



THE LAW OFFICE OF
CHRISTOPHER J. SULLIVAN, PLLC

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To: Clients and Friends
From: Christopher J. Sullivan
Subject: Why Realtors Should Use a Fee Attorney

A fee attorney refers to an attorney who has a contractual relationship with a title insurance company or title insurance agent. Much like the average escrow officer, a fee attorney's office handles the work involved in closing a real estate transaction. This often includes arrangement for title examination, preparation and/or delivery of a title commitment prepared for the transaction, acceptance of earnest money, and handling of escrowed funds. However, unlike the average escrow officer, a fee attorney can do much, much more. When deciding upon where to close your next transaction, keep the following thoughts in mind.

A Fee Attorney's Office Prepares Closing Documents In-House

Experienced realtors can tell many stories of closings held up because the lender or outsourced doc prep firm for the title agency did not prepare a crucial document in advance. Most often, this document is the deed itself, which is sometimes prepared by the lender's attorney and sometimes by the doc prep firm on retainer by the title agency. Since the source of the deed varies, often the lender assumes the title agency will provide it while the title agency thought the lender was sending it. The result is a holdup at the closing table, while the escrow officer waits on either the lender's attorney or the doc prep firm to receive their new order, find the file on their end, draft the deed, and send it back. This can cause sellers and buyers to sit at the closing table for up to an hour, twiddling their thumbs.

This situation simply doesn't happen when you close with a fee attorney office. Document preparation is done in-house, by the attorney responsible for closing or overseeing the transaction. All documents are carefully accounted for ahead of time. If a lender's document package comes in right before closing but missing a deed, the fee attorney can draft it immediately with no wait and no hassle. This means happy buyers and sellers – and more referral goodwill for the realtor!

In addition, getting custom documents drafted is much easier when you close with a fee attorney rather than simply a title agency. Whether your transaction requires a repair agreement, escrow holdback, or other customized document, closing with a fee attorney gives you assurance that an experienced attorney is on staff to draft whatever is required. These documents are available immediately and without fuss, since no outside doc prep firm needs to be contacted.



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A Fee Attorney Can Dispense Legal Advice

Escrow officers who don't work within the structure of a fee attorney's office are often at a loss when a transaction turns complicated in a legal sense. On the other hand, those that work at a fee attorney's office have the option of consulting directly with an attorney to get guidance on execution and acceptance of powers of attorney, affidavits of heirship, and other vehicles for closing transactions in which parties on title are deceased or unavailable. In addition, the in-house attorney can offer true legal advice on how to resolve even the most complicated issues that arise. Other common complications include active probates, boundary line disputes, and unrecorded easements.

Fee Attorneys Can Represent a Party if Necessary

Although rare, sometimes issues will arise that require a buyer or seller to hire an attorney to represent them in a limited capacity. This is in addition to representation by a realtor. When that issue arises, it is far better to utilize the fee attorney involved, provided there is no conflict and all parties agree to the limited representation. This option is generally less expensive than your client finding an outside attorney, and limits the number of people whose involvement in the transaction is necessary. The fee attorney will already be familiar with the issues that have arisen, and will be able to negotiate or solve problems on your client's behalf. A fee attorney can, for instance, negotiate with a seller's neighbor to have a boundary line agreement drawn up and executed.

The benefits to using a fee attorney's office for your next closing are numerous, and our office is ready to help you in any way possible. The Law Office of Christopher J. Sullivan, PLLC, is an authorized closing office for Alamo Title Company. Mr. Sullivan works with many realtors to facilitate smooth closings of their residential and commercial transactions. In addition, our office provides transactional document preparation and compliance guidance for sellers, buyers, investors, and lenders in the State of Texas.

Sincerely,

Christopher J. Sullivan

Christopher J. Sullivan
Managing Member