



Risky Business: Coverage Denied to Attorney Simultaneously Practicing Law & Real Estate Brokerage, PLUS Journal

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*Often times, attorneys practicing in real estate, whether in real estate transactions or litigation, become intimately involved in the real property dealings of their clients. It is common for these attorneys to draft offer letters, or purchase and sale agreements, and/or communicate directly with brokers, agents, buyers, sellers, and financial institutions in order to consummate a successful real estate deal, or resolve a litigated real estate matter. It is reasonably held and believed amongst attorneys that the regular and customary practice of law permits an attorney to engage in the aforementioned acts on behalf of their clients. However, a question arises as to where the line is drawn regarding the practice of law as opposed to actions governed by a state's Department of Real Estate requiring licensure from that Department. In the insurance market, this question is especially important as matters generally covered as "Professional Services" under Lawyers Professional Liability ("LPL") policies may not be covered when an attorney is deemed a "broker" in a transaction and not an "attorney." The decision in the case of *Lancia v. State Nat'l Ins. Co.* 2012 WL108846, which came down on April 9, 2012, is illustrative of this issue.*