

REAL ESTATE PLANNING
Spring 2010
Professor Bruce Dierking

(Revised January 25, 2010)

Course Description

This course is about the role of lawyers in planning real estate transactions and the art of applying legal and business concepts and analytical thinking to help clients achieve their goals. Over the course of the semester, we will consider a variety of transactional settings, including real estate acquisitions, real estate finance, disposition of real estate and real estate development. Income tax concepts and tax planning will be a significant focus of the course, as many real estate planning decisions are heavily impacted by tax outcomes. We will also explore the ways in which lawyers can help clients balance sometimes competing objectives and develop creative solutions to mitigate risk and maximize the achievement of client objectives. Finally, we will try to give students a general understanding of the business of real estate and some of the non-legal considerations of which lawyers should be cognizant in their practice.

Course Information

Class Meetings: Class meets Mondays from 4:00 – 6:55 p.m. in Room 304. We will typically take a short break approximately half way through each class period.

Text: The required text for this course is: Steuben, *Cases and Materials on Real Estate Planning, Fourth Edition* (“REP”). I will also periodically assign supplemental materials for you to read and/or additional sample problems.

Contact Information: My law school office is Room 409. The best telephone number to reach me is at my law firm, Packard and Dierking, LLC: (303) 447-0450. My e-mail address is bruce@packarddierking.com.

Office Hours: During the first part of the semester, I will not have standing office hours but will be available to meet with students as requested. I will be happy to stay after class to meet with students, or you can call or e-mail me at my law office to schedule an appointment. Toward the end of the semester as we are approaching the due date for the paper, I will schedule appointments with each student or group wishing to meet with me.

TWEN: There is a TWEN site for this course, but given the small number of students in this course, I will normally just e-mail you any information. If I am going to post anything on TWEN that you will be responsible for, I will let you know.

Assignments: Weekly reading assignments are listed below. You will typically be responsible for reading between 20 and 30 pages per week. I may make some adjustments to these assignments as the semester progresses depending on how quickly we are moving through

the materials. In addition to discussing the topics covered in the reading assignments, we will work on sample problems during class most weeks. It is extremely important that you keep up on the reading assignments in order for you to get the most out of this class and to do well on the paper. You will find that class discussions are very difficult to follow if you have not read the materials in advance, and you will not do well on the paper unless you are familiar with and understand the topics covered in the text. I also will call on students in class and will expect you to have read the assignments.

Classroom Participation: Attendance and in-class participation are important parts of this course. In addition to lecture and discussion, we will work through sample problems during class time. I may adjust grades by up to three points based upon attendance and/or class participation.

Religious Observances: Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious observances, have conflicts with scheduled exams, assignments or required attendance. If you need accommodation for religious observances, please let me know in advance.

Individuals with Disabilities: If you qualify for accommodation because of disability, please submit a letter to me from Disability Services so that your needs may be addressed.

Honor Code: The Honor Code applies to this course and specifically to the preparation of your paper for the course.

Paper: The required work product for the course is a planning paper, no more than 30 pages (8-1/2 x 11 inch paper) double-spaced, Times New Roman 12 point typeface, analyzing a complex, multi-faceted real estate planning problem and recommending courses of action. Problems will be assigned approximately one-third of the way through the semester. Students may collaborate on the paper in groups of two or three (NOT MORE). Papers will be due on the final day of class, **Monday, April 19**. Please use your student exam number rather than your name on the paper.

Grading: Most of your final grade will depend on your paper; however, as noted above, I may adjust grades by up to three points for attendance and/or class participation.

Course Assignments

The following reading assignments should be completed *prior to* attendance at the class dates shown:

Monday, Jan. 11: REP pp. 1 – 26 (Choice of Entity).

Monday, Jan. 18: NO CLASS – Martin Luther King, Jr. Holiday. We will reschedule this class meeting for another day this week. The reading assignment will be: REP pp. 26 - 45 (Choice of Entity).

Monday, Jan. 25: REP pp. 45 - 73 (Tax aspects of partnerships).

Monday, Feb. 1: REP pp. 108 – 141 (LLC characteristics and tax aspects; Tax aspects of corporations).

Monday, Feb. 8: REP pp. 147 – 166; 196 - 216 (Tax aspects of corporations (continued); Loss limitation rules).

Monday, Feb. 15: REP pp. 216 - 227; 230 – 242 (Acquisition of real estate); optional supplemental reading on purchase and sale agreements.

Monday, Feb. 22: REP pp. 324 – 337; 352 – 370 (Acquisition planning and due diligence); optional supplemental reading on acquisition due diligence matters.

Monday, March 1: REP pp. 544 – 566 (Classification as investor or dealer).

Monday, March 8: REP pp. 576 – 600 (Like-kind exchanges).

Monday, March 15: Supplemental reading assignment on Investor-Developer Structure and related tax issues.

Monday, March 22: NO CLASS - Spring Break.

Monday, March 29: NO CLASS - Work time for papers.

Monday, April 5: REP pp. 486 – 491; 505 – 523 (Disposition of real estate).

Monday, April 12: REP pp. 641 – 680 (Real estate finance).

Monday, April 19: Last day of Class – papers due. No new assignment; continue discussion from last class.