
**THE WHARTON SCHOOL
OF THE UNIVERSITY OF PENNSYLVANIA
PHILADELPHIA, PA**

Real Estate Law and Transactions

REAL/LGST 804

COURSE SYLLABUS

Fall 2012

Professor:

Robert D. Lane, Jr., Esquire

Email: boblane@wharton.upenn.edu

Teaching Assistant:

Ted Featherstone

Email: edwardfe@wharton.upenn.edu

CLASS HOURS: Tuesdays, Thursdays (4:30 PM – 6:00 PM)

CLASS ROOM: JMHH F60

OFFICE HOURS: By appointment, please contact Ted Featherstone.

**CONTACT: Please contact either Professor Lane or Ted Featherstone via email.
Emergency Contact: Ted Featherstone at 203.606.5779**

Course Description

This course examines the legal issues of real estate financing with an emphasis on commercial transactions. The main topics covered are acquisition, construction and permanent financing; development and management aspects; with a focus on examining the fundamentals of real estate finance and development from a legal perspective. The course serves as a foundation course for real estate majors and provides an introduction to real estate for other students. It attempts to develop skills in using legal concepts in a real estate transactional setting. The course will be of interest to students contemplating careers in accounting, real estate development, real estate finance, city planning, or banking. The main topics covered may include the following: land acquisition; finance; choice of entity; tax aspects; management (leasing, environmental); disposition of real property (sale of mortgaged property, foreclosures, wraparound mortgages, sale-leasebacks); and recent legal developments.

Meet the Professor

Bob Lane practices as a commercial real estate lawyer at Stevens & Lee which is a full service professional firm of over 200 lawyers and more than 50 non-lawyer business and consulting professionals. He is nationally recognized in all aspects of commercial real estate development, acquisitions and financing, with over 30 years of experience representing a wide variety of companies in diverse industries, as well as major real estate developers, syndicators and REITs. Bob's clients have included many Fortune 500 companies; national real estate companies; major healthcare institutions; large retail, hotel and restaurant chains; one of the world's leading telecommunications companies; numerous financial institutions; and a Congressionally chartered, U.S. Government lending institution.

Bob has guided Fortune 100 companies in developing major corporate facilities throughout the U.S., and has led specialized facilities development in the media, retail and petroleum industries. He continues to lecture and write extensively on such subjects as commercial leasing, zoning and land use, boundary law, real estate taxation, and real estate development.

Bob also has been an active and visible leader in a broad variety of professional and civic organizations and is active in CoreNet, ICSC, and the Zell/Lurie Real Estate Center of the Wharton School at the University of Pennsylvania. He is also an elected Fellow of the American College of Real Estate Lawyers

Bob has been named a "Leading US Attorney" by Chambers and Partners in the real estate category of its 2003, 2004 and 2005 *Chambers USA, America's Leading Business Lawyers* directory. In a 1999 *Philadelphia* magazine survey, he was recognized as one of the best real estate lawyers in Philadelphia. He has been recognized as a Pennsylvania Super Lawyer from 2004 through 2012 having been selected by his peers as among the top 5 percent of lawyers in the Commonwealth.

Education:

University of Pennsylvania Law School, J.D., 1977
Brown University, A.B., with Honors, 1973

Bar Admissions:
Pennsylvania

Course Requirements & Rules

The course is open to Wharton MBA students, selected School of Design students, and selected undergraduates (Spring Semester only).

No prerequisites are necessary for taking the class.

Grades in this class are based on two examinations (first in-class exam worth 30%, second in-class exam 30%), one group project worth 30%, and class participation 10%.

IF YOU DECIDE TO DROP THE CLASS, YOU MUST DO SO BEFORE THE FIRST EXAM -- no exceptions!

Please note my exam policy: you must take the exam with your class on the date indicated on this syllabus. Absent extraordinary circumstances, there will be NO MAKE UPS. Job interviews **do not** as qualify as an emergency.

Assignments: Read and be prepared to discuss the assigned pages in the texts by the date indicated. Class attendance and participation is expected. Also, please be prepared for “cold-calling.”

Description of projects: One project will be due during the semester. The project will be done in approximately groups of four. I will select students to make up the groups. The project will require the group to analyze a potential commercial real estate development, negotiate a resolution with an opposing group, and submit their solution by the date specified. I will grade on a group basis unless it is clear to me that one (or more) members of the group contributed exceptionally more or less to the project. In that case, I will assign grades on an individual basis.

Attendance and Class Participation: Success in this course is based on the student’s consistent preparation, regular attendance, and active participation in all class discussions. Students’ informed contributions to the learning process are expected on a regular basis; therefore, attendance is mandatory. I reserve the right to drop from the rolls any student missing four (4) or more classes in accordance with University regulations.

Course Materials

REQUIRED READING MATERIALS:

- 1) George Lefcoe, Real Estate Transactions, 6th ed. (Earlier editions not permitted).
- 2) Bulk Pack, available from Wharton Reprographics

RECOMMENDED/NOT REQUIRED:

- 1) Talamo, The Real Estate Dictionary, fourth edition.

