Index

ABANDONED PROPERTY

Taxation of real estate, 7:110

ACCOUNTING RETURN ANALYSIS

Return on Investment (this index)

ADAPTIVE REUSE

Generally, **12:189 to 12:192**Bank properties, **12:190**Industrial property, **12:192**Office buildings, **12:191**

ADJUSTED RATE OF RETURN

Return on Investment (this index)

ADVERSE POSSESSION

Concurrent ownership, 3:18

AIR SPACE INTERESTS

Generally, **1:59 to 1:63**Aviation, air space and, **1:63**Development rights, transferable, **1:62**Transferable development rights, **1:62**

Transferring air rights, 1:61

ALTERATIONS AND IMPROVEMENTS

Leasing Real Estate (this index)

AMERICANS WITH DISABILITIES ACT

Generally, 13:78 et seq.

Compliance with ADA, landlord-tenant, 13:83

Construction sites, 13:82

Deductions, tax, 13:81

Disability discrimination, 13:79

Discrimination, 13:79

Employment practices, 13:82

Landlord-tenant compliance with ADA, 13:83

New building accessibility, **13:80** Tax credit and deductions, **13:81**

AMORTIZATION

Constant Annual Percent, App. 1A to 2 Goodwill, sale of going business, 8:80 Mortgaging real estate, 4:15 to 4:26 Percent Paid Off, App. 1A to 5 Return on investment, 2:54

ANNUAL COMPOUND INTEREST ANNUITY

Table, App. 1A to 3

ANTI-DEFICIENCY STATUTES

Construction loan underwriting, mortgaging real estate, **4:97**

APARTMENT BUILDINGS

Generally, 12:94 to 12:109

Collapse and recovery of apartment markets, 12:95

Demand for apartment units, 12:98

Federal agencies, financing, 12:101

Financing, 12:99 to 12:105

Insurance guidelines for apartments, 12:108

Introduction, 12:94

Judging demand for apartment units, 12:98

Life insurance companies, financing, 12:102

Market, collapse and recovery of apartment markets, 12:95

Multi-family market since financial crisis, 12:97

Pension funds and REITs, financing, 12:103

Recovery of apartment markets, 12:95

REITs, 12:103, 12:106, 12:107

Resurgence of apartment REITs, 12:106, 12:107

Risks of apartment building investment, 12:97

Strategies in apartment investments, 12:107

Successful strategies in apartment investments, 12:107

Thrift institutions, financing, 12:100

Types of apartment buildings, **12:96**

Underwriting apartment projects, 12:105

APPRAISAL

Generally, 2:7 to 2:41

Analysis of data, 2:10

Collection of data, 2:10

Cost Approach of Appraisal (this index)

Data collection and analysis, 2:10

Definition of problem and objective, 2:8

Estimates of value, reconciliation of, 2:12

Final estimate of value, 2:13

Income Approach of Appraisal (this index)

Market Data Approach of Appraisal (this index)

Objective, 2:8

Plan, 2:9

Preliminary survey and appraisal plan, 2:9

Process, 2:7 to 2:13

Reconciliation of estimates of value, 2:12

Survey, preliminary, 2:9

BANKRUPTCY—Cont'd

Equity, debtor lacks, 11:61

Filings, commencement of case, 11:55 to 11:57

Cost Approach of Appraisal (this index)	Fraudulent transfers, avoiding powers, 11:86
Income Approach of Appraisal (this index)	Guaranties, 11:88
Market Data Approach of Appraisal (this	Insider preferences, avoiding powers, 11:85
index)	Investor's perspective, 11:48
ARMED FORCES	Involuntary bankruptcy filings, 11:57
Military Personnel (this index)	Leases
ASIA-PACIFIC REAL ESTATE	Generally, 11:71 to 11:76 Debtor as lessee, 11:74
Generally, 12:178	Debtor as lessor, 11:75
·	Lease-sale free of tenant's rights, 11:77
"AS IS" CLAUSE	Performance between filing and assumption or
Generally, 8:72	rejection, 11:72
ASSIGNMENT OR SUBLEASE BY TENANT	Shopping center leases, 11:76
Leasing Real Estate (this index)	Termination of lease, 11:73
	Lender's perspective, 11:47
AUDITING	Letters of credit, 11:89
Property management, marketing, and leasing,	Lien avoidance, 11:87
10:84	Lifting automatic stay for "cause," 11:60
BANKRUPTCY	Managing distressed property, 11:3
Generally, 11:1 to 11:104	Modification or termination of automatic stay,
Assignments of rents and cash collateral, 11:78 to	11:59 to 11:62
11:80	Negotiation of cash collateral orders, 11:80
Automatic stay, 11:58 to 11:62	Nonrecourse mortgage may become recourse, 11:65
Avoiding powers, 11:82 to 11:87	Optionsfor distressed properties, 11:4
Bad-faith filings, 11:56	Parties involved, 11:51 to 11:54
Blocking provisions, single asset real estate entities,	Planning, prebankruptcy, 11:50
11:63	Possession, debtor in, 11:52
Cash collateral orders, negotiated, 11:80	Prebankruptcy planning, 11:50
Claims of creditors, 11:64	Preferences, avoiding powers, 11:83 to 11:85
Commencement of case, 11:55 to 11:57	Reorganization plans
Committees of creditors, 11:54	Generally, 11:90 to 11:102
Contracts	Appealing after cramdown, 11:102
Generally, 11:67 to 11:77	Classification and impairment, 11:92
Assignment, 11:67	Classification of deficiency claim, 11:99
Assumption, 11:67	Confirmation requirements, 11:94 to 11:98
Financing agreements, 11:69	Cram down, 11:95 to 11:97
Personal service contracts, 11:70	Cram up, 11:98
Rejection, assumption, and assignment, 11:67	Deficiency claim, classification of, 11:99
Sales contracts, 11:68	Impairment, 11:92
Creditors' claims, 11:64	Llll(b) election, plan issues in single-asset cases, 11:101
Creditors' committees, 11:54	Plan issues in single-asset cases, 11:99 to 11:101
Debtor in possession, 11:52	Procedure, 11:91 to 11:93
Debtor-in-possession financing, 11:81	
Debtor's perspective, 11:46	Requirements for confirmation, 11:94 to 11:98
Distressed properties, 11:2 to 11:4	Valuation, single-asset cases, 11:100
Effective reorganization, property is not necessary	Voting, 11:93
to, 11:61	Restructuring mortgages, 11:5
Equitable subordination, 11:66	Signs of distressed properties, 11:2

APPRAISAL—Cont'd
Three appraisal approaches

Generally, 2:11, 2:14 to 2:41

BANKRUPTCY—Cont'd	BLOCKCHAIN TECHNOLOGY
Single asset real estate entities, blocking provisions,	Generally, 5:142
11:63	BOUNDARY DISPUTE AND RESOLUTION
Stay, automatic, 11:58 to 11:62 Subordination, equitable, 11:66	Transferring of title to real estate
Termination of automatic stay, 11:59 to 11:62	Generally, 8:21 to 8:23
Trustee, 11:53	Acquiescence, 8:22
Types of bankruptcy, 11:49	Parol agreement, 8:23
Voluntary bankruptcy filings, 11:55	Practical location, 8:23
Workouts	BUILD-TO-SUIT LEASE
Generally, 11:6 to 11:37	
Bankruptcy proofing, 11:28	Rent abatement forfeiture, 9:60
Borrower's objectives, 11:15	BUSINESSES
Construction workouts, 11:21 to 11:24	Taxation of Real Estate (this index)
Control, increased, 11:19	Tax-Free Sales and Exchanges of Real Estate
Creative approaches, 11:20	(this index)
Debt for equity exchanges by corporations and	BUYING, SELLING, AND EXCHANGING REAL
partnerships, 11:26	ESTATE
Disputes resolution under construction contracts,	Generally, 8:1 et seq.
11:24	Adverse possession, 8:9
Evaluating the situation, 11:8 to 11:12	Alternatives to sale, 8:33 to 8:38
Financial aspects of construction contracts, 11:22	Alternatives to straight purchase and sale, 8:107 to
Goals of the workout, 11:15 , 11:16	8:110
Increased control and monitoring, 11:19	Annuities, private, 8:205
Key non-financial provisions of construction	"As is" clause, 8:72
contracts, 11:23	Boundary dispute and resolution
Lender, risks to, 11:30 to 11:32	Generally, 8:21 to 8:23
Lender's objectives, 11:16	Acquiescence, 8:22
Lien priority, 11:31	Parol agreement, 8:23
Loan documents and legal status, 11:9	Practical location, 8:23
Monitoring, increased control and, 11:19	Buy-sell contract of a real estate sale, 8:1
Mortgage modification, effect on lien priority, 11:31	Cashing-out techniques as alternatives to sale, 8:33 to 8:38
Negotiations, 11:14	Choosing property for purchase, 8:39 to 8:42
Non-financial provisions of construction	Closings, generally, 8:114 to 8:118
contracts, 11:23	Compensation for inverse condemnation, 8:15
Objectives, 11:15, 11:16	Concurrent ownership properties, 8:144
Parties, 11:11	Condemnation, Eminent Domain (condemnation),
Preworkout agreements, 11:13	below
Property evaluation, 11:10	Condemnation blight, 8:20
Real estate workout game plan, 11:7	Construction for deeds, rules of, 8:116
Recourse and nonrecourse debt, 11:27	Contracts
Resolving disputes under construction contracts,	Sales Contract (this index)
11:24	Contracts, land, 8:119
Risks, 11:29 to 11:32	Convertible mortgage used in place of sales
Risk to the lender of fraudulent transfer, 11:33	contract, 8:109
Sources of funding, 11:18	Declining return on investment, reasons for selling
Special servicer, 11:12	real estate, 8:27
Successful workouts, 11:17 to 11:20 Tax consequences, 11:26, 11:27	Declining tax shelter, reasons for selling real estate 8:28
Tax considerations, 11:25	Deeding fractional shares, transfer by gift, 8:4, 8:6

BUYING, SELLING, AND EXCHANGING REAL ESTATE—Cont'd

Deeds

Generally, 8:115 to 8:118

Ambiguity, intent of parties governs, 8:117

General warranties, 8:118

Intent of parties governs ambiguity, 8:117

Rules of construction for, 8:116, 8:117

Eminent domain (condemnation)

Generally, 8:12 to 8:20

Compensation for inverse condemnation, 8:15

Condemnation blight, 8:20

Inverse condemnation, compensation for, 8:15

Obstructed view, 8:18

Paramount public importance, 8:13

Physical takings, 8:17

Prior public use, 8:13

Public importance, defined, 8:13

Public use, Supreme Court expansion of, 8:14

Regulatory takings, 8:16, 8:17

Road access, 8:19

Equitable conversion, 8:1

Escheat, 8:11

Existing leases, choosing property for purchase, **8:41**

Flip contracts, speculating with, 8:111 to 8:113

Foreclosure sale, 8:8, 11:42

Foreign Real Estate (this index)

Fractional shares, transfer by gift, **8:4**

Frustration of purpose, rescission for, 8:106

General warranties, 8:118

Gift, transfer by, 8:3 to 8:6

Impossibility, rescission for, 8:106

Inheritance, transfer by, 8:7

Installment sale, transfer by gift, 8:5, 8:6

Interstate Land Sales Full Disclosure Act (this index)

Inverse condemnation, compensation for, 8:15

Investigation of property, choosing property for purchase, **8:40**

Joint Ventures (this Index)

Junior financing as cashing-out technique, 8:35

Land contracts, 8:119

Landlord. Leasing Real Estate (this index)

Leasing Real Estate (this index)

Letter of intent, choosing property for purchase, 8:42

Liens, federal relief, 8:207

Married couples, home gain exclusion for, 8:191

New tax law, reasons for sale, 8:30 to 8:32

Obstructed view, 8:18

BUYING, SELLING, AND EXCHANGING REAL ESTATE—Cont'd

Options to purchase real estate

Generally, **8:43 to 8:52**

Agreement, checklist for, 8:50

Alternatives to options, 8:44

Checklist for option agreement, 8:50

Ensuring future sale at fixed price, 8:46

Fixed price, ensuring future sale at, 8:46

Future sale at fixed price, ensuring, 8:46

Innovative uses of options, 8:45 to 8:48

New tax law, reasons for sale, 8:32

Nonrecourse financing, providing, **8:47**

Sales contract, option used in place of, 8:108

Tax aspects of options, 8:48, 8:51, 8:52

Personal reasons for selling real estate, 8:29

Physical takings, 8:17

Pitfalls, **8:208**

Presumed grant, 8:10

Private real estate annuities, 8:205

Public use, defined, 8:14

Purchase and sale, transfer of title by, 8:25 to 8:42

Real estate closings, 8:114 to 8:118

Reasons to sell real estate, 8:26 to 8:38

Refinancing as cashing-out technique, 8:34

Regulatory takings, 8:16, 8:17

Rescission, 8:104 to 8:106

Return on investment, declining, 8:27

Road access, 8:19

Rules of construction for deeds, 8:116

Sales Contracts (this index)

Speculating with flip contracts, 8:111 to 8:113

Syndication as cashing-out technique, 8:37

Tax aspects of real estate sales

Generally, 8:120 to 8:141

Adequacy-of-interest rule, OID and imputed interest, installment sales, **8:134**

Advantages of installment sales, 8:140

Applicable federal rate, OID and imputed interest, installment sales, **8:135**

Bypassing related-party rules, family installment sales, **8:138**

Calculation of gain or loss, 8:120

Capital gains and losses, 8:121 to 8:125

Computation and reporting of gain, installment sales, 8:128 to 8:132

Contingent sales, 8:139

Contract price, installment sales, 8:130

Dealer and investor distinguished, 8:123

Dealers, capital gains and losses, 8:122

Disadvantages of installment sales, 8:140

BUYING, SELLING, AND EXCHANGING REAL ESTATE—Cont'd

Tax aspects of real estate sales—Cont'd Family installment sales, **8:137, 8:138**

Fraud, protective measures against, 8:124

Free from taxation. Tax-free Sales and Exchanges of Real Estate (this index)

Gain or loss, calculation of, 8:120

Gains, capital gains and losses, 8:121 to 8:125

Gross profit, installment sales, 8:129

Installment sales, 8:127 to 8:140

IRS, reporting real estate sales to, 8:141

Liens, federal relief, 8:207

Losses, 8:120 to 8:123

Ordinary income, converting to capital gain, 8:126

Original issue discount and imputed interest, installment sales, 8:133 to 8:136

Price, installment sales, 8:130

Principal payments received in tax year, installment sales, 8:131

Related-party rules, family installment sales, 8:138

Reporting of gain, installment sales, 8:128 to 8:132

Reporting real estate sales to IRS, 8:141

Savings, installment sales, 8:132

Section 1231, capital gains and losses, 8:125

Tax-Free Sales and Exchanges of Real Estate (this index)

Time-value-of-money rule, OID and imputed interest, installment sales, **8:136**

Total contract price, installment sales, **8:130** Undivided fractional interests, **8:145**

Tax-deferred exchange as cashing-out technique, 8:36

Tax-Free Sales and Exchanges of Real Estate (this index)

Tax lien securities, 8:206

Tax sale, 8:8

Tax shelter, declining, 8:28

Total housing inventory for U.S., table of estimates of; third quarter 1993, **App 4A to 1**

Transfer of title by purchase and sale, generally, 8:25 to 8:42

Transferring title to real estate, generally, 8:2 to 8:12

Umbrella partnership REIT as cashing-out technique, **8:38**

Warranties, general, 8:118

When to sell real estate, 8:26 to 8:38

CANADIAN REAL ESTATE

Outlook for Canadian real estate, 12:179

CANCELLATION OR SPACE REDUCTION OPTION

Leasing Real Estate (this index)

CAPITAL

Sources of Capital For Real Estate (this index)

CAPITALIZATION RATES

Income Approach of Appraisal (this index)

CASE STUDIES

Buying with Paper Money, 5:63

Case Study of an FLP, 3:51

Cash Flow Sheltered by Tax Losses, 2:53

Financing Techniques For Real Estate (this index)

