

Law Offices
of
Michael J. Heath

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Enter client(s) names: _____

Enter mailing address: _____

Enter email address: _____

Phone: _____

Are you the buyer or seller (normally I represent the seller; I can never represent both sides)? _____

Representation Agreement – Drafting of Sales Contract for Purchase and Sale of Real Property

Dear Client(s):

I appreciated the opportunity to talk with you regarding drafting a sales contract for a purchase and sale of real property.

I will undertake the representation of you for a flat fee of \$500.00 in accordance with our Standard Terms and Conditions for such matters, a copy of which is attached. This fee is due in advance. The hourly fee provisions of the Standard Terms and Conditions will not initially apply unless your drafting requires extraordinary efforts on my behalf exceeding the budgeted two hours I have allotted for the consultation and drafting of the contract. Please keep in mind that the time allotted does not include significant “haggling” between the buyer(s) and seller(s), therefore please try to reach as close to a tentative agreement as possible before having me being the work. If you do exceed the two hours, I will discuss with you first prior to billing you anything additional.

Payment for these services are due in advance; I have enclosed a credit card authorization for payment. I have also enclosed a questionnaire to complete to assist me in drafting the contract. Please note that I customarily use an AS-IS contract, which allows the buyer an inspection period and a right to walk for any reason as a result of those inspection results. I prefer this contract as it also does not require the seller to make any changes to your property; keeping the parties free to openly discuss their concerns as a result of the inspection. While it is an AS-IS contract under Florida law a seller is required to disclose any known defect or history that could substantially affect the value of the property; as such I will be providing you a property disclosure statement to complete this requirement. I do use the contract(s) promulgated by The Florida Bar and/or the Florida Association of Realtors, which are customarily used in this area. I will also select allocations and make adjustments that are most favorable to you and that are customary for your property. Please be certain though to make sure you review the contract fully, and feel free to ask me any questions or raise any concerns you may have.

I often get the question of do I really need an attorney to help me with this? I think the answer is very clear...yes. This is often the largest transaction you will make with a lot of money at stake, while the forms I often use are standard forms, which forms I use, why I use them, and what I pick are based upon the experience I have with dealing with many transactions. I pick the forms that are most favorable to you. I have seen many mistakes and bad decisions by individuals and even the most experienced Realtors that result in unfortunate mistakes or disadvantages.

Please note that I am only representing you as necessary for preparation of the contract and no other purpose; once the contract has been fully signed my job is done. In some instances, our firm may be retained for purposes of handling the closing at our customary closing costs; however the file will at that point be passed along to my closing team to act as the closing agency/title company. While our firm will still be involved in the closing process to ensure a smooth closing, I will not have direct involvement or be acting as your counsel; for most sellers that is fine as your biggest concern is getting your check at closing. If another firm is handling the closing and you are the buyer, then upon the contract being fully signed, my job is done. We can continue to represent you through closing (which is often very useful), but that would be something handled by a separate agreement and I am happy to discuss that with you.

LAW OFFICES OF MICHAEL J. HEATH
STANDARD TERMS AND CONDITIONS

1. **FEES FOR SERVICES.** I will charge you a reasonable fee for my services based primarily on hourly rates established from time to time. My hourly billing rates at the present time are as set forth below:

Attorney (non-trial):	\$250.00
Attorney (trial):	\$375.00
Paralegal assistants:	\$125.00

My billing rates are reviewed from time to time and may be increased as deemed necessary. I bill in 15 minute increments, rounding up. Increases are effective upon 30 days notice. You will be billed for the time expended on working on your case, which includes in-person and telephonic conferences with you or third parties involved in your case, email or written correspondence to you or third parties involved in your case, and appearances in court or other venues. My office policy is to require some payment before I render services. Such a retainer assists me in covering the initial time to be expended on a new matter and also makes both attorney and you, my client, feel that they have established a firm professional relationship. This retainer will be used to pay costs and fees as they are incurred. The retainer is nonrefundable. You acknowledge that this is a reasonable fee arrangement for several reasons, including but not limited to the fact: (1) that your case involves considerable time and labor; (2) Your matter is complex and unique; (3) that by representing you, this will preclude the law office from representing other potential clients; (4) that your case is a significant undertaking by the firm; (5) that your case requires involved responsibility; (6) that your case involves circumstances that impose time limitations on the law office; and (7) that you are availing yourself of the experience, reputation, diligence, and ability of this law office. If the retainer is depleted, you agree to supply additional retainers as requested. You further agree that I may bring in third parties, including outside counsel, to assist in your case, however the cost of which shall not be greater than my own fees.

2. **COSTS.** In connection with my representation, I anticipate that certain expenses may be incurred and advanced on your behalf. These expenses may include filing fees, recording costs, out-of-town travel expenses, delivery charges, long distance telephone charges, photocopies, postage, express mail, certified mail and the like, computer research charges, court costs (such as filing fee, newspaper publication, recording fees, etc.), title search fees and courier charges. In addition to my fees for legal services, you agree to pay me for such out-of-pocket expenditures. In the event unusually large costs or advances are anticipated, I reserve the right to require a cost deposit from you prior to undertaking the expenditure of funds on your behalf.

