

Case Study: Correct Cashier's Check for Overbid

At a recent court hearing to confirm the probate sale of a single family home located in Los Angeles, we had a dilemma. As you know, Probate Court is very specific about procedures, without much wiggle room. One of the requirements is to bring a 10% deposit in the form of a Cashier's Check made payable to the specified estate.

The Sanborn Team includes a note on the MLS for agents interested in representing clients in court in order to aid them with the process. The note says to email our office for overbid instructions before going to court. The instructions specify that the deposit must be a Cashier's Check and indicates the payee. If potential bidders and agents show up to court without following our instructions they risk being ineligible to bid.

Three agents appeared in court interested to bid, the first agent accompanied by his clients, a married couple, and the other two agents with powers of attorney for the specified address of the property for their absentee clients. Only one of the three agents had the Cashier's Check made payable correctly to the specified estate.

The Sanborn Team alerted the seller's attorney and the conservator about the situation with the checks. The seller's attorney and the conservator reviewed the checks and determined that the incorrect checks were unacceptable. The agents with the incorrect checks were informed that they were ineligible to bid.

When the judge called out the estate name, all three agents plus the original bidder went in front of the judge. The attorney explained the situation to the judge and the two agents pleaded their case. The judge was not convinced and informed the agents with the incorrect checks that they were ineligible to bid on behalf of their clients.

The judge announced the first overbid, from buyers whose agent followed the MLS instructions, were the successful overbidders since they were the only ones with the correct Cashier's Check. The conservator told the new buyers they were fortunate to work with an agent who followed the instructions obtained in the overbid packet from The Sanborn Team.

Successful sales depend on accurate information. The Sanborn Team is happy to explain procedures and answer questions on the probate process to sellers, potential buyers, their agents and anyone else involved with the transaction. With over three decades of expertise in the sale of real property through probate, trust and conservatorship, we are always striving to be your preferred choice for any and all of your real estate needs. We know you have choices: make yours the team with proven success.

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