The Largest Convertible Loan, 5:25

Nine Legal and Physical Interests in One Property, 1:96

Sandwich Lease Transaction, 9:170

Selling Paper Money, 5:64 to 5:67

Shared-equity Financing, 5:186

Trading Paper Money, 5:62

CASH FLOW

Return on Investment (this index)

CDC

Collateralized Debt Obligations (CDO) (this index)

CENSUS

Demographics, census (year 2000), 1:22

CENSUS OF BUILDINGS BY USES AND CHARACTERISTICS

Generally, App 3A to 1

CITY AND SUBURBAN TRENDS AFFECTING REAL ESTATE

Generally, 1:43 to 1:47

Construction outlook, 1:49

Differences in city growth patterns, 1:45

Exurbia, 1:46

Growth cities in 2000 Census, 1:44

Immigration and migration in the U.S., 1:47

Job sprawl, **1:50**

Patterns of city growth, 1:45

Population and household changes in cities and suburbs, 1:43 to 1:47

Shifting trends, 1:48

2000 Census, growth cities in, 1:44

Work locations, 1:50

CLUBS

Equity and non-equity membership clubs, **12:152** Fair Housing Act, private club exemption, **13:57**

CMBS

Secondary Mortgage Market and Mortgage-Backed Securities (this Index)

COLLATERALIZED DEBT OBLIGATIONS (CDO)

Dramatic growth, 6:107

Secondary mortgage market and mortgage-backed securities, 6:103

COMMERCIAL/INDUSTRIAL PROPERTY

Ownership, 1:5

Shopping Centers (this index)

COMMERCIAL MORTGAGE-BACKED SECURITIES (CMBS)

Secondary Mortgage Market and Mortgage-Backed Securities (this Index)

COMMITMENT

Mortgaging Real Estate (this index)

CONCURRENT OWNERSHIP

Generally, 3:7 to 3:20

Adverse possession, 3:18

Cooperative ownership, tenancy by the entirety, 3:21

Cotenants not fiduciaries, 3:10

Default concurrent ownership is tenancy in common, 3:22

Easements, 3:16

Equal shares, presumption of, 3:25

Estate taxation of joint tenancies and tenancies by the entirety, **3:23**

Exchange of, 8:144

Guidelines for tenancy in common investors, 3:13

Joint tenancies, 3:19, 3:23

Judgment liens, exemptions from, 3:24

Mineral rights, 3:17

Obligations, shared, 3:15

Partner and co-tenant distinguished, 3:9

Possession, shared right of, 3:14

Presumption of equal shares, 3:25

Shared obligations and contribution, **3:15**

Shared right of possession, 3:14

Taxation of joint tenancies and tenancies by the entirety, **3:23**

Tenancy by the entirety, 3:20, 3:21

Tenancy in common, 3:8 et seq.

CONDOMINIUM HOTELS

Developer and lender concerns, 12:160, 12:161

CONDOMINIUMS, COOPERATIVES, AND HOMEOWNER ASSOCIATIONS

Generally, 12:123 to 12:141

Assessment of market potential for condominium conversion, 12:129

Comparison of condominiums and cooperatives, 12:126

Completion as percent of total apartment completions: 1989-1993, **App 3A to 1**

Condominium conversions, 12:127 to 12:130

Condominium office buildings, 12:134 to 12:136

Condominiums, generally, 12:124

Conversions, condominium, 12:127 to 12:130

Cooperative, defined, 8:182

Cooperative housing corporations, 12:125

Cooperative office buildings, 12:137

Economic feasibility of condominium conversion, 12:130

Feasibility of condominium conversion, **12:130**

Financing for condominium conversions, 12:131

Homeowner associations, 12:138 to 12:141

Hotels, 12:160

Marketability of condominium office buildings, 12:136

Market for condominium office building units, 12:135

Market potential for condominium conversion, 12:129

Office buildings, 12:134 to 12:136

Selection of building for condominium conversion, 12:128

Special tax district, creation of, 12:141

Tax district, special, 12:141

Time-sharing (this index)

CONSTRUCTION LOAN UNDERWRITING

Mortgaging Real Estate (this index)

CONTRACTS

Bankruptcy (this index)

Buying, Selling, and Exchanging Real Estate (this index)

Sales Contracts (this index)

CONVERTIBLE MORTGAGES

Generally, 5:21 to 5:27

Benefits and risks, 5:22, 5:23

Case study: The Largest Convertible Loan, 5:25

Comparison of financing alternatives, **5:123**

Example, **5:26**

Legal problems in, 5:24

CONVERTIBLE MORTGAGES—Cont'd

Risks, 5:22, 5:23

COOPERATIVES

Condominiums, Cooperatives, and Homeowner **Associations** (this index)

CORPORATIONS

Generally, 3:62 to 3:73 C corporations, 3:63, 3:64

Compensation in form of disguised dividend, 3:64

Dummy corporations, 3:73

S Corporations (this index)

COST APPROACH OF APPRAISAL

Generally, 2:14 to 2:22

Accrued depreciation, estimating, 2:16 to 2:20

Depreciation, accrued, 2:16 to 2:20

Determining depreciated cost, 2:20

Economic depreciation, 2:19

Functional depreciation, 2:18

Locational depreciation, 2:19

Opinion of value, 2:22

Physical depreciation, estimating accrued depreciation, 2:17

Reproduction and replacement cost, 2:15

Valuing the site, 2:21

CREDITS, TAX

Taxation of Real Estate (this index)

CREDIT TENANT LEASES

Generally, 9:185

CROWDFUNDING

Financing techniques for real estate, 5:141, 5:143 Tax considerations, 5:143

DEBT FOR EQUITY EXCHANGES

Corporations and partnerships, 11:26

DEDUCTIONS

Taxation of Real Estate (this index)

DEEDS OF TRUST

Mortgaging Real Estate (this index)

DEFAULT

Leasing Real Estate (this index)

Mortgaging Real Estate (this index)

DEMOGRAPHICS

Census (year 2000), **1:22**

City and Suburban Trends Affecting Real Estate (this index)

Percent distribution of population by age table: 1990-2050, App 5A to 1

DEPRECIATION

Taxation of Real Estate (this index)

DERIVATIVES

Return on investment, 2:95

DISABLED PERSONS

Americans with Disabilities Act (this index)

Fair Housing Act (this index)

DISCLOSURE

Accounting rules, leasing real estate, 9:189

Federal Regulation of Real Estate and Mortgage **Lending** (this index)

Interstate Land Sales Full Disclosure Act (this index)

Mortgaging real estate, liability for improper disclosure, 4:154

DISCOUNTED CASH FLOW ANALYSIS

Return on Investment (this index)

DISTINGUISHING FEATURES OF REAL **ESTATE**

Generally, **1:7 to 1:10**

DISTRESSED PROPERTIES

Generally, 1:9 et seq.

Advantages, deed in lieu of foreclosure, 11:35, 11:36

Bankruptcy (this index)

Case study, 11:104

Deed in lieu of foreclosure, 11:34 to 11:37

Foreclosure (this index)

Fraudulent transfer, deed in lieu of foreclosure, 11:38

Guidelines for investing in distressed real estate, 11:103

Introduction, 1:9

Management of distressed property, 1:11

Options for distressed real estate, 1:12

Risks, deed in lieu of foreclosure, 11:37

Secondary Mortgage Market and Mortgage-**Backed Securities** (this Index)

Signs of distress, 1:10, 1:11

Workouts (this index)

DOCTRINE OF WASTE

Mortgaging real estate, effort to extend doctrine of waste, 4:64

EASEMENTS

Generally, 1:79 to 1:86

Affirmative easement, 1:82

Appurtenant easement, 1:81

Common easements, 1:85

EASEMENTS—Cont'd

Concurrent ownership, **3:16**

Conservation easements, 1:86 to 1:91

Express easement, 1:80

Implied easement, 1:80

In gross easement, 1:81

Necessity, easements by, 1:84

Negative easement, 1:82

Prescriptive, 1:83

EMINENT DOMAIN (CONDEMNATION)

Generally, 8:12 to 8:20

Compensation for inverse condemnation, 8:15

Condemnation blight, 8:20

Inverse condemnation, compensation for, 8:15

Obstructed view, 8:18

Physical takings, 8:17

Prior public use, 8:13

Public importance, defined, 8:13

Public use, Supreme Court expansion of, 8:14

Regulatory takings, 8:16, 8:17

Road access, 8:19

EQUAL CREDIT OPPORTUNITY ACT

Generally, 13:67 et seq.

Application stage, 13:69

Contents of notification, extension of credit, 13:74

Covered transactions, 13:68

Enforcement and remedies, 13:77

Evaluation of credit, 13:70

Extension of credit, 13:71 et seq.

Formats and contents of notification, extension of credit. 13:74

General notification rules, extension of credit, 13:72

Individual accounts, right to, 13:75

Notification, 13:72 et seq.

Remedies, 13:77

Required signatures, 13:76

Right to individual accounts, 13:75

Signatures, 13:76

Time limits, notification of, 13:73

EXCHANGES OF REAL ESTATE

Buying, Selling, and Exchanging Real Estate (this index)

EXPENSES

Taxation of Real Estate (this index)

FAIR HOUSING ACT

Generally, 13:43 et seq.

Administrative proceedings, 13:64

Advertising guidelines, 13:58

FAIR HOUSING ACT—Cont'd

Age, exemptions based on, 13:48, 13:49

Agencies, certification of substantially equivalent, 13:66

Certification of substantially equivalent agencies, 13:66

Civil actions, 13:65

Civil Rights Act of 1968, 13:43 et seq.

Coercion and intimidation, discrimination, 13:55

Complaint processing

Generally, 13:60 et seq.

Conciliation, 13:63

Filing a charge, 13:62

Procedure, 13:61

Disabled persons. Handicap-based discrimination, below

Discrimination prohibited by Fair Housing Amendments Act of 1988, **13:46 et seq.**

Disparate impact, liability based on, 13:45

Enforcement mechanisms, 13:59 et seq.

Fair Housing Amendments Act of 1988, **13:44 et seq.**

Familial status, discrimination, 13:46

Fifty-five-years-or-older exemption, 13:49

Handicap-based discrimination

Generally, 13:50 et seq.

Accessibility, 13:52

Definition of handicap, 13:51

Design and construction standards for new multifamily dwellings, 13:53

Existing housing, modification of, 13:54

Modification of existing housing, 13:54

New multifamily dwellings, design and construction standards for, 13:53

Standards for new multifamily dwellings, 13:53

HUD-designated exemption, 13:47

Intimidation, discrimination, 13:55

Private club exemption, 13:57

Real estate-related transaction, discrimination, 13:56

Religious organization exemption, 13:57

Sixty-two-years-or-older exemption, 13:48

FAMILY PARTNERSHIPS

Partnerships (this index)

FAMILY WEALTH PLANNING

Self canceling notes, 5:192

FARMLAND

Generally, 12:23 to 12:34

Agriculture in U.S., 12:24

Choosing farm for investment, 12:34

Index-8

FARMLAND—Cont'd

Crop farms, 12:26, 12:27

Dairy farms, 12:28

Direct operation, 12:32

Farm lease, **12:31**

Financing sources, 12:33

Introduction, 12:23

Lease, 12:31

Livestock farms, 12:28

Management, 12:30 to 12:32

Orchards, 12:29

Row crop farms, 12:26

Sources of financing, 12:33

Types of farms, 12:25 to 12:29

Vegetable crop farms, 12:27

FEDERAL REGULATION OF REAL ESTATE AND MORTGAGE LENDING

Generally, 13:1 et seq.

Agricultural Foreign Investment Disclosure Act, 13:42

Armed forces. Soldiers' and Sailors' Civil Relief
Act (this index)

Civil rights. Fair Housing Act (this index)

Condominium and Cooperative Abuse Relief Act, 13:38

Disabled persons. Americans with Disabilities Act (this index)

Disclosure

Agricultural Foreign Investment Disclosure Act,

Interstate Land Sales Full Disclosure Act (this index)

Employee Retirement Income Security Act of 1974, **6:18**

Equal Credit Opportunity Act (this index)

Fair Housing Act (this index)

Federal Trade Commission Act (this index)

Financial Institutions Reform, Recovery, and Enforcement Act of 1989, **6:5 to 6:7**

Foreign investments, Agricultural Foreign Investment Disclosure Act, 13:42

Homeowners Protection Act of 1998, 5:196

Interstate Land Sales Full Disclosure Act (this index)

Introduction, 13:1

Military persons. Soldiers' and Sailors' Civil Relief Act (this index)

Real Estate Settlement Procedures Act (this index)

Soldiers' and Sailors' Civil Relief Act (this index) Terrorism, **13:2**

FEDERAL TRADE COMMISSION ACT

Generally, 13:39 et seq.

Federal Trade Commission structure, 13:40

Introduction, 13:39

Rule-making process, 13:41

Structure of Federal Trade Commission, 13:40

FEE ESTATES

Freehold Estates (this index)

FINANCIAL REPORTING AND CONTROLS

Property Management, Marketing, and Leasing (this index)

FINANCING TECHNIQUES FOR REAL ESTATE

Generally, **5:1 et seq.**

Accrual loans, 5:27 to 5:31, 5:120, 5:121

Arranging commercial paper program, 5:131

Benefits and risks of accrual loans to borrower and lender, 5:28

Benefits of mortgage defeasance, refinancing, 5:35

Blockchain technology, 5:142

Bondable net (high-credit) lease, 5:115 to 5:117

Borrower's interest rate cap, **5:159**

Bullet loan, comparison of financing alternatives, 5:119

Buyback, installment, 5:111

Caps, interest rate, **5:158 to 5:161**

Case studies

Commercial Paper Program for Real Estate Financing, **5:130 to 5:132**

Financing a Hotel Investment Using the Pineapple Technique, **5:202**

Interest-rate Swap Through a Dealer, 5:155

Leveraged Finance Package Permits Office Building Acquisition, **5:203**

Real Estate-based Interest Rate Swap, **5:150 to 5:154**

Reducing Risk in Purchase of Net-leased Property, **5:204**

Underlying Fee Purchase, 5:116

The Zero Coupon Mortgage, 5:31

Cash flow mortgage, 5:145 to 5:147

Choosing between fixed-rate or variable rate loans, 5:14 to 5:16

Collars, interest rate, 5:158 to 5:161

Commercial paper, 5:129 et seq.