3. **PAYMENT OF FEES AND COSTS.** I will advise you monthly concerning the time spent on this matter (and the expenses incurred) plus any applicable sales tax. Payment for my services and/or expenses will be due within fifteen (15) days of the date upon which the statement is received. If you have any disagreement about the amount of any statement, you must advise me in writing within fifteen (15) days; otherwise, you agree to that statement. Past due accounts are subject to interest charges at the rate 15%, accruing monthly.

4. **NON-PAYMENT OF FEES AND COSTS.** You understand that non-payment of any invoice for fees and costs which is rendered to you in accordance with the terms of this letter will constitute a default by you and I may, in my sole and absolute discretion (subject to court approval, if necessary), cease to provide further legal services to you. You will, however, be liable to me for the payment of any fees earned and any costs incurred by me to that time. In the event I am ultimately required to bring suit to collect any unpaid fees, costs and sales tax, you understand that you will be required to pay the reasonable attorneys' fees and costs I incur to enforce these terms and conditions. You further agree that I have the right to retain any and all files, papers and other property coming into my possession in connection with our engagement without any liability to you until I have been paid all fees, costs and interest due me under this agreement. You also agree to the imposition of a charging lien for any monies due me on all real and personal property that is preserved, protected or obtained as a result of the representation undertaken herein. If you disagree on a statement or have not paid my bill and you have not objected to my statement within the prescribed fifteen (15) day period, then you consent to me on the fifteenth day after sending the invoice, to using the remaining retainer to pay any outstanding monies owed to me. In addition you understand that in the event of non-payment of fees that I may submit your invoice to a collection agency of my choosing under your social security number. You further waive any confidentiality as it applies to submitting your invoice to a collections agency.

5. **OTHER MATTERS.** In the event you engage me to render services with respect to other matters not covered by this engagement letter, in the absence of a written agreement to the contrary, those other matters will be handled on the same basis, and fees and costs will be payable under the same terms and conditions as provided for herein.

6. **TERMINATION.** You will have the right to terminate my representation at any time, subject to payment of all outstanding fees and costs. I will have the same right, subject to an obligation to give you reasonable notice to arrange alternative representation.

CLIENT QUESTIONNAIRE FOR PREPARATION OF SALES CONTRACT

Please review all questions before starting to answer them. PLEASE WRITE CLEARLY.

1. Buyer(s) full legal names as it appears on your Driver's License? _____
_____ Marital Status: _____
2. Seller(s) legal names? _____
3. Property address: _____
4. Purchase price? _____ Initial Deposit Amount (2-5% customary)? _____
5. Is the buyer getting a loan? Y / N Amount financed? _____
6. Inspection period (customary 15 calendar days)? _____ Closing Date: _____
7. Tenant in the property after closing (or subject to a lease after closing)? Y / N Attach copy of lease.
8. Are seller(s) US Citizens? Y / N Are buyer(s) US Citizens? Y / N
9. Are there any other unique details that need to be included in the contract? If so please provide details: _____

FOR CONDO'S OR PROPERTIES IN A HOMEOWNER'S ASSOCIATION

10. How many Association(s)? _____ Name(s): _____
11. 1st Association dues are? _____ Paid (circle one): monthly quarterly semi-annually annually
12. 2nd Association dues are? _____ Paid (circle one): monthly quarterly semi-annually annually
13. Are there any extra fees for pool or recreation areas? Y / N
 - a. If yes, how much? _____ Paid (circle one): monthly quarterly semi-annually annually
14. Is the Association involved in any litigation or anticipated litigation? If yes, please provide details: _____

15. Are there any boat slips, parking spaces, garages, storage units, other items being sold with the unit? If so, please provide details: _____
16. Does the Association have a Right of First Refusal to be able to buy the unit (normally no)? Y / N
17. Does the Association have to approve the buyer(s) to be able to buy the unit (normally yes)? Y / N
18. Please note, by statute if this is a condo, the buyer must be provided a current copy of the following: Declaration of Condominium (with all amendments), the Association's Articles of Incorporation, Bylaws, Rules of the Association, a copy of the most recent year-end financials of the Association, and Frequently Asked Questions form from the Association. If you are the seller, you may want to now reach out to the management company and request a "resale packet" for your buyer. The buyer has a three day rescission period after getting these documents so the sooner they are provided to the buyer the better.

FOR SELLER FINANCING SITUATIONS

19. Amount of the loan? _____ Interest rate (fixed is preferred)? _____
20. Amortization length of loan (30 years is normal with normally a 5 year balloon)? _____
21. Does the loan balloon? Y / N How many years after closing? _____
22. Is/are the buyer(s) married? _____
23. In addition to buyer(s), any other loan guarantors? _____