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Why Real Estate Law Firms Need Customizable Practice Management Software

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The dictionary defines real estate as property comprised of land and/or buildings. Just as that broad definition can include various types of transactions, the practice of real estate law encompasses a variety of different matters. While some real estate attorneys primarily focus on litigation cases, others may spend the majority of their time negotiating land sale contracts. These variations make customizable legal practice management features a must for real estate law firms.

A Look Inside Real Estate Legal Matters

There is a lot to consider when it comes to real estate law, including land use, purchase, rental, and compliance issues. To get a better feel for this expansive practice area, let's take closer look at some specific real estate practice areas:

Residential Real Estate Transactions

These matters center around the sale of single-family homes between individuals or families. Attorneys working in this area tend to focus on assisting home buyers and sellers through the transactional process of buying or selling a home. They may also represent client interests when disputes arise over contracts, titles, financing, permits, or zoning.

Commercial Real Estate Transactions

These matters focus on the sale, rental, and purchase of commercial properties. They include issues related to contract review and drafting, construction and buildout, land use, easements, and restrictions. Commercial real estate attorneys may also offer advisement about financing issues.

Property Management

These matters may involve residential or commercial properties. Law firms usually represent the property owner and assist with conflicts over nonpayment of rent, lease term violations, and property use. Property management law firms may routinely appear in court for eviction or nonpayment procedures.

Agricultural Real Estate Transactions

These cases generally involve commercial or small family operations that are primarily used for

agricultural needs. Attorneys working in this practice area may provide legal counsel to farmers and other businesses working in production agriculture or other farm operations.

Green Real Estate

This emerging area of real estate law reaches the residential and commercial sectors. Attorneys may focus on environmental issues related to contaminated land, or environmental restrictions, real estate cleanup, and the protection of buyers and sellers.

Collaboration Within Real Estate Law

A single real estate matter may have numerous components. For this reason, real estate firms may organize their cases into projects, where attorneys and support staff work on teams to handle matters in a more efficient manner. When promoting a collaborative working environment, law firms need practice management features that support communication and help keep everyone on the same page. Here are some of those features:

1. Workflow automation

With workflow automation, law firms can better organize and manage the most complex real estate cases. Workflow refers to the individual steps that go into the completion of a legal matter from beginning to end. When law firms attempt to manage workflows manually, they often end up wasting valuable time and fostering inefficiencies within the practice.

Many practice management platforms include workforce automation solutions. These features help law firms streamline the complexities of real estate matters. From purchase offers to escrow details, automation tools assist with the assembly of relevant documents, the management of closing dates, and the successful completion of real estate matters.

Real estate law firms benefit from workflow automation through the minimization of errors and reduction of risk, data collection and reporting capabilities, and opportunities for continuous workflow improvements.

2. Document management

When law firm team members work in various locations, and at different times, they need the ability to collaborate remotely on documents, contracts, and forms. Cloud-based practice management systems typically offer document management tools that allow members to access and work on documents from virtually any location with unlimited data storage.

Real estate often involves vast and frequent negotiations. Attorneys need to see all matter details in one centralized location so they can create notes, track various versions, and share documents internally or externally, when appropriate.

Quick document search tools save time by making it easy to search databases and documents for specific details. Real estate lawyers can quickly locate a variety of documents, including such items as disclosure agreements, purchase contracts, or inspection certificates.

With the complexities of their matters, real estate law firms must have tools that help them organize, edit, and maintain all relevant documents.

3. Calendaring

Real estate transactions typically involve numerous deadlines and important dates. There may be mediation appointments, contractual targets, court appearances, or scheduled closings. A comprehensive calendaring system helps real estate law firm administrators keep everyone informed and on track to meet all matter deadlines, from an individual attorney to an entire project team.

Features like automated notifications and secured client portals also help real estate firms keep clients informed about upcoming events and deadlines. These tools allow attorneys to spend more time on profitable tasks while meeting their professional duty to keep clients in the loop.

4. Managing Billing and Client Funds

Real estate law firms may offer their clients any number of payment structures and arrangements. From flat fee options for simple contractual sales to hourly billing options that require client retainers. Firms need legal billing systems that can handle these variations and promote the efficiency of invoicing procedures.

- Robust legal accounting helps real estate law firm leaders easily review their firm's financial standing, as well transactional histories. Whether a firm member needs to assess all transactions from a particular quarter, or they need to access a detailed AR report, with an effective legal practice management software, these accounting tasks can be handled quickly and easily.
- Real estate law firms may hold client funds in escrow during the purchase process, so practices need effective tools for managing escrow funds and tracking multiple IOLTA bank accounts. From the beginning of representation through to the closing, the firm needs the ability to track and document all movement of funds into and out of these accounts.
- For a large real estate law firm, billing and invoicing can consistently take up an unreasonable amount of time - time that could be better spent on billable matter tasks. A comprehensive legal billing system allows firm members to efficiently handle the invoicing process. They can quickly choose line items to include in a bill, streamline the approval process, and easily get customized invoices out to firm clients.

Whether the firm is billing with a flat fee for a simple matter or through a retainer arrangement for more complex cases, real estate law practices need to ability to customize the billing systems quickly and easily in a way that efficiently addresses these billing options. They need a legal practice management system that can manage them all.

The Takeaway

Real estate law includes a wide range of specialties, from residential sales to multi-million-dollar commercial transactions. To be consistently successful, real estate law firms need practice management tools that can be tailored to the specific needs of these complex undertakings.

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