Comparison of financing alternatives, **5:118 to 5:124**

Component (split) financing, 5:105

Construction financing, 5:6

FINANCING TECHNIQUES FOR REAL ESTATE—Cont'd

Conventional first-mortgage loan, split financing, 5:106

Convertible Mortgages (this index)

Corporate financing techniques, 5:134

Counterparty's legal obligation, **5:156**

Crowdfunding, **5:141**, **5:143**

Defeasance, refinancing, 5:35

Defining cash flow in cash flow mortgage, 5:146

Economics of wraparound loans, 5:97 to 5:99

Family wealth planning: self canceling notes, 5:192

Federal Housing Administration programs, **5:201**

Fee mortgage and leasehold mortgage, split financing, **5:107**

Financial futures contracts, 5:157

Financing cycle, 5:3 to 5:10

First mortgage plus wraparound loan, **5:114**

First- plus second-mortgage financing, 5:113

Fixed interest rate financing

Accrual loan, comparison of financing alternatives. **5:120**

Choosing between fixed-rate and variable rate loans, **5:14 to 5:16**

Income property, **5:10**

Floating-rate accrual loan, comparison of financing alternatives, **5:121**

Foreclosure (this index)

Futures contracts, 5:157

Gap financing, letter of credit for, 5:130

Hedge techniques, interest rates, 5:148 to 5:159

High-credit lease, 5:115 to 5:117

Income property financing techniques, 5:9, 5:10

Installment buyback, sale plus, 5:111

Interest rates

Adjustable rate mortgage, 5:163 to 5:176

Buy-downs, 5:181

Caps and collars, 5:158 to 5:161

Deferred interest, 5:147

Fixed, 5:10

Hedge techniques, 5:148 to 5:161

Interest only and hybrid ARMs, 5:169

Protection, commercial paper, 5:133

Swaps, 5:149 to 5:154

Interim financing. Short-term and medium-term financing, below

IRC Section 1202, qualified small business stock, 5:144

Job retention, tax increment financing and, **5:140**Joint venture, comparison of financing alternatives, **5:124**

FINANCING TECHNIQUES FOR REAL ESTATE—Cont'd

Junior financing

Generally, 5:70 to 5:88

"Cushion" in equity, reduction of, **5:75**

Debt service escrow, first mortgage, **5:91**

Debt service reduction, senior mortgage, 5:90

Deed in lieu of foreclosure, 5:76

Default of first mortgage, notice of, 5:92

Defaults, right to cure, 5:93

Equity "cushion," reduction of, 5:75

Escrow of first mortgage debt service, **5:91**

Escrow of tax and insurance payments, 5:94

Extent of subordination, 5:88

First mortgage debt service, escrow of, 5:91

First mortgage default, notice of, 5:92

Foreclosure, **5:76**, **5:77**

Guidelines for lenders, subordination agreement, 5:85

Increases in senior mortgage amounts, 5:89

Insurance payments, escrow of, 5:94

Insurance proceeds, 5:83

Legal aspects, **5:73 to 5:85**

Lien priority, 5:79

Management of property, 5:81

Marshaling, 5:78

Modifications in first mortgage, 5:82

Nonmortgaged assets, 5:80

Notice of first mortgage default, 5:92

Notice of foreclosure, 5:77

Priority of lien, 5:79

Property management, 5:81

Purposes, 5:71

Reasons that lenders refuse to consent to junior financing, **5:74 to 5:84**

Reduction in senior mortgage debt service, 5:90

Reduction of equity "cushion," 5:75

Release provisions, 5:84

Right to cure defaults, 5:93

Risks, 5:87 to 5:94

Senior mortgage amounts, increases in, 5:89

Senior mortgage debt service, reduction in, 5:90

Sources, 5:72

Special financing techniques, 5:112 to 5:114

Subordination agreement guidelines for lenders, 5:85

Tax payments, escrow of, 5:94

Underwriting of junior mortgages, 5:86 to 5:94

Land acquisition financing, 5:3, 5:4

Land contracts, 5:126

Land development financing, 5:5

FINANCING TECHNIQUES FOR REAL

ESTATE—Cont'd

	ESTATE CON U
Land sale-leaseback, 5:108 , 5:109	Purchase-money financing
Leasehold financing	Generally, 5:49 to 5:69
Generally, 5:100 to 5:104	Assignment rights, 5:54
Economic risk, 5:102	Buying with Paper Money (case study), 5:63
Example, 5:104	Case studies, 5:62 to 5:67
Fee mortgage and, 5:107	Cash flow mortgage, 5:68
Land sale-leaseback, leasehold mortgage and,	Cash purchase of mortgage, 5:65
5:108	Comparison of installment sale and cash sale,
Legal risks, 5:103	5:59
Risks, 5:102, 5:103	Comparison with cash sale, 5:55 to 5:57
Sources, 5:101	Exchange for property, 5:67
Subordinated land sale-leaseback and leasehold mortgage, 5:109	Financial considerations, comparison with cash sale, 5:56
Leases, bondable net (high-credit) lease, 5:115 to	Installment sale compared with cash sale, 5:59
5:117	Interest rate, 5:51
Legal considerations, wraparound mortgage financ-	Leveraged purchase of mortgage, 5:66
ing, 5:96	Loan-to-value ratio, 5:50
Legal issues in cash flow mortgage, 5:146 Legal obligation of counterparty, 5:156	Minimization of seller's risk, comparison with cash sale, 5:60
Lender controls, choosing between fixed-rate or	Negotiation of purchase money mortgages, 5:69
variable rate loans, 5:17	Net cash in year of sale, comparison with cash
Lender's interest rate cap, 5:160	sale, 5:58
Letters of credit, financing with, 5:136, 5:137	Prepayment, 5:53
Lien priority when refinancing, 5:34, 5:35	Price, comparison with cash sale, 5:57
Loan refinancing, 5:32 to 5:35	Purchase-money cash flow mortgage, 5:68
Longer-term wraparound loan, 5:99	Purchase-money paper, use of, 5:61 to 5:67
Matched funding (bullet loan), comparison of	Right to assign, 5:54
financing alternatives, 5:119	Risk for seller, comparison with cash sale, 5:60
Mezzanine loan, 5:45 , 5:46 , 5:48	Selling Paper Money (case study), 5:64 to 5:67
Municipal bond financing, 5:138 to 5:140	Term of mortgage, 5:52
Nonmortgage financing, 5:125 to 5:140	Trading Paper Money (case study), 5:62
Obligation of counterparty, 5:156	Qualified small business stock, IRC Section 1202,
Options, 5:127, 5:128	5:144
Overviews	Rates. Interest rates, above
Of accrual loans, 5:29	Real estate financing cycle, 5:3 to 5:10
Of participation mortgages, 5:18 , 5:19	Recourse loans, 5:11
Of permanent financing, 5:7, 5:8	Refinancing, 5:32 to 5:35
Of real estate financing, 5:1	Residential mortgage financing
Ownership controls, choosing between fixed-rate or	Generally, 5:162 to 5:200
variable rate loans, 5:15	Additional features, 5:170 to 5:174
Participation loans	Adjustable rate mortgage, 5:163 to 5:176
Generally, 5:18 , 5:19 Comparison of financing alternatives, 5:122	Adjustment interval, adjustable rate mortgage, 5:169
Permanent financing, 5:7, 5:8	Alternatives to plain-vanilla home loans, 5:200
Preferred equity, 5:47	Annuity as collateral for home loan, 5:199
Priority of lien when refinancing, 5:34 , 5:35	Assumability, adjustable rate mortgage, 5:174
Property controls, choosing between fixed-rate or	Basic features of adjustable rate mortgage, 5:164
variable rate loans, 5:15	to 5:169
	Index-11

FINANCING TECHNIQUES FOR REAL

ESTATE—Cont'd

FINANCING TECHNIQUES FOR REAL ESTATE—Cont'd

Residential mortgage financing—Cont'd
Below-interest loans for employee relocation,
5:194

Bridge loans, 5:193

Calculation of equity split for shared equity financing agreement, **5:185**

Case study: Shared-equity Financing, **5:186**

Collateral for home loan, annuity as, **5:199**

Convertibility, adjustable rate mortgage, **5:175** Employee relocation, below-interest loans for,

5:194

Flexible payment loan, **5:180**

Graduated payment mortgage, 5:177

Growing-equity mortgage, 5:187

HECM program update, 5:190

Home Equity Conservation Mortgage Program, 5:190

Homeowners Protection Act of 1998, **5:196** Initial interest rate, adjustable rate mortgage,

5:169

Interest rates, above

Introductory rate, adjustable rate mortgage, 5:173

Margin amount, adjustable rate mortgage, **5:168** Mortgage insurance, private, **5:195**, **5:196**

Negative amortization, adjustable rate mortgage, 5:172

Prepayment privilege, adjustable rate mortgage, **5:176**

Price-level adjusted mortgage, 5:178

Private mortgage insurance, 5:195, 5:196

Refinancing and distress, 5:197

Renegotiable rate mortgage, 5:182

Residential bridge loans, 5:193

Reverse annuity mortgage, below

Shared-appreciation mortgage, 5:183

Shared equity financing agreement, **5:184 to 5:186**

Six alternatives to plain-vanilla home loans, 5:200

Split-rate mortgage, 5:179

Reverse annuity mortgage

Generally, 5:188 to 5:191

Cost effectiveness, 5:191

Sale, refinancing prior to, 5:33

Sale-back option, 5:128

Sale-leaseback of entire property, 5:110

Second-mortgage financing, first-plus, 5:113

Self canceling notes, family wealth planning, 5:192

FINANCING TECHNIQUES FOR REAL ESTATE—Cont'd

Short-term and medium-term financing

Generally, 5:36 et seq.

Bridge loan with partial releases, 5:42

Examples of short-term financing, 5:36 to 5:48

Existing projects, 5:38

Flexibility offered by bridge loans, 5:40

Mezzanine loan, 5:48

Mezzanine Loan, 5:45, 5:46, 5:48

Negotiation of, 5:39

New construction, 5:37

Raw land loans, 5:44

Warehousing purchase-money loans, **5:43**

Wraparound loan, shorter-term, 5:98

Special financing techniques, 5:105 to 5:124

Split financing, 5:105

Stress test, 5:2

Subordinated land sale-leaseback and leasehold mortgage, 5:109

Swaps, interest rate, **5:149 to 5:154**

Tax considerations, crowdfunding, 5:143

Tax-free dividends, 5:135

Tax implications of participation mortgages, 5:20

Tax increment financing, 5:139, 5:140

Terms. Short-term and medium-term financing, above

Three-party financing of land acquisition, **5:4** Timing

Refinancing prior to sale, 5:33

Short-term and medium-term financing, above

Types of credit support, 5:132

Value-added equity, 5:46

Variable rate mortgages, 5:12 to 5:20

Wraparound loans, 5:95 to 5:99, 5:114

Zero coupon loans, 5:30, 5:31

FIXED INTEREST RATE FINANCING

Financing Techniques For Real Estate (this index)

FORECLOSURE

Generally, 4:58, 11:39 to 11:44

Bidding at foreclosure sale, 11:42

Defenses to foreclosure, 11:43

Distressed properties, deed in lieu of foreclosure, 11:34 to 11:37

Foreclosure sale, 8:8, 11:43

Foreciosure sale, 8:8, 11:43

Junior financing, **5:76 to 5:77**Mortgagee in possession, **11:41**

Receivership, 11:40

Residential mortgage financing, 5:198

FORECLOSURE—Cont'd

Risks to lender, 11:44

FORECLOSURE SALE

Generally, 8:8, 11:42

FOREIGN REAL ESTATE

Generally, 12:182 to 12:185

Asia-Pacific real estate, 12:178

Business plan and site selection, 12:182

Canadian real estate, 12:179

Construction, purchasing compared with, 12:184

Global real estate markets, generally, 12:181

Leasing compared with purchasing, 12:183

Mexico, 12:180

Purchasing

Construction compared with, 12:184

Leasing compared with, 12:183

Site selection, 12:182

Structuring real estate investments, 12:185

FORMS OF REAL ESTATE OWNERSHIP

Business considerations, 3:4

Concurrent Ownership (this index)

Corporations (this index)

Employment taxes, paying social security and, 3:3

Individual ownership, generally, 3:5, 3:6

Joint Ventures (this index)

Legal considerations, 3:4

Limited liability companies, 3:54, 3:55

Married individuals, 3:6

New roles for limited liability companies, 3:55

Nominees, 3:76

Overview of ownership entities, 3:1 to 3:4

Partnerships (this index)

Resulting trusts, 3:75

Social security and employment taxes, paying, 3:3

Sole proprietorship, generally, 3:5, 3:6

Tax considerations, 3:2, 3:3

Trusts, **3:74**

FRAUD

Bankruptcy, fraudulent transfers, 11:86

Interstate Land Sales Full Disclosure Act, 13:31 et

Partnerships, fraudulent sale of interest to general partners, **3:32**

Taxation

Capital gains and losses, 8:124

Deduction of fraud loss, 7:75

FREEHOLD (FEE) ESTATES

Generally, 1:65 to 1:72

Defeasible fees, 1:69

FREEHOLD (FEE) ESTATES—Cont'd

Equitable title, 1:67

Estoppel by deed, 1:68

Fee simple absolute, 1:66

Life estates, 1:70 to 1:72

Remaindermen, 1:72

Renting property from life tenant, 1:71

GENERAL PARTNERSHIPS

Partnerships (this index)

GLOBAL REAL ESTATE MARKETS

Foreign Real Estate (this index)

"GOOD GUY" GUARANTEE

Leasing real estate, 9:149

GOOD REAL ESTATE INVESTMENT

Elements of, 1:6 to 1:42

GROUND LEASES

Leasing Real Estate (this index)

GROWTH OF ONE-DOLLAR INVESTMENT AT SELECTED RATES OF INTEREST

Table, App. 1A to 1

GUARANTEES

Leasing real estate, 9:148, 9:149

HANDICAPPED PERSONS

Disabled Persons (this index)

HETEROGENEITY

Unique location as distinguishing feature of real estate. 1:9

HOMEOWNER ASSOCIATIONS (HOAS)

Condominiums, Cooperatives, and Homeowner Associations (this index)

HOSPITALITY INDUSTRY

Generally, 12:153 to 12:161

Average rate, economy's effect on, 12:155

Condominium hotels, developer and lender

concerns, 12:160, 12:161

Conference centers, 12:162

Economy's effect on occupancy and average rate, 12:155

Franchise fee obligation, 12:158

Hotel boom and bust, 12:154, 12:155

Hotels and motels as investments, 12:157, 12:158

Introduction, 12:153

Market trends, 12:155

Occupancy and average rate, economy's effect on, 12:155

REIT, structure of, 12:159

HOSPITALITY INDUSTRY—Cont'd

Restaurants (this index)

Segmentation of hotel industry, **12:156**Structure of hotel REIT. **12:159**

HOTELS

See also **Hospitality Industry** (this index)

IDENTIFICATION OF REAL ESTATE OPPORTUNITIES

Generally, 1:11 to 1:22

Demand for real estate, factors creating, 1:15 to 1:22

Demographics and real estate values, 1:15 to 1:17

Discretionary income, increase in, 1:19

Factors creating demand for real estate, 1:15 to 1:22

Immigration and migration creating demand for real estate, 1:21

Increase in leisure time, retirement years, and discretionary income, 1:19

Industry movements, 1:20

Leisure time, increase in, 1:19

Location as key to value, 1:11 to 1:22

Migration creating demand for real estate, 1:18, 1:21

Movements of industry and trade, 1:20

New forms of transportation, 1:13

Retirement years, increase in, 1:19

Trade movements, 1:20

Transport patterns and good location, 1:12, 1:13

IMMIGRATION

City and suburban trends affecting real estate, 1:47

IMMOBILITY OF LAND

Distinguishing feature, 1:8

IMPROVEMENTS

Leasing Real Estate (this index)

Taxation of Real Estate (this index)

INCOME APPROACH OF APPRAISAL

Generally, 2:28 to 2:41

Balloon loan, shorter-term, 2:40

Below-market mortgage, impact on value, 2:38

Capitalization rates

Generally, 2:30 to 2:36

Derivation of, 2:30, 2:31

Different rates for one property, 2:32

Different types of income, capitalizing, 2:35

Direct vs. yield capitalization, 2:34

How to use, 2:33 to 2:37

Overall capitalization rates, derivation of, 2:36

INCOME APPROACH OF APPRAISAL—Cont'd

Capitalization rates—Cont'd

Yield rates, derivation of, 2:37

Yield vs. direct capitalization, 2:34

Low-interest self-liquidating loan, 2:39

Mortgage, impact of below-market mortgage on value, 2:38 to 2:40

Net operating income, determination of, 2:29

Self-liquidating loan, low-interest, 2:39

Shorter-term balloon loan, 2:40

INDESTRUCTIBILITY OF LAND

Distinguishing feature, 1:10

INDUSTRIAL PROPERTIES

Generally, 12:83 to 12:93

Incubator buildings, 12:90

Industrial parks, 12:91 to 12:93

Manufacturing plants, 12:86

Market outlook, 12:84

Miniwarehouses, 12:88

Ownership, 1:5

Research and development facilities, 12:89

Selection of industrial site, 12:91

Special types of industrial parks, 12:93

Types of industrial properties, 12:85 to 12:90

Warehouse/distribution properties, 12:87, 12:88

INFRASTRUCTURE

Generally, 12:195, 12:196

INSTITUTIONAL INVESTMENT PORTFOLIOS

Ten rules for, 1:42

INSURANCE

Leasing real estate

Generally, 9:95 to 9:100, 9:183

Casualty insurance, 9:96, 9:97

Intentional malfeasors, innocent co-insureds of, 9:97

Landlord, protective provisions for, 9:100

Liability insurance, 9:99

Protective provisions for landlord, 9:100

Subrogation, waiver of, 9:98

Waiver of subrogation, 9:98

Property Management, Marketing, and Leasing (this index)

Sales Contracts (this index)

INTEREST DEDUCTIONS

Taxation of Real Estate (this index)

INTEREST RATES

Computations relating to, App. 1A to 1

INTEREST RATES—Cont'd

Financing Techniques For Real Estate (this index)

Mortgaging Real Estate (this index)

Return on investment, 2:96

Selected Interest Rates, App 2A to 3

INTERIM FINANCING

Financing Techniques for Real Estate (this index)

INTERSTATE LAND SALES FULL DISCLOSURE ACT

Generally, 13:9 et seq.

