

USC Gould School of Law

Law 605 – Real Estate Transactions and Finance

Units: 4

Term—Day—Time: Fall 2024, Tuesday and Thursday, 10:00-11:50AM

Instructor: Oscar Sandoval

Office Hours: Calls and meetings with the professor are by appointment only. However, generally the professor is available immediately after class to answer questions.

Contact Info: osandoval@law.usc.edu

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 (one of which will be a group assignment)
- Class attendance
- Class participation (including periodic poll questions and 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%
Total	100%

Additional Policies

Attendance: Attendance is NOT mandatory, but it does constitute a part of your grade. Attending class regularly and on-time is an easy way to garner points towards a good 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. **If you must come to class late, please make sure to enter as quietly as possible, including by closing the door softly.**

Excused Absence and Tardiness: If a legitimate reason (i.e., illness, job interviews, car trouble, family emergency, etc.) prevents you from attending class or arriving on time, send an email to the professor before the start of class broadly explaining your situation. Your tardiness or absence will be excused. There is no need to provide documentation, such as a doctor's note.

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 readings, PowerPoint handouts, and lectures, and may include information provided by the guest experts.

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.

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 2024

<u>Date</u>	<u>Reading</u>	<u>Subject Matter</u>
08/29/2024	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
09/03/2024	R Ch 2, Sec. I-III (pp. 33-58); S Ch. 1 pp. 2-3	Residential Transactions; “Flipping” houses
09/05/2024 09/10/2024	R Ch 2, Sec. I-III (re-read); S Ch 2 pp. 30-33	Methods of Financial Analysis for Real Estate Investments
09/12/2024	R Ch 3, all (pp. 69-102); S Ch3 pp. 34-43	Residential Brokers
09/17/2024	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
09/19/2024	R Ch 12, Sec. I-III, V (pp. 363-86, 395-404), Qs 1-6 (pp. 408-09)	Introduction to Home Mortgage Lending
09/24/2024	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
09/26/2024	R Ch 6, all (pp. 201-230); S Ch 6 pp. 61-68	Deeds, Quality of Title
10/01/2024	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
10/03/2024	R Ch 8, all (pp. 261-291); S Ch 8 pp. 82-83;	Recording Laws: Verifying Ownership and Lien Priorities
10/08/2024	R Ch 7, Sec I-II (re-read)	Surveys in CRE Due Diligence
10/10/2024	R Ch 9, all (pp. 293-323), Qs 2-5, 7, 9, 11; S Ch 9 pp. 84-98,	Title Insurance

10/15/2024	R Ch 1, CAR Commercial Purchase Agr (pp. 22-32); Brightspace readings	Buying and Selling Commercial Real Estate: Two Retail Deals
10/17/2024	R Ch 4, Sec I-II, IV (pp 103-123; 143-149) <u>JV Assignment Due</u>	Partnerships, Joint Ventures & Deal Structure
10/22/2024	Brightspace reading	Landlord-Tenant
10/24/2024	R Ch 15, Sec IV-V (pp. 469-89)	Foreclosure
10/29/2024	R Ch 12, Sec III.C-IV (pp. 385-395); S Ch 12 pp. 135-39, 142-46, 161-174, 211-217; S Ch 16 pp. 277-78	An Introduction to Commercial Mortgage Financing
10/31/2024	Brightspace reading	Advanced Capital Stack
11/02/2024	S Ch 12 pp. 207-10; Brightspace reading	Capital Stack in Real Estate Investment
11/05/2024	None	NO CLASS – Friday Classes Meet
11/12/2024	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
11/14/2024	S Ch 16 pp 231-58	Office Leasing
11/19/2024	Brightspace reading <u>Office Assignment Due</u>	Office Buildings: Buying, Selling, Marketing
11/21/2024	R Ch 15, Sec VII-VIII (pp. 493-512) Brightspace reading	Workouts (and Bankruptcy): Restructuring defaulted or at-risk commercial debt.
11/26/2024	Brightspace reading	Retail Business and Leasing
11/28/2024	No Class – Thanksgiving Break	
12/03/2024	None	Final Exam Review

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. 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

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

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

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, 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

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

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.