

# USC Gould School of Law

## Law 605 – Real Estate Transactions and Finance

Units: 4

Term—Day—Time: Fall 2022, Tuesday and Thursday, 10:00-11:50AM

### Instructor: Oscar Sandoval

**Office Hours:** Calls and meetings with the professor are by appointment only. In addition, the Teaching Assistants (TAs) for the course will conduct office hours as indicated below. Substantive questions regarding the course material can be directed to the TAs (please CC the professor on any emails). The TAs will relay to the professor any questions that they cannot answer.

**Contact Info:** [osandoval@law.usc.edu](mailto:osandoval@law.usc.edu)

**TAs:** Brennen Sharp-Polos [sharppol@usc.edu](mailto:sharppol@usc.edu) – Brandon Kerns [brandon.kerns.2023@lawmail.usc.edu](mailto:brandon.kerns.2023@lawmail.usc.edu)

**TA Office Hours:** Sharp-Polos, Thu 2pm, Fri 11am; <https://usc.zoom.us/j/5571345573> - Meeting ID:557 134 5573; Kerns, Tue & Wed 2pm; <https://usc.zoom.us/j/98938184863>

### Course Description

This course offers an in-depth look at the most prevalent transactions and finance tools related to both residential and commercial real estate. The course topics will include: purchase and sale of realty; property valuation; brokerage agreements; land conveyance and the recording acts; escrows, title insurance and closings; investment vehicles and deal structures; mortgage lending and commercial finance; foreclosures and loan workouts.

Some of the class sessions will feature guest experts, which will help relate the assigned readings to the actual inner workings of the various aspects of the real estate industry. Guest experts may include: real estate attorneys; developers and investors; commercial and residential brokers; mortgage lenders; title insurers; and escrow agents.

The course will benefit students interested in learning how to apply the theory of real estate law to the ever-changing and dynamic real estate field.

### Learning Objectives

- Understand the process of real estate transfers, including the key players and documents.
- Identify and analyze the main drivers of value in real estate.
- Perform rudimentary financial analysis on real estate acquisitions and investments.
- Differentiate key provisions in real estate purchase agreements and leases.
- Working familiarity with surveys and title insurance.
- Compare the various financing options for the purchase of residential and commercial real estate.
- Recognize key issues that determine deal structure in real estate joint ventures.

## Course Notes

The course is available for numerical grade or as CR/D/F.

Grades will be based upon:

- Multiple-choice, open-book final exam
- Two or three (3) short written assignments
- Class attendance
- Class participation (including periodic quizzes based upon the class reading)

Students will be required to sign up for an account with the website <http://polleverywhere.com>. Lectures and corresponding PowerPoint presentations may feature questions utilizing this app, which will be tracked for participation credit.

## Required Readings and Supplementary Materials

The textbook for the course is Real Estate Law and Business (Carolina Academic Press, 2016) (Lefcoe). In addition, there will be a supplemental course reader, which will be posted to Blackboard in PDF format.

## Description of Assignments

Throughout the semester, students will complete three short written assignments.

## Grading Breakdown

<u>Assignment</u>	<u>Percent</u>
Final Exam	60%
Assignments	15%
Class Participation	15%
Class Attendance	10%
<b>Total</b>	<b>100%</b>

## Additional Policies

Attendance: Attendance is not mandatory, but it does constitute a significant part of your grade.

Important Note re: Tardiness: Attendance will be taken promptly at the start of class. Any tardy arrival (including a noisy, disruptive return from a class break), will be marked as a half-absence for the day. Please keep in mind that late arrivals disrupt the classroom and could be interpreted as disrespectful towards guest experts who generously give of their time.

Quizzes: Many of the lectures will feature a small number of quiz questions based upon that day's reading for the class. The questions will be counted towards class participation but will not be graded for correctness. Some of these quiz questions may end up on the final exam.

Participation: Participation points will be awarded based upon classroom participation that advances discussion and facilitates a deeper exploration and understanding of the course material. The assessment is qualitative, not quantitative. Asking questions merely for the sake of “participating” is likely to distract from the learning environment and will **NOT** earn any participation points. In addition, loud disruptions to the learning environment, such as arriving late after a class break, could result in the loss of participation points. Especially in the presence of guest speakers, please be considerate when returning from class breaks.

Late assignments will not be accepted.

Final Exam. The final exam will consist entirely of multiple-choice questions taken from the reading and lectures.

All written work must be exclusively your own. Unless an assignment specifically allows for group work, your submitted work should be your own entirely. Sharing or borrowing an answer from someone else without attribution is a bad idea. It could be regarded as cheating for which potential penalties are serious.

Substantive questions about the reading material should be directed first to the Teaching Assistants (TAs) for the course, Brennen Sharp-Polos [sharppol@usc.edu](mailto:sharppol@usc.edu) and Brandon Kerns [brandon.kerns.2023@lawmail.usc.edu](mailto:brandon.kerns.2023@lawmail.usc.edu) (with a CC to the professor) The TAs will forward to me any questions that they cannot answer.

Polleverywhere.com: Students will be required to sign up for an account with the website <http://polleverywhere.com>. Lectures and corresponding PowerPoint presentations may feature questions utilizing this app, and participation points are assessed. Each student MUST sign up for a Polleverywhere.com account using the **usc.edu** email address which has been assigned to the student. Do NOT use the "law.usc.edu" email address to sign up for the account. You will not receive credit for your answers.

