



Lowenstein Sandler's Real Estate Podcast: Terra Firma

Episode 8

Title Insurance: What Are We Paying For?

By [Stacey Tyler](#), [Steven Tanico](#)

FEBRUARY 2024

Kevin Iredell: Welcome to the Lowenstein Sandler podcast series. I'm Kevin Iredell, Chief Marketing Officer at Lowenstein Sandler. Before we begin, please take a moment to subscribe to our podcast series at lowenstein.com/podcasts. Or find us on Amazon Music, Apple Podcasts, Audible, iHeartRadio, Spotify, Soundcloud or YouTube. Now let's take a listen.

Stephen Tanico: Welcome to Terra Firma: Conversations on Commercial Real Estate. I'm Steven Tanico, a real estate attorney at Lowenstein Sandler. On today's episode, I have the absolute pleasure of being joined by what is normally my co-host, Stacey Tyler, a colleague of mine and a fellow real estate attorney at Lowenstein Sandler, who will be demonstrating today that she is truly the brains behind this operation and that I barely have a face for radio. Welcome, Stacey. Nice to have you.

Stacey Tyler: Oh, thanks. Always a pleasure being here with you.

Stephen Tanico: So unlike our normal formatting, today is going to be just Stacey and I. And Stacey is going to be diving into one portion of real estate due diligence surrounding title insurance and surveys. Maybe her expertise for a woman who has multiple expertise.

Stacey Tyler: [laughs] Thank you. Yes. One of the things that we deal with almost in every real estate transaction. And also one of the things that I think a lot of people are confused about, what is this? Why am I paying for this? What is title insurance even for?

So that whole point of it, the title insurance policy ensures that you own what you think you own. So you bought your house. You have a company that's going to research the history of that property and they're going to give you a title policy at closing which says that the person who you bought it from, they owned it and now you own it. And if anybody tries to say that you don't own it, then this title company will protect you against that risk.

Stephen Tanico: And, you know, let's just start at the beginning, because the question I hear most often is, wow, this looks kind of expensive. Why do I need it?

Stacey Tyler: Yes. And I will say, I mean, candidly, this is probably one of the types of insurance that you you're not that likely to make a claim under because the types of risk that insurers against, while catastrophic, are just pretty remote. Like, well, how often have you heard of a neighbor of yours coming to you and saying, somebody came and said that they actually own my house and now I'm in a lawsuit with them. Just doesn't happen that much. If there are claims, then maybe it's about an encroachment. You have a neighbor, maybe, and the fence is on the wrong side. I don't even know if that

would even get to a title claim. But the reason people pay top dollar for it is because the risk that you lose your entire investment in the piece of real estate is just really scary. And if you have to pay a certain amount to get that, then whatever and everybody does it. It's just kind of a cost of doing business. In the real estate world. It is a fixed cost. Title rates are based on a percentage of the purchase price and they're fixed throughout the state. So it's not like something that you have to shop around for no matter where you are. So, you know, at least you have comfort in that.

Stephen Tanico: Now, you know, we talked about title insurance a little bit. We're talking about title insurance company is a term we keep using does title insurance companies serve any purpose other than just issuing a title insurance policy in a real estate transaction?

Stacey Tyler: Yes, this is a very involved process. So when you are thinking about buying a piece of real estate, the title company is not only the insurer, they're also kind of like your researcher. They're also your settlement agent and your escrow agent. So they serve a lot of functions throughout the entire life of the real estate deal upfront, they produce the title commitment. That's like a mock up of what your title policy is going to look like. And it also comprises a ton of work that they've done behind the scenes. They've searched the history of the property.

Like I said, they look up the taxes, they'll probably run searches on the entities that currently own the property. They'll review their organizational documents, they'll find out if it's in a flood zone. They might even look into municipal issues like fines or penalties, liens against the property, all those kinds of things. So all of that is done by the title company.

And then when you get closer to closing, they'll do things like hold and maintain deposits. They'll collect all the documents, put them together at closing, and they'll actually do the closing for you, send out the wires and stuff like that. So you're getting kind of a lot of services for that one payment for the title policy.