Civil liabilities, 13:36

Covered parties, 13:11

Criminal penalties, 13:37

Documentation, 13:23 et seq.

Exemptions, 13:10 et seq.

Fraud, sales practices and standards, 13:31 et seq.

Information, 13:23 et seq.

Intrastate exemption from registration require-

ments, 13:20

Introduction, 13:9

Misleading sales practices, 13:33

Mobile home exemption from registration requirements. 13:19

100-lot exemption from registration requirements, 13:14

Parties covered, 13:11

Property report, 13:24

Registration and statement of record, 13:23 et seq.

Registration requirements, statutory exemptions from, 13:13 et seq.

Regulatory exemptions, 13:22

Rescission, 13:35

Revocation rights

Generally, 13:26 et seq.

Cooling-off periods, 13:27

Delivery of property reports, 13:28

Measure of reimbursement, 13:30

Reimbursement, measure of, 13:30

Reports, delivery of property reports, 13:28

Sales practices and standards, 13:31 et seq.

Sanctions, 13:34 et seq.

Scattered site subdivision, exemption from registration requirements, 13:16

Single-family residence exemption from registration requirements, 13:18

SMSA exemption from registration requirements, 13:21

Standards, sales practices, 13:31 et seq.

Statement of record, registration and, 13:23 et seq.

Statutory exemptions, 13:12 et seq.

INTERSTATE LAND SALES FULL DISCLOSURE ACT—Cont'd

Suspensions, 13:34

Twelve-lot exemption from registration requirements, 13:15

Twenty-acre lot exemption from registration requirements, 13:17

Unlawful sales practices, 13:32

JOINT OWNERSHIP

Concurrent Ownership (this index)

JOINT VENTURES

Generally, 3:77 to 3:87

Benefits and risks, evaluation of, 3:85

Developer-landowner joint ventures, 3:82

Developer-tenant joint ventures, 3:83 to 3:85

Equity joint venture used to close sales, 3:86

Evaluation of benefits and risks, developer-tenant joint ventures, **3:85**

Fiduciary duty, 3:79

Financing arrangements, 3:81

Institutional joint ventures, profit allocations in,

Key issues in developer-tenant joint ventures, 3:84

Legal and tax aspects, 3:78

Organization, 3:80

Profit allocations in institutional joint ventures, 3:87

Risks, evaluation of, 3:85

Sales contract, joint venture used in place of, 8:110 Straight sale, joint venture used in place of, 8:86 Tax aspects, 3:78

JUNIOR FINANCING

Financing Techniques For Real Estate (this index)

LAND, UNDEVELOPED

Undeveloped Land (this index)

LEASEHOLD ESTATES

Generally, 1:73 to 1:77

Estate at sufferance, 1:77

Estate at will, 1:76

Estate for years, 1:74

Estate from period to period, 1:75

Financing Techniques For Real Estate (this index)

LEASING REAL ESTATE

Generally, 9:1 et seq.

Accounting and tax concerns of tenants, equity leases, 9:179 to 9:182

Accounting rules, 9:187 to 9:190

LEASING REAL ESTATE—Cont'd

Acquisition costs, tax treatment of, 9:6

Actual possession, right to possession compared with, **9:45**

Add-on leasing system, **9:3 to 9:5**

Advance rentals, 9:42, 9:43

Alterations and improvements

Generally, 9:56 to 9:74

Build-to-suit lease: rent abatement forfeiture, 9:60

Capital expenditure, tax considerations, 9:64

Cash reimbursement to tenant, tax

considerations, 9:67

Construction allowances of retail tenant nontaxable, 9:72

Drafting mechanic's lien clause, initial improvements, 9:58

During term of lease, alterations made, 9:61

Fixtures, 9:73

Initial improvements, 9:57 to 9:59

Landlord makes and pays for improvements, tax considerations, **9:69**

Landlord reimbursed by tenant, tax considerations, **9:70**

Mechanic's lien clause, initial improvements, 9:58

New treatment of leasehold improvements, tax considerations, **9:71**

Payment for initial improvements, 9:59

Reduction in rent, tax considerations, 9:68

Reimbursement of landlord by tenant, tax considerations. **9:70**

Reimbursement to tenant, tax considerations, 9:67

Rent abatement forfeiture, 9:60

Rent reduction, tax considerations, 9:68

Rent substitution, tax considerations, 9:63

Retail tenant construction allowances nontaxable, 9:72

Substitute for rent, tax considerations, **9:63** Taxation

Generally, 9:62 to 9:72

Tax-planning approaches, 9:65 et seq.

Tenant makes and pays for improvements, tax considerations, **9:66**

Trade fixtures, 9:74

Workletters, 9:57

Assignment or sublease by tenant

Generally, 9:81 to 9:88

Acquisition costs, 9:88

Conditions to assignment or sublease, 9:84

LEASING REAL ESTATE—Cont'd

Assignment or sublease by tenant—Cont'd Hidden barriers to subleases and assignments, **9:85**

Landlord's right to cancel as alternative to sublease, **9:86**

Sale or exchange of lease, 9:88

Sharing profits from assignment or sublease, 9:87

Sublease and assignment distinguished, **9:82**Variations in no-sublease, no-assignment clause, **9:83**

Balance sheet, recording present value leases on, 9:188

Bankruptcy (this index)

Bankrupt tenant, security deposits and advance rentals, 9:43

Benefits of add-on leasing system, 9:4, 9:5

Brokerage commissions, 9:146

Cancellation clause, negotiating landlord's, 9:186

Cancellation or space reduction option

Generally, 9:132 to 9:140

Alternatives to space reduction option, **9:140**

Cancellation payments by lessee, tax aspects of lease, 9:134 to 9:138

Converting cancellation payments to capital gain, tax aspects, 9:136

Lease cancellation payments, tax aspects, 9:134 to 9:138

Lessee's option to cancel, 9:132

Lessor's option to cancel, 9:133

Option to reduce space, 9:139, 9:140

Tax aspects of lease cancellation payments, 9:134 to 9:138

Case study: Sandwich Lease Transaction, 9:170

Casualty insurance, 9:96, 9:97

Choosing property for purchase, **8:41**

Commissions, brokerage, 9:146

Competition, limits on, 9:76 to 9:80

Compliance with laws, 9:52 to 9:55

Condemnation, 9:105 to 9:107

Conditions prior to exercise of renewal option, 9:128

Costs of acquisition, tax treatment of, 9:6

Covenant of quiet enjoyment, 9:123

Credit tenant leases (CTLs), 9:185

Damage or destruction, 9:103, 9:104

Deductions for rent, equity leases, 9:181

Default by leesee under lease mortgage, 9:158

Default by tenant or landlord

Generally, 9:108 to 9:117

Damages, mitigation of, 9:117

LEASING REAL ESTATE—Cont'd	LEASING REAL ESTATE—Cont'd
Default by tenant or landlord—Cont'd	Insurance
Definition of default, 9:109	Generally, 9:95 to 9:100, 9:183
Forcible entry and detainer	Casualty insurance, 9:96, 9:97
Generally, 9:112 to 9:116	Intentional malfeasors, innocent co-insureds of,
Law enforcement officers, liability of, 9:116	9:97
Mootness, 9:115	Landlord, protective provisions for, 9:100
Notice, 9:114	Liability insurance, 9:99
Res judicata, 9:113	Protective provisions for landlord, 9:100
Leases, 9:110	Subrogation, waiver of, 9:98
Mitigation of damages, 9:117	Tenants, title insurance of, 9:183
Mootness, 9:115	Title insurance of tenants, 9:183
Notice, 9:114	Waiver of subrogation, 9:98
Remedies for defaults, 9:110, 9:111	Intentional malfeasors, innocent co-insured of, 9:97
Res judicata, 9:113	Key terms of net lease, 9:157
Disclosure, 9:189	Landlord's exculpatory clause, 9:102
Economic analysis of lease, 9:2	Leasehold interests and lease relationship, gener-
Environmental hazards, liability for, 9:150 to 9:155	ally, 9:1 to 9:7
Equity leases, 9:179 to 9:182	Lease mortgage, leesee's default under, 9:158
Exclusive clauses, limits on competition, 9:78	Lease vs. license, 9:7
Exculpation, 9:101 , 9:102	Leesee's default under lease mortgage, 9:158
Expansion option, 9:131	Legislation, compliance with, 9:52 to 9:55 Liability for environmental hazards, 9:150 to 9:155
First offer, 9:142 to 9:145	Liability insurance, 9:99
First refusal, right of, 9:141 to 9:145	Limitation of losses, equity leases, 9:182
Forcible entry and detainer	Limits on competition, 9:76 to 9:80
Generally, 9:112 to 9:116	Loss limitation, equity leases, 9:182
Law enforcement officers, liability of, 9:116	Maintenance and repair of premises
Mootness, 9:115	Generally, 9:46 to 9:51
Notice, 9:114	Apartment leases, 9:49
Res judicata, 9:113	Office leases, 9:48
Future rent, acceleration, 9:111	Retail leases, 9:47
Ground leases	Structural and nonstructural repairs, 9:50
Generally, 9:162 to 9:167	Tax considerations, 9:51
Adjustment of ground rent, appraisals for, 9:165	Management. Property Management, Marketing,
Advantages and disadvantages, 9:163 , 9:164	and Leasing (this index)
Appraisals to adjust ground rent, 9:165	Medical properties, net leases, 9:160
Example of ground lease/subordinated fee	Mortgaging real estate
financing, 9:167	By landlord. Sale or mortgage by landlord, below
Rent, appraisals to adjust, 9:165	Leasing requirements, satisfaction for mortgage
Subordination of fee interest, 9:166	loan closing, 4:86
Guarantees, 9:148 , 9:149	Negotiating landlord's cancellation clause, 9:186
Hazards, environmental, 9:150 to 9:155	Negotiation of damage and destruction clause,
Holdover tenants, 9:121, 9:122	9:104
Holdover tenants, 9:121, 9:122	Net leases, 9:156 to 9:159
Immediate sale, purchase option should not	New legislation, compliance with, 9:53
resemble, 9:144	Notice, option to renew, 9:129
Improvements. Alterations and improvements,	Operating leases, 9:168 to 9:170
above	Options
Improving sales price with sandwich lease, 9:169	Cancellation or space reduction option, above
Indemnity of landlord, 9:101, 9:102	Expansion options, 9:131

LEASING REAL ESTATE—Cont'd LEASING REAL ESTATE—Cont'd Options—Cont'd Sale-leasebacks—Cont'd First refusal vs. right of first offer, 9:143 True sale-leaseback, accounting standard, 9:176 Purchase options, 9:143, 9:144 Sale or mortgage by landlord Renewal options, 9:124 to 9:129 Generally, 9:89 to 9:94 Space reduction. Cancellation or space reduction Landlord's mortgage of fee, 9:93 option, above Landlord's obligations under lease, 9:92 Parking facilities, 9:147 Landlord's right to cancel lease, 9:91 Partial taking, 9:107 Landlord's sale of fee, 9:89 Possession of premises, 9:44, 9:45 Nondisturbance agreement, 9:94 Present value leases on balance sheet, recording, Tenant's right to remain in leased premises, 9:90 9:188 Sandwich lease, **8:84, 9:168 to 9:170** Property Management, Marketing, and Leasing Security deposits and advance rentals, 9:42, 9:43 (this index) **Shopping Centers** (this index) Protection for tenant, liability for environmental Signs, **9:75** hazards, 9:154 Single family houses, 12:111 to 12:114 Protection of landlord, liability for environmental Storage tanks, underground, 9:155 hazards, 9:152 Subletting. Assignment or sublease by tenant, above Protective provisions for landlord, insurance, 9:100 Subrogation, waiver of, 9:98 Purchase and lease, planning between, 9:190 Surrender of premises, 9:119, 9:120 Purchase option, 9:143, 9:144 Surrender of premises, 9:120 to 9:122 Quick service restaurants, net leases, 9:161 Synthetic leases, 9:184 Quiet enjoyment, covenant of, 9:123 **Taxation** Ouiet enjoyment, covenant of, 9:123 Acquisition costs, 9:6 Recording present value leases on balance sheet, Alterations and improvements, above 9:188 Equity leases, 9:179 to 9:182 Recoveries from bankrupt tenant, security deposits Tenancies created after expiration of lease term, and advance rentals, 9:43 9:122 Removal of rental unit from the market, 9:118 Termination of lease Renewal option, 9:124 to 9:129 Generally, **9:119 to 9:123** Renewal rental, option to renew, 9:126 Covenant of quiet enjoyment, 9:123 Renewal term, early renewal, 9:130 Holdover tenants, 9:121, 9:122 Renewal term, option to renew, 9:125 Quiet enjoyment, covenant of, 9:123 Rent escalation clause, compliance with laws, 9:54 Surrender of premises, **9:119**, **9:120 Rent Payments** (this index) Tenancies created after expiration of lease term. Repair. Maintenance and repair of premises, above 9:122 Responsibility for underground storage tanks, 9:155 Term of lease Right of first refusal, 9:141 to 9:145 Generally, **9:44**, **9:45** Right to possession compared with actual posses-Option to renew, 9:125 sion, **9:45** Terms of renewal lease, option to renew, 9:127 Sale-leasebacks Generally, 9:171 to 9:178 Time and manner of giving notice, option to renew, 9:129 Accounting standard, 9:175 to 9:178 Title Insurance, 9:183 By business firms, **9:172**, **9:173** Total condemnation, 9:106 Continuing involvement defined, 9:177 Trade-area limitations on competition, 9:79 Distinction from mortgage for tax purposes, 9:174 Trademark violations by tenant, compliance with Mortgage distinguished for tax purposes, 9:174 laws, 9:55 Popularity, 9:173 Underground storage tanks, responsibility for, 9:155 Profit sharing, accounting standard, 9:178 Use and occupancy Tax purposes, distinction from mortgage for,

Limits on competition, 9:76 to 9:80

9:174

LEASING REAL ESTATE—Cont'd

Use clauses, limits on competition, 9:80

Waiver of subrogation, 9:98

Weak economy, net lease opportunities in, 9:159

LEGAL INTERESTS IN REAL ESTATE

Generally, 1:64 to 1:95

Case study: Nine Legal and Physical Interests in One Property, **1:96**

Freehold (fee) estates, 1:65 to 1:72

Leasehold estates, 1:73 to 1:77

Nonpossessory interests, 1:78 to 1:91

LIFE INSURANCE COMPANIES

Sources of capital for real estate, 6:14, 6:15

LIFESTYLE CENTERS

Generally, 12:68

LIMITED LIABILITY COMPANIES

Generally, **3:54 to 3:61**

Managing member, duties of, 3:57

Operating agreement, 3:56

Protection from creditors, 3:59

Reverse veil piercing, **3:61**

Single-member LLCs, 3:58 to 3:61

Veil piercing, 3:60

LIMITED PARTNERSHIPS

Partnerships (this index)

LOCATION

Identifying real estate opportunities, 1:11 to 1:22 Immobility of land as distinguishing feature, 1:8

Trends. City and Suburban Trends Affecting
Real Estate (this index)

Unique location as distinguishing feature of real estate, 1:9

Value, location as key to, 1:11 to 1:22

LOSSES

Rationale For (and Against) Investing In Real Estate (this index)

Taxation of Real Estate (this index)

MAINTENANCE AND REPAIR OF PREMISES

Leasing Real Estate (this index)

Property Management, Marketing, and Leasing (this index)

MALLS

Shopping Centers (this index)

MANAGEMENT OF PROPERTY

Property Management, Marketing, and Leasing (this index)

