

**\*\* New Haven County Bar Association - sample \*\***

PURCHASER LETTER: 6/1/06 Final ver.

(date)  
(name and address)

RE: Purchase, (address)

Dear \_\_\_\_\_ :

Thank you for selecting me to represent you in connection with your purchase of a home. I appreciate the opportunity to work with you and will endeavor to make the process as easy as possible for you.

The rules under which I practice require that I contact you in writing about the terms of our engagement.

I have agreed to work with \_\_\_\_\_ (names) on the purchase of property located at \_\_\_\_\_ (address). Currently, this closing is scheduled for \_\_\_\_\_ (date).

Some of the work that I will perform for you includes reviewing your contract, searching the property's title, working with your mortgage lender and realtor, preparing financing and closing documents, preparing for and attending the closing, recording title documents in the Town of \_\_\_\_\_, conducting a bringdown title search at the time of recording, and completing and returning the mortgage documents to your lender.

You will pay me the sum of \$\_\_\_\_\_ for my legal services and \$\_\_\_\_\_ for the title search (estimate). You will also pay the following additional costs:\_\_\_\_\_. These fees may change and so I will inform you of any changes.

Enclosed with this letter is an Addendum containing important information which spells out in greater detail the services that attorneys perform in closings and other information that you need to know about purchasing a property and my role as your attorney in this transaction.

I look forward to working with you on this! Please call me if you have any questions.

Very truly yours,

(attorney name)

Terms accepted and agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
\_\_\_\_\_

## IMPORTANT INFORMATION ABOUT BUYING A HOUSE

A. **LAWYER SERVICES.** When representing the buyer in a residential transaction, an attorney typically renders the following services:

1. If you have already entered into a binding contract before retaining an attorney, your attorney will advise you as to the terms of your contract and the local customs that affect residential transfers. Your attorney will also assist you by helping to find answers to any questions you may have concerning contract contingencies. If you have not signed a contract before retaining an attorney, your attorney can help you in negotiating contract terms. There ordinarily is an additional charge for this work.
2. Your attorney will review the mortgage commitment and advise you of any issues that may arise from it. He or she can also make suggestions, if you wish, for possible mortgage sources. Once you have selected a lender, please let the lender immediately know who your lawyer is, so that you are not randomly assigned a closing attorney.
3. Your attorney will arrange for a title search of the property and obtain such title insurance policies as may be required or requested. Undoubtedly, your lender will require a mortgagee's title insurance policy and you may wish to purchase an owner's title policy. An owner's policy will not only protect your equity investment in the property but also (when coupled with the required mortgagee title policy) make sure that the title insurance company will be solely responsible for all legal costs in the event that there is a title claim against you and your new house. If you would prefer your attorney to use a specific title insurer, please let him or her know. If your attorney issues a title insurance policy, he or she will receive a sixty-percent commission from the title insurance premium which compensates the attorney for the work performed for the title company. The commission received in no way increases the insurance premium charged to you. The title insurance premium is subject to strict regulation by the Connecticut Department of Insurance.
4. Your attorney will prepare or review the mortgage documents and work with the lender to satisfy any other closing requirements. Your attorney will explain to you the legal significance of all documents.
5. Your attorney will prepare the closing statement and the adjustments with the seller's attorney and lender and review all figures with you prior to closing, making a full accounting of all funds used in this transaction. If you wish, a copy of the HUD-1 settlement statement will be made available for your review one day prior to closing, assuming the statement is available at that time.
6. Your attorney will attend the closing as your representative, review all of the seller's documents, and record all appropriate documents as soon as possible after the closing.

B. **QUOTED FEES.** The fees attorneys quote are based upon there being no unusual problems in this transaction. If unusual problems do arise, the fee may have to be increased. In such event, you and your attorney should discuss what an appropriate increased fee would be. These fees quoted only cover work on a first mortgage loan at the time of the purchase. If you are placing a second mortgage on the property to pay for some of the purchase costs, most attorneys charge an additional fee for the extra work that such a mortgage requires. Please let your attorney know immediately if you are planning such a transaction.

