



SANTANA
SALES GROUP

SOUTH FLORIDA REAL ESTATE TEAM

7 STEP GUIDE
TO SELLING YOUR **MIAMI** PROPERTY

WWW.SANTANASALESGROUP.COM

INDEX

- 1 Introduction
- 2 7 key steps to sell your property in Miami
- 3 How to choose the right realtor?
- 4 Implications:
 - What is FIRPTA?
 - Exchange 1031
 - Income Tax
- 5 5 mistakes you shall avoid when selling your property
- 6 Closing Cost related to sale
- 7 Negotiation tips
- 8 How to change your property from “For Sale” to “Sold”
- 9 Testimonials from our clients

INTRODUCTION

Katherina Santana, Broker Associate to Capital Int'l Realty, with 15+ years of experience, is the founder of Santana Sales Group ("SSG"). SSG was created to help clients navigate the complexities and intricacies of real estate investing. SSG is focused on providing the best personalized service that goes beyond the basic needs of its clients.

SSG has successfully positioned itself with its clients and within the real estate world in Miami, creating strategic alliances with the largest builders in the United States. Additionally, SSG works with a group of professionals providing integrated services for its clients. Such services include: legal, immigration, accounting, franchise, financial, inspection and title services.

SSG's core philosophy is to always operate with the highest standards of professionalism, integrity, honesty, perseverance and passion- no exceptions. At SSG we seek to advise and provide closer information for our clients in a personalized way. This unique characteristic has made different media trust and show interest in the work we do. Currently, SSG has a real estate segment for Univision and additionally, Katherina Santana has participated as an expert in real estate in many opportunities for Telemundo network nationwide.

Katherina, is also an author of the book: "El camino exitoso hacia su propiedad en Miami". Ready to acquire property in Miami? Avoid shortcuts with this exceptional guide! If you want to successfully sell your property in Miami, you've come to the right place! Check out this How To guide of my main objectives would be to provide all the necessary support, advice and information so that each one of our clients would reach the successful sale of their property in Miami. That is the reason In we've developed this material for you, which will give you a different perspective of all the sale process of a property in the South of Florida. In this guide, you'll find each one of the implications of the process and some general recommendations that you shall take into account to ensure the success of your transaction.

The
Miami
Herald



Diario
Las Américas



amazon



7

KEY STEPS
TO SELL YOUR PROPERTY



STEP 1

FIND A RELIABLE REAL ESTATE CONSULTANT

A big part of our role as realtors consists in keeping company and advising each one of our clients so they can take the best decision when it comes to selling their property in Miami.

However, not all real estate agents are the same. Therefore, to choose one and to the end of guaranteeing success in the process, we recommend the following:

- Make sure the real estate consultant is properly licensed.
- Verify their experience with verifiable facts.
- Request references of previous clients before making a decision.

INTERESTING FACT

The properties
in Florida
were acquired
at a **98%**

of the final list price.

STEP 2

ESTABLISH THE CORRECT PRICE TO THE PROPERTY

Before setting the price of the property you wish to sell, there must be a meeting to the end of assessing similar ones to establish its real price. Looking for the amount of money you'll receive has congruence with the current value of the property within the real estate market.

INTERESTING FACT

In 2019 **92%**

of the people sold
their property in Florida
with the help of
a realtor.



STEP 3

PROMOTING THE PROPERTY

Years of experience have taught us that the way you advertise a property influences, directly, in the speed of the sale. Therefore, it's necessary that your realtor is aware of all the new techniques to use in order to accelerate that process.

Digital platforms such as social media can support both the realtors and the sellers in the sale process.

INTERESTING FACT

25% of the sellers in Florida offered incentives to attract a larger quantity of people interested in the property.

INTERESTING FACT

The houses sold recently in Florida were available in the market during an average of **3 weeks**

STEP 4

STUDY THE OFFERS RECEIVED

Once your real estate advisor and you have the real value of the property, it will be time to sit and discuss the advantages and disadvantages of each one of the offers received. If said offers don't fulfill your expectations, don't worry, many times the key is to make a counteroffer.



STEP 5

ACCEPT THE OFFER

We've entered the final stretch. Next, it will be time to execute the offer and copies will be sent to all the parties involved, including the title company. This way, the title agent will be able to verify that you, as seller of the property, are in full right of transferring/selling the property and that there are no debts due.

