

"Lawyer Up" at the Closing Table

A Realtor's Perspective on the Difference a Good Real Estate Attorney Can Make

BY WILLIAM G. SAHADI

In the past seven years I've been involved in more than 400 real estate transactions. That is 400 first-hand opportunities to view the value that a good real estate attorney brings to the table. The majority of these transactions have involved the sale of residential homes. In no less than 40 percent of these transactions emotions, misunderstandings, egos, timing and legal issues have reared their ugly head.

Imagine a symphony without a conductor, or a wheel without an axis. From the start, careful and caring real estate brokers perceive themselves as the Gatekeepers of the Transaction. It is from their relationship with the client that the stream of guidance, advice, and assistance begins. Relationships with the lenders, insurance companies, inspectors and attorneys follow. For all these relationships, the attorney and the realtor are the ones who touch base with all the players. Their good communication is vital to an expedient and successful closing. In one sense, the realtor runs the entire race with the client, but it is only the attorney who can help them cross the finish line.

The attorney's main role is to deliver good title to the client, prepare and review the settlement statement, prepare the deed transferring ownership and oversee the steps necessary to ensure the seller has clear title to the property and that the funds for purchase are properly transferred. By no means is this high-dollar entertainment. Yet a good attorney can make the whole process work even better by adopting the rhythms of the relationship that the client and real estate broker have formed. In the unfortunate situation of a fractured broker/client, or seller/buyer relationship, their presence, awareness and understanding are even more vital.

At some closings, it's not uncommon for attor-

neys to don their referee's zebra outfits replete with a whistle around their necks. They have picked up the baton from the real estate broker and it's their demeanor, their guidance and their understanding that gets the deal done. So many times issues arise that require cajoling, negotiating and reasoning with the client. In almost all of

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these cases, it is the attorney who takes center stage. It is the attorney who has to resolve the issues. Title insurance companies do not offer this service.

We live in a consumer-savvy environment. Our clients are more educated today than ever before. Their awareness of price shopping is acute, yet all the articles and arguments about why title companies can offer the client a more cost-friendly fee to handle their closing (and this is questionable), misses the most important point of what matters

and of what is of true value. Is it valuable to save money when your interests might not be properly served? Is it cost effective to save a few dollars on most people's largest single lifetime purchase? Is it wise not to have a good attorney overseeing any possible issues or watching for missteps that might affect the bottom line of the clients' transaction?

Finally, many realtors walk a fine line in drawing up documents and giving their clients advice, legal advice that should only come from the attorney representing their interests. We have developed a strong relationship with two area attorneys who are there for us when we call. They are there for us when we are drafting documents. They are there for us to help us serve our client. Many of our contracts and communications with our client are written with attorney assistance/guidance.

Four hundred transactions have taught me the value of good representation for my clients. My solid attorney relationships have enabled me to serve my client better, thereby making me a better real estate broker. A successful real estate attorney should always align himself/herself with reputable real estate professionals. They should market themselves to us as liability reduction experts, and always try to personalize and understand the relationship we establish with our clients along the way, so that together, we are both equipped to help one another. In this scenario, everyone wins, especially our client. □

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legitimate needs of the homeowners' association must be considered with the legitimate expectations of lot owners. **Armstrong**, N.C. LEXIS at 872. Where exactly the **Armstrong** decision leaves us is difficult to say. With the waters now unsettled, it may take some time to get answers to

these questions. But for now, when drafting restrictive covenants, lawyers may want to use more detailed clauses to make sure to limit questions as to reasonableness when courts later look in the crystal ball to determine the parties' intentions. □

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