

REAL ESTATE FINANCE

Fall 2009

Professor Contact Information:

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Class Information:

Day and Time:
Monday 7:05-9:05
Wednesday: 6:00-6:55

Place: Room 303

Make-ups: Time and Place To Be Announced

Website: <http://lawschool.westlaw.com/twen/>

COURSE FOCUS: This course will focus on both general and Arkansas real estate finance law. We will study commercial real estate transactions with an emphasis on the acquisition, development and operation of commercial real estate ventures including associated financing techniques and issues. We will focus heavily on practical applications of real estate finance and development.

ATTENDANCE POLICY: Seven hours of absence are allowed. Anyone with more than seven hours of absence will receive an "F" for the course grade. I will circulate a sign-in sheet at the beginning of every class. You are required to initial the appropriate place to indicate your attendance. If the sign-in sheet does not reach you, it is your responsibility to locate the sheet at the end of that class period and initial it. If you are late to class, I reserve the right to count you absent for the entire class period. It is a violation of the honor code to initial the attendance sheet for someone other than yourself or to initial for a day that you did not attend class.

PARTICIPATION AND PREPARATION: Real estate development is not a spectator sport. Success in the practice of law, particularly in real estate, depends on the attorney being actively engaged in the project, constantly aware of all facets of the deal and tirelessly striving to exceed the client's expectations. Being prepared for and actively participating in class builds habits that will serve you in practice. Preparation and participation makes the class more rewarding for you and your fellow classmates. Preparation is required. Participation is required. I reserve the right to adjust your final grade for the course, up or down, on the basis of your attendance, timeliness, preparation and participation.

TEXTS: There is no text book. Instead, students are expected to read handouts and case assignments. I will distribute handouts throughout the semester.

FINAL EXAM AND GRADE: The final grade for the course will consist of the grade on the final examination, adjusted as described in the section on Participation and Preparation above. The final exam is closed book but certain printed materials may be permitted as announced closer to the actual exam date. Computers may be used, and typing your final exam is strongly encouraged. The final exam will be on **Wednesday, December 16, 2009 from 6:00-9:00 p.m.** The final exam will be three (3) hours long. The exam will consist of essay questions and document analysis.

STUDENTS WITH DISABILITIES: UALR accommodates students with disabilities, pursuant to state and federal law. Any student with a disability who needs accommodation, for example in seating placement or in arrangement for examinations, should inform Associate Dean Felecia Epps at the beginning of the course. Students with disabilities may also contact the Office of Disability Support Services, 103 Donaghey Student Center, 569-3143.

SEATING: You may sit where you like.

ELECTRONICS: Cellular telephones, PDAs, wireless email devices, digital music players, *et cetera* may not be used in class. Please turn them to silent or vibrate. If you must take an emergency telephone call, please leave the classroom with as little disruption as possible. Computers are permitted in class to take notes and access course materials. If I become aware or suspect that you are misusing your computer I will require you to close it for the rest of the class period or leave class. Inappropriate purposes include playing computer games or music on your computer, accessing the internet, sending or receiving email messages, or using the computer in any way that is distracting your classmates or is for any purpose other than an authorized class use. Please talk with me if you have any questions about what is an authorized class use of your computer. Please set the volume on your computer to mute.

TWEN: Register for this course on TWEN at your earliest convenience. The password is "CRET". I will post handouts on TWEN. Feel free to post your questions on TWEN as well.

OFFICE HOURS AND COMMUNICATION: I strongly encourage you to communicate with me. My philosophy is that the only stupid question is one that you don't ask. If you do not understand something, or if you have a problem, please talk with me. Real estate finance is a difficult and complicated topic, and I anticipate that you will have problems understanding aspects of the course subject matter. I am available to help. I want your questions, comments and feedback. I am an adjunct professor, so I do not maintain an office at the law school. However, my office is downtown, and I am happy to meet with students upon request (my office has intense security, so you must schedule a meeting in advance). I cannot always be reached by phone. However, I am very responsive to email, so please do not hesitate to email me anytime. If you cannot reach me, and it is an emergency, please try contacting my assistant, Kim, at 379-1770. Be sure to check your email regularly for class updates and cancellations.

ASSIGNMENTS (additional reading assignments will be added):

DATE	TOPIC	ADDITIONAL READING & ASSIGNMENTS
Thurs., August 20	Introduction/Big Picture/The Players	
Mon., August 24	Purchasing and Negotiating -Property Selection -Letter of Intent -Purchase Agreement	Read Carl Circo, "Why Is This Boilerplate in My Real Estate Contract." 2005 ARLN 1.
Wed., August 26	NO CLASS	
Mon., August 31	Purchasing and Negotiating -General Information -Financial Terms -Purchase Price Calculation -Comps	
Wed., September 2	Purchasing and Negotiating Continued	
Mon., September 7	NO CLASS—LABOR DAY	
Wed., September 9	Loan Documentation	<i>1464-Eight, Ltd. V. Joppich,</i>

	-Loan Commitments -Loan Agreement Terms	154 S.W.3d 101 (Tex., 2004).
Mon., September 14	Loan Documentation -Loan Agreement Terms -Usury -Amortization -Balloons -Non-recourse -Prepayment -Taxes and Insurance	<i>Youree v. Eshaghoff</i> , 2007 WL 1346644 (Ark. App., May 9, 2007).
Wed., September 16	Loan Documentation -Mortgages	
Mon., September 21	Loan Documentation -Mortgages -Deeds of Trust -Guarantees	Ark. Const. art. 19 § 13. Ark. Const. amend. 60.
Wed., September 23	Loan Documentation -Priority -Subordination -Attornment -Estoppel Certificates -Bring Down Certificates -Opinion Letters	<i>Pakay v. Davis</i> , 367 Ark. 421 (2006).
Mon., September 28	Loan Documentation -Continued	
Wed., September 30	Loan Defaults	
Mon., October 5	Loan Alternatives -Installment Land Sales -Mezzanine Financing	
Wed., October 7	Loan Due Diligence -Title Insurance	
Mon., October 12	Loan Due Diligence -Title Insurance -Surveys	Read Joyce Palomar, <i>The 2006 ALTA Title Insurance Policies: What New Protection Do They Give?</i> , 42 Real Prop. Prob. & Tr. J. 1.
Wed., October 14	Loan Due Diligence -Environmental -Cultural Resources	

Mon., October 19	Loan Due Diligence -Land Use	
Wed., October 21	Guest Speaker	
Mon., October 26	Leasing	
Wed., October 28	Leasing	
Mon., November 2	Leasing	
Wed., November 4	Partners	
Mon., November 9	Partners	
Wed., November 11	Investors	
Mon., November 16	Investors	
Wed., November 18	Government Financial Assistance	
Mon., November 23	Government Financial Assistance	
Wed., November 25	NO CLASS-- THANKSGIVING	
Mon., November 30	Wrap Up and Review	

I RESERVE THE RIGHT TO AMEND THE ASSIGNMENTS AT ANY TIME.