STEP 6

PREPARE FOR THE CLOSING

At the time of the offering by the buyer the close date is established. It will depend on the form of payment of the buyer. If the transaction is in cash, the closing process can be as short as 10 days or up to 30 days after the purchase agreement is executed. On the other hand, if the transaction is with financing, the process usually takes 60 days.

STEP 7

CLOSING

Right here is where the most difficult or most gratifying part begins, depending on the objectives you wanted to accomplish with the sale process. This day the closing documents will be signed, the keys will be released and the money to finalize the sale will be received.

With your signature the wish of selling a property in Miami becomes a reality.

INTERESTING FACT

During 2019 the sellers reported an **average minimum profit of \$65,000** for the sale of their property.

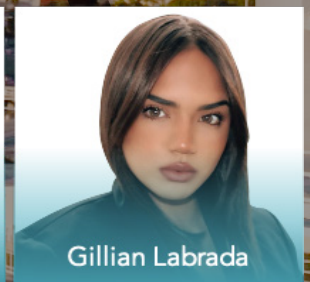
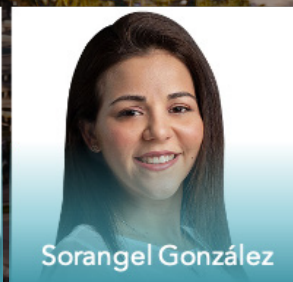
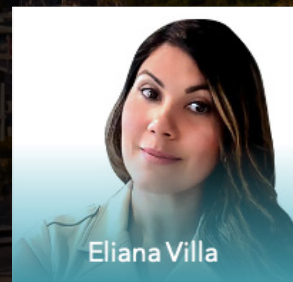
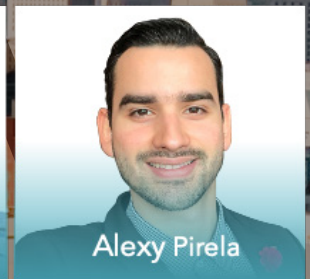
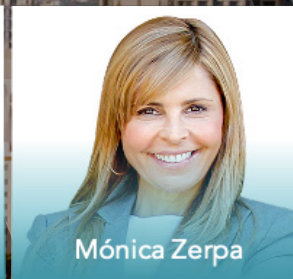
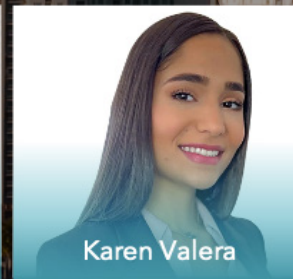
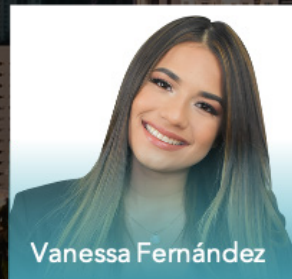
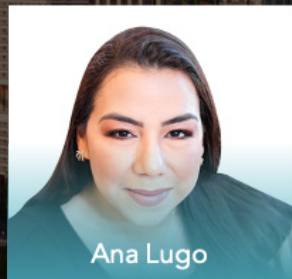
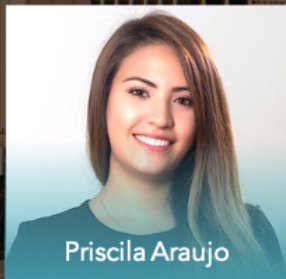
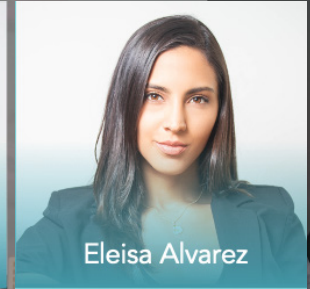
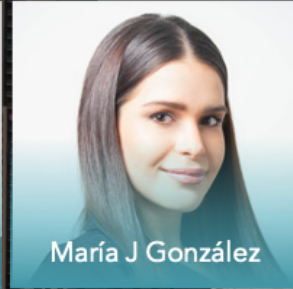
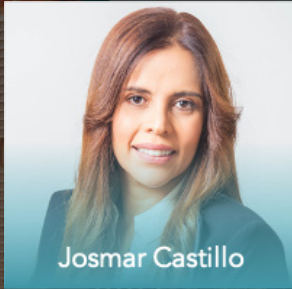
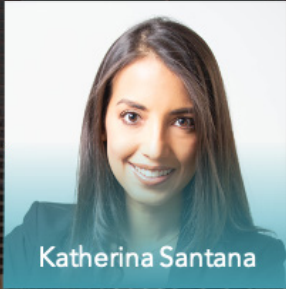
INTERESTING FACT

68% of the sellers were **"very satisfied"** about having the support of a realtor in their sale process.