Stephen Tanico: And these additional services is that an extra charge the title company charges you or is it really just in connection with their issuance of a title insurance policy?

Stacey Tyler: Kind of both. So the research aspect is part of the policy. They need to do all that research to figure out what your policy is going to say. The searches that they might charge you for those separately. Most of the time they do, Depending on the searches, it could be \$10, it could be a couple hundred dollars. And the escrow fee, there's usually like a fixed charge for them to hold an escrow. But it's really not that much compared to the amount of services that they're giving you, in my opinion.

Stephen Tanico: No, 100%, because I've certainly worked on transactions where we have used a title insurance company really more as an intermediary without the title insurance policy. But I've never done the reverse where I've got gotten a title insurance policy and then not use the title insurance company to kind of work through the closing to play the role, the various other roles you just described.

Stacey Tyler: Absolutely. And I will say when you find a title agent or an underwriter that you feel is really helpful, they're really organized. There are really prompt. They have good software, they have good resources. You kind of want to stick with them because they can serve such a great role in a transaction. I was just involved in a transaction with a lot of parties, a lot of prickly people and a lot of confidentiality concerns, and it was very stressful. But one thing that really helped me get through it was I knew that the person who at the title company was capable and savvy enough to really keep all of those parties separate, and they did kind of serve as a shield for me so I didn't

have to, you know, I can kind of save face and not be directly involved with people because the title company is the middleman in a lot of that.

Stephen Tanico:

I have a recent example that's even more egregious where I just was firing off random questions to a close title contact about totally, completely out of the blue questions that had nothing to do with giving this title company any amount of work. And it was just nice to know to get a quick response and know that that resources there when I feel like I would between us and never do that for someone else if they randomly emailed me.

But unless they were a listener. Right. Of course. Listeners, anything they want, please email is terrafirma@Lowenstein.com.

And now we've plugged a little promotion in here. We also have great title insurance contacts...

Stacey Tyler:

We do, yes. I mean, we do real estate deals all day, every day. So we come across all kinds of different title agents. So if any of our listeners want a recommendation, hit us up.

Stephen Tanico:

And now I would say like we kind of two scenarios at least I can think of where title insurance comes into play in our jobs. One is kind of traditional acquisitions, dispositions buying and selling of real estate, and the other is kind of on our corporate M&A private equity deals where there is not necessarily a conveyance of property, but title insurance gets involved because of a merger, an asset acquisition, a stock acquisition. And so I've seen in those two scenarios, are there other places you've kind of come across a need for title insurance or does it kind of mimic what my experience has been?

Stacey Tyler:

Yeah, so let me back up. So there's a lot there's a few different types of title insurance you can get. The insured, the thing that your insuring is your interest in real property. And as real estate attorneys, we know that there's a lot of different interest you can have. That's the bundle of six like we learned in law school. So you can ensure your ownership of the land. That's what we've been talking about. If you have a home, your title insurance that you have is an owner's policy. You can also have a lender's policy. So if you're giving a mortgage on the property, if you own a home, your lender got a loan policy as well that ensures that their lean on your property has first priority or second or whatever priority it is, that's what it insures.

You can also get a leasehold policy. So if you have a ground list, for example, a long term lease, that's significant value, you might want to get a policy that your leasehold interest is prior to any other claims. So there's a few different interests there. You see title insurance come up mostly in those contexts. There are endorsements to title policies you can get outside of that like we've seen in some corporate transactions. You might there might be a title insurance policy on the land already, and then there's some kind of change in the ownership or the control of the entity that owns the property. Then maybe we're talking about an endorsement to the existing policy to allow that ownership change to still get the benefit of the policy that already exists.

The challenge that we see, though, is that in corporate transactions, some people, a lot of times they just move way faster than our typical dirt real estate deal. So there's some tension there.

Stephen Tanico:

I just heard a lot of words come out of your mouth. This sounds like a level 200 class. Why don't we take it back to freshman orientation week one, day one basic level. I'm your client. I have maybe reluctantly agreed to a pricing off a title insurance policy

that you're recommending as my lawyer. What does step one from your perspective look like after that?

