



April 2017

NEWSLETTER

A quick note to keep you current regarding events in our office, law and issues...

A NOTE FROM SHANNON –

Recently, we have received claims arising out of a buyer’s occupancy of property prior to the close of escrow. Those claims include the following issues: damage to buyer’s personal property, which they moved into the seller’s real estate; buyers moving into the property prior to the close of escrow and damaging the property; and buyers hiring contractors to upgrade the property, but not paying the contractor and failing to close the escrow, which led to a significant mechanic’s lien. It is recommended that buyers refrain from taking possession of the property prior to close of escrow. The following are specifically discouraged:

1. Allowing buyers to move their belongings into the property prior to close of escrow;
2. Buyers moving into the property prior to the close of escrow;
3. Buyers undertaking repairs or improvements to the property prior to the close of escrow; and
4. Buyers being permitted to alter the property in any respect prior to the close of escrow.

All of these activities are risky as there is no guarantee that the buyer is going to close the escrow and the seller is left with the property. If an unusual circumstance arises where a buyer must occupy the property prior to the close of escrow (such as a delay in the close of escrow due to a title issue), it is recommended that the parties retain a qualified real estate attorney to assist them in drafting an appropriate lease.

UPCOMING SEMINARS

Friday, May 5, 2017:
Shannon B. Jones will be providing legal updates to the California Association of Realtors Legal Affairs Forum in Sacramento, California.

HOLIDAYS

Our offices will be closed in observance of Memorial Day on May 29, 2017.



About Shannon...

Shannon B. Jones is the owner and managing partner of Shannon B. Jones Law Group. She has been representing real estate agents and brokers for almost 30 years.

She has an undergraduate and law degrees from the University of Southern California. She is a member of CAR's Strategic Defense Panel.

She has published a number of articles and the best-selling real estate book, "A Real Estate Agents Practical Guide to Avoiding Litigation."

She is a shareholder in California Real Estate Legal Alliance ("CRELA"), a company established to represent real estate professionals throughout the State of California that offers real estate advice, coaching, claims prevention, effective and efficient management of claims, risk management, cutting edge industry information, insurance management assistance, as well as other beneficial services.

LEGAL UPDATES - Our website was recently updated to include the following articles:

- An article wherein the Consumer Finance Protection Bureau fine Prospect Mortgage and two (2) real estate brokerages \$3,500,000 and \$230,000 respectively, for RESPA violations arising out of the use of market service agreements.
- An article wherein a California appellate court refused to uphold a deed where it was procured through fraud.
- An article where a court prohibited a landlord from collecting Section 8 payments from a tenant where the landlord failed to maintain the premises.
- An article regarding a case wherein an appellate court held that a buyer of property after a foreclosure sale is not required to record its title prior to serving a notice to quit.

A complete discussion of these matters can be found on our website, www.calrealestatelaw.com, under Legal Updates.

BLOG UPDATES - Our website was recently updated to include the following blogs:

- A Q&A regarding the TDS and property owners who hold property in a living trust.
- A blog regarding the Department of Treasury now requiring the reporting of properties sold for \$2,000,000 or more in certain California counties.

Please visit our blog at <http://www.calrealestatelaw.com/BLOG>

ANNOUNCEMENTS –

We are pleased to welcome Jennifer L. Wallis as a new attorney in our office. Jennifer has both a Juris Doctorate and Masters in Business Administration from the University of San Francisco. She has experience in real estate and estate planning.