INTERESTING FACT

75% of the people in Florida recommend their realtor.

¿HOW TO CHOOSE THE RIGHT REALTOR?



Choosing the realtor is one of the most important steps since the experience, knowledge and support of a professional agent is crucial during the process. To make the right decision, it's essential to verify the credentials both personal as well as those of the company that the agent represents.

TOP QUESTIONS TO ASK

TO THE REAL ESTATE AGENT BEFORE HIRING HIS/HER SERVICES

1. ABOUT MARKET KNOWLEDGE

- What is the total amount of available properties for sale?
- What is the average price of the active properties?
- What is the average amount of days in the market of the available properties?
- How many properties have been sold in my community or building in the last 6 or 12 months?
- What is the average price of the properties sold?
- How many days did those available properties remained in the market before they were sold?



2. ABOUT THE AGENT

- How long have you been practicing the profession of real estate?
- Do you practice this profession full time or have other job?
- Besides the real estate license, do you have another career, credentials or professional courses?
- How many hours do you work each week?
- What additional services do you offer?
- Do you have a work team?
- Can you demonstrate testimonies of previous clients?

WHO PAYS THE COMISSION AND WHAT IS THE PERCENTAGE?

Realtors are some of the few professionals that don't receive monetary benefits expeditiously. Our income comes from a commission based on the property's sale price. The commission we receive is paid by the seller when the transaction is completely finalized. The standard commission is 6%, and that amount is divided among the agents involved in the sale, usually two: one that represents the seller and the other that represents the buyer. At the same time, each realtor shares the commission respectively with their *Broker*, the affiliated company.



IMPLICATIONS



LEGAL IMPLICATIONS

WHAT IS FIRPTA?

Foreign Investment in Real Property Tax Act of 1980. This Law imposes income tax on foreign persons who are disposing of real estate or other goods interests in United States.

FIRPTA affects any foreign person and the foreign entities that aren't considered national corporations. At closing, the buyers are required to withhold between 10 and 20% of the sales price, the percentage depends on any exceptions applying and the sales price of the property. For example, a foreign investor sells a property for the amount of \$350,000.00, at the moment of closing the closing agent (title company or lawyer) will retain \$52,500.00 in a special account called escrow account and within the first 20 days, after the closing, will forward said amount to the Internal Revenue Service (IRS).

Once the seller files the income tax, the IRS will determine how much will be the tax obligation and will return any difference between the money hold versus the amount corresponding to the tax payment.

There are several exceptions to the obligations of withholding therefore find a professional advisor in the matter to help you determine if there is any exception that apply in your case.

The tax planning begins since the moment of the purchase of the property so that you can have the correct structure for a future sale.

EXCHANGE 1031

Basically, the exchange 1031 is a tool used by the investors in United States, to differ the sales tax over the sale of a property. However, some conditions apply.

According to the established in article 1031 of the Tax Administration Code, the investors shall comply with certain conditions in order for the exchange to have effect. Among the most relevant necessary requirements, the following are found:

1. The investor shall reinvest 100% of the money obtained in the sale of the property.
2. Shall acquire a new property of the same or superior value than the previous one.
3. The new investment shall be considered of the "same class" than the previous one.
4. 4. The possible properties to replace the investment in sale shall be identified within 45 days after the exchange. You shall comply with

- the rules established by the IRS so that the identification is valid.
5. The exchange shall occur in a maximum period of 180 days.

INCOME TAX

In the United States, the Income Tax regulations indicate that all the persons that receive an income within the territory shall file and pay the corresponding taxes, regardless of them being foreigners.

How to minimize that tax?

Include the expenses authorized by the law, with their respective support, will allow you to reduce the tax basis.