MANUFACTURED HOME COMMUNITIES

Generally, 12:119, 12:120

MARKET DATA APPROACH OF APPRAISAL

Generally, 2:23 to 2:27

Adjustment of prices of comparable properties, 2:26

Comparable properties, 2:24, 2:26

Correlation of value, 2:27

Finding comparable properties, 2:24

Identification of value characteristics, 2:25

Prices of comparable properties, adjustment of, 2:26

Value characteristics, identification of, 2:25

MARKETING AND LEASING

Property Management, Marketing, and Leasing (this index)

MARKETING CALL CENTERS

Generally, 12:193

MARKETING OF PROPERTY

Property Management, Marketing, and Leasing (this index)

MARKET VALUE

Land ownership, 1:3 to 1:5

MEZZANINE STRUCTURES

Financing techniques for real estate, 5:45, 5:46

MIGRATION

City and suburban trends affecting real estate, 1:47 Identification of real estate opportunities, 1:18, 1:21

MILITARY PERSONNEL

Soldiers' and Sailors' Civil Relief Act (this index) Veterans Administration (VA) loan criteria, 4:112

MINERAL RIGHTS

Concurrent ownership, 3:17

MOLI

Property management, marketing, and leasing, 10:83

MORTGAGE AND FINANCIAL MARKETS

Generally, App 2A to 2

MORTGAGE-BACKED SECURITIES

Secondary Mortgage Market and Mortgagebacked Securities (this index)

MORTGAGE BANKERS AND BROKERS

Mortgaging Real Estate (this index)

MORTGAGE DEBT OUTSTANDING MORTGAGING REAL ESTATE—Cont'd Commitment—Cont'd Table, App 2A to 2 Purchase commitments, 4:40 MORTGAGE MARKETS (MORTGAGES ON Reasons for using standby commitment, 4:42 **NEW HOMES**) Sophisticated standby financing techniques, 4:44 Table, App 2A to 1 Special take-out techniques, 4:38 MORTGAGE VALUES AT VARYING YIELDS Standby commitments, 4:41 to 4:44 Take-out commitments, 4:36 to 4:44 Table, App. 1A to 6 Usury laws, commitment fee as interest under, MORTGAGING REAL ESTATE 4:32 Generally, 4:1 et seq. Condition of property, **4:56** Acceleration (call) provisions, 4:54 Conduit transactions, role of DCRs in rating, 4:26 Alternatives to third-party guarantees, 4:72 to 4:77 Construction loan takeouts, 4:85 Amortization, 4:15 to 4:20, 4:48 Construction loan underwriting Amount of loan, 4:21 to 4:28, 4:48 Generally, 4:90 to 4:100 Another lender, default under note of, 4:81 Anti-deficiency statutes, 4:97 Another note of lender, default under, 4:80 Application, 4:92 Anti-deficiency statutes, construction loan Appraisals, 4:99 underwriting, **4:97** Bonds, 4:98 Application, 4:4 to 4:6 Building loan agreement, 4:101 Assignment of rents, 4:82 Characteristics of construction financing, 4:90 Balloon mortgage, 4:18 to 4:20 Checking construction costs, 4:95 Bank guarantee, 4:75 Closing, 4:101 Bankruptcy Commitment, 4:100 Nonrecourse mortgage may become recourse, Costs, checking, 4:95 11:65 Disbursement process, 4:102 Restructuring, 11:5 Equity investment, negotiating, 4:103 Borrower's objectives, 4:2 Guarantees, 4:96, 4:97 Borrower's personal liability (recourse financing), Loan analysis by lender, 4:94 to 4:97 4:62 et seq. Negotiation of equity investment, 4:103 Break-even ratio, 4:28 Property analysis by lender, 4:93 Calculating DC ratio, 4:24 Risks in construction financing, 4:91 Call provisions, 4:54 **Convertible Mortgages** (this index) Capitalization rate, relationship with LTV ratio and Cross-default clauses, negotiating, 4:79 to 4:81 DC ratio, 4:27 DC ratio, 4:23 to 4:28 Carve-out clause, 4:63 to 4:67 Debt coverage (DC) ratio, 4:23 to 4:28 Closing, mortgage loan, 4:84 to 4:89 Deed of trust, generally, 4:46 to 4:59 Collateral security, 4:78 to 4:80 Default Comfort letter, **4:76** Generally, **4:57** Commitment Under another note of lender, 4:80 Generally, 4:29 to 4:44 Under note of another lender, 4:81 Commitment fee, 4:31, 4:32 Description of property, 4:5, 4:49 Cost of standby commitments and loans, 4:43 Disclosure, liability for improper disclosure, 4:154 Dispute resolution, 4:36 Federal Regulation of Real Estate and Mortgage Enforceability, 4:33 to 4:35 **Lending** (this index) Fee, 4:31, 4:32 **Foreclosure** (this index) Interest, commitment fee under usury laws, 4:32 Fully amortizing mortgage, 4:17 Key terms of loan commitment, 4:30 to 4:35 Oral agreements, enforceability, 4:35 Guarantees, 4:68 to 4:77 Permanent lender, protection for, 4:39 Increasing loan amount, DC ratio, 4:25 Promissory note, 4:45 Information about borrower for application, 4:6

Insurance premiums, 4:55

Protection for permanent lender, 4:39

MORTGAGING REAL ESTATE—Cont'd	MORTGAGING REAL ESTATE—Cont'd
Interest rates	Mortgage bankers and mortgage brokers—Cont'd
Generally, 4:13 , 4:14	Project market area, negotiating mortgage
Usury, below	brokerage fees, 4:143
Leasing Real Estate (this index)	Risk by broker, negotiating mortgage brokerage
Lender liability	fees, 4:147
Generally, 4:148 to 4:154	Servicing of mortgages, 4:136
CERCLA, lender liability under, 4:153	Time constraints, negotiating mortgage broker-
Disclosure, liability for improper disclosure, 4:154	age fees, 4:145 Type of product, negotiating mortgage brokerage fees, 4:142
Duty to act in good faith, 4:150	Mortgage loan application, 4:4 to 4:6
Fair play, liability for violating standards of, 4:149	Mortgage or deed of trust, generally, 4:46 to 4:59 Negotiating cross-default clauses, 4:79 to 4:81
Fiduciary, lender as, 4:152	New York's Home Equity Theft Prevention Act,
Good faith, duty to act in, 4:150	4:59
Preventive measures, 4:151	Nonbank letters of credit, 4:74
Standards of fair play, liability for violating, 4:149	Nonrecourse loans with carve-out clause, 4:63 to 4:67
Lender's objectives, 4:3	Objectives of borrower, 4:2
Letter of credit, standby, 4:73	Objectives of lender, 4:3
Letters of credit, two-part nonbank, 4:74	Partially amortized mortgage, 4:18 to 4:20
Loan term, 4:15 to 4:20, 4:48	Parties, 4:47
LTV ratio, 4:22 , 4:27	Personal liability, 4:60 to 4:81
Master lease, 4:70 , 4:71	Preclosing, 4:87
Mortgage-backed Securities. Secondary Mortgage	Prepayment, 4:49 , 4:52
Market and Mortgage-backed Securities	Priority of mortgage, 4:50
(this index)	Property description, 4:49
Mortgage bankers and mortgage brokers	Protection of lender, 4:61, 4:71
Generally, 4:134 to 4:147	Put agreement, 4:77
Area, negotiating mortgage brokerage fees,	Real estate taxes, 4:55
4:143	Recourse financing, 4:62 et seq.
Complexity of financing, negotiating mortgage brokerage fees, 4:141	Reducing balloon risk, 4:20
Correspondent relationship, 4:137	Refinancing and distress, 5:197
ERISA, mortgage brokers and, 4:139	Regulation. Federal Regulation of Real Estate
	and Mortgage Lending (this index)
Experience of broker, negotiating mortgage brokerage fees, 4:146	Relationship between LTV ratio, DC ratio, and
Federal Home Loan Mortgage Corporation,	capitalization rate, 4:27
4:138	Release provision, 4:51
Federal National Mortgage Association, 4:138	Rents, assignment of, 4:82
Fees, negotiating mortgage brokerage fees, 4:140	Residential loan underwriting
to 4:147	Generally, 4:104 to 4:125
Market area, negotiating mortgage brokerage	Additional financial requirements, 4:114 to 4:117
fees, 4:143	Application for home loan, 4:105 to 4:117
Mortgage originations, 4:135	Appraisal of property, 4:119 to 4:123
Mortgage servicing, 4:136	Borrower's equity, 4:116
Negotiating mortgage brokerage fees, 4:140 to	Cash for down payment, source of, 4:117
4:147	Down payment cash, source of, 4:117
Originations, 4:135	Employment status of borrower, verification of,
Ownership structure and negotiating mortgage	4:118
brokerage fees, 4:144	Equity of borrower, 4:116

MORTGAGING REAL ESTATE—Cont'd MORTGAGING REAL ESTATE—Cont'd Self-liquidating mortgage, **4:17** Residential loan underwriting—Cont'd Exclusion of other income in gross income, Short sale as taxable income, **4:155** 4:107 Special interest methods, 4:14 FHA loan criteria, 4:109, 4:111 Standby letter of credit, **4:73** Financial status of borrower, verification of, Standing mortgage, **4:16** Structuring the loan, 4:12 to 4:14 Gross monthly income, ratio of monthly housing Takeouts construction loan, 4:85 expenses to, 4:106 to 4:109 Gross monthly income, ratio of payments for Real estate taxes and insurance premiums, 4:55 long-term expenses to, 4:110 to 4:113 Short sale as taxable income, 4:155 Housing expenses, ratio to gross monthly Term, 4:15 to 4:26 income, 4:106 to 4:113 Term of loan, 4:48 Income approach method of appraisal, 4:123 Third-party guarantees Income ratio, 4:106 to 4:113 Generally, **4:68 to 4:77** Income stability, 4:115 Alternatives, **4:72 to 4:77** Loan commitment, 4:125 Title issues, mortgage loan closing, 4:88 Long-term expenses, ration of payments to gross Total housing inventory for U.S., table of estimates monthly income, 4:110 to 4:112 of; third quarter 1993, App 4A to 1 Payments for long-term expenses to gross Two-part nonbank letters of credit, 4:74 monthly income, ratio of, 4:110 to 4:112 Typical carve-out provisions, **4:63 to 4:67** Property appraisal, **4:119 to 4:123** UCC documents, 4:83 Property survey, 4:124 Ratio of monthly housing expenses to gross Understanding balloon risk, 4:19, 4:20 monthly income, 4:106 to 4:112 Underwriting Ratio of payments for long-term expenses to Generally, 4:7 to 4:11 gross monthly income, 4:110 to 4:112 Analysis of leases, 4:10 Reproduction cost method of appraisal, 4:122 Analysis of property, 4:8, 4:9 Sales comparison analysis method of appraisal, Evaluation of borrower, 4:11 Leases, analysis of, 4:10 Self-employed individuals subject to close New role for accounts, 4:9 scrutiny for income, 4:108 Usury Source of down payment cash, **4:117** Generally, **4:126 to 4:133** Stability of income, 4:115 Avoidance of usury laws through use of dummy Survey of property, 4:124 corporations, 4:132 Three approaches to valuation, 4:120 to 4:123 Dummy corporations, avoidance of usury laws Title insurance, 4:124 through use of, 4:132 Valuation of property, 4:119 to 4:123 Exemptions to usury ceilings, **4:128** Verification of borrower's employment and Factors indicating usury, 4:127 financial status, 4:118 Interest defined, 4:130, 4:131 Veterans Administration (VA) loan criteria, 4:112 Items that may be regarded as interest, 4:131 Restructuring of mortgage, 11:5 Penalties for usury violations, 4:129 Risk, balloon mortgages, 4:19 Usury savings clause, 4:133 Role of DCRs in rating conduit transactions, 4:26 Waste, effort to extend doctrine of waste, 4:64 Satisfaction of leasing requirements for mortgage Weaker carveouts in CMBS, 4:67 loan closing, 4:86 Yield maintenance requirement, prepayment, 4:53 Secondary Mortgage Market and Mortgage**backed Securities** (this index) MOTELS Securitization, covered bonds, 4:156 **Hospitality Industry** (this index) Security, additional, 4:60 to 4:81 1987 TO 1993 CRASH Security for application, description of, 4:5

Crash of 1987 To 1993 (this index)

Security lease, **4:70, 4:71**

NONPOSSESSORY INTERESTS IN REAL ESTATE	ONE-FAMILY HOUSES—Cont'd Rental
Generally, 1:78 to 1:91	Institutional investors, 12:113
Easements	Investing in, 12:111, 12:112
Generally, 1:79 to 1:86	Securitization, 12:114
Affirmative easement, 1:82	Rent-price comparison, single-family lease option,
Appurtenant easement, 1:81	12:118
Common easements, 1:85	Single-family lease option, 12:115 to 12:117
Conservation easements, 1:86 to 1:91	OPPORTUNITIES
Express easement, 1:80	Identification of, 1:11 to 1:22
Implied easement, 1:80	OPTIONS
In gross easement, 1:81	Buying, Selling, and Exchanging Real Estate
Necessity, easements by, 1:84	(this index)
Negative easement, 1:82	Leasing Real Estate (this index)
Prescriptive, 1:83	
License, 1:93, 1:95	OWNERSHIP
Overriding royalty interests, 1:94	Generally, 3:1 et seq.
Profits, 1:92	Concurrent Ownership (this index)
Royalty interests, overriding, 1:94 Usufruct, 1:95	Corporations (this index) By market value and type of owner, 1:3 to 1:5
Osultuct, 1:95	Market outlook compared to 1990, 1:2
OBLIGATIONS	Profile of real estate ownership, 1:1 to 1:5
Concurrent ownership, shared obligations, 3:15	Timesharing, fractional ownership, 12:151
OFFICE BUILDINGS	Types, 1:3 to 1:5
Generally, 12:35 to 12:45	PARKING FACILITIES
Costs, development and leasing, 12:40	Generally, 12:163 to 12:166
Credit quality, 12:37	Garages, 12:165
Debt financing, 12:41	Investment analysis of surface parking lot, 12:166
Decentralization of demand, 12:39	Parking garages, 12:165
Demand, decentralization of, 12:39	Surface parking lot, 12:164
Equity financing, 12:42	Types of parking facilities, 12:163
Evaluation of office building, 12:36	PARTICIPATION LOANS
Executive suites, 12:44	Financing Techniques For Real Estate (this
Financing, 12:41 , 12:42	index)
Higher development and leasing costs, 12:40	PARTNERSHIPS
Leasing costs, higher, 12:40	Generally, 3:26
Medical office buildings, 12:45	C corporations, compared, 3:28
Strategy for office building investments, 12:38 to	Comparison with other forms of ownership, 3:27 to
12:41	3:30
Technology, 12:43	Family partnerships, taxation
ONE-FAMILY HOUSES	Generally, 3:48 to 3:53
Generally, 12:109 to 12:117	Case Study of an FLP, 3:51
Elements of lease with option, 12:116	Family Limited Partnerships (FLPs), 3:51 , 3:53
Example of single-family lease option, 12:117	Maximizing discounts in family partnerships,
Introduction, 12:109	3:52
Investment considerations, 12:110	Tax planning guidelines, 3:50
Lease option, single-family, 12:115 to 12:117	Fraudulent sale of interest to general partners, 3:32
Lease with option, elements of, 12:116	General partnerships
Manufactured home communities, 12:119, 12:120	Generally, 3:31 to 3:35

PARTNERSHIPS—Cont'd

General partnerships—Cont'd

Advantages of, 3:35

Agreement, checklist for, 3:34

Checklist for partnership agreement, 3:34

Disadvantages of, 3:35

Fiduciary duties compared, 3:39

Fraudulent sale of interest to general partners, 3:32

Legal characteristics, 3:33

Individual ownership compared, 3:27

Land leases, compared, 3:30

Limited partnerships

Generally, 3:36 to 3:41

Creation of, 3:37

General partners, status and limitations on authority, 3:38

Limitation of partners' liability for partnership debts, 3:40

Limitations on authority, general partners and, 3:38

Status of general partners and limitations on authority, 3:38

Status of limited partners and extent of limitation of liability for partnership debts, **3:40**

Syndication (this index)

Oualification as partnership for tax purposes, 3:42

S corporations, compared, 3:29

Taxation of partnerships and partners

Generally, 3:43 to 3:53

Dealings of partner with partnership, 3:46

Dispositions of partnership interests, 3:47

Family partnerships, above

Fees, 3:45

Gain, partner's share of, 3:44

Income, partner's share of, 3:44

Loss, partner's share of, 3:44

Organization and syndication fees, 3:45

Partner's share of income, gain, or loss, 3:44

Syndication fees, 3:45

Tax purposes, qualification as partnership for, 3:42

PATRIOT ACT

Generally, 10:46

PAYMENTS

Rent Payments (this index)

PERSONAL PROPERTY

Taxation of Real Estate (this index)

PHYSICAL INTERESTS IN REAL ESTATE

Generally, 1:52 to 1:63

PHYSICAL INTERESTS IN REAL ESTATE —Cont'd

Air space, **1:59 to 1:63**

Case study: Nine Legal and Physical Interests in One Property, 1:96

Subsurface space, 1:54 to 1:58

Surface space, 1:53

POPULATION

City and Suburban Trends Affecting Real Estate (this index)

Demographics and real estate values, 1:16

Percent distribution of population by age table: 1990-2050, **App 5A to 1**

POSSESSION

Concurrent ownership, shared right of possession, 3:14

PRESENT WORTH OF ONE DOLLAR: ANNUAL COMPOUNDING

Table, App. 1A to 4

PROPERTY MANAGEMENT, MARKETING, AND LEASING

Generally, 10:1 et seq.

