in Orlando, for instance, more expensive than Miami, and vice versa. But overall, the cost of living in Florida is generally higher than the US average.

## Funding your retirement

There are several key topics relating to retirement finances that you should bear in mind when you are moving to Florida. Ascertaining what impact a move will have on the benefits and pensions that you are entitled to receive in the UK is just one example.

When thinking of retiring to Florida, it is imperative that you seek independent advice about your private pension and UK state pension. Ideally, you'll do this before you arrive in Florida.

You must inform the UK's Department for Work and Pensions that you are moving overseas and provide them with contact details.

## Currency exchange

The US currency is the dollar and it is necessary to take the sterling-dollar exchange rate into consideration. Major fluctuations between the two currencies may make or break your ability to survive in Florida. [See section 7: Currency exchange in Florida for more details](#)

## Pension

As well as a private pension, you could potentially claim a UK state pension while in Florida. However, you should check with the International Pension Centre (IPC) to make sure that you are eligible. You can contact the IPC by email or phone, or fill in the international claim form.

If you have not yet reached your state pension age, you should be sent a claim form four months before you hit the milestone. Contact the IPC if you have not received a letter from them three months before you reach state pension age.

## Life certificate

A 'life certificate' is a form the Department for Work and Pensions might send you to check you are still eligible for the state pension.

If you are sent a life certificate, you will need to have it signed by a witness – the list of people who can do this is the same list of people who can countersign a passport photo – and send it back, as instructed on the form. Your payments may be suspended if you do not comply.

## Rates of state pension

Your state pension will rise annually, even if you live in Florida, as the United States has a social security agreement with the UK, and the agreement allows for the annual increase of the UK State Pension.

If you lived in a country, such as Australia, that did not have a social security agreement with the UK, you would not be entitled to the annual increases that normally happen. However, if you returned to live in the UK, your state pension would be increased to current levels.

## Payment of your pension

Your state pension can be paid into a bank in Florida or a bank or building society in the UK. But you cannot choose to have it paid in to one country for part of the year, and a different country for the rest of the year.

You can use an account in your name, a joint account, or someone else's account – if you have their permission and keep to the terms and conditions of the account.

The United States does not currently use IBAN numbers, as is the case some other countries. Instead, you will require your SWIFT code (international bank code) to receive payments from the UK to Florida.

You can choose to be paid every four or 13 weeks and will be paid in local currency – the amount of money you get may change slightly due to exchange rates (**we'd suggest speaking to a currency expert – see [section 7: Currency exchange in Florida for more details](#)**).

## Tax on your state pension

You may have to pay UK tax on your state pension over a certain amount. This will

depend on your taxable income and whether you're classed as a UK resident or non-UK resident for tax purposes.

## Non-UK residents

Non-UK residents don't pay UK tax on their state pension but may pay tax in the USA. You don't have to pay tax in both countries because there is a double taxation agreement between the two nations.

## Healthcare

If you are planning to move to Florida, you must really set a budget aside in order to invest in your own health insurance to benefit from Florida's advanced national health system, as and when required. All treatments in American hospitals and clinics are based on a pay-as-you-go system, which could leave you having to pay thousands of dollars/pounds if you fail to take out insurance. Compare private health plans using US News & World Report's health insurance ratings for Florida.

You also need to be aware of emergency procedures; who to call in an emergency and which hospitals that will be the most suitable for your needs in the event of an emergency. Florida's emergency phone number is 911, as is the case across North America. An emergency is any situation that requires immediate assistance from the police, fire department or ambulance.

Section 6



## Banking in Florida

When sending money to or from the USA, you'll need a US bank account in order to receive the funds, and to make transactions when you are in Florida (avoiding potential charges from your UK bank). It will also enable you to set up Direct Debits to settle utility bills, invoices for solicitors' and agents' fees, taxes etc.

The banking system in the United States is regulated by both the federal and state government. Whichever bank you choose in Florida, you can expect to find a large network of branches and ATMs that you can use located across the country, and online services allowing you to operate on a 24/7 basis. As in the UK, charges and tariffs can vary significantly from bank to bank.