The legal tax implications, of being an owner and having a property in United States, are topics that shall be undertaken with the corresponding seriousness and with appropriate advice, therefore, the importance of counting with professionals in legal and accounting matters specialized in the type of process that you wish to carry out. The information provided in this guide doesn't have the purpose of replacing the advisory services nor giving any type of legal or tax advice.

Source: https://docs.wixstatic.com/ugd/9d2418_1b05b9b0e09c48ee999b0a1abdea4c59.pdf



5 MISTAKES YOU SHALL AVOID

WHEN SELLING YOUR PROPERTY

1. NOT LOOKING FOR THE ADVICE OF A PROFESSIONAL

The real estate agents in Miami are a fundamental tool in the sale process of your property. That is, mainly, because it's a person with ample experience within the real estate world. Therefore, they will always look for a way to obtain the biggest potential out of your property to accomplish a successful sale.



2. ESTABLISH AN INCORRECT SALE PRICE

When setting the price of your property it's important that you place yourself in the shoes of the buyers to comprehend their motivations. Which will help you understand that, basically, they are looking for a property that meets their needs and, most important, that is at the correct price. Find the right relationship between the conditions of the property and the average value of the market.

3. UNDERESTIMATE THE LOCATION OF THE PROPERTY

A well-located property sells faster and for a better price than one that isn't. This happens, regardless of the size, benefits, luxuries or other details that your property offers.

The buyers tend to look for quality of life. That's why they favor those communities with parks, pools, gyms, supermarkets and fast road access in the surroundings. Therefore, it's common that the properties that fulfill those conditions have a better value.

4. NEGLECT THE CONDITIONS OF THE PROPERTY

The average buyer in Miami tend to be demanding person that will hardly ignore details. It's essential to make the possible buyer feel that he/she doesn't have to invest a lot of money making minor repairs. When you take the decision of selling your property make little repairs such as: place a coat of neutral and fresh paint, change the damaged power outlets and do a deep cleaning.

5. TAKE AWAY THE PERSONALITY OF THE PROPERTY

To the end of grabbing the attention of the largest number of buyers it's advisable to maintain the personality of the property so it reflects a cozy environment. The intention of this is to achieve that the possible buyer can visualize and project their home in those spaces. If you eliminate all types of decorations, photographs and elements that make it unique, it can diminish the emotional connection of the buyer with the property, which would influence directly the choice.





CLOSING COST RELATED TO THE SALE

TOP 5 MOST COMMON CLOSING COSTS FOR THE SELLER

The closing cost are expenses related with the transactions, both the buyer and the seller must undertake the associated costs with the sale.

1. LIQUIDATION OF THE MORTGAGE

If the seller of the property has a mortgage, when selling, it must cancel the final balance and any administrative cost that the bank requires to finalize it. In some cases, there are mortgages with penalties for early re-payment.

2. COMMISSIONS

The commissions should be paid to the agents involved in the sale. Generally, the amount to pay by the seller is 6% of the sale price. This is made through the title company in charge of the transaction.

3. COSTS ASSOCIATED WITH THE REGISTRATION

The title company and/or lawyer in charge of the closing are the guarantors of the transparency of the negotiation and are the ones in charge of receiving all the money involved with the sale: receiving the money of the lending bank, finalize any pending debt, liquidate the mortgage, maintain the initial deposit in custody, among other functions. These companies charge for the function they perform within the transaction. Besides, the charges by the county for the recording of the documents in the public records should be taken into account. These costs vary depending on the county where the property is located.

4. REPAIRS

Depending of the initial negotiation between the parties or of the result of the inspection made during the purchase contract, the seller could be in the position to make some necessary repairs to complete the transaction of the property.

5. CONCESSIONS

When receiving an offer for the property, in some cases, the seller agrees to collaborate towards buyer's closing costs. This is known as "seller concessions" and the amount of collaboration will be accredited at closing to the buyer.



