

THE WOOD LAW FIRM, P.A.

2700 Coltsgate Road
Suite 203
Charlotte, North Carolina 28211

Telephone: 704-365-1046

Facsimile: 704-365-1047

Re: Purchase of _____ (“Property”)

Dear _____:

Thank you for selecting our firm to represent you in closing the purchase of your Property in _____ County. Upon receipt of the necessary information from your lender, we will proceed to search the title to the Property and prepare all necessary documents for closing.

To give you some idea of what to expect, typical categories for which costs will be incurred, associated with the purchase of the Property include:

- (a) Survey;
- (b) Title insurance;
- (c) Recording fees;
- (d) Bank fees;
- (e) Escrow;
- (f) Attorney fees;
- (g) Copy charges;
- (h) Express mail charges;
- (i) Hazard Insurance policy.

We will obtain the title insurance commitment and title insurance policy.

In preparation for closing, we will perform a title search. The nature of that search may take on one of two forms, depending upon whether or not the title has previously been insured. If the title has not been previously insured, a search of the public records for a period of time satisfactory to the title insurance company will be required. If the title has previously been insured, we can obtain coverage for you and your lender by having the title examined from the effective date of that coverage to the present. The process of performing only a limited title search is what is known as “tacking”. If we tack to an existing title insurance policy, you will be relying on your policy of title insurance and not our having actually examined the public records for any matter affecting your title prior to the date of the existing policy of title insurance to which we tacked. Therefore, absent your timely objection, we will determine if title insurance coverage exists on the Property and, if so, have the public records examined only from the date

of that coverage to the present. In other words, absent your timely objection, we will “tack” to that existing policy of title insurance. This procedure will enable us to keep your costs to a minimum while, at the same time, providing full title insurance coverage for you and satisfying your lender’s requirements. **However, please also be advised that a title search/examination takes a substantial amount of time. Therefore, if we perform a title search/examination on your behalf, you will be responsible for the cost of this work, even if your closing is cancelled.**

Most closings do not require any work beyond the title search and the loan document preparation; however, in the event you require representation prior to closing or additional work becomes necessary, such as the drafting of an escrow agreement, an encroachment agreement, a power of attorney, or other additional documentation, a separate fee will be charged in accordance with the nature and complexity of the work involved.

You should be advised that title insurance, while a valuable insurance coverage, does not cover any and all damage that may arise from a title defect. Title insurance also does not necessarily provide immediate relief in the form of the payment of a claim given title insurers have a reasonable time to correct defects in title which the insurer reasonably believes can be corrected. What constitutes a “reasonable time” depends upon the nature of the defect.

We, as your closing attorney, make no representation as to the structural integrity of any improvements on the Property (if any), nor do we provide any opinion as to the environmental condition of the Property. In addition, the survey should reveal whether or not the Property lies within a flood plain. As we are not surveyors nor are we engineers, we make no representations as to whether or not the Property lies within a flood plain. Our ability to provide you with flood plain information is limited by what is disclosed to us by the surveyor’s report and by what, if anything, we may find on the public record. A survey of the Property may reveal the existence of boundary overlaps, gaps, gores or encroachments affecting the Property. We recommend you have the Property surveyed prior to closing. If a new survey is not performed, you will not be insured by the title insurer for any matters that a new survey would have revealed. Please let us know as soon as possible if you would like to have the property surveyed so we can order a survey in a timely manner.

If the Property is a condominium unit, no survey will be performed. Therefore at or prior to closing, you should review the recorded condominium plats and plans to be sure the condominium unit you think you are purchasing is actually the condominium unit you have contracted to purchase.

Presumably you have been provided copies of restrictive covenants applicable to the Property by your real estate agent or the Seller. If you have not, you should obtain those covenants to be certain your proposed use of the Property is consistent with those restrictions. In that we have not yet searched title to the Property, we do not have copies of any such restrictions. If you want us to obtain copies of such restrictions for you we will be glad to do so in the course of our title search. Please let us know if you want us to provide them to you.

We will be in touch with you to discuss your closing date and time. In the event either of you are unable to attend the closing, please let us know immediately. It may be possible to close by Power of Attorney, if necessary, but your lender must approve that procedure in advance of closing and necessary document preparation must be completed prior to the date of closing.

Our fee for the above service is \$625.00. In addition to the foregoing flat fee, you will be responsible for payment of any expenses incurred by our firm in connection with your closing such as the title search, title insurance, courthouse courier, copy charges, express mail charges, fax and long distance telephone charges each and all of which will be set out on the Settlement Statement at closing. Certain charges on the HUD-1 Settlement Statement, including but not limited to overnight/courier and recording fees, may not reflect the actual costs and in fact may be more or less than the actual costs to the settlement agent. The additional amount(s) may vary and are to help cover the administrative aspects of handling the particular item or service. I/we hereby consent to and accept the above-referenced charges.

Upon receipt of your closing package, a closing statement will be prepared by our office. Until that time we will be unable to provide you with the dollar amount of funds needed to close. When that number is available we will let you know immediately.

Pursuant to the N. C. Gen Stat Sec 45, ALTA Best Practices, State Bar Rules and in order to protect your funds, all funds in excess of \$500 must be received by wire to The Wood Law Firm, PA. For this transaction, the only bank account we will be using is our IOLTA Trust Account. The account information will be sent in a separate, secured e-mail.

BEFORE SENDING ANY WIRE, CALL OUR OFFICE AT (704)365-1046 TO VERIFY THE INSTRUCTIONS. WE WILL NOT CHANGE WIRING INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTION FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT OUR OFFICE IMMEDIATELY.

ALSO, PLEASE REMEMBER TO BRING YOUR DRIVERS LICENSE OR SOME OTHER FORM OF PICTURE I.D. TO CLOSING.

Should you have any questions regarding your closing at any time, please do not hesitate to contact us. We will be glad to answer any question you may have.

Sincerely,

Andrea S. Wood
Attorney at Law

ACKNOWLEDGED:

Buyer

Date

Buyer

Date