

REAL ESTATE TRANSACTIONS

Fall 2017

Credits: 3

Time: 1:00-2:20 p.m. Tuesday/Thursday

Location: TBA

Professor Kellen Zale

University of Houston Law Center

Email: kbzale@central.uh.edu

Phone: 713.743.0325

Office: BLB-128

Overview and Course Goals: This is an introductory, practical course that will consider a wide range of issues relating real estate transactions. The primary focus is on residential transactions, but the course will also cover some issues related to commercial transactions. The objectives of the course are: (1) to gain a foundation in the substantive law underlying real estate transactions; (2) to understand the professional and ethical questions related to the subject matter; and (3) to develop the analytical and practical skills to address legal issues associated with the conveyancing and financing of real property. Classes will be a combination of lecture, discussion and group exercises.

Text: The required text is REAL ESTATE TRANSACTIONS: PROBLEMS, CASES, AND MATERIALS, 5th edition (Robin Paul Malloy & James Charles Smith).

Additional required supplemental materials will be posted on the course website (Blackboard), including “document supplements.” Each “document supplement” is a particular legal document used in real estate transactions, along with questions about the document. *Students should treat these assignments like the M&S reading and be prepared to discuss the questions included in the document supplement in class.*

Students are responsible for all assignments listed on the syllabus below, whether it is in the casebook, document supplement, or posted on Blackboard.

Course Website: Please check Blackboard regularly for assignments and other updates related to the course. You can log on through the UH website (<http://www.uh.edu/blackboard/>).

Grading: The final grade will be primarily based on a three-hour, in-class, limited open book exam. The exam will be a combination of multiple choice and essay questions. The final exam is scheduled for [TBA] (*exam dates are subject to change by university administration so always check the UH website for the most current information*). [“Limited open book exam” means students are permitted to bring into the exam: (1) the casebook; (2) any materials posted on the Class Blackboard page; and (3) notes or outlines prepared by the student alone or with classmates. However, no hornbooks, treatises, or commercial outlines are permitted, and no electronic sources can be consulted during the exam.]

Participation: Classes will be a combination of lecture and discussion. Students are expected to be prepared for every class, which includes: *presenting cases, answering*

questions related to the assigned Document Supplement, and commenting on the issues we are discussing. Any student is welcome to volunteer or ask questions at any time. If you are unprepared for class, you may utilize a “pass” up to **three times** during the semester by signing the “pass sheet” in advance of class. You may do this **three times** during the semester without any impact to your class participation grade; however, additional passes will impact your class participation grade. *Final grades* may be modified up or down by one-third of a letter grade (i.e., from a B to a B+ or A to A-) based on class participation. The decision to drop a grade for participation is at my discretion and can result from exceeding the pass limit or from a combination of unpreparedness, not paying attention in class, inappropriate use of technology, repeated lateness and absences (even if you have fewer than 20% absences). In exceptional circumstances, students may have their grade raised by one-third of a letter grade.

Attendance: An attendance log will be silently passed around each class; initial the log to mark your attendance. Falsifying attendance violates the Law Center’s Honor Code. Pursuant to Law Center’s policy, you must attend at least 80% of the classes (though you should strive to attend every class). If you miss more than 20% of the classes, I reserve the right to take appropriate disciplinary action, consistent with the Law Center’s policies, including dropping the student from the course.

Lateness: Students entering the classroom late can be very distracting to me as well as to your classmates. Out of respect for everyone, please make every effort to be on time for class. If there is an exceptional situation where an outside commitment or emergency requires you to arrive late, please let me know if possible. Unless you have received prior permission from me, students are required to attend the entire class session in order to sign the attendance sheet.

Schedule & Make-up Classes: The fall semester is hurricane season and the University advises students to visit uh.edu/emergency for updates on campus closures. If a class must be cancelled for weather or any other reason, a make-up class will be scheduled, consistent with the Law Center’s policies (the Law Center has set aside the following Fridays in Fall 2017 for Tues/Thurs make-up classes; if needed, any make-up class will be scheduled from 1:00-2:20 p.m. for one of these days: Sept. 8; Sept. 22; Oct. 6; Oct. 20; Nov. 3; Nov. 17).

Office Hours: [TBA] If you would like to meet at another time, please email or call to schedule an appointment.

Use of Technology: Computers are permitted, but should only be used for note-taking purposes. I reserve the right to treat violations of this policy as lack of preparation. Please ensure all other electronic devices (cell phones, etc.) are in silent mode or turned off during class.

Accommodation: If you have a disability and require an accommodation, please contact the Center for Students with Disabilities.

Counseling and Psychological Services: Counseling and Psychological Services (CAPS) can help students who are having difficulties managing stress, adjusting to the demands of a

professional program, or feeling sad and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. No appointment is necessary for the "Let's Talk" program, a drop-in consultation service at convenient locations and hours around campus.

http://www.uh.edu/caps/outreach/lets_talk.html

Course Structure: The course is divided into two parts: (I) Acquisition of Real Estate, and (II) Financing of Real Estate. Below is an outline of the topics to be covered during the semester. Please note schedule below is subject to adjustment for unforeseen circumstances (i.e., guest speaker cancellation, professor illness, event discussions) and students should check the course website for the most up-to-date version of the syllabus.

Additional supplemental material may be posted during the semester on the course website (Blackboard) that students will be responsible for. Students will be given notice of any changes in the schedule or supplemental materials in class and via the course website. If we do not finish covering the assigned material for a particular day, we will start the next class with the leftover material before moving onto the current day's assignment. All students should be prepared to discuss the leftover material if such a situation arises.

Syllabus

Note: Please note schedule below is subject to adjustment and students should check the course website for the most up-to-date version of the syllabus.

Part I – Acquisition

1. Market Context for Real Estate Transactions
2. Brokers
 - Doc. Supp. #1: Broker Listing Agreement
3. Preparing to Contract; Intro to Executory Contracts
4. Executory Contracts (cont.)
5. Condition of the Property
6. Condition of the Property (cont.); Implied Warranties
 - Doc. Supp. #2: Residential Contract of Sale (PSA)
7. Closing
 - Doc. Supp. #3: Closing Disclosure
8. Contract Remedies
9. Contract Remedies (cont.); Allocating Title Risk

10. Allocating Title Risk (cont.)
 - Doc. Supp. #4: The Deed
11. Land Descriptions
 - Doc. Supp. #5: Survey
12. Public Records
13. Public Records (cont.); Title Products
 - Doc. Supp. #6: Title Commitment
14. Title Products (cont.)
 - Doc. Supp. #7: Owner's Policy of Title Insurance
15. Improving the Efficiency of the Title System
16. Housing Products

Part II – Financing

17. Possession & Use of Mortgaged Property; Residential Mortgage Products
 - Doc. Supp. #8: The Note
18. Residential Mortgage Products and the 2008 Financial Crisis
19. The 2008 Financial Crisis - Mortgage Lending and the Securitization of Mortgages (cont.)
20. 2008 Financial Crisis (cont.); Mortgage Obligations
21. Mortgage Obligations (cont.)
 - Doc. Supp. #9: Mortgage
22. Mortgage Obligations (cont.); Default & Acceleration; Foreclosure
23. Foreclosure (cont.); Possession & Use of Mortgaged Property: Waste
24. Foreclosure (cont.)
25. Mortgage Substitutes
26. Junior Mortgages; Basic Comm. Real Estate
27. Last Class - Final Exam Review