QUALIFYING A LAWYER

An experienced lawyer or law firm can provide the following services for your real estate business:

- Closing the purchase or sale of various property types including residential, multi-family, commercial, pre-construction, and condominiums
- Secure title insurance for new and existing properties
- Preparing and reviewing various agreements including joint venture agreements, commercial and residential leases, and other business agreements
- Guidance and document preparation for various business structures including corporations and trusts

General Business Questions

Use these questions to help you qualify a real estate lawyer to ensure your property transactions, real estate contracts, and business structures are properly constructed.

1. **Will I be charged for this first introductory meeting?**
   Some lawyers may not charge for a brief introductory meeting (i.e. 30 minutes or less) as long as the consultation does not include any legal work or advice, while other lawyers may charge you during the initial consultation. Be sure to ask before an introductory meeting, so you have a clear expectation of what the meeting will entail, how long it will be, and how much it may cost.

2. **Which type of law do you specialize in?**
   There are many different areas a lawyer can specialize in. Ideally, you will want to work with a law firm that includes lawyers specializing in real estate law and business or corporate law. This will ensure your lawyer or other members of their firm can work with you continuously as your business grows.

3. **What percentage/number of your clients are real estate investors?**
   While real estate investors don’t have to make up the majority of your lawyer’s clientele, they should make up a significant portion. You can also inquire how much of their business focuses on traditional home buyers and single-family homes. If this is their primary focus, they may not be well equipped to deal with the nuances of real estate investing.

4. **Can you tell me about your educational background and experience in the industry?**
   Look for a lawyer who has longevity in the industry but who is also up to date with current legislation and regulations. Learn about their credentials and educational background but also ask how they keep up to date and informed of industry changes.

5. **If I am purchasing a residential investment property, what are the steps required between offer and closing? What documentation will you require? How would this process change if I purchase a commercial property?**
   Your lawyer should be able to clearly outline the process and identify all commonly required documents. Common documentation includes a copy of the Agreement of Purchase and Sale, photo identification and information on all

individuals on title, mortgage lender information, insurance provider information, etc. Commercial properties often have a more complex closing process and require more documentation. Ask your lawyer if they have a checklist they can provide you for each transaction type.

6. **What is the shortest timeline you could close a residential property? Commercial property?**
   Some law firms can work more quickly than others. In Canada, standard residential closing timelines average 30 days or more. Commercial properties can take significantly longer to close. If you plan to offer on properties with aggressive closing dates (i.e. less than 30 days), confirm your law firm can process transactions and close the sale according to your preferred timeline before firming up your offer.

7. **What is your average fee for a property purchase? A property sale? Drafting a joint venture agreement? Reviewing passive investment documents such as private lending? Advising on and creating a business structure?**
   While each situation is unique, your lawyer should provide average fees for common real estate investor services. You can also ask what their billable hourly rate is, what other standard fees you can expect, and how they will communicate their fees throughout the process.

8. **How familiar are you creating business structures for real estate investors? Can you give me some examples of different structures you are familiar with?**
   A lawyer experienced with real estate investors should be familiar with multiple structures from sole proprietors to complex corporate structures with family trusts. As you grow your business, you will want a lawyer who helps you evolve and add to your structure as necessary. Your lawyer should also expect to work closely with your accountant throughout this process and should be able to act in an advisory role to help you understand the advantages and disadvantages of specific structures in relation to your personal situation.

9. **What is your experience working with joint venture real estate investments? Are you familiar with drafting and reviewing joint venture agreements?**
   Not all lawyers are familiar with this aspect of real estate investing. If this is a strategy you plan to pursue, ensure you will have their guidance and expertise as part of your support team.

10. **Do you have a sample joint venture agreement and letter of intent that I could use or review?**
    Ideally a lawyer with joint venture experience would have example documents you can review or they would be able to walk you through things you should consider, important clauses to include, and questions you should ask a potential co-venturer.

11. **What is your experience working with private lending investments? Are you familiar with drafting and/or reviewing documentation related to private lending?**
    Not all lawyers are familiar with this aspect of real estate investing. If this is a strategy you plan to pursue, ensure you will have their guidance and expertise as part of your support team.

12. **Are you experienced with pre-construction purchases? Can you review pre-construction contracts? What should I look for if this is a property type I am considering?**
    Pre-construction property purchase contracts are different than purchasing a resale property. You lawyer should advise you to consult with them during the "cooling off" period (the period of time within which you can rescind your offer without penalty) and advise you on some clauses and conditions to be aware of before you sign on the dotted line.

13. **Are you experienced with condominium purchases? Can you review the pre-construction/resale condo contracts? What should I look for if this is a property type I am considering?**
    Buying a condominium is completely different than purchasing other property types. Your lawyer should advise on the differences and review all contracts during the "cooling off period" or resale conditional period.

14. **Would you be completing these services personally, or would it be someone else in your office?**
    Ideally you want to speak with and develop a relationship with the person who will be working on your file. This ensures clearer communication channels. If multiple people will be working on your file, clarify what the communication process is and how different individuals will work together to provide you with seamless service.

15. **What is the best way to communicate with you?**
    In today's digital world, many lawyers will communicate regularly via email or phone. When understanding your lawyer's fee structure, ask how email communications or phone conversations will be billed. Note that most law firms will require you to visit their office personally to sign documents, so you may want to ensure you pick a lawyer that is local to your home or workplace so you can easily meet.

16. **Does your office have affiliate firms in other provinces?**
    To ensure you can Invest Where Returns are Best™, it's ideal to work with a lawyer or law firm that has affiliate offices you can work with. This ensures you can continue to maintain the relationship as your portfolio grows regardless of where you invest.

17. **Can you provide me with references to some of your real estate investor clients?**
    Be wary of businesses that don't want to share references. When checking references ask questions such as: Are you satisfied with their level of service? How long have you been a client? How have they helped you in your business? Is there anything you don't like about their service? Would you recommend them to your family, friends, and other real estate investors?

18. **Is there anything else I should know about you or working with your company if we decide to proceed with this relationship?**
    Ideally this is the lawyer's opportunity to add value to you, explain more about their services, and outline next steps for you to confirm the business relationship. Look for answers that appear genuine, are informative, aren't a heavy sales pitch, and don't appear scripted.

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