Stacey Tyler:

So step one is we agree to get title insurance. We hire the company they produce the title commitment. The title commitment is the mock up of what your policy looks like.

Basically, it's the property is: ____ address: ____ legal description: _____. The owner is: _____. And that's Stephen, you're buying a house. Your policy is going to say your name or your LLC, or if it's a group of owners, whatever it is, and then it's going to be a list of things that affect your property. Those are the exceptions. So that's every easement that's out there, any other type of instrument that might be recorded against your property and then it will attach all those searches that I mentioned before.

So step one is going to be getting that body of research and then reading it. Your attorney will read that for you. Don't worry.

Stephen Tanico:

Ok.

Stacey Tyler:

If there's a huge issue, they'll probably say, it looks like your neighbor actually owns, you know, this half of your property or something, then that's something that your attorney will bring up to you. But most of the time, the client doesn't really need to be in the weeds on any of that. The only time it will become an issue for the client is will you have to sign the bill? First of all, we want all these endorsements. Here's what they cost. Or if there is a huge issue, like I mentioned, of an encroachment or something like that, that becomes kind of like a business problem for you to deal with.

Otherwise, it's mostly your attorney interfacing with the title company to make sure that your policy says what it needs to say.

Stephen Tanico:

Got it. So effectively, it sounds like the title company puts together this package that includes kind of anything of records. The recorded against the property. And then your job is to kind of digest all that and summarize it for me.

What are you looking for when you're looking at these documents? For example, obviously if there's a glaring encroachment and you or I guess me as the client doesn't really own half of what I think I own, that seems on its surface pretty obviously an issue. But what about maybe one or two things that might be a little more subtle that you're kind of average person reading these documents with no insight into real estate might not necessarily pick up on.

Stacey Tyler:

So one of my favorite parts about this process is this is where like kind of the theoretical world of like your lawyer, you know, saying nonsense words to you kind of meets with the practical reality on the ground. So one of the reasons why we say title and survey kind of go together is because your title work, your title policy, all of those exceptions make so much more sense when you think about the facts on the ground, like as you see on your survey.

So if you're reading just an instrument, like an easement, it might be hard for you to understand Where is that? Why do I care about that? So all that to say, I think it's an issue when it's going to impact your ownership of the property. So, you know, the obvious example of somebody owning part of your land, that's something. But what if maybe they just own half of your driveway, then all of a sudden maybe you don't own the only means of access to your parking lot if it's a business, Or maybe there's an easement that somebody has, which is what we call blanket, where it doesn't say, the easement is 20 by 20, and it's this part of your property. It just says Steven has an

easement over my property. It doesn't say where. So that just means that it creates a question for me as the potential buyer, maybe for my lender. Is that a risk? Is this easement going to create an issue for my use of the property going forward? Other things we'll look out for are things like lean rights.

So let's say you have an easement with a neighbor, you share a driveway or a parking lot. Does the neighbor have the right to put a lean on your property if you don't pay the fees that you're supposed to pay? Most of the time? Those are the types of things we're looking for. It's a practical consideration or something like a lean where somebody in the future could cloud the title, as we say to your property.

Stephen Tanico: Now, it sounds like and I want to get into surveys in a bit, but I want to keep us a little bit focused for now. Do you need a survey in order to get a title insurance, commitment or policy?

Stacey Tyler: You don't, but it just makes everything make a little bit more sense. For the most part, they're kind of two sides of the same coin.

The title is really the documentation side, the research side, and then the survey is where you get that visual representation of what all of those things look like. The survey not only makes your title policy more valuable, it also enables you to get other diligence items such as your zoning report. So if you're looking at the zoning of the property, you're going to need the survey to figure out things like your set back compliance, or if you have a certain density requirement in the town, you have to know the dimensions of the building to determine whether you're in compliance with that or not.

So you don't necessarily need any one of these in order to get the other. Like you don't need a survey to get a policy, a title policy, or vice versa. It just they kind of go hand in hand and add value to each other.

