



FREQUENTLY ASKED QUESTIONS

Q: CAN I USE ANY LENDER?

A: We understand you may have a relationship with a lender who is able to provide you with financing for a purchase here in the Disney-Orlando area. However, some properties may be better suited for a local lender familiar with these communities. We have seen many out-of-state lenders promise to help clients close on their loan and then, due to some unforeseen community-specific variance, the lender declines funding at the last minute. We highly advise talking to our recommended lenders to compare loan programs and rates prior to any purchase.

Q: AS A FOREIGN NATIONAL, CAN I GET FINANCED?

A: Financing is available for our foreign-national buyers, but there are some restrictions. Your agent will be able to provide you with more details regarding lenders who are able to provide a loan, the loan-to-value (LTV) ratios, interest rates, and help with the process.

Q: WHAT ARE MY CLOSING COSTS?

A: These can vary widely from one transaction to another. Typically, on a transaction that requires financing, it usually costs between 4 and 5 percent of the purchase price, and on cash transactions between half a percent and 2 percent. Costs can also vary depending on the community in which your home is located. Certain developments have initiation fees for buyers, which can increase your costs.

Q: OTHER THAN THE PURCHASE PRICE AND CLOSING COSTS, ARE THERE ANY OTHER EXPENSES I NEED TO KNOW ABOUT?

A: There are upfront costs that you must be aware of such as home inspection, appraisal, loan application fees, and land survey. These usually won't amount to over \$1,000, but they can vary depending on the lender.

Q: WHY DO I NEED TO PROVIDE AN INITIAL DEPOSIT WHEN GOING TO CONTRACT?

A: Your initial escrow deposit is necessary because a seller will be halting all marketing efforts on his/her home, disallowing any potential buyers to view it, and ultimately working toward closing on the transaction with you as the buyer. Thus, a "good faith" deposit is required and placed in escrow at the closing company. This deposit is usually at least 1 percent of the purchase price but can be as much as 10 percent depending on the seller's requirements. However, the funds are applied toward your closing costs when the transaction goes to closing.

Q: WHAT DOES MY CREDIT SCORE NEED TO BE IN ORDER TO OBTAIN A LOAN?

A: Credit scores are very important, but they vary daily, and there are many things that need to be taken into account besides your credit score to calculate your loan approval amount. It is recommended that you check your credit report before applying for a mortgage to gauge where you are and what you would need to do to bring up your score. Two great free sources are www.annualcreditreport.com and www.credit-karma.com but they need to be used only as a reference, as their scores do not necessarily represent what lenders will see on your credit report. You can get one free report from each agency once a year. In addition to your credit score, other important factors to keep in mind are employment history, debt-to-income ratio, and the source of your funds.

Q: WHY DO I HAVE TO TURN IN SO MANY DOCUMENTS TO APPLY FOR A LOAN?

A: A lender is taking a risk by providing you with a loan. Therefore, they take certain steps to ensure their risk is minimal. Additionally, the government requires that lenders request certain documentation from borrowers and follow certain rules and guidelines that may ultimately place more of a burden on you. It may feel like your lender is asking for too much information, but this interruption of privacy is more to protect your investment than you may realize. If lenders were not so strict with their conditions, the market would destabilize and fraud would be more prevalent, which eventually would affect home values as properties could likely go to foreclosure more often.

Q: DO YOU HANDLE PROPERTY MANAGEMENT?

A: At Carlos German & Team, we do not manage properties. Our focus is solely on the sale and purchase of properties in the Disney-Orlando area. We choose not to be distracted from providing you with the best selling and buying services you deserve. In addition, upon purchase of a home, we can recommend a suitable management company without conflicts of interest precisely because we do not have a property management department.

Q: WHICH PROPERTY MANAGER SHOULD I USE?

A: Your agent will provide you with a list of property managers best suited for the specific property you purchase. There are many property managers in the area, and some specialize in certain communities or certain types of properties. Depending on those factors, the location of your community, and your individual goals, we are confident that we can recommend the right company, or companies, for you.

Q: WHAT TYPE OF RETURN WILL I RECEIVE ON A VACATION RENTAL PROPERTY?

A: A return on investment (ROI) can vary greatly from property to property, even within the same community. We cannot project, guarantee, or estimate a rental return for you. However, your agent can try to obtain past rental history for a property you may be interested in, or for similar properties in the area, to give you an idea of the possible returns attainable.