INTERESTING FACT

If you want to have a practical idea of an estimate of closing expenses, as a seller, you can calculate it in the following way:



1.5(+/-)
**of the sales
value**
of the property



**Remaining
balance**
of the main
mortgage and/or
secondary
mortgages
or lines of credit
associated to
the property



**Property
taxes
accumulated**
until the date
of closing



Commissions
to the agents
related in
the transaction

NEGOTIATION TIPS



FIND A MIDPOINT

No seller wants to receive less money than what their property is really worth. No buyer wants to pay more for an overvalued property. Therefore, the most recommended thing is to find a middle point where, both the buyer and the seller, feel that they're obtaining a fair price for the property.



TRUST YOUR REALTOR

Your adviser's job will be to look after your interests. They will also negotiate the best conditions based in the real estate market. Additionally, they will maintain the process in an impersonal way with the only intention of facilitating the fluidity of it. Having this in mind we recommend that you let your realtor in charge of the negotiation directly with the buyer and their agent.



DON'T GIVE UP

If you receive low offers for your property, don't get discouraged, and don't take it personally either. Simply make a counteroffer. Remember that the buyer is the interested one and that it's worth to try and reach a middle point where both parties consider the agreement fair.



DON'T WAIT TOO LONG

Generally, the first offer you have for a property is the best one. And, in some occasions, the only one. Therefore, we recommend that you don't waste time waiting for other proposals. If the price is too low, make a counteroffer and try, with your advisor, to maintain the interest of the possible buyer.