Stephen Tanico: Makes complete sense. We do like to try and be as practical as possible in this podcast and not overly lawyer. So in the scenario where I'm buying a home, what is the kind of practice called difference between what you just described? That sounds like a lot of money and a lot of process versus I'm just trying to buy a home. Everyone buys homes. Why are you making me do all this?

Stacey Tyler: And I will say, when I bought my own home and I was completely obnoxious to everyone of the title company, they had that same feeling.

Why are you making this so complicated? This does not have to be hard. I will say that your investment of time and dollars and legal kind of fees, everything is going to depend on the value of the underlying asset. So if you're buying your home, it's a residential closing. You're going to have there are real specific title companies that just do residential closings.

It's cookie cutter, just get it done. There's basic stuff like you don't have to go nuts if you're buying a \$10 million piece of property, everything is going to be heightened. So you're going to spend more time and money on reviewing all of the diligence items. You're going to be willing to spend more to get endorsements. That costs more money. I mentioned zoning, a zoning endorsement, I believe, is 20% of your policy cost for the zoning endorsement alone. So maybe don't care about that for your home. But if you're in an industrial park and there's different zoning requirements, that's something that you want to pay due diligence. So it's kind of can all be scaled up or scaled down just based on the dollars at stake.

Stephen Tanico: And is the dollars at stake really the sole consideration? So, for example, after I win the lotto, if I were to buy a \$10 million home but wanted to buy \$1,000,000 piece of commercial property, would you put more emphasis on just the price point? Or is it also factors such as what you're doing with the property, what the properties use for, for example, I'm thinking about a redevelopment deal versus again, my very, very fancy, expensive home that you can come visit one day.

Stacey Tyler: I mean, I will also say, and I think a lot of commercial real estate business people will understand so much of what we do in commercial real estate is lender driven. So if you're just buying a home and your mortgage company says, okay, well, we need you to check these boxes, like that's what you're going to do, you're not going to pay more money to do more. You're just going to do what your lender's telling you the same thing applies in your scenario where we're have a redevelopment or some kind of commercial property. You're probably having financing on that. Your lender is going to be completely involved in this whole process. They are going to be working with your title company. At the same time. I mentioned a loan policy. They're going to be negotiating that. So all of that is kind of tied into what you're doing. So in that instance, whatever your lender says they want, that's basically what you're going to do.

Stephen Tanico: Makes sense. There's always someone bigger out there driving a deal. And now if I'm negotiating a title policy at my lenders, negotiating a lenders policy, now that we've introduced lenders to this conversation, are we doing that separately or will those policies end up almost looking identical at the end?

Stacey Tyler: Some of it is the same. So for instance, I mentioned exceptions.

Stephen Tanico: What is that?

Stacey Tyler: The exceptions to the policy. So that's the list of easements and encroachments and things like that that affect the property. Both policies are going to have the same set of exceptions. So if your lender negotiates with a title company to get one removed or limited in some way, then you're going to get the benefit of that too, and vice versa.

The endorsements are completely different. So the lenders insurance is on their lien and your insurance is on your ownership. Those are two distinct legal rights. So because of that, there are different endorsements. The policies kind of fundamentally are a little bit different. So in that way they're different.

Stephen Tanico: Okay, we're throwing around a lot of words with E now, so let's take a step back. An exception to a title insurance policy at its most basic level means what?

Stacey Tyler: So your title policy says, I insure you, Stephen, that you own your home and nobody else owns your home and I will protect you against everything in the world that says that you don't own your home *except*...

Stephen Tanico: Uh oh.

Stacey Tyler: *Except* the list exceptions. So *except* your home has electricity. So PSEG or whoever has an easement to get the wire from the street to your house so you own your home. But I am not going to protect you if PSE&G comes to your property and says I have the right to plug this into your house because they do. So that's an exception. There can be all different types of exceptions. It depends on the fact of your property. Most properties are going to have utility exceptions as most properties are going to have exceptions for like, for instance, if you have a local fire department and you're in a special tax district, stuff like that, like municipal type things, you may also have I

mentioned easements, like if you have a shared driveway or shared parking lot, those are the types of things that are going to be exceptions.