Acquisition process, manager's role in, 10:23

Administrative responsibilities, 10:58

Agreement, 10:16

Alternatives to property management, 10:8 to 10:11

Assessment of real property, taxation, 10:79

Auditing, 10:84

Borrower's default, applied to restoration without regard to, 10:77

Budget, operating, 10:15

Choosing property management firm, 10:11

Collection of rent. 10:45

Communications, 10:59

Contract services for maintenance, 10:29

Controls. Financial reporting and controls, above

Control systems, 10:14

Corrective maintenance, 10:26

Cost of management, establishing management fee, 10:18

Costs, electric utility costs, 10:81

Custodial maintenance, 10:25

Electric utility costs, 10:81

Emergency maintenance, 10:28

Estimating cost of management, establishing

management fee, 10:18 Fee, establishing, 10:17 to 10:22

Financial reporting and controls

Generally, 10:47 to 10:57

DDODEDTY MANACEMENT MADVETING	DDODEDTY MANACEMENT MADIZETING
PROPERTY MANAGEMENT, MARKETING, AND LEASING—Cont'd	PROPERTY MANAGEMENT, MARKETING, AND LEASING—Cont'd
Financial reporting and controls—Cont'd	Management functions and organization, 10:5 to
Accounting professionals, services commercial	10:7
real estate firms should expect from, 10:57	Management plan, 10:13
Budget, operating, 10:49	Management planning process, 10:12 to 10:15
Comparative statements, 10:51	Manager's role in acquisition process, 10:23
Components of reporting and control systems,	Managing physical asset, 10:24 to 10:29
10:48 to 10:54	Marketing and leasing
Management summary, 10:53	Generally, 10:30 to 10:40
Maximizing return on cash, 10:56	Advertising and public relations, 10:33 to 10:37
Narrative reports, 10:52	Identification of prospects, 10:32
Operating budget, 10:49	Initial meeting, 10:35
Purchasing, 10:55	Lease application, 10:37
Statement of operations, 10:50	Market surveys and tenant profiles, 10:31
Functions of management, 10:5 to 10:7	Negotiation of lease, 10:38
Goals of property management, 10:2 to 10:4	Presentation, 10:36
Gross income, establishing management fee, 10:19	Profiles of tenants, 10:31
Incentive fees, establishing management fee, 10:20	Promotions, 10:34 Prospects, identification of, 10:32
Insuring real estate	Public relations, 10:33 to 10:37
Generally, 10:60 to 10:76	Qualifying the prospect, 10:35
Apartment building coverages, 10:76	Rent schedules, 10:39
Asbestos abatement programs, insurance for,	Security deposits, 10:40
10:74	Tenant profiles, 10:31
Building and personal property coverage, 10:63	Maximizing return on investment, 10:4
Casualty insurance, 10:62 to 10:65	Mold, 10:83
Claims-made policy form, occurrence policy	Occupancy procedures, 10:42
form compared with, 10:68	Operating budget, 10:15
Coinsurance clause, 10:65	Organization of management, 10:5 to 10:7
Consequential loss insurance, 10:66	Owner management, 10:10
Earthquake insurance, 10:70 Environmental insurance, 10:72 to 10:74	Patriot Act, 10:46
Flood insurance, 10:71	Percentage of gross income, establishing manage-
General provision of property insurance policies,	ment fee, 10:19 Physical agest management, 10:24 to 10:20
10:61	Physical asset management, 10:24 to 10:29 Planning process, 10:12 to 10:15
Lead-based paint liability, 10:69	Preventive maintenance, 10:27
Liability insurance, 10:67 to 10:69	Professional management organizations, 10:9
Occurrence policy form compared with claims-	Profits from telecommunications, 10:82
made policy form, 10:68	Recordkeeping for collection of rent, 10:45
Personal property coverage, 10:63	Reduction of property tax liability, 10:80
Surety bonds, 10:75	Renovation fees, establishing management fee,
Investment criteria, matching strategy to, 10:3	10:22
Leasing. Marketing and leasing, below	Rent collection and recording, 10:45
Maintenance	Rent management, 10:44
Corrective, 10:26	Rent rolls and tenant ledgers, 10:43
Custodial, 10:25	Reporting. Financial reporting and controls, above
Emergency, 10:28	Return on investment, maximizing, 10:4
Preventive, 10:27	Start-up fees, establishing management fee, 10:21
Management agreements, 10:16	Systems for control, 10:14
Management fee, establishing, 10:17 to 10:22	Taxation, 10:78 to 10:80

PROPERTY MANAGEMENT, MARKETING, AND LEASING—Cont'd

Telecommunications, profits from, 10:82
Tenant and management relations, 10:41 to 10:44
Utility costs, 10:81

PURCHASING

Buying, Selling, and Exchanging Real Estate (this index)

Planning between purchase and lease, 9:190

QUALIFIED SMALL BUSINESS STOCK

Financing techniques for real estate, IRC Section 1202, **5:144**

QUIET ENJOYMENT

Leasing real estate, 9:123

QUIET ENJOYMENT, COVENANT OF Generally, 9:123

RATIONALE FOR (AND AGAINST) INVESTING IN REAL ESTATE

Generally, 1:23 to 1:41

Appreciation of capital, 1:25 to 1:27

Borrowed funds, use of, 1:31

Burden of management, 1:41

Capital appreciation, 1:25 to 1:27

Capital gain tax treatment, 1:36

Delay of taxes, 1:34

Depreciation write-offs, 1:35

Dispositions, tax-delayed, 1:34

Diversification, 1:30

Divisibility of real estate, tax treatment, 1:39

Exchange, tax-free, 1:33

Financial leverage benefits, tax treatment, 1:37

Flow of income, 1:24

Gain, tax treatment of, 1:32 to 1:39

Growth of capital, 1:26

High quality risk of capital loss, 1:29

Home mortgage interest tax deduction, 1:38

Illiquidity, 1:40

Income, flow of, 1:24

Income, tax treatment of, 1:32 to 1:39

Income potential, 1:29

Inflationary growth, capital appreciation, 1:27

Interest tax deduction, home mortgages, 1:38

Leverage benefits, tax treatment, 1:37

Liquidity, 1:40

Loss

Risk of, 1:28 to 1:30

Tax treatment of, 1:32 to 1:39

Management burden, 1:41

Mortgage interest tax deduction, 1:38

RATIONALE FOR (AND AGAINST) INVESTING IN REAL ESTATE—Cont'd

Rising income potential, 1:29

Risk of capital loss, 1:28 to 1:30

Secure risk, 1:29

Tax-delayed dispositions, 1:34

Tax-free exchange, 1:33

Tax treatment of income, gain, and loss, 1:32 to

1:39

True growth, capital appreciation, 1:26

Write-offs, depreciation, 1:35

REAL ESTATE INVESTMENT TRUSTS (REITS)

Generally, 6:51 et seq.

Asset requirements, 6:67

Debt leverage, 6:62

Dividend distributions and taxation, 6:68

DownREITs, 6:60

Equity leverage, **6:63**, **6:64**

Equity REITs, 6:53

Financial leverage, use of, 6:61 to 6:64

Finite life REITs, **6:57**

Global investments, 6:71

Hybrid REITs, 6:55

Income requirements, 6:66

Indefinite life and finite life REITs, 6:57

Legal requirements for REIT, 6:65 to 6:71

Mortgage REITs, 6:54

Net lease trusts, 6:56

Organizational requirements, 6:65

Pension fund investment in, 6:20

Public unlisted REITs, 6:58

Resulting trusts, 3:75

Securities requirements, 6:69

Subsidiaries, 6:70

Taxation, 6:68

Types of REITs by asset holdings, **6:52 to 6:56**

Umbrella partnership REITs, 6:59, 6:60

REAL ESTATE LIMITED PARTNERSHIPS

Syndication (this index)

REAL ESTATE SETTLEMENT PROCEDURES ACT

Generally, 13:3 to 13:8

Escrow accounts, 13:7

Exemptions, 13:4

Kickbacks and unearned fees, 13:6

Lender obligations, 13:5

Transfer of loan servicing, 13:8

Unearned fees, 13:6

REGULATION AND REGULATORY CONCERNS

Generally, **12:132**

Federal Regulation of Real Estate and Mortgage Lending (this index)

REHABILITATION TAX CREDIT

Taxation of Real Estate (this index)

REINVESTMENT RATE

Return on Investment (this index)

REITS

Real Estate Investment Trusts (this index)

RENT PAYMENTS

Generally, 9:8 to 9:41

Allocation of operating expenses among tenants, 9:18

Calculation of CPI change, 9:28

Change in CPI, 9:28

Checking property tax invoices, 9:13

Common area electric charges, 9:41

Consumer price index, index escalation, 9:23 to 9:28

Cost escalation, 9:11 to 9:21

CPI-rent ratio, 9:25

Definition of operating expense, 9:15

Double-dipping, index escalation, 9:26

Drafting fair CPI escalation clause, 9:24

Electric charges, 9:40, 9:41

Electricity deregulation, 9:21

Escalation, index escalation, 9:22 to 9:29

Escalation clauses, 9:17, 9:24

Expense escalation, 9:14 to 9:21

Flat rental, 9:9

Gross-up clause, 9:20

Index escalation, 9:22 to 9:29

One-way ratchet, index escalation, 9:27

Operating cost escalation, 9:11 to 9:21

Overtime electric charges, 9:41

Penny wage formula, 9:16

Percentage rents, 9:31 to 9:34

Porter's wage or penny wage formula, 9:16

Property taxes, 9:12, 9:13

Protective provisions, percentage rents, 9:34

Ratio of CPI-rent, 9:25

Reappraisal rentals, 9:30

Step-up or step-down rental, 9:10

Tax considerations

Generally, 9:35 to 9:39

Deferred and stepped rental payments, 9:39

Payments by tenant, 9:37

RENT PAYMENTS—Cont'd

Tax considerations—Cont'd

Receipts, 9:36

Rental must not be excessive, 9:38

Rent payments by tenant, 9:37

Rent receipts to landlord, 9:36

Stepped rental payments, 9:39

REORGANIZATION PLANS

Bankruptcy (this index)

REPAIRS

Maintenance and Repairs of Premises (this index)

REPORTING

Property Management, Marketing, and Leasing

(this index)

Sources of capital for real estate, reporting standards, **6:72**

RESIDENTIAL PROPERTY

Condominiums, Cooperatives, and Homeowner Associations (this index)

Financing Techniques For Real Estate (this index)

Mortgaging Real Estate (this index)

Ownership, 1:4

Tax-free Sales and Exchanges of Real Estate (this index)

RES JUDICATA

Forcible entry and detainer, 9:113

RESORTS

Hospitality Industry (this index)

Time-sharing (this index)

RESTAURANTS

Generally, 12:167 to 12:177

Dining experience, types of, 12:169 to 12:173

Fast-fuel breakfast/lunch, 12:173

Leasing real estate, net leases, 9:161

Location, 12:174

Overview of restaurant industry, 12:177

Return on investment, 12:175

Sit-down breakfast/lunch, 12:172

Sit-down dinner, 12:170

Take-home dinner, 12:171

Types of dining experience, 12:169 to 12:173

Types of restaurant operations, 12:168 to 12:173

Valuing real estate, 12:176

RETAIL PROPERTIES

Retail/office rotation in cycle, 12:81

RETAIL PROPERTIES—Cont'd RETURN ON INVESTMENT—Cont'd Discounted cash flow analysis—Cont'd **Shopping Centers** (this index) Disadvantages, 2:83 RETURN ON INVESTMENT Discounting, generally, 2:74 Generally, 2:41 et seq. Front-door method, 2:81 Accounting return analysis Necessity, 2:79 Generally, 2:68, 2:69 Present value theory, 2:72 Limitation of, 2:69 Rates of discount, approaches to deriving, 2:75 Understanding, 2:68 to 2:78 Adjusted rate of return. Reinvestment rate, below Equity buildup (loan amortization) as real estate Amortization, 2:54 return. 2:54 Appreciation as return, 2:55 Interest rates, 2:96 Case study: Cash Flow Sheltered by Tax Losses, Internal rate of return 2:53 Generally, 2:85 to 2:88 Cash flow Calculation, example of, 2:87 As real estate return. Cash flow as real estate Compound interest in reverse, internal rate of return, below return as, 2:86 to 2:88 Case study: Cash Flow Sheltered by Tax Losses, Example of IRR calculation, 2:87 2:53 Reinvestment of income, 2:88 Discounted cash flow analysis, below Loan amortization, 2:54 Cash flow as real estate return Measurement. Traditional methods of measuring Generally, 2:43 to 2:51 return on investment, below Calculating NOI, 2:48, 2:49 Net present value, 2:84 Effective gross income, 2:45 Payback analysis, 2:70 Expenses, net operating income, 2:46 Present value, net, 2:84 Mortgage debt service, 2:51 Rate of interest, 2:96 Net operating income, 2:44 to 2:50 Rate of reinvestment. Reinvestment rate, below Operating expenses, 2:46 Rate of return, internal. Internal rate of return, Projecting NOI, 2:50 above Rent spikes in projecting NOI, 2:50 Reinvestment rate (adjusted rate of return) Replacement reserve, 2:47 Generally, **2:89 to 2:91** Reserve for replacements, 2:47 Evaluation of reinvestment rate analysis, 2:91 Special considerations in calculating NOI. 2:49 Example of reinvestment rate approach, 2:90 Concept of return on investment, **2:41** Risk analysis Derivatives, 2:95 Generally, 2:92 et seq. Discounted cash flow analysis Cash flow, sensitivity analysis in projecting, 2:94 Generally, 2:71 to 2:83 Projecting cash flow, sensitivity analysis in, 2:94 Advantages and disadvantages, 2:83 Risk-return relationship, 2:93 Alternate investment rate approach to deriving Sensitivity analysis in projecting cash flow, 2:94 discount rate, 2:78 Types of risk, 2:92 Alternatives to discounted cash flow analysis, Tax benefits as real estate return, 2:52, 2:53 2:80 to 2:83 Traditional methods of measuring return on invest-Approaches to deriving discount rate, 2:75 to ment Generally, 2:56 to 2:67 Appropriate discount rate, choosing an, 2:75 After-tax cash flow return, 2:58 to 2:61 Back-door method, 2:82 Appreciation, after-tax cash flow plus equity Choosing an appropriate discount rate, 2:75 buildup plus, 2:61 Compound interest and discounting process, Cash-on-cash return, 2:58 to 2:61 2:73, 2:74

Equity buildup, **2:60, 2:61**

Free and clear return, 2:57

Leverage in real estate investing, 2:62 to 2:67

rate, 2:77

Desirability, 2:79

Cost-of-capital approach to deriving discount

RETURN ON INVESTMENT—Cont'd

Traditional methods of measuring return on investment—Cont'd

Pretax cash flow (cash-on-cash) return, 2:58
Taxation, after-tax cash flow return, 2:59 to 2:61
Taxation, pretax cash flow return, 2:58

