RARITAN VALLEY COMMUNITY COLLEGE
ACADEMIC COURSE OUTLINE

REAL ESTATE TRANSACTIONS LEGL-122

I. Basic Course Information

A. Course Title and Number: Real Estate Transactions LEGL-122

B. New or Modified Course: Modified

C. Date of Proposal: Spring 2011

D. Sponsoring Department: Business & Public Service

E. Semester Credit Hours: 3

F. Weekly Contact Hours: Lecture: 3  Lab: 0

G. Prerequisites: Role of Paralegal LEGL-101
   (This prerequisite is for AAS students only – No prerequisites for Certificate students)

H. Laboratory Fees: None

I. Name/Email of Coordinator: Maria M. DeFilippis, Esq.
   mdefilip@raritanval.edu

II. Catalog Description

Prerequisite: Role of the Paralegal LEGL-101. This prerequisite is for AAS students only; no prerequisite for Certificate students. This course surveys the basic legal principles of real estate transactions, including purchasing and selling, mortgaging, and leasing. Practical aspects of basic real estate transactions will be emphasized, including document preparation, with special emphasis on law and procedure in New Jersey. Among the topics covered will be drafting of real estate sale contracts; preparation of deeds, mortgages, and related documents; title insurance; closing procedures; leases and landlord-tenant issues; mortgage foreclosures; and land use regulation issues related to property transfers. The course covers aspects of residential and commercial property transactions.

III. Statement of Course Need

Reliance on paralegals to handle many aspects of real estate transactions is widespread among practicing lawyers and among institutions that employ persons with paralegal training, such as title insurance companies, lending institutions, and property developers and managers. Therefore, this course is
designed to provide students with an understanding of the basic legal principles governing real estate transactions, as well as a practical understanding of how to prepare and use the legal documents essential to such transactions. With a solid background in basic property law principles, plus the added knowledge of the practical aspects of handling real estate transactions, students will have a skill that is valued by a wide variety of potential employers and widely considered to be an essential part of a paralegal's professional education.

IV. Place of Course in College Curriculum

A. The course is an elective in the following programs: Paralegal Studies, AAS Degree and Certificate.

B. This course will transfer to any school with a Paralegal Studies four year degree, which includes Montclair, Thomas Edison, and St. Elizabeth College in New Jersey. It will also transfer to any four year institution offering an ABA approved paralegal program of study.

V. Outline of Course Content

A. Nature of real property (1 hour)
   1. Real property and personal property
   2. Fixtures

B. Rights in real property (1 hour)
   1. Estates in land
   2. Co-ownership
   3. Rights of spouses

C. Ownership of real property rights (3 hours)
   1. Capacity of parties to own and transfer real property.
   2. Priority of interests and the recording system.

D. Basic transfers of real property rights (3 hours)
   1. Types of deeds.
   2. Elements of deeds and drafting of deeds.
   3. Deed restrictions, covenants and reservations.

E. Other transfers of real property rights (1 hour)
   1. Involuntary transfers of real property
   2. Easements.

F. Land descriptions and surveys (1 hour)

G. Basic elements of real estate contracts (3 hours)
   1. Marketability of title.
   2. Statute of frauds.
   3. Basic clauses in property sale contracts.

H. Residential real estate contracts (3 hours)
   1. Procedures for attorney review of contracts.
2. Disclosures and warranties.

I. **Other real estate contracts** (3 hours)
   1. Income-producing and commercial real estate.
   2. New construction.
   3. Land for development.

J. **Brokers** (3 hours)
   1. Licensure and types of commission agreements.
   2. Duties of brokers.
   3. Contractual provisions affecting liability for commissions.

K. **Title insurance** (3 hours)
   1. Nature of title insurance.
   2. Exclusions and exceptions from coverage.
   3. Procedures for issuance of title insurance.

L. **Mortgages** (3 hours)
   1. Nature and types of mortgages.
   2. Residential mortgage transactions.
   3. Commercial mortgage transactions.

M. **Basic closing procedures** (3 hours)
   1. Pre-closing procedures.
   2. Residential transactions.
   3. Post-closing procedures.

N. **Real Estate Settlements Procedures Act** (3 hours)

O. **Other closing procedures** (3 hours)
   1. Commercial transactions
   2. Institutional and private mortgage financing.
   3. New construction.
   4. Decedents’ estates.
   5. Condominiums and cooperatives.

P. **Foreclosures** (3 hours)
   1. Nature of foreclosures.
   2. Pleadings and procedure for uncontested foreclosures.

Q. **Leasing** (2 hours)
   1. Statutory protections for tenants.
   2. Sales of leased property.

R. **Land use regulations** (3 hours)
   1. Municipal land use law.
   2. Requirements for subdivisions.
   3. Variances.
   4. Functions of planning boards and boards of adjustment.
   5. Land use application procedures.
VI. **Educational Goals and Learning Outcomes**

A. **Education Goals**

Students will:

1. Produce written work that reflects critical and creative thought relative to specific property transactions. (GE NJ 1)

2. Develop the ability to communicate clearly and logically, utilizing both verbal and written skills, in the researching and preparation of conveyancing documents. (GE NJ 1)

3. Assess, collect and organize information to solve real estate transaction problems, to assist in property transaction decision-making, and to create conveyancing documents to implement transactions.

4. Analyze and evaluate ethical problems in transaction fact patterns. (GE NJ 9)

5. Apply quantitative reasoning to interpret data and solve problems in preparing settlement statements and computations for closings. (GE NJ 2)

B. **Learning Outcomes**

Upon completion of this course, students will be able to:

1. Identify the terminology and principles associated with the law governing real estate transactions, including the different types of ownership interests in real estate.

2. Review and draft contracts for sale of real estate, and understand issues from the perspective of buyers and sellers to assist attorneys in negotiating and preparing contracts.

3. Develop competency in identifying technical issues raised by title insurance commitments or surveys and in handling title and survey issues in real estate transactions.

4. Describe the basic elements of mortgages, and requirements for loan closings, including document preparation.

5. Comprehend and prepare the different forms of deeds and other conveyancing documents based on different fact patterns in both residential and commercial transactions.

6. Identify ethical considerations in handling real estate matters, including disbursement of funds through trust accounts.
7. Prepare HUD-1 settlement statements based on fact patterns.

8. Identify the need for and prepare various documents for pre-closing, closing, and post-closing phases of both residential and commercial transactions.

9. Demonstrate an understanding of the basic procedures for uncontested foreclosures in New Jersey.

10. Identify how leases and land use regulations affect sales and mortgages of real property.

VII. **Modes of Teaching and Learning**

This course will employ the following methods of teaching:

A. lecture/discussion
B. computer-assisted instruction & assignments
C. document preparation by students based on fact patterns

VIII. **Papers, Examinations, and other Assessment Instruments**

This course will employ the following methods of assessment:

A. Quizzes and examinations
B. Case Studies
C. Document preparation assignments based on fact patterns

IX. **Grade Determinants**

Written exams, quizzes, class participation and attendance, and written assignments requiring the preparation of various real estate documents from fact patterns will be used to assess the students according to the general education goals and learning outcomes listed above.

X. **Text and Materials**

B. web sources
C. other computer-based and software-specific legal sources

XI. **Resources**

The course will require the use of computers to present Course Specific Software, PowerPoint materials and images of legal forms and related documents used in real estate transactions. Students will need ability to access software in a computer lab for preparation of HUD-I and other settlement documents.