And as the shopper for title insurance, if you can limit those exceptions, it just makes your title policy better. It means your insurance is less limited. So if you have an exception that says, well, I won't protect you against PSC and it's to your benefit if you can get the title company to instead say, I won't protect you against PSEG coming on to their ten foot easement as opposed to saying I won't protect you against PSE&G period or over your whole property.

Stephen Tanico: Got it. Because it's an exception, you want the title company to be involved. Because my follow up question was going to be, you know, what's the point of this title insurance policy if there's just a list of exceptions for everything that might affect the property?

Stacey Tyler: They're not anything. They're usually quite narrow. And the whole point of having a real estate attorney represent you in the negotiation of a title policy is because they're going to help you make them very limited. So no policy is going to have zero exceptions. There are standard ones that are always there, like, for instance, taxes, if you don't pay your taxes—I'm here to tell you listeners, if you don't pay your real estate taxes, you're going to have a bad time. Municipal tax liens can trump any ownership interest that you have, so that's always going to be an exception.

There's stuff like that that's always going to be there. You can't negotiate away. But when it comes down to an easement or something, a restrictive covenant, something like that, if you live in an HOA, there's going to be long, complicated ones. You usually need an attorney to read through that, understand it, help you kind of figure out how you need to decide if that changes your decision to invest in this property.

Stephen Tanico: Got it. So going back to this kind of example we're carrying through, that is a combination of Steven's very expensive residential property and simultaneously the commercial property he's purchased.

It would sound pretty obvious that PSE&G or some sort of utility company needs to have a right to connect electricity. What from a practical standpoint is the difference between effectively has an easement makes total sense versus uh oh you should be paying closer attention to this easement for X-Y-Z reason.

Stacey Tyler: So it all really comes down to practicality. We all want electricity. That is a good thing. So I don't think we need to be really worried about mounting a legal defense in the event that PSE&G comes and says, Well, I have the right to knock down your house because it's really just not going to happen. That's not a good use of your time.

What you need to worry about our things like you might have an easement from decades ago with a neighbor and you don't know maybe who their successor is and maybe they have an easement right, that runs under the improvements on your land. Like I have seen easements that run straight through the middle of a building. And if you aren't really sure what they're for or you're not sure who may own them anymore, it just means that this is a very unknown risk. It's hard to quantify. And when it jeopardizes the main building that you're buying, that really starts to feel like a bigger and bigger risk as opposed to, you know, electricity or something like that. It's just unlikely that a utility is going to create a problem for you because that's just not their business.

Stephen Tanico: So there's an easement running through the middle of my building. At what point does the kind of practical standpoint alternate between this easements from 1905?

No one has bothered me. No one's going to bother me. I want to take this risk. Or is there really technically a potential that someone shows up and says you need to knock this entire building down?

Stacey Tyler:

So, I mean, there is a potential, I will say ultimately, as transactional attorneys, our job is to figure out if the client wants to do this deal, how do we get it done and protect them in the meantime?

So most of the time when you're in a situation where you're considering buying a commercial property, you're under contract, you have a due diligence period, and there's a mechanism in that contract that allows you to say to the seller, Hey, there's a big problem here. You have an easement. You know, somebody has an easement through the property, How are you going to make me feel better about that so that I don't terminate this contract?

And there's lots of different strategies. So, for instance, the seller can, given indemnity to the title company, which will induce the title company to insure over it, or maybe the title company and the seller work together to approach the neighbor to get them to release it. There's lots of different ways that you can kind of figure out a way to protect yourself against risks that come up in the title process. But the key is that the title process is where that stuff comes out. We don't know what we don't know until we actually do the work to figure it out. So that's why it makes me nervous when people say, you know, do we really need it? It's very remote. Yes, the risks are quite remote, but when you see them, you know, they can be catastrophic.