Types of real estate return, 2:42 to 2:55

REUSE

Adaptive Reuse (this index)

REVERSE ANNUITY MORTGAGE

Financing Techniques for Real Estate (this index)

REVOCATION RIGHTS

Interstate Land Sales Full Disclosure Act (this index)

RISK ANALYSIS

Return on Investment (this index)

SALE-LEASEBACKS

Leasing Real Estate (this index)

SALES

Generally. **Buying, Selling, and Exchanging Real Estate** (this index)

Contracts. Sales Contracts (this index)

SALES CONTRACTS

Generally, **8:53 et seq.** Acknowledgment, **8:103**

Allocation of purchase price, 8:60

Amortizing goodwill, sale of going business, 8:80

Approval, **8:100** Arbitration, **8:101**

Assignment of contract, **8:94** Breach of contract, **8:95**

Brokerage agreements, guidelines for, **8:97** Brokerage commissions, **8:96 to 8:98**

Brokerage relationships, 8:98

Building and zoning regulations, 8:69

Business, sale of going business, 8:77 to 8:80

Casualty and liability insurance, 8:89

Certificates of occupancy, 8:70

Commissions, brokerage, 8:96 to 8:98

Condemnation of property, 8:88

Condition of premises, 8:71

Consent, 8:100

Construction of contract, 8:102

Convertible mortgage used in place of, 8:109

Covenants not to compete, sale of going business, 8:78, 8:79

Damage, destruction, or condemnation of property, 8:88

SALES CONTRACTS—Cont'd

Date of contract, 8:55

Description of premises, 8:56, 8:57

Destruction of property, 8:88

Disputes, **8:101**

Eliminating standard title policy exceptions, **8:68** Environmental representation and warranties, **8:91**

Estoppel certificates, **8:82**

Exceptions, title policy, **8:68**

Execution and acknowledgment, **8:103** Existing leases and tenancies, **8:81 to 8:85**

Existing mortgages, 8:61

Financing, purchase-money, 8:63

Financing, third-party, 8:62

Fixtures and personal property, **8:76** Going business, sale of, **8:77 to 8:80**

Goodwill amortization, sale of going business, **8:80**

Guarantees, master lease as seller guarantee, **8:83** Guidelines for real estate brokerage agreements,

8:97

Hazardous substances, 8:73 to 8:74

Indemnification of parties, 8:93

Innocent owner defense, hazardous substances,

8:74

Insurance

Casualty and liability, 8:89

Title insurance, 8:66 to 8:68

Introduction, 8:53

Joint venture used in place of, 8:110

Key elements in, 8:53 et seq.

Land description and measurement, 8:57

Leases, existing leases, 8:81 to 8:85

Letter of intent, 8:54

Liability insurance, 8:89

Master lease as seller guarantee, 8:83

Measurement of land, 8:57

Mortgages, existing, 8:61

New tax law, reasons for sale, 8:31

Noncompetition covenants, sale of going business, 8:78. 8:79

Notice, approval, and consent, 8:100

Option used in place of, 8:108

Parties to contract, 8:55

Payment of purchase price, manner of, 8:59

Permits, **8:70**

Personal property, 8:76

Possession of premises, 8:87

Prior rulings, noncompetition covenants, sale of going business, 8:79

Purchase-money financing, 8:63

Purchase price, 8:58 to 8:60

SALES CONTRACTS—Cont'd

Recording of contract, 8:99

Regulations, building and zoning, 8:69

Relationships, brokerage, 8:98

Representations and warranties, 8:90, 8:91

Speculating with flip contracts, 8:111 to 8:113

Standard title policies, 8:67, 8:68

Surveys, **8:64**

Survival after closing, 8:92

Tenancies, existing leases, 8:81 to 8:85

Third-party financing, 8:62

Title, 8:65 to 8:68

Title insurance, 8:66 to 8:68

Warranties and representations, 8:90, 8:91

Zoning regulations, 8:69

SANDWICH LEASE

Generally, 8:84, 9:168 to 9:170

S CORPORATIONS

Generally, 3:65 to 3:72

Accumulated earnings and profits and excessive passive income, **3:69**

Built-in gains tax, 3:68

C corporation compared, 3:70

Election and termination of status, 3:67

Eligibility requirements, **3:66**

Excessive passive income, 3:69

Limited liability companies compared, 3:72

Partnerships, compared, 3:71

Terminations, 3:67

SECONDARY MORTGAGE MARKET AND MORTGAGE-BACKED SECURITIES

Generally, **6:73 to 6:106**

Bonds, mortgage-backed, 6:77 to 6:79

Builder bonds, 6:79

Capital stack and B-holder rights, 6:90

Choosing loans for securitization, 6:106

Collateralized debt obligations (CDO), 6:103

Collateralized mortgage obligations (CMOs), **6:80** to **6:84**

Collaterized mortgage obligations, residuals, 6:83

Commercial securitization, types, 6:89

Conduits, **6:101**

Credit enhancement methods, commercial mortgage-backed securities, **6:99**

Credit rating agencies, 6:104

Methods of credit enhancement, commercial mortgage-backed securities, **6:99**

Mortgage-backed bonds, 6:77 to 6:79

Mortgage-backed securities, generally, **6:74 to 6:79**

Mortgage pools, examples of, 6:100

SECONDARY MORTGAGE MARKET AND MORTGAGE-BACKED SECURITIES

—Cont'd

Net lease transactions, rating, **6:97**

Overview of CMBS market, 6:105 et seq.

Pass-through securities, 6:75

Pay-through bonds, 6:78

Planned amortization class CMOs, 6:81

Property-specific securitized financings, examples of, **6:102**

Rating commercial MBS, 6:96 to 6:98

Real Estate Mortgage Investment Conduits

(REMICS), **6:84**, **6:85**

Residuals, 6:83

RMBS Risk Retention Rules

Generally, 6:86 et seq.

B-piece buyer option, 6:92

Commercial securitization, types, 6:89

Future of CMBS, 6:94

Qualified mortgages, 6:88

Qualifying CRE loans, 6:93

Sponsor, definition of, 6:87

Secondary mortgage market, generally, 6:73

Small commercial loans, rating, 6:98

Speculative tranches in REMICs, 6:85

Stripped CMOs, 6:82

Synthetic CMOs, 6:82

Targeted amortization class CMOs, 6:81

Traditional bonds, 6:77

SELECTED INTEREST RATES

Generally, App 2A to 3

SELF CANCELING NOTES

Family wealth planning, 5:192

SELF-STORAGE INDUSTRY

Generally, 12:186 to 12:188

SENIOR HOUSING

Generally, 12:121, 12:122

Financing senior housing, 12:122

SETTLEMENT PROCEDURES

Real Estate Settlement Procedures Act (this index)

SHOPPING CENTERS

Generally, 12:46 to 12:79

Community centers, 12:56

Convenience stores, 12:82

Crisis, 12:48

Design, 12:53

Discount centers, 12:69 to 12:71

SHOPPING CENTERS—Cont'd	SOURCES OF CAPITAL FOR REAL ESTATE
E-box, 12:59	Generally, 6:1 et seq.
E-commerce, effect on conventional selling, 12:49	Capital standards for thrifts, 6:10
Entertainment centers, 12:67	Collapse of the savings institutions, 6:4
Entertainment facilities, 12:58 to 12:61	Collateralized debt obligations, dramatic growth,
Evaluation of factory outlet centers, 12:71	6:107
Existing shopping center, investing in, 12:72	Commercial banks, 6:3
Factory outlet and discount centers, 12:69 to 12:71	Deposit insurance, 6:7
Formats, 12:54 to 12:71	Division of proceeds, 6:23
High-tech stores as customer draw, 12:51	Employee Retirement Income Security Act of 1974,
Introduction, 12:46	6:18
Leases	Federal Housing Finance Board, 6:6
Generally, 12:73 to 12:79	Financial Institutions Reform, Recovery, and
Center operations, restrictive covenants, 12:77	Enforcement Act of 1989, 6:5 to 6:7
Key provisions of leases, 12:74	Life insurance companies, 6:14 , 6:15
Price fixing, restrictive covenants, 12:78	Loan limitations, thrifts, 6:11
Radius restrictions, restrictive covenants, 12:79	Mortgage-backed securities. Secondary Mortgage
Restrictive covenants, 12:75 to 12:79	Market and Mortgage-backed Securities
Tenant mix, restrictive covenants, 12:76	(this index)
Types of tenants, 12:73	Nonshareholder capital contributions, 6:111
Lifestyle centers, 12:68	Office of thrift supervision, 6:6
Mall-based entertainment, 12:60	Pension funds, 6:17 to 6:20
Mixed-use centers, 12:65	Private credit companies, 6:16
Neighborhood centers, 12:54, 12:55	Private equity funds, 6:35
Outlet and discount centers, 12:69 to 12:71	Public and private ownership, comparisons, 6:2
Power centers, 12:64	Qualified thrift lenders, 6:9
Profile of, 12:47	Real Estate Investment Trusts (this index)
Rating scale, 12:52	Real estate limited partnerships. Syndication (this
Recent trends in neighborhood centers, 12:55	index)
Regional centers, 12:57 to 12:61	REITs. Real Estate Investment Trusts (this index)
Retailer-based entertainment, 12:61	Reporting standards, 6:72
Retail properties, generally, 12:80 to 12:82	Resolution Trust Corporation, 6:13
Risk factors, 12:40 , 12:49 , 12:50	Savings institutions, 6:4 to 6:13
Success, factory outlet and discount centers, 12:70	Secondary Mortgage Market and Mortgage-
Theme centers, 12:63	backed Securities (this index)

SHORT-TERM AND MEDIUM-TERM FINANCING

Urban entertainment centers, 12:67

Three-tier rating scale, 12:52

Warehouse centers, 12:66

Financing Techniques For Real Estate (this index)

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT

Generally, 13:84 et seq.

Enforcement of secured obligations of military persons, 13:86

Interest limit on military persons' debt obligations, 13:85

SOLE PROPRIETORSHIP

Forms of Real Estate Ownership (this index)

STATUTES

Federal Regulation of Real Estate and Mortgage Lending (this index)

Tax aspects of pension fund investments, 6:19, 6:20

STORAGE FACILITIES

Small banks, financing, 6:109

Sources of funds, thrifts, 6:12

Syndication (this index)

State economic development grants, 6:111

Thrifts as mortgage lenders, 6:8 to 6:12

Transferable state income tax credits, 6:110

Self-storage industry, **12:186 to 12:188**

STUDENT HOUSING

Generally, 12:197

SUBLETTING

Leasing Real Estate (this index)

SUBSURFACE REAL ESTATE INTERESTS

Generally, 1:54 to 1:58

Mineral rights, 1:56, 1:57, 3:17

Right-of-way, underground, 1:55

Subterranean space, 1:58

Underground right-of-way, 1:55

SUBURBAN TRENDS

City and Suburban Trends Affecting Real Estate (this index)

SYNDICATION

Generally, 6:21 et seq.

All cash vs. leveraged investment policy, 6:30

Blind-pool investment policies, 6:33

Closed-end syndications, 6:29

Comparison of MLPs and REITs, 6:37

Different classes of interests, multiclass syndications, **6:26**

Equity-loan split, **6:28**

Historical development, **6:22**

Investment policies, 6:31 to 6:35

Land-building split, 6:27

Master limited partnerships, 6:36 to 6:39

Multiclass syndications, 6:25 to 6:28

Multiple properties, investment policies, 6:32

Open-end syndications, 6:29

Opportunity funds, 6:34

Real estate securities

Generally, 6:40 to 6:50

Accredited investors exemption from registration, **6:48**

Exemption of real estate offerings from registration, **6:44 to 6:48**

Howey test, 6:51

Intrastate offering exemption from registration, **6:46**

North American Securities Administrators Association, **6:50**

Private offering exemption from registration, 6:45

Registration, exemption of real estate offerings from, **6:44 to 6:48**

Risk-capital test, 6:42

Small offering exemption from registration, 6:47

State securities law issues, 6:49, 6:50

Reasons for forming MLP, 6:38

REITs, comparison of MLPs and, 6:37

Single properties, investment policies, 6:32

Specified-property investment policies, 6:33

SYNDICATION—Cont'd

Structures of syndication, 6:24 to 6:29

Taxation of MLPs, 6:39

Type of property, investment policies, 6:31

SYNTHETIC LEASES

Generally, 9:184

TAXATION

Generally. **Taxation of Real Estate** (this index)

Buying, Selling, and Exchanging Real Estate

(this index)

Corporations (this index)

Financing Techniques for Real Estate (this index)

Leasing Real Estate (this index)

Mortgaging Real Estate (this Index)

Partnerships (this index)

Rent Payments (this index)

Tax-Free Sales and Exchanges of Real Estate (this index)

TAXATION OF REAL ESTATE

Generally, 7:1 et seq., 8:1 et seq., 12:133

Abandoned property losses, 7:110

Amortizing land, 7:4

At-risk limitation on losses, 7:106 to 7:108

Businesses

Expenses, 7:7

Property sales, deductions for property and sales taxes, **7:66**

Real estate business and investment expenses,

7:6 to 7:10

Business losses

Casualty loss, deductions for, 7:74

Real estate business and investment losses, below

Casualty deductions, 7:70, 7:72 to 7:76

Credits

Low-income housing credit, 7:122

New market tax credit, 7:123

Rehabilitation tax credit, below

Deducting organizational expenses, 7:10

Deductions

Amortizing land, 7:4

Casualty deductions compared to repair deductions, 7:70

Casualty or theft, 7:72 to 7:76

Depreciation of real and personal property, below

Home office expenses, 7:77 to 7:80

Interest deductions, below

Land costs, 7:26

Pass through income, 7:2

Property and sales taxes, 7:65, 7:66

AXATION OF REAL ESTATE—Cont'd	TAXATION OF REAL ESTATE—Cont'd
Deductions—Cont'd	Expenses—Cont'd
Repairs, 7:67 to 7:71	Operating, 7:5
Theft or casualty, 7:72 to 7:76	Real estate business and investment expenses,
Vacation homes, 7:127, 7:128	7:6 to 7:10
Defaulted or Abandoned Real Estate (IRS Form	Extent of real estate investor's risk, 7:107
1099-A), 7:134	Forms, information returns to IRS, 7:131 to 7:136
Demolition costs, deductions, 7:71	Fractionalizing large expenditures: reconditioning
Depreciation of real and personal property	or improvement, 7:68, 7:69
Generally, 7:11 to 7:35	Fraud (this Index)
Alternative depreciation system, 7:22	Hobby loss limitation, 7:109 Home losses due to natural disasters, deductions,
Architectural and design planning, real/personal property allocation, 7:29	7:76
Below-market lease, lessee's interest in, 7:33	Home office expenses, 7:77 to 7:80
Benefits of depreciation, 7:12 to 7:16	Improvement
Borrowed capital, cost recovery and, 7:16	Fractionalizing, 7:68, 7:69
Capital gain, conversion of ordinary income to,	Income, gross, 7:5
7:14, 7:15	Information returns to IRS, 7:131 to 7:136
Component depreciation, 7:23	Interest deductions
Cost allocation, maximizing depreciation through, 7:24 to 7:29	Generally, 7:36 to 7:64
Cost recovery and borrowed capital, 7:16	Adequacy-of-interest rule, OID rules, 7:58
Covenants not to compete, 7:35	Business interest limited, I.R.C. Section 163(j), 7:37, 7:49
Deferral of tax, 7:13	Business loans, 7:48
Eligibility, 7:17	Cash method, exceptions to OID rules, 7:63
Entitlement, 7:18	Construction, home mortgages, 7:44
Expensing in place of depreciation, 7:31	Construction period interest and taxes, 7:54
Intangibles, 7:32 to 7:35	Definition of investment interest paid, investment
Land/building allocation, 7:25	loans, 7:51
Land/land improvement allocation, 7:27	Discounts, original issue discount and imputed
Lease improvements qualifying for depreciation,	interest, 7:56 to 7:63
7:20	Distinction of interest from other payments, 7:64
Lessee's interest in below-market lease, 7:33	Exceptions to OID rules, 7:60
Maximizing depreciation through cost allocation,	Expense, investment loans, 7:53
7:24 to 7:29	Home mortgages, 7:39 to 7:47, 8:49 to 8:52
Midmonth convention for partial year deduction,	Improvements, home mortgages, 7:44
7:21	Investment loans, 7:50 to 7:64
Ordinary income, conversion to capital gain,	IRC Section 163(d), investment loans, 7:50
7:14, 7:15	Limited home mortgage, 2018 to 2025, I.R.C.
Partial year deduction, 7:21	Section 163(h)(3)(F), 7:40
Personal property, generally, 7:30, 7:31	Mortgages, home, 7:39 to 7:47
Planning, real/personal property allocation, 7:29	Net investment income, investment loans, 7:52, 7:53
Real/personal property allocation, 7:28, 7:29	October 14, 1987, loans taken out after, 7:43
Real property, generally, 7:19 to 7:23	OID applied to real estate, 7:57 to 7:63
Recapture of depreciation, 7:15	Original issue discount and imputed interest,
Trade names, 7:34	7:56 to 7:63
Disasters, deduction of home losses due to, 7:76	Personal loans, 7:38
Economic risk, legal risk compared with, 7:108	Points on residential financing, 7:46
Employees, home office expenses, 7:79	Qualified home, mortgages, 7:42
Expenses	Refinancing home loans, 7:47
Home office, 7:77 to 7:80	Secured debt, home mortgages, 7:41
•	

