

RECOMMENDED READING

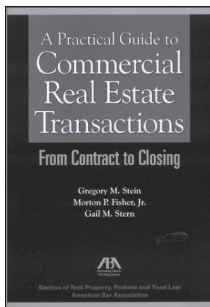
A Practical Guide to Commercial Real Estate Transactions

From Contract to Closing, Second Edition

by Gregory M. Stein, Morton P. Fisher, Jr. and Marjorie P. Fisher

(American Bar Association Section of Real Property & Estate Law ©2008, 524 pages)

REVIEWED BY DANIEL L. SWANGO, PH.D., CRE, FRICS, MAI



“It was a dark and stormy night. Suddenly, a shot rang out! A door slammed. Someone screamed. Without warning, a...”

Well, this volume is not quite *all that* enticing—unless, of course, you find yourself involved in real estate transactions as counselor to one of the parties, real estate attorney,

broker/agent, lender, partner or principal.

If you are ever in such a situation, then *this book is* for you.

You’ve read book reviews that say something like, “This book is a must for your bookshelf,” or “No real estate library is complete without this book.” Certainly not to fall in line or be trite, but this *is* indeed one of those special books, and here’s why.

This 500-plus page remarkable paperback has valuable, very practical information useful to real estate attorneys, counselors of real estate, investors, commercial brokers and agents. It is complete with a detailed 10-page index and a very thorough, functional appendix with no less than 18 transaction-related forms on the included CD-ROM—so they are convenient, easy to access, use and modify.

A Practical Guide to Commercial Real Estate Transactions from Contract to Closing is packed with practical advice in property “conveyancing transactions,” specific clauses and provisions to look for, specific items for your checklist, and things to do. There are countless first-rate ideas to consider for inclusion in sales contracts and other transaction related documents. This reference covers a variety

of sophisticated complex matters in straightforward and quite readable fashion. Given the CD and model forms included, this reference is truly interactive.

Though the transaction is the focus, this book is extraordinarily useful in providing ideas to keep in mind during negotiations as well.

Readers and users will especially appreciate the many cautions and warnings about serious wording omissions, dangerous phrases and clauses, missteps and pitfalls. Thorny problems are brought to your attention and solutions suggested—the idea being, of course, to use transaction structure document content *to prevent problems and reduce risk and reduce the probability of future difficulties.*

About the Columnist



Dan Swango, Ph.D., CRE, MAI, FRICS, is a real estate appraiser, counselor, broker and educator. In practice since the mid-1960s, Swango has been involved mainly with urban and suburban land, commercial improved and special purpose properties. He has worked and taught in all but two of the states of the U.S., and in China, Taiwan, Australia, Canada, Korea, Malaysia, Germany, Kazakhstan, Macedonia and elsewhere, with students from more 60 countries. Swango is past president of the Tucson Association of REALTORS® Inc., and for many years, has served on the editorial boards of Real Estate Issues and The Appraisal Journal (editor in chief from 1995-2001), and serves on the faculty of the Appraisal Institute. He is the faculty coordinator for the appraisal program of the International Center for Land Policy Training and Studies in Taoyuan, Republic of China, and currently serves as a real estate tax bearing officer for the State of Arizona Board of Equalization.

A Practical Guide to Commercial Real Estate Transactions

If you are involved in counseling buyers or sellers in transactions, reviewing transaction papers or preparing them, this is really one of those books that can make you and your professional services more valuable—*much more* valuable—to your clients.

This practical guide book focusing on “conveyancing transactions” is intended for real estate attorneys, whether new or seasoned. But it is also a professional-level book valuable (invaluable) for:

- counselors of real estate who review transaction documents and advise clients, buyers or sellers;
- counselors, brokers or agents who prepare or assist in the preparation of real estate contracts, loan commitment negotiations, and documents and other transaction-related documents;
- counselors who assist clients in their due diligence, post contract of sale or post loan commitment;
- counselors who assist clients preparing for closing;
- appraisers and market analysts who need to know more about what to look for in understanding specific sale terms, conditions and contract provisions;
- commercial real estate lenders reviewing transaction documents in their due diligence process.

A Practical Guide to Commercial Real Estate Transactions from Contract to Closing is not inexpensive, but it is filled with priceless ideas and specifics for transaction documents.

Major chapter topics give you an idea of content:

1. **Introduction:** bridging the gap between law school and practice, the mechanics of a transaction, gathering information and allocating risk;
2. **The Contract Of Sale:** buyers’ and sellers’ perspectives, parties and entities, personal property matters, sellers’ representations, easements, access, certificates of occupancy and other permits, litigation, insurance and casualty, condemnation, and many more topics with specific suggestions and cautions;
3. **Post Contract Due Diligence:** what it is and addressing problems, checklists, allocating responsibility, title and survey matters, leases and liens, taxes, air and development and mineral rights, leases and estoppels, property condition and suitability,

environmental matters, assignability of contracts and licenses to buyer, and legal entity matters;

4. **The Loan Commitment**—lender and borrower perspectives, terms and conditions;
5. **Post Loan Commitment Due Diligence:** title and survey matters, liens and leases, purchase options and others’ rights, subordination, attornment agreements and other mortgages;
6. **Loan Documents**—notes and forms, special clauses and cautions, defaults, junior financing limitations, escrows, deed of trust, assignments of leases and rents, security agreements and guarantees, participation agreements, seller financing and subordinate lending;
7. **Preparing for Closing**—checklists provided with discussion of critical points and potential pitfalls;
8. **Running the Closing**—structure, checklists, title insurance, execution of documents, copies, delivery and distributions, funds transfer confirmations;
9. **Post Closing Matters**—recordings, distributions, follow-up, organization, records and files.

These topics, from the table of contents, provide a deceptively simple overview; because of space, the important details provided the reader are not included here. Each chapter topic treatment is in-depth and extensive.

The authors have obvious expertise, practical experience and an ability to communicate. They write from experience as well as their extensive education and research. It is indeed unusual to have such a readable book covering such potentially multifaceted, complex subjects.

RECOMMENDATION:

This is one of those reference books that actually can make you, as a counselor of real estate, more valuable to your clients involved in real estate transactions on either side of the table. When you read this well-written work, you’ll no doubt think, “Wish I had had this resource when ...”

We’ve all been told, or thought to ourselves, “Do your homework!” This reference is one of your most important resources in that endeavor. If you are a counselor who advises clients involved in real estate transactions, you’ll use this one—and it should help to avoid costly errors or omissions. The information in this book can give you an edge—reduce your risk, and enhance your value and position. ■