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- [Communications](#)
- [Sections](#)
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- [Related Organizations](#)
- [Bar Meetings](#)
- [Parking Deck](#)
- [Law Related Education](#)
- [Sponsorship/Marketing](#)
- [Vendor Directory](#)
- [Conference Center](#)
- [Storefront](#)

[Home](#)»[Handbook](#)»[Supreme Court of Georgia](#)»[FAO 00-3](#)

## Formal Advisory Opinion 00-3

**STATE BAR OF GEORGIA  
ISSUED BY THE SUPREME COURT OF GEORGIA  
ON FEBRUARY 11, 2000  
FORMAL ADVISORY OPINION NO. 00-3**

For references to Standard of Conduct 24, please see [Rule 5.5\(a\)](#).

For an explanation regarding the addition of headnotes to the opinion, [click here](#).

### **QUESTION PRESENTED:**

Ethical propriety of lawyers telephonically participating in real estate closings from remote sites.

### **SUMMARY ANSWER:**

Formal Advisory Opinion No. 86-5 explains that a lawyer cannot delegate to a nonlawyer the responsibility to "close" the real estate transaction without the participation of an attorney. Formal Advisory Opinion No. 86-5 also provides that "Supervision of the work of the paralegal by the attorney must be direct and constant to avoid any charges of aiding the unauthorized practice of law." The lawyer's physical presence at a closing will assure that there is supervision of the work of the paralegal which is direct and constant.

### **OPINION:**

Formal Advisory Opinion No. 86-5 (86-R9) issued by the Supreme Court states that the closing of real estate transactions constitutes the practice of law as defined by O.C.G.A. §15-19-50. Therefore, it is ethically improper for lawyers to permit nonlawyers to close real estate transactions. Correspondent inquires whether it is ethically permissible to allow a paralegal to be physically present at a remote site for the purpose of witnessing signatures and assuring that documents are signed properly. The paralegal announces to the borrower that they are there to assist the attorney in the closing process. The lawyer is contacted by telephone by the paralegal during the closing to discuss the legal aspects of the closing.

The critical issue in this inquiry is what constitutes the participation of the attorney in the closing transaction. The lawyer must be in control of the closing process from beginning to end. The supervision of the paralegal must be direct and constant.

Formal Advisory Opinion No. 86-5 states that "If the 'closing' is defined as the entire series of events through which title to the land is conveyed from one party to another party, it would be ethically improper for a nonlawyer to 'close' a real estate transaction." Under the circumstances described by the correspondent, the participation of the lawyer is less than meaningful. The lawyer is not in control of the actual closing processing from beginning to end. The lawyer is brought into the closing process after it has already begun. Even though the paralegal may state that they are not a lawyer and is not there for the purpose of giving legal advice, circumstances may arise where one involved in this process as a purchaser, seller or lender would look to the paralegal for advice and/or explanations normally provided by a lawyer. This is not permissible.

Formal Advisory Opinion No. 86-5 provides that "Supervision of the work of the paralegal by the attorney must be direct and constant to avoid any charges of aiding the unauthorized practice of law." By allowing a paralegal to appear at closings at remote sites at which lawyers are present only by telephone conference will obviously increase the likelihood that the paralegal may be placed in circumstances where the paralegal is actually providing legal advice or explanations, or exercising independent judgement as to whether legal advice or explanation is required.

Standard 24 is not met by the lawyer being called on the telephone during the course of the closing process for the purpose of responding to questions or reviewing documents. The lawyer's physical presence at a closing will assure that there is supervision of the work of the paralegal which is direct and constant.

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