## Course Schedule: A Weekly Breakdown

**NOTE:** For the reading assignments, “R” refers to the textbook, Real Estate Law and Business (Carolina Academic Press, 2016) (Lefcoe); “S” refers to the supplemental reader; “Q” refers to questions at the end of a chapter.

### Law-605: Real Estate Transactions & Finance Course schedule for Fall Semester 2022

<b>Date</b>	<b>Reading</b>	<b>Subject Matter</b>
08/30/2022	R Ch 1, Sec. II, plus questions (pp. 5-21), Ch 2, Sec. IV, A-C (pp. 58-63); S Ch. 1 pp. 23-28	Intro - Buying and Selling Real Estate; Rent vs Own Decision
9/1/2022	R Ch 2, Sec. I-III (pp. 33-58); S Ch. 1 pp. 2-3	Residential Transactions; Flipping houses
9/6/2022 9/8/2022	R Ch 2, Sec. I-III (re-read); S Ch 2 pp. 30-33	Methods of Financial Analysis for Real Estate Investments
9/13/2022	R Ch 3, all (pp. 69-102); S Ch3 pp. 34-43	Residential Brokers
9/15/2022	R Ch 12, Sec. I-III, V (pp. 363-86, 395-404), Qs 1-6 (pp. 408-09)	Introduction to Home Mortgage Lending
9/20/2022	R Ch 5, Sec I (pp. 157-181), Qs 1-8 (pp. 192-197); S Ch. 5 pp. 48-52	Condition of the Subject Property
9/22/2022	R Ch 5, Sec II-III (pp. 181-192), Qs 9-11 (pp. 197-199); S Ch. 5 pp. 52-58	Fixtures, Risk of Loss During Executory Period
9/27/2022	R Ch 6, all (pp. 201-230); S Ch 6 pp. 61-68	Deeds, Quality of Title
9/29/2022	R Ch 7, all (pp. 231-260), Qs 5-7; S Ch 7 (69-81)	The Land to Be Conveyed: Land Descriptions, Surveys & Boundary Disputes
10/4/2022	R Ch 7, Sec I-II (re-read)	Guests – Surveys in CRE Due Diligence
10/06/2022	R Ch 8, all (pp. 261-291); S Ch 8 pp. 82-83;	Recording Laws: Verifying Ownership and Lien Priorities
10/11/2022	R Ch 9, all (pp. 293-323), Qs 2-5, 7, 9, 11; S Ch 9 pp. 84-98,	Title Insurance
10/13/2022	R Ch 1, CAR Commercial Purchase Agr (pp. 22-32); Blackboard readings	Buying and Selling Commercial Real Estate: Two Retail Deals

10/18/2022	<b>R Ch 4, Sec I-II, IV (pp 103-123; 143-149)</b> <b><u>JV Assignment Due</u></b>	<b>Partnerships, Joint Ventures &amp; Deal Structure</b>
10/20/2022	Blackboard reading	Landlord-Tenant
10/25/2022	R Ch 15, Sec IV-V (pp. 469-89)	Foreclosure
10/27/2022	R Ch 15, Sec VII-VIII (pp. 493-512) Blackboard reading	Workouts (and Bankruptcy): Restructuring defaulted or at-risk commercial debt.
11/1/2022	Blackboard reading	Advanced Capital Stack
11/03/2022	R Ch 12, Sec III.C-IV (pp. 385-395); S Ch 12 pp. 135-39, 142-46, 161-174; S Ch 16 pp. 277-78	An Introduction to Commercial Mortgage Financing
11/08/2022	S Ch 12 pp. 207-17; Blackboard reading	Capital Stack in Real Estate Investment
11/10/2022	R Ch 10, Sec I-II (pp. 325-337); S Ch 10 pp. 99-103; R Ch 11, all (pp. 345-62); S Ch 11 pp. 104-110	Real Estate Escrows and Closings; Terminating Failed RE Contracts
11/15/2022	Blackboard reading <b><u>Office Assignment Due</u></b>	Office Buildings: Buying, Selling, Marketing
11/17/2022	S Ch 16 pp 231-58	Office Leasing
11/22/2022	No Class – Friday classes meet	
11/24/2022	No Class – Thanksgiving Break	
11/29/2022	None	Final Review
12/01/2022	Blackboard reading	Retail Leasing

## Statement on Academic Conduct and Support Systems

### Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” [policy.usc.edu/scampus-part-b](http://policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable.

### Support Systems:

*Counseling and Mental Health - (213) 740-9355 – 24/7 on call*  
[studenthealth.usc.edu/counseling](http://studenthealth.usc.edu/counseling)

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

*National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call*  
[suicidepreventionlifeline.org](http://suicidepreventionlifeline.org)

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

*Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call*  
[studenthealth.usc.edu/sexual-assault](http://studenthealth.usc.edu/sexual-assault)

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

*Office of Equity and Diversity (OED) - (213) 740-5086 | Title IX – (213) 821-8298*  
[equity.usc.edu](http://equity.usc.edu), [titleix.usc.edu](http://titleix.usc.edu)

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

*Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298*  
[usc-advocate.symplicity.com/care\\_report](http://usc-advocate.symplicity.com/care_report)

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity |Title IX for appropriate investigation, supportive measures, and response.

*The Office of Disability Services and Programs - (213) 740-0776*  
[dsp.usc.edu](http://dsp.usc.edu)

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.