Stephen Tanico:

You mentioned this due diligence period. So let's say we've got 30 days. You know, clock starts running. What is the actual kind of title insurance process look like for getting what I think you call it a commitment and then a policy. And there was another period in the middle there. Let's go all the way back to the beginning. Clock starts running. What's your first step here?

Stacey Tyler:

So the first step is you engage the title company. Usually to engage them, you have to have the legal description, which is what we call the read around of the property. It'll say something like "Start from this corner, go 100 feet west," etc. They have to have that and then they'll do the research. The research time depends on the sophistication of the title company, but also the size and age of the property.

If you have property that's you know, I've had properties that are like 800 acres and the commitment is like 50 pages long. It just takes a ton of time to do that type of research. If it's like a city block and it's changed hands a bunch of times recently, then the title company will have easier access to that research. So it could be a lot shorter. So I'd say the initial research time is usually in the ballpark of maybe ten days. Could be longer or shorter. After you get the commitment, then you will do that review. You might have some back and forth with the seller or the title company, like I mentioned, and negotiate those things.

And then the step that you get to before you close is the pro forma stage. That's our other key P word. So the pro forma is like the mock up of what your title policy will look like, and that's when you will get into negotiating the endorsements. Your policy will have the basic coverage, and then you'll pay additional amounts for different endorsements that will cover additional risks. I mentioned zoning. That's one you can get.

There's also a survey endorsement we always recommend you get. That is all going to happen at the pro forma stage. That usually doesn't take that long. I have finalized a performance half a day before, so that is usually pretty much done before closing.

So 30 days is plenty of time to have the policy that title commitment and do the research, figure it out and get to closing.

Stephen Tanico: Now, let's say hypothetically, I was really under a time gun. Is there a way to expedite a title insurance policy? Is it just begging and praying for relationships or is there anything you can do to kind of help out the title company to help you out.

Stacey Tyler: For sure. So the research problem is going to exist. Still, if it's a huge property, there might just not be a way to expedite the actual research. And it's going to depend on the on the county. Some counties, believe it or not, in this country, still do not have online searchable records. So there might be a case where your title company has to physically go to the county seat and go to a, you know, an old room full of muscle documents and actually flip through and read them and try to make copies and stuff.

I've even had people complain that they only have microfiche or something. So you have to get like a specific machine. So there's things that you're just not to be able to expedite, but you can, in most cases, close even on a marked commitment. So the title commitment looks a lot different than a pro forma, but a title company to help you get the deal done will, if you just hand mark the commitment as if it were a pro forma, close over that. So most of the time the title companies are willing to work with you to meet whatever your deal goal is.

Stephen Tanico: That makes a lot of sense. I've also seen in the past providing a title company with a recent title insurance policy like my client was buying, and we asked the seller and they had just purchased it within the last couple of years. So we were able to provide the seller's existing title insurance policy to our title insurance company, which it felt like helped expedite. But I'm not sure if that really made a difference.

Stacey Tyler: It absolutely does, because that kind of gives them a cheat sheet for the research that they have to do. It tells them like, this these are the names you have to search. And if it was the same title company, then they might even just have those files. So that really absolutely expedites things.

Stephen Tanico: Now, I remember a deal where during COVID my client was buying and the seller just literally for months told us they did not have a title insurance policy and then one week before closing, effectively like, we found this in a box in a trailer on the site, Surprise. Which would have been fine other than this being a giant industrial piece of property where there was an access easement that ran right through the middle of this building. And it was an interesting problem because everyone wants the deal to close and you're kind of the one man standing on an island waving a flag and screaming into the void a little bit.

Stacey Tyler: Nobody wants to hear it. Nobody. Yeah, that's frustrating. But did you close? How'd you deal with that? Do you remember?

Stephen Tanico: We did close and knock on wood... So far, no one has appeared to tell my client they need to knock down this giant industrial site. So fingers crossed.

Stacey Tyler: Hooray.

Stephen Tanico: Now, you mentioned the difference between what a title insurance commitment looks like versus a pro forma. You know, let's go all the way back to just the basic aspects of what a title insurance commitment looks like.