PNC, Chase, BB&T, Citibank, SunTrust, Wells Fargo and Bank of America are among a host of financial institutions in Florida, with each providing a wide range of banking services.

## Selecting a bank in Florida

Refrain from selecting the first bank you see. There are numerous factors to consider when deciding which bank will suit you best.

When opening a bank account in Florida, it is important to consider what it is that you want from your account. Consider some of the following points:

- Despite there being some savings accounts that do not charge a fee, it is still important to check if a monthly/annual fee is payable
- Are there any cash withdrawal restrictions?
- Can you make withdrawals and deposits from any cashpoint?
- Can you use all ATMs and EFTPOS facilities?
- What rate of interest is being offered by the bank?
- Are there telephone and internet banking options?

**Features** – free, limited or unlimited transactions account, transaction or withdrawal fees, exception fees; interest rate; minimum opening balance; minimum account balance; periodic payments.

**Services** – electronic banking (Internet, telephone, mobile), direct debits, overdraft facility, cheque facility, overseas transactions.

**Additional** – fraud and security protection, complaints handling, financial counselling, convenient location, hours of operation, disability access and services.

Visit different banks or go online via the bank websites and find out about the different products on offer. For example, ask about fees on your transaction account and how these fees might be affected if you open a high-interest savings account.

## Applying for a bank account in Florida

Applying to open a savings account in a Florida bank works the same way as it does at other banks across the United States. You will need to present your identification, contact information and a minimum deposit to open your Florida bank account. If you have just moved to the state, visit the Department of Highway Safety and Motor Vehicles to obtain a Florida driver's licence.

Most Florida banks require in-state proof of residency before opening an account for you. Identification documents can include:

- Florida driver's license
- Previous home address
- Social Security number

## Quick step-by-step guide to opening an account

1. Choose an account. Before you complete a checking or savings account application, review the menu of products your Florida bank offers, such as free banking, interest rates, the means to earn discounts on bank products or services. Most banks provide a wide variety of checking and savings accounts to fit different lifestyle options.
2. Complete the checking or savings account application by obtaining a form from your bank or completing the application online. Typically, you'll need to provide your name, address, Social Security number and employer on your application. If you apply in person, bring your Florida driver's licence, Social Security number and a credit card, if you have one, to the appointment.
3. Most checking and savings accounts require a minimum deposit in order to open an account and so provide one by bringing cash to the appointment.

Some banks will post funds and activate your account immediately; however, other banks need five to seven business days to activate your account. Ask your account representative for a time line and to supply you with starter checks and deposit slips.

For security reasons, most banks will not send cheque books and ATM/debit cards to overseas addresses. If you don't yet have an address in Florida to send them to, they will need to be collected from the branch.

As in the UK,  
charges can vary  
significantly from  
bank to bank

## Currency exchange

Avoid losing money by falling victim to fluctuating currency markets, as well as weak exchange rates and avoidable fees from your bank when it comes to transferring money to and from Florida.

A better exchange rate is generally achievable from a foreign exchange specialist, otherwise known as a currency specialist. What's more, many currency firms do not charge any hidden fees, saving you money in the process.

For example, if you're thinking on purchasing a home in Florida for \$300,000 and transfer the funds with your bank, it would cost you £234,375 (that's at the average bank's exchange rate of \$1.28=£1\*, plus a £25 transfer fee).

However, the same transaction with a specialist company such as Currencies Direct would have cost you £225,948 (by eliminating transfer fees from the picture and using a better exchange rate of €1.32=£1\*).

(\*Rates correct on 3 July 2016)

### Expert tips

- A currency specialist will offer an enhanced exchange rate compared to a high-street bank, will not charge transfers fees, plus additional benefits designed to meet your specific requirements.
- There will be ongoing expenses and so people will still have to transfer money between the UK and Florida even after

they have moved. A currency provider will always ensure that you get the best possible deal.

- Work out when the market is in your favour; sign up to market newsletters, rate alerts email notifications, etc.

### Currency exchange when selling a property

When selling a property in Florida, you may need to transfer a large amount of money back to the UK. When transferring a large sum, the exchange rate becomes essential.

