

Residential Real Estate Transactions

Syllabus

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Overview: As a one-credit course within the General Practice Program, Residential Real Estate Transactions will focus on a “typical” residential real estate purchase from the first contact with a client to the closing of the sale. The course will touch on legal doctrine and theory where necessary, but the classroom discussions and assignments will center on the practical aspects of the complex transaction. The goal of the course is to instill the skills necessary to complete the project management, negotiation, and planning necessary to complete a residential sale. The sale, and, more particularly, the purchase of a home represents a major investment and commitment in the lives of ordinary clients. This course will help future lawyers develop the skills necessary to help clients through this stressful and, sometimes, difficult venture. The class will focus primarily on Vermont and New Hampshire law as a means of creating basic skills that may transfer to other venues.

Learning Outcomes: Through a series of in- and out-of-class exercises and class discussions, students should finish this course with the ability to:

1. Use real estate laws and standards to analyze and work through transaction simulations
2. Construct and negotiate purchase and sales agreements and contract changes
3. Competently conduct title and deed research
4. Understand tax implications and forms for sales of property in VT and NH
5. Guide a client through a complete real estate transaction and have a rough understanding closing schedules and requirements

Communication and TWEN: Assignments and course materials will be posted to the course TWEN site before each class. Written responses to assignments should be submitted to TWEN on the Monday before the next class meeting. Please feel free to email me directly with questions. If you need to speak with me in person, we can set up an appointment at the law school.

A note on written assignments: Students should write assignments in the form and style required by the document type. Legal documents should take legal form, and communications between attorneys may have a more informal style. The focus of the writing should be the problem at hand and the critical thought necessary to reach a solution. Students should take this opportunity to form the voice they will use when communicating with clients and other attorneys in the future.

Attendance: Students are expected to attend class regularly. Missing class frequently or frequent lack of preparation will impact a student's grade. Please email me in advance to explain foreseen and unavoidable absences.

Final Grade for the Course: The final grade for the course will be based on class participation (30%), weekly assignments (50%), and performance in final mock closing (20%).

Class Calendar

Class One	August 28	The Purchase and Sales Agreement, Negotiations, Issues, and Parties Involved
Class Two	September 11	Introduction to the Residential Mortgage Industry, Mortgage Forms, Discharges, and Payment
Class Three	September 25	Title: Marketable Title, Encumbrances, and Title Insurance
Class Four	October 9	Deeds: Drafting, Forms, and Searches in Various Land Records
Class Five	October 23	Federal, State, and Local Taxes and Completion of Necessary Tax Forms
Class Six	November 6	Introduction to Disclosures and Financial Statements Involved in the Closing
Class Seven	November 20	Structure of the Closing and the Duties of Each Attorney and Escrow Agents
Class Eight	December 4	Mock Closings

First Assignment

Before the first class, review and be ready to discuss a standard purchase and sales agreement (P&S). I have uploaded a mock P&S for a transaction we will use for class assignments. Be prepared to discuss any of the boiler plate language of the agreement that you find interesting or have questions about.

Class One

The Purchase and Sales Agreement and an Introduction to the Parties and Issues Involved

Goals

1. Outline the various parties involved in a residential real estate transaction and their various outlooks and vantage points regarding the transaction.
 2. Introduce the P&S and review of contract property law theory
 3. Identify and discuss the possible areas of confusion and concern regarding the P&S.
 4. Discuss potential issues involved in negotiating a P&S and any necessary addendums
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Class Two

Introduction to the Residential Mortgage Industry, Mortgage Forms, Discharges, and Payment

Goals

1. Understand a mortgage's relationship to all parties involved
 2. Outline the requirements of a mortgage and statutory forms
 3. Review recording statutes and their relationship to mortgage priority
 4. Look at the secondary mortgage market and federal regulation of mortgages
 5. Understand the Due on Sale Clause
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Class Three

Title: Marketable Title, Encumbrances, and Title Insurance

Goals

1. Understand to the recording system and chain of title
 2. Review marketable title and issues that affect marketability
 3. Discuss liens, discharges, and statutory considerations regarding "forgotten mortgages"
 4. Understand title insurance, its necessity, advantages, and impact on the closing and parties involved
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Class Four

Deeds: Forms, Drafting, and Searches in Various Land Records

Goals

1. Learn the conventions and requirements of all deeds
 2. Discuss certificates and exemptions on VT and NH deeds
 3. Understand the recording system in both paper and online forms
 4. Review plats and maps and how they relate to metes and bounds and legal descriptions
 5. Review recording fees and options for recording documents
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Class Five

Goals

1. Discuss federal tax implications of sales
2. Understand property tax prorations and allocations

3. Review the VT state tax forms and submission website
 4. Review the NH tax forms, submission process, and audits and reviews
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Class Six

1. Review closing disclosure forms and settlement statements
 2. Discuss common prorations involved in settlement statements
 3. Understand escrow agreements and duties of escrow agents
 4. Discuss communications with clients, realtors, and banks regarding closing financial arrangements
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Class Seven

Goals

1. Continue discussion of escrow arrangements and handling of closing money, wire fraud, and mortgage fraud
 2. Final review of closing documents
 3. Discuss the value of the closing agenda
 4. Understand ethical considerations of being the only attorney at a closing
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Class Eight

In-class mock closings