Stacey Tyler: There's a bunch of schedules. The first schedule is all of the names, the amount and the property information that will include the legal description. Then schedule B is

where your exceptions will be. There's B1 which is requirements that will say things like The title company needs you to provide your organizational documents. It needs to see your driver's license if you're an individual, things that the title company needs to close. And then schedule B2 is where you get the lists of exceptions, all the easements, like I mentioned, the taxes, things like that.

Stephen Tanico: So we talked about the exceptions being in the final title insurance policy. Are the requirements also in that, or is that really just a vehicle tag for the title insurance company to kind of checkboxes that everything looks copacetic from their standpoint?

Stacey Tyler: That's what it is. It's what they need. So in your final proforma that will only show what your policy is limited by those exceptions, their requirements will have been satisfied. Otherwise the title company wouldn't have given it to you.

Stephen Tanico: Okay, got it. And so we have a title insurance commitment. Well, within our due diligence period. You, my amazing lawyer, has reviewed it. What's next?

Stacey Tyler: So I mentioned the purchase contract. Most of the time what you're going to do is you'll send a letter of objections to your seller. So you've reviewed the the title, you've referred you to survey, perhaps, and then you'll say to the seller, here are the lists of things that I have a problem with that I think might create an issue for my use going forward or maybe the value.

And here is what I'm expecting you to do that the contract usually has a very rigid framework for how to deal with that. The seller will have a certain amount of time to respond and then based on their responses, you as the purchaser will have to decide, am I still willing to buy this based on how the seller responded?

If you said, "Hey, there's this easement through my property, you need to do something about that," and the seller says "No," then it's time for you to make a decision if you still want to buy or not.

Stephen Tanico: I mean, Stacey, it sounds really that this is kind of definitely an intense process, but it sounds like really, you as the attorney, is there kind of holding hands, doing a lot of the legwork. I mean, how much is the actual client involved in this process relative to the work behind the scenes that you're doing as an attorney?

Stacey Tyler: Not that much. The client really only gets involved when it comes time to approve the invoice for what all these things are going to cost, and also when there may be a title issue that rises to the level of a business issue, like I mentioned about, you know, when you have that process where you send objections to the seller, if you're going to object to it, then it becomes a deal issue.

So that's usually the type of thing that I get into a discussion with the client about. Explain the risk. There's this easement. It looks like it goes through the property. The risk is somebody comes in and has a right to bulldoze your building. Is that a business issue for you? It is. I'm shocked. Wow. Those are the kinds of things that get to the client level. I don't usually involve them in, you know, the research part of it. I recognize that. I find that interesting and really fun. And, you know, that's not for everyone.

Stephen Tanico: Okay. So I think the big takeaway is hire a very intellectually curious, I think is the term we're going to use...

Stacey Tyler: And practical. You have to be practical for sure.

Stephen Tanico: And practical. Both those things which Stacey can do. So listeners, if you need any title advice, I'm going to speak for Stacey and say you should email us. And if you mention Terra Firma, Stacey will definitely and I cannot guarantee this, give you maybe friendship advice on how to deal with that problem.

Stacey Tyler: Absolutely.

Stephen Tanico: Amazing. So that about wraps it up for us today. Thank you, Stacey, for kind of changing hats from a co-host to informative guest. And thank you listeners for tuning in today. Be sure to like, subscribe and follow Terra Firma wherever you're listening to this episode, Stacey and I would love to hear from you, so feel free to reach out to us at terrafirma@lowenstein.com. Until next time.

Stacey Tyler: Ciao.

Kevin Iredell: Thank you for listening to today's episode. Please subscribe to our podcast series at lowenstein.com/podcast or find us on Amazon Music, Apple Podcasts, Audible, iHeartRadio, Spotify, Soundcloud or YouTube. Lowenstein Sandler Podcast series is presented by Lowenstein Sandler and cannot be copied or rebroadcast without consent. The information provided is intended for a general audience and is not legal advice or a substitute for the advice of counsel. Prior results do not guarantee a similar outcome. Content reflects the personal views and opinions of the participants. No attorney-client relationship is being created by this podcast and all rights are reserved.