

Real Estate Law
REAL/LGST 204
Fall 2012

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The Teaching Assistant for this class is **Ted Clement**. He will hold office hours for class questions and projects on **Mondays 2:30-4** and **Thursdays 10:30-12**. If you cannot come during this time please e-mail him (tclement@law.upenn.edu) to set up an alternative time. If there is a matter about which you want to meet with me please email me to set up a time.

Texts: 1) George Lefcoe, Real Estate Transactions, 6th ed.; 2) Readings, available on study.net; 3) Talamo, The Real Estate Dictionary, fourth edition (suggested-not mandatory); Real Estate in a Nutshell (suggested-not mandatory).

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. Grades in this class are based on: two examinations (first in-class exam worth 25%, second exam worth 35%), two 3-5 page papers (15% each), 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 exams with your class on the date indicated on this syllabus. Absent extraordinary circumstances there will be NO MAKE UPS. Job interviews **do not** 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.

Description of papers: You will be given a specific prompt for each of the papers. The papers are to be written individually (group work is not permissible). The papers must be uploaded to Canvas by 5 pm on the specified due date.

Course Absence: This course is part of a pilot for the new Course Absence Report (CAR) system. The purpose of the CAR system is to facilitate communication between instructors and students when a student misses class. **PLEASE NOTE THAT SUBMISSION OF A COURSE ABSENCE REPORT TO ME DOES NOT AUTOMATICALLY EXCUSE THE ABSENCE. YOUR ATTENDANCE/PARTICIPATION GRADE MAY BE IMPACTED WHETHER YOU SUBMIT THE NOTICE OR NOT. SUBMISSION OF A NOTICE WILL NEVER EXCUSE AN ABSENCE ON AN EXAMINATION DATE.**

The system allows students to inform instructors about absences and makes it easier for instructors to manage information about absences in a course. The pilot period (the fall 2012 semester) will enable University officials to assess how the system works and what adjustments need to be made before opening it up to general use.

Students who are absent from class for up to five days should send a Course Absence Report to notify the instructor. If the absence is more than five days, the student should contact his or her home school advising office to discuss the academic implications of a longer absence.

Students can enter the Course Absence Report system, and submit and review Course Absence Reports for this course, through Penn InTouch. A direct link to the system is also available here:

<https://medley.isc-seo.upenn.edu/pennInTouch/jsp/fast.do?fastStart=explicit&page=absenceReport>

I. Acquisition of the Asset

September 5 Introduction
Reading #1

September 10 Choice of Entity
Reading #2,3; Lefcoe pp. 661-683; OPTIONAL Reading #4

September 12 Brokers
Reading #5,6,7; Lefcoe pp. 29-34;38-57

September 17 Readings#8,9

September 19 Land Use and Zoning
Reading #10,11; Lefcoe pp. 795-803; 815-821;826-836;
OPTIONAL Reading # 12; Lefcoe pp. 803-805; 810-815

September 24 Public/Private Partnerships
Reading #13, 14, 15; Lefcoe pp. 855-871; 879-889;
OPTIONAL Reading # 16

September 26 Contract of Sale
Reading #17; Lefcoe pp. 63-74; 85-90, 97-103; 120-124;
OPTIONAL pp. 90-97

October 1 Title Insurance
Reading #18, 19; Lefcoe pp. 127-133; 287-304; 307-308

October 2 *** **FIRST PAPER DUE*****

- October 3 Contract of Sale, cont'd
Reading #20; 21; Lefcoe pp. 105-118;141-144; 146-150
- October 8 Remedies for Breach of Contract of Sale
Reading #22, 23, 24; Lefcoe pp. 157-164; OPTIONAL pp. 153-156

II. Financing the Asset

- October 10 Review
- October 15 ***** IN CLASS EXAM *****
- October 17 Mortgage Financing (Loan Terms)
Reading #25, 26; Lefcoe pp. 90-97; 167-176;209-222
- October 22 NO CLASS-FALL BREAK
- October 24 Mortgage Financing, cont'd (Jr. Liens, Credit Enhancement)
Reading #27, 28; Lefcoe pp. 225-239
- October 29 Construction Finance (Construction Lending, Optional/Obligatory)
Reading #29; Lefcoe pp. 502-521(skip case); 582-585; OPTIONAL pp. 495-501
- October 31 Construction Finance cont'd (Mechanic's Liens)
Reading #30, 31; Lefcoe pp. 561-578
OPTIONAL Reading #32
- November 5 Pre-Foreclosure
Reading #33; Lefcoe pp. 409-426 (Skim 410-411)
- November 7 Foreclosure
Lefcoe pp. 429-432; 435-447; 452-458; 481-488 OPTIONAL pp. 447-451
- For those interested in CA law -
Lefcoe pp. 463-477
- November 12 Securitization of Real Estate
Reading#34, 35, 36; Lefcoe pp. 177-184; 683-688; 717-721
OPTIONAL Reading # 37, 38
- November 14 US Home Mortgage Crisis
Reading # 39, 40, 41, 42; Lefcoe pp. 180-184

III. Managing the Asset

- November 19 Leasing Introduction
Reading#43, 44, 45

November 20 *** **SECOND PAPER DUE** ***

November 21 NO CLASS-THANKSGIVING WEEKEND

November 26 Commercial Leasing
Reading # 46, 47; Lefcoe pp. 769-792; skim 749-757; 759-769;
OPTIONAL Reading #48

November 28 Tax
Reading #49; Lefcoe pp. 623-637; 644-657

December 3 Coops & Condos
Reading #50, 51, 52, 53

December 5 Review

***** EXAM, Wednesday, December 19, 9 am, PLACE TBA*****