The closing attorney's fees do not include out of pocket expenses such as title search costs, bank wiring fees, recording fees, title insurance premiums, overnight mail or other costs and expenses associated with the closing. If for some reason you do not close on the home you will be required to pay all expenses incurred on your behalf plus a reasonable fee for services that have already been rendered. If you do not pay your attorney for legal services and costs, your attorney will be unable to complete the closing or continue to represent your interests. In addition, if the attorney chooses to retain counsel or a collection service to collect unpaid fees from you, you will also pay your attorney for any collection costs reasonably incurred.

In addition, these fees may only cover attendance at a closing held in the Greater New Haven area. In the event that the closing must be held outside that area, you may be asked to pay an increased fee to compensate your attorney for the extra travel time involved.

C. **EXCLUDED SERVICES.** The closing services performed by your attorney and the fees quoted relate to purchase transactions only and do not include (a) suits or claims by or against the sellers or the agents, (b) negotiation or drafting of use

and occupancy agreements, or (c) the resolution of any claimed defects relating to the physical condition of the property, the status of title, the survey, or compliance with wetlands, zoning, building or housing regulations. If necessary or appropriate, these legal services will be billed separately and you and your attorney should discuss those fees if these situations arise.

D. TITLE SEARCHES. Under normal circumstances, a title search will not be performed until you receive your mortgage commitment. If you wish a title search sooner, please let your attorney know. The examination of title generally will not reveal any building, driveway, or fence encroachments, or the location of sidewalks or easements, all of which can only be determined by an accurate survey of the property. If you wish to have this work done, you must contact a licensed Connecticut Land Surveyor. Further, the examination of title will not reveal any violation of zoning, subdivision, wetlands, building or housing code rules, regulations or ordinances.

E. HEALTH ISSUES. You should be aware that there is a growing concern over a variety of environmental issues, including health risks and legal liability associated with the ownership of property which contains an underground petroleum storage tank, asbestos, lead (including lead paint), radon, well water contamination and other substances which pose health or environmental risks. There is a particular danger of the presence of lead paint in buildings constructed prior to 1980. While it may be impossible to avoid all potential risks of this nature, it is prudent for you to obtain as much information as possible about the property before the physical inspection contingency expires and to notify the seller in writing about any problems you discover prior to the end of the contingency period.

F. CERTIFIED FUNDS. PLEASE NOTE THAT AT THE TIME OF CLOSING, YOU WILL BE REQUIRED TO BRING A CERTIFIED OR BANK TELLER'S CHECK FOR THE NET BALANCE DUE.

G. CONTRACT COPY AND CONTINGENCY DEADLINES. Please deliver a copy of your contract to your attorney or instruct your agent to do so as soon as possible. Also, please keep your attorney informed with regard to your progress in obtaining a mortgage commitment. Finally, your contract contains a number of time limitations and contingency dates. It is your responsibility to timely advise your attorney if those deadlines cannot be met so that he or she can take action on your behalf. YOU MUST REMAIN VIGILANT AS TO ALL THE TIME LIMITATIONS!

H. CLOSING DATE FLEXIBILITY. You need to know that, although your contract lists a specific closing date, this is not necessarily the actual date when the closing will take place. Under Connecticut law, the closing may legally take place either before or within a reasonable period after the date given in the contract, without penalty to the seller. You should not terminate your lease, hire your mover or take other actions based on a guaranteed closing date until the closing is actually scheduled and confirmed by the attorneys, after consultation with you.

I. POST-CLOSING COPIES. As part of your closing fee, your attorney will provide you with a package containing copies of all pertinent closing documents. Your attorney will provide you with additional copies at the time of closing for a nominal charge. Clients often request copies of their closing statement or other documents from their file when they are preparing income tax returns; many attorneys charge a fee for these extra post-closing copies to offset the clerical and administrative expenses involved in retrieving from storage and copying those documents. Please also be aware that many attorneys destroy their files a certain number of years after the matter is completed.