

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
10G1041

IN THE MATTER OF

Joe C. Jauregui,
Attorney At Law

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REPRIMAND

On October 25, 2012 the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by the North Carolina State Bar.

Pursuant to Section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Committee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Committee found probable cause. Probable cause is defined in the rules as "reasonable cause to believe that a member of the North Carolina State Bar is guilty of misconduct justifying disciplinary action."

The rules provide that after a finding of probable cause, the Grievance Committee may determine that the filing of a complaint and a hearing before the Disciplinary Hearing Commission are not required, and the Grievance Committee may issue various levels of discipline depending upon the misconduct, the actual or potential injury caused, and any aggravating or mitigating factors. The Grievance Committee may issue an admonition, a reprimand, or a censure to the respondent attorney.

A reprimand is a written form of discipline more serious than an admonition issued in cases in which an attorney has violated one or more provisions of the Rules of Professional Conduct and has caused harm or potential harm to a client, the administration of justice, the profession, or a member of the public, but the misconduct does not require a censure.

The Grievance Committee was of the opinion that a censure is not required in this case and issues this reprimand to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this reprimand.

The Settlement Source was a company that acted as settlement agent for residential real estate closings in North Carolina, including transactions for properties in subdivisions known as Cannonsgate and Summerhouse. The Settlement Source provided closing services that exceeded those permitted to be provided by a non-lawyer pursuant to statute and as expressed in the advisory opinion AP 2002-1 issued by The North Carolina State Bar. Among those prohibited

services undertaken by The Settlement Source was the provision to consumers and/or lenders of deeds conveying the properties and title opinions based upon which title insurance policies were issued.

In or about March 2007 you prepared legal documents (deeds) and certified title to Lot 232 in Cannonsgate at Bogue Sound, in Carteret County, and Lots 352 and 432 in Summerhouse on Everett Bay, Onslow County, North Carolina for real estate transactions closed by The Settlement Source. These services were performed by you at the request of and as part of the services provided to the buyers by The Settlement Source. In addition, between 2005 and 2008, you had an arrangement with The Settlement Source whereby you certified title to other properties in Cannonsgate, Summerhouse and elsewhere. You also prepared deeds conveying the properties to the buyers in the transactions that The Settlement Source provided as part of its services. These activities assisted The Settlement Source in its unauthorized practice of law in violation of Rule 5.5(d) of the Rules of Professional Conduct.

You are hereby reprimanded by the North Carolina State Bar for your professional misconduct. The Grievance Committee trusts that you will heed this reprimand, that it will be remembered by you, that it will be beneficial to you, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession.

In accordance with the policy adopted July 23, 2010 by the Council of the North Carolina State Bar regarding the taxing of administrative fees and investigative costs to any attorney issued a reprimand by the Grievance Committee, an administrative fee in the amount of \$350.00 is hereby taxed to you.

Done and ordered, this the 10th day of December, 2012.


Margaret M. Hunt, Chair
Grievance Committee

MMH/lr