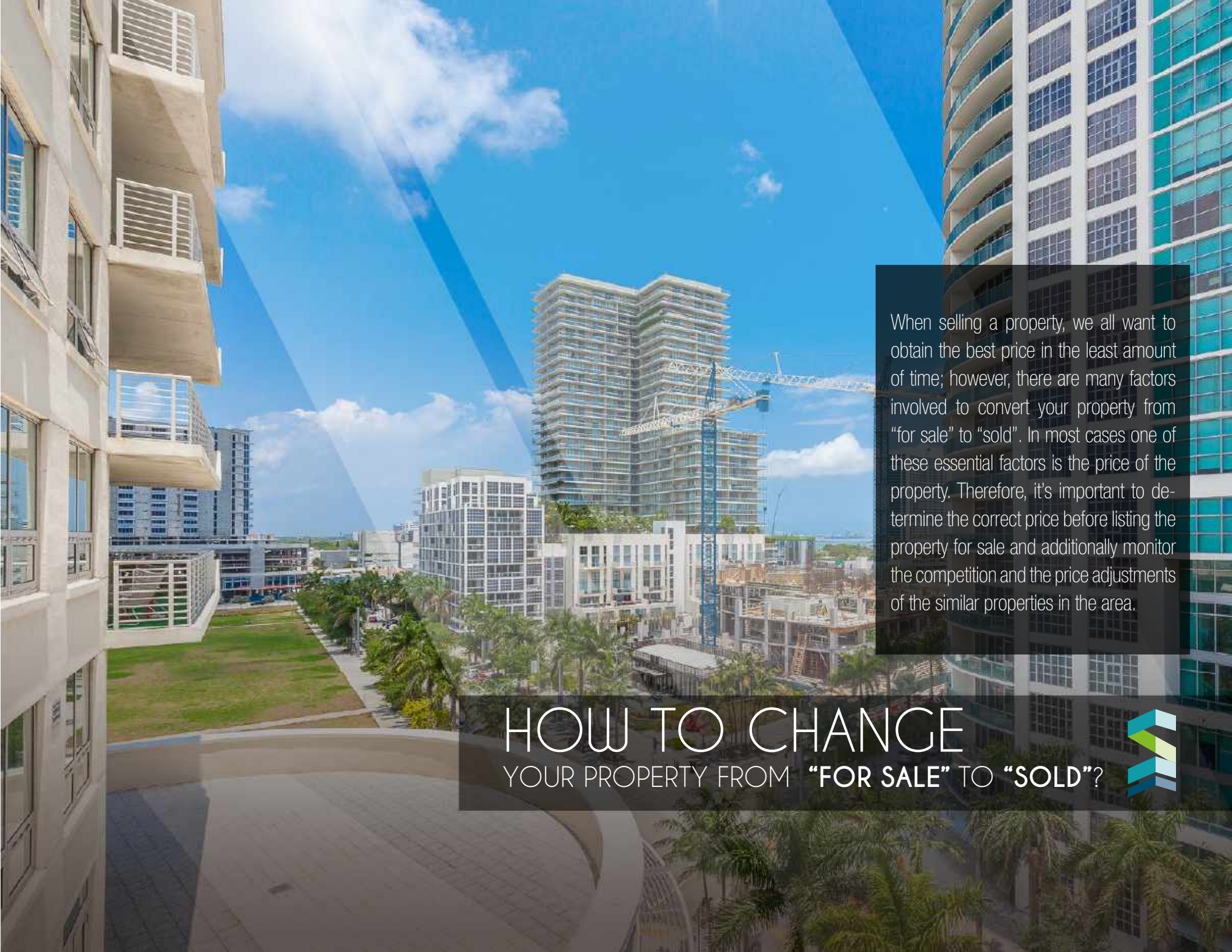
AVOID EMOTIONS

If you're selling a property, it's recommended that you leave the emotions on the side. This is an investment; therefore, you shall see it as such, without attachments.



DETERMINE THE TYPE OF MARKET

There are two types of main markets: the buyer market and the seller market. To make any type of decision it's important that you know in which one of the two you stand in to take the greatest advantage from the sale of your property.



When selling a property, we all want to obtain the best price in the least amount of time; however, there are many factors involved to convert your property from “for sale” to “sold”. In most cases one of these essential factors is the price of the property. Therefore, it’s important to determine the correct price before listing the property for sale and additionally monitor the competition and the price adjustments of the similar properties in the area.

HOW TO CHANGE
YOUR PROPERTY FROM “FOR SALE” TO “SOLD”?



5 KEY ASPECTS

THAT WILL TAKE US TO SELL YOUR PROPERTY

1 We'll base the list price of your property **in the similar already sold properties** versus those that are for sale, since if they haven't been sold it's because of something.

2 The price of the property is based in similar ones. When the property has upgrades, it gives us a **competitive advantage over the original properties**, however, when the price of the property is increased to recover the price of the improvements, that place the property outside the market and therefore will decrease the sale opportunities.

3 Let's consider the **type of market when selling**. In each moment there are opportunities to sell. However, there are seasons where the demand exceeds the offer, and therefore, the sellers are in an advantageous position to get the best price for the property. Through the advice of a specialized agent get to know the type of market so you can have the right expectations.





Prepare the property to appear in the best condition since this will help the to show better to the possible buyers. Make sure that:

4

- The property has a nice scent.
- The entrance to the property, halls and all the space in general are free of clutter and objects that block the spaces around the residence
- That enough natural light enters the property. Maintaining the curtains open during the visit of a buyer generates an environment filled with energy.

Let's take in consideration the average time that properties in your community take in order to be sold. Don't listing the property in the last minute if in your area the properties take a considerable amount of time to sell, since this can generate a lot of pressure. Let's find the ideal time to list your property and begin with an attractive price. Therefore, we'll be able to place ourselves as the #1 option in the market.

5

TESTIMONIALS

Our clients are our best presentation card. We share some of their impressions after working with our team and receiving personal coaching that defines us in *Santana Sales Group*.

“ In you we found a great friend. You have always been someone that has always invest its time in listening to us. You are a great professional, and honest both in your commercial side as in your personal side.”

Familia Dos Santos.

“ We recommend you very much in everything related to Real Estate. You have a very capable and smart team. At the same time, you have a very healthy and trustworthy cunning for business.”

Raquel Linares.

“ You have been very kind. I trust your team with my eyes shut. I'd recommend you in everything related with buying, selling, leasing and property management.”

Jorge Mattar.



Thank You

for dedicating the time to read this **"7-step guide to sell your property in Miami"**.

My intention is to give you the information as clear and complete as possible so the success in the sale of a property is the only option.

*In the **Santana Sales Group** we're all certified professionals in constant learning and our mission is to give you comprehensive advice. We work every day to make the sale process a gratifying moment in the life of our clients.*

If you wish to expand on the information or contact us, please visit our webpage and social media.

HAVE A GREAT DAY.

Katherina Santana

Founder/Broker Associate

+1 786.757.1488 ☎
santanasalesgroup@gmail.com | info@santanasalesgroup.com ✉



SANTANA

SALES GROUP

SOUTH FLORIDA REAL ESTATE TEAM



WWW.SANTANASALESGROUP.COM



@santanasalesgroup