



ECFH Financially Speaking

East Caribbean Financial Holding Company Limited

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Contemporaneous transaction

A **contemporaneous transaction** is an agreement by a lawyer to accept funds from a financial institution on behalf of a client to carry out a specific transaction. **Contemporaneous transactions** are usually undertaken during the buying and selling of real estate. The financial institution will pay the funds to the lawyer on behalf of their client (the purchaser in the case of real estate). The lawyer in turn will issue a **contemporaneous letter** agreeing to complete the transaction between the vendor and purchaser and registering the necessary legal documents on behalf of the vendor, the purchaser and the financial institution.

What does this mean for you?

By undertaking the **contemporaneous transaction**, the lawyer is charged with the responsibility of ensuring that all the legal documents are properly filed and that payments are made to the right parties. Therefore, you, as the prospective property owner, and the bank are freed from the responsibility of filing legal documents associated with the real estate purchase which can be complicated for the average person. Through the **contemporaneous transaction**, you can rest assured that all legal documents and transactions are handled in a proper manner.