A 'forward contract' may be the best option for you in this situation. If the existing rate looks decent, but you do not need to transfer your money until a later date – such as early next year, for instance – a forward contract may be suitable. It is the currency world's version of 'buy now, pay later'.

"The currency markets are constantly fluctuating," says Alistair Cotton, money transfer expert at Currencies Direct.

"When moving a large sum of money, taking advantage of exchange rates when they are in your favour could literally save you thousands," he adds.

### Supporting yourself in Florida

Once you have secured a property in Florida, you will almost certainly find yourself frequently transferring money from the UK

to the U.S. This may be to pay your mortgage or simply support your living costs on an ongoing basis.

FX providers will generally save you money by not charging the transfer fees that the banks impose.

Furthermore, if the exchange rate moves in your favour, you are permitted to 'lock in' to that exchange rate for up to 12 months.

### Understand your options

Select an overseas money transfer service that is tailored to meet your requirements.

### Spot contracts

Buy currency now, for fast payments. Use for:

- Paying bills overseas
- Transferring money swiftly across your accounts
- Sending money to a family member or colleague

### Forward contracts

Buy now, pay later. You have up to 12 months, subject to paying a small deposit today, to pay the full amount. Use for:

- Buying or selling a property overseas
- Large international purchases
- Moving your life savings abroad

## Regular transfers

Set up regular payments through a Direct Debit and even fix the exchange rate for up to 12 months. Use for:

- Paying your bills
- Moving money abroad
- Transferring pension funds to another country

## Limit orders

In order to secure your target exchange rate, set an automated currency purchase. Use for:

- Big advantage when exchange rates move in your favour
- Non time sensitive transfers

## Main reasons for using a foreign exchange specialist

With foreign exchange markets constantly changing, people need to develop a clear plan on how to manage their own currencies. To help reduce the risk of currency fluctuations and to ensure that you secure the best possible rate, you may wish to turn to a currency specialist to make sure that you get the best exchange rate available.

- Enhanced exchange rates. There are a wide range of exchange rates available, with the bulk of the best deals available through

currency specialists, and not the banks, which typically offer an inferior rate in comparison

- What you see is what you get. Foreign exchange specialists rarely charge transfer fees each time you transfer money overseas, as opposed to banks which generally charge an average fee of £25 per transaction. Some also charge a fee for receiving money
- One-on-one help. A currency specialist will always be available to assist you. Whether it is a one-off transfer or regular payments, they will guide you every step of the way
- 24/7 service. Most FX providers offer you an online money transfer service that you can access 24/7, allowing you to trade at any time of the day or night
- Swift transactions. While it can often take a bank a whole working week to transfer money abroad, an FX provider can generally complete a transaction within a day or two
- Guard your money. When selecting a foreign exchange provider, it is important that you check to see if they are authorised by the Financial Conduct Authority (FCA)

## Observe the markets

Foreign exchange experts specialise in staying ahead of what is happening in the currency markets, which can help many

people, especially those with little or no free time.

## Rate watch

If there is a particularly rate or deal that you are looking for, let your currency specialist know by setting up something called a 'rate watch' which effectively lets them know what it is that you are looking for, enabling them to contact you when the right deal for you arises.

Most banks do not have the time needed to offer this kind of service, which can cost you money in the process. What's more, you are under no obligation to actually trade even when your desired rate arises. It is just a shrewd way of staying on top of what is actually occurring in the currency market just in case you are in a position to proceed with a transfer.

## You have one new message

Sign up to email alerts to keep on top of what is happening with rate exchanges and to receive market updates. Many of the leading currency providers regularly offer their customers a wide selection of newsletter options to sign up to, with features including frequent market analysis, daily market news, rate alerts, among other features.

## Social media

Market analysis podcasts on YouTube,

conversations on Twitter, posts on Facebook, infographics in Pinterest, there are also a host of ways that you can keep up to date with the latest news and trends in the currency markets on social media websites.

**Currencies Direct is one of the UK's leading foreign exchange specialists and has helped more than 150,000 people with overseas money transfers.**

Visit [www.currenciesdirect.com](http://www.currenciesdirect.com) for more information.



**Alistair Cotton**  
Currencies Direct