TAXATION OF REAL ESTATE—Cont'd

Interest deductions—Cont'd

Seller financing, exceptions to OID rules, 7:62

Small transactions, exceptions to OID rules, 7:61

Tax-exempt investments, effect of, 7:55

Time-value-of-money rule, OID rules, 7:59

Trade or business loans, 7:48

Interest Payments (IRS Form 1099-Int), 7:135

Interest Received (IRS Form 1098), 7:136

Investment losses. Real estate business and investment losses, below

Investment property sales, deductions for property and sales taxes, **7:66**

IRS, information returns to, 7:131 to 7:136

Leasing Real Estate (this index)

Legal risk compared with economic risk, 7:108

Limitation on losses, at-risk, 7:106 to 7:108

Losses

Abandoned property, 7:110

At-risk limitation on, 7:106 to 7:108

Hobby loss limitation, 7:109

Real estate business and investment losses, below

Theft and fraud, deductions, 7:75

Theft or casualty losses, 7:72 to 7:76

Low-income housing credit, 7:122

Natural disasters, deduction of home losses due to, 7:76

New market tax credit, 7:123

Operating expenses, 7:5

Pass through income, deduction for, I.R.C. Section 199A, 7:2

Personal casualty loss, deductions for theft or casualty, 7:73

Personal property. Depreciation of real and personal property, above

Personal use, vacation homes, 7:126 to 7:129

Planning ideas, vacation homes, 7:130

Proceeds From Real Estate Transactions (IRS Form 1099-S), **7:132**

Production of income expenses, 7:8

Property taxes, deductions for, 7:65, 7:66

Real estate business and investment expenses, 7:6 to 7:10

Real estate business and investment losses

Generally, 7:81 to 7:101

Abandonment as disposition, 7:94

Active trade or business, 7:82 to 7:82

Activity, defined, 7:92

At-risk limitation, passive loss rule and, 7:100

Avoidance of material participation, 7:86

Benefits from sale of passive activities, 7:93

TAXATION OF REAL ESTATE—Cont'd

Real estate business and investment losses—Cont'd Capital loss limitation, passive loss rule and, 7:99

Close corporations, special rule for, 7:96

§ D25,000 exception, passive activity, 7:89

Definitions of activity, 7:88, 7:92

Desirability of liquidating debt, passive activity, 7:98

Disposition, abandonment as, 7:94

Exceptions, passive activity, 7:89, 7:90

Home interest deduction, interplay of passive losses and, **7:102 to 7:104**

Interplay of passive losses and home interest deduction, **7:102 to 7:104**

Investment interest limitation, passive loss rule and, 7:97

Limited partners, material participation by, 7:85

Liquidating debt, desirability of, 7:98

Material participation, 7:83, 7:85, 7:86

Other tax rules, passive loss rule and, 7:101

Part-time occupations, 7:84

Passive activity, 7:87 to 7:100

Passive loss rule, 7:97, 7:99 to 7:101

Portfolio activity, 7:105

Principal residence, rental of, 7:103

Proof of material participation, 7:83

Real property business exception, passive activity, **7:90**

Rental activity, defined, 7:88

Rental of residence, interplay of passive losses and home interest deduction, **7:103**, **7:104**

Sale of passive activities, benefits from, 7:93

Special rule for close corporations, passive activity, **7:96**

Transfers of passive activity to related party not disposition, 7:95

Treatment of passive losses, 7:91

Vacation home, rental of, 7:104

Reconditioning, fractionalizing, 7:68, 7:69

Rehabilitation tax credit

Generally, 7:111 to 7:121

Audit guide, IRS, 7:116 to 121

Basis, IRS audit guide, 7:118

Depreciation, IRS audit guide, 7:118

Eligible expenditures, IRS audit guide, 7:119

Englote expenditures, into addit galde, 7.119

External and internal wall requirements, 7:112

Historic structure rehabilitations, 7:114, 7:120

Internal wall requirements, 7:112

IRS audit guide, 7:116 to 121

Passive loss rules, IRS audit guide, 7:121

TAXATION OF REAL ESTATE—Cont'd

Rehabilitation tax credit—Cont'd

Rehab credit and passive loss rules, IRS audit guide, 7:121

Risks, 7:115

Substantial rehabilitation, 7:113, 7:114 Wall requirements, 7:112

REITS, transferable state income tax credits, 6:110

Remodeling, fractionalizing, 7:69

Rental expenses, vacation homes, 7:129

Rental use, vacation homes, 7:125, 7:129

Rent Payments (IRS Form 1099-Misc), 7:133

Repairs, deductions for, 7:67 to 7:71

Returns to IRS, 7:131 to 7:136

Risk, at-risk limitation on losses, 7:106 to 7:108

Sales taxes, deductions for, 7:65, 7:66

Self-employed persons, home office expenses, 7:77

Special rule for business or investment property sales, deductions for property and sales taxes, **7:66**

Start-up expenses, 7:9

Substantial rental and personal use, vacation homes, 7:129

Theft or casualty, deductions for, 7:72 to 7:76

2017 Tax Cuts and Jobs Act, 7:1

Vacation homes, 7:124 to 7:130

TAX-FREE SALES AND EXCHANGES OF REAL ESTATE

Generally, 8:142 to 8:204

Business property. Investment and business property, below

Conversions, involuntary, 8:200 to 8:204

Cooperative apartments, defined, 8:182

Damages, involuntary conversions, 8:203

Fractional interests qualify for exchange, 8:151

Gain on sales of residences, 8:180 to 8:199

Home trade-in agreements, 8:179

Insurance proceeds, involuntary conversions, tax treatment of, 8:204

Investment and business property, tax-free exchanges

Generally, 8:143 to 8:178

Appreciation potential, facilitation of property transfers, **8:174**

Boosting depreciation in tax-free exchange, 8:163

Boot, elimination of, 8:155

Cash flow increase with exchanges, 8:176 to 8:178

Cash-poor buyer, facilitation of property transfers, **8:167**

TAX-FREE SALES AND EXCHANGES OF REAL ESTATE—Cont'd

Investment and business property, tax-free exchanges—Cont'd

Consolidation or diversification of assets, facilitation of property transfers with exchanges, 8:175

Deferred tax-free exchanges, 8:156 to 8:165

Depreciation, boosting, 8:163

Disqualified persons, deferred tax-free exchanges, 8:162

Diversification of assets, facilitation of property transfers with exchanges, 8:175

Elimination of boot, 8:155

Exchange plus home sale exclusion, deferred tax-free exchanges, **8:165**

Expense reduction, increase of cash flow with exchanges, **8:178**

Facilitation of property transfers with exchanges, 8:166 to 8:175

Gross income increase with exchanges, **8:177** Identification of replacement property, deferred tax-free exchanges, **8:157**

Increase in appreciation potential, facilitation of property transfers, **8:174**

Increase of cash flow with exchanges, 8:176 to 8:178

Land trust certificates, 8:149

"Like kind" defined, 8:148

Long-term appreciation, facilitation of property transfers, **8:169**

Management burden, facilitation of property transfers with exchanges, **8:173**

More financeable property, facilitation of property transfers, **8:170**

More salable property, facilitation of property transfers, **8:171**

Move to new location, facilitation of property transfers with exchanges, **8:172**

Multiple mortgages, facilitation of property transfers, **8:168**

Multiple properties, deferred tax-free exchanges, 8:158

Only one party to exchange need seek tax-free benefit, **8:150**

Operating expense reduction, increase of cash flow with exchanges, **8:178**

Other property or mortgage, 8:153

"Primarily for sale" defined, 8:147

Property management burden, facilitation of property transfers with exchanges, **8:173**

Qualification, deferred tax-free exchanges, 8:161, 8:162

TAX-FREE SALES AND EXCHANGES OF REAL ESTATE—Cont'd

Investment and business property, tax-free exchanges—Cont'd

Qualified intermediary, deferred tax-free exchanges, **8:161**

Realized versus recognized gain, 8:154

Receipt of replacement property, deferred taxfree exchanges, 8:159

Reduction in operating expenses, increase of cash flow with exchanges, **8:178**

Reduction of management burden, facilitation of property transfers with exchanges, **8:173**

Replacement property, deferred tax-free exchanges, 8:157, 8:159

Requirements to be met, 8:146

Reverse exchanges, 8:164

Safe harbors, deferred tax-free exchanges, **8:160** UPREIT, exchanging with, **8:152**

Involuntary conversions, 8:200 to 8:204

Like-kind requirement, involuntary conversions, 8:202

Partial taking, involuntary conversions, **8:203** Replacement period, involuntary conversions, **8:201**

Residences, tax-free gain on sales of

Generally, 8:180 to 8:199

Combination of tax-free gain with installment sale, **8:197**

Cooperative apartments, defined, 8:182

Definition of principal residence, 8:181 to 8:184

Divorce, 8:192

Election not to exclude gain, 8:198

Entering marriage, divorce, or widowhood, **8:189** to **8:193**

Exclusion, unused prior-law, 8:196

Exclusion of gain from prior rollovers, 8:194

Improvements, records of, 8:199

Installment sale, combining tax-free gain with, 8:197

Marriage, **8:190**

Married persons filing jointly, reduced ownership/occupancy exclusion for, **8:188**

Mixed use property, 8:183

Occupancy period, 8:185 to 8:188

Ownership/occupancy period, 8:185 to 8:188

Partial exclusion, two-year ownership/occupancy period, **8:187**

Principal residence, defined, 8:181 to 8:184

Prior-law exclusion, unused, 8:196

Prior rollovers, exclusion of gain from, 8:194

Prior sales, sheltering gain from, 8:195

TAX-FREE SALES AND EXCHANGES OF REAL ESTATE—Cont'd

Residences, tax-free gain on sales of—Cont'd Records of improvements, 8:199

Reduced exclusion, two-year ownership/ occupancy period, **8:186**, **8:188**

Rescuing unused prior-law exclusion, 8:196

Rollovers, prior, 8:194

Sale of principal residence, definitions, 8:184

Sheltering gain from prior sales, **8:195**

Time, two-year ownership/occupancy period, 8:185 to 8:188

Two-year ownership/occupancy period, 8:185 to 8:188

Unused prior-law exclusion, rescuing, **8:196** Widowhood, **8:193**

Severance damages, involuntary conversions, **8:203**Similar use or like-kind requirement, involuntary conversions, **8:202**

Tax treatment of insurance proceeds, involuntary conversions, 8:204

Time, replacement period, involuntary conversions, 8:201

UPREIT, exchanging with, 8:152

TENANCY IN COMMON

Concurrent ownership, 3:8 et seq.

TERMINOLOGY

Generally, 6:108

TERM OF LEASE

Leasing Real Estate (this index)

TERRORISM

Anti-terror tools, 13:2

THIRD-PARTY GUARANTEES

Mortgaging Real Estate (this index)

TIMBERLAND

Generally, 12:194

TIME-SHARING

Generally, 12:142 to 12:151

Appraisal of timeshare projects, 12:149

Appraising timeshare project, 12:149

Federal regulation of time-sharing, 12:147

Fee ownership, 12:145

Fractional ownership, **12:151**

New approaches to timesharing, 12:147

Non-fee ownership, 12:146

Ownership of units, 12:144 to 12:146

Regulation, 12:148

State and federal regulation of time-sharing, 12:148

TIME-SHARING—Cont'd

Types of time-sharing, **12:143 to 12:146**Use and ownership of units, **12:144 to 12:146**

TITLE INSURANCE

Leasing real estate, 9:183

TRANSFERS

Buying, Selling, and Exchanging Real Estate (this index)

TRENDS

City and Suburban Trends Affecting Real Estate (this index)

TRUSTS

Real Estate Investment Trusts (this index)

2017 TAX CUTS AND JOBS ACT

Generally, 7:1

TYPES OF INTEREST IN REAL ESTATE

Generally, 1:51 to 1:92

UNDERWRITING

Mortgaging Real Estate (this index)

UNDEVELOPED LAND

Generally, 12:1 to 12:22

Advantages of land investment, 12:3 to 12:6

Assemblage process, 12:16 to 12:21

Capital gain despite subdividing, 12:22

Conditional purchases, land assemblage process, 12:18

Current income, disadvantages of land investment, 12:7

Current market strategies and valuation techniques,

Defects, physical and legal, 12:10

Difficulty in financing land investment, 12:8

Disadvantages of land investment: no current income, 12:7 to 12:12

Diversification of investment, 12:6

Evaluation of sites for residential subdivisions, 12:15

Financing land investment, 12:8

Future development, land assemblage process, 12:21

Gain from land investment, high potential, 12:4

Government regulation, disadvantages of land investment, 12:11, 12:12

High potential gain of land investment, 12:4

Identification of wetlands, government regulation,

Income, disadvantages of land investment, **12:7** Introduction, **12:1**

UNDEVELOPED LAND—Cont'd

Land assemblage process, 12:16 to 12:21

Leased properties, land assemblage process, 12:20

Legal defects, 12:10

Low cost of land investment, 12:3

Market strategies, current, 12:2

Mortgages, negotiation of land purchase money mortgage, 12:5

Negotiation of land purchase money mortgage, 12:5

Negotiation of raw land contract, 12:14

Overpayment risk with land investment, 12:9

Patterns of land growth, 12:13

Physical and legal defects, 12:10

Raw land contract, negotiation of, 12:14

Regulation, disadvantages of land investment, 12:11, 12:12

Residential subdivisions, evaluation of sites for, 12:15

Risk of overpayment with land investment, 12:9

Secrecy, land assemblage process, 12:17

Subdivision, capital gain despite of, 12:22

Subdivisions, evaluation of sites for, 12:15

Title problems, land assemblage process, 12:19

Valuation techniques, 12:2

Wetlands, government regulation, 12:12

UNIQUE LOCATION

Distinguishing feature of real estate, 1:9

USE AND OCCUPANCY

Leasing Real Estate (this index)

USUFRUCT

Nonpossessory interests in real estate, 1:95

USURY

Mortgaging Real Estate (this index)

VALUING REAL ESTATE

Generally, 2:1 et seq.

Appraisal (this index)

Concept of value, 2:2 to 2:6

Current value, 2:5

Demographics and real estate values, 1:15 to 1:17

Introduction, 2:1

Investment value, 2:4

Liquidation value, 2:6

Market value, land ownership, 1:3 to 1:5

Other valuation standards, 2:3 to 2:6

Restaurant real estate, 12:176

Return On Investment (this index)

VEIL PIERCING

Single-member limited liability companies, **3:60**, **3:61**

WASTE

Mortgaging real estate, effort to extend doctrine of waste, **4:64**

WIND PARKS

Generally, **12:198**

WORKOUTS

Generally, **1:14 to 1:145**Evaluating the situation, **1:16 to 1:27**Legal status, **1:17**Loan documents and legal status, **1:17**