REAL ESTATE LAW SYLLABUS

Professor: Robert Lane
 Course Designation: REAL/LGST 804
 Schedule: TR 4:30 PM - 6:00 PM
 Classroom: JMHH F60
 Semester: Fall 2012

Date	Topic	Textbook (Lefcoe)	Bulkpack	Cases	Optional	Project Dates
PART I: ACQUISITION OF THE ASSET						
Thursday, September 6, 2012	Course Introduction; Transactional Negotiations	N/A	#2 (RE law Study Techniques), #3 (The Art of RE Negotiations)			
4 PM, Tuesday, Sept. 11, 2012	CPDC's Membership Meeting Monetizing Public Assets: Hotel Sofitel, 17th & Sansom Streets					
Thursday, September 13, 2012	Choice of Entity	pp. 661-683	#4 (Selection of the Ownership Entity)		#5 (Choice of Entity for Real Estate), #6 (Expectations for the Twenty-First Century)	
Tuesday, September 18, 2012	Brokers: Guest Speaker Steven Gartner, President of Metro Commercial Real Estate	pp. 29-36, 38-57	N/A	Case 1: Fraud; Case 2: Broker Commissions		
Thursday, September 20, 2012	Land Use, Zoning and Eminent Domain	pp. 795-798, 805-806, 810-825, 828-832	#7 (CSX Seeks Property), #8 (Kelo: An American Original)	Case 3: Takings	#9 (Time to Overturn Lucas), #10 (Kelo v. City of New London)	
Tuesday September 25, 2012	Real Estate Title and Title Insurance	pp. 127-133, 287-288, 290-303, 307-308	N/A	Case 4: Title Insurance		
Thursday, September 27, 2012	Guest Speaker: Paul Levy, President, Center City District, and Central Philadelphia Development Corp	pp. 855-871, 879-889	#12 (Tax Increment Financing)			
Tuesday, October 2, 2012	Contract of Sale/Breach/Remedies Part 1	pp. 63-74, 85-103, 105-118	#11 (Letters of Intent in Commercial Real Estate)	Case 5: Contract of Sale, Case 6: Mortgage Contingency		
Thursday October 4, 2012	Contract of Sale/Breach/Remedies Part 2	pp. 120-124, 146-148, 157-164	N/A	Case 7: Monetary, Damages, Case 8: Duty to Disclose		
Tuesday, October 09, 2012	First Exam	N/A	N/A			
Thursday, October 11, 2012	Mortgage/Construction Finance Part 1	pp. 173-176, 197-206, 209-222; 225-239	#13 (Personal Liability and Other Security)	Case 9: Breach of Mortgage		Project Distributed
PART II: FINANCING THE ASSET						
Tuesday, October 16, 2012	Mortgage/Construction Finance Part 2	pp. 495-520, 561-588	#14 (Obligatory Advance Doctrine)	Case 10: Mechanic's Liens		
Thursday, October 18, 2012	NO CLASS - ACREL CONFERENCE					
Tuesday, October 23, 2012	NO CLASS - Fall Break					
Thursday, October 25, 2012	Pre-Foreclosure, Foreclosure and Workouts	pp. 409-426, 429-434, 435-445, 452-460, 481-493	#17 (How Much Protection Does a Leasehold Mortgagee Need)	Case 11: Lender Rights	pp. 445-451	
PART III: MANAGING THE ASSET						
Tuesday, October 30, 2012	Leasing Part 1	pp. 749-769	#15 (Sale-Leasebacks Revisited)	Case 12: Implied Warranty of Habitability		Developer Proposed Master Plan Due
Thursday, November 1, 2012	Real Estate Securitization: Guest Speaker, Michael Berman, President and CEO of CWCcapital	pp. 177-184, 190-194	Security), #21 (Fundamentals of MBS and ABS), #22 (Guide to CMBS)		#20 (A Miranda Warning for Potential Conduit Borrowers)	
Tuesday, November 06, 2012	Leasing Part II	pp. 769-792	#16 (Landlord-Tenant Relationship), #18 (Continuous Operations Clauses and Going Dark)	Case 13: Landlord Liability, Case 14: Exclusivity Clauses		
Thursday, November 08, 2012	NO CLASS	N/A	N/A			
Tuesday, November 13, 2012	Guest Speaker TBA					
Thursday, November 15, 2012	RE Tax	pp. 345-346, 616-617, 623-637				
PART IV: PROJECTS & SECOND EXAM						
Tuesday, November 20, 2012	Guest Speaker: David Gorenberg, Citibank 1031 Exchange Company	pp. 644-657	#23 (Use of a Qualified Intermediary)			Term Sheet and Team Memo Due
Thursday, November 22, 2012	NO CLASS: THANKSGIVING	N/A	N/A			
Tuesday, November 27, 2012	Co-ops and Condos		#24 (Building on the Basics)	Case 15: Condo Owner Liability		
Thursday, November 29, 2012	Project Presentations #1	N/A	N/A			Project Presentations #1
Tuesday, December 04, 2012	Project Presentations #2	N/A	N/A			Project Presentations #2
Thursday, December 06, 2012	Second Exam	N/A	N/A			