**Unit 4**

**Lecture Outline**

**LEARNING OBJECTIVES**

When the student has completed this unit, they will be able to accomplish the following.

* Explain how laws are promulgated at different government levels—namely, federal, state and local— and how these laws are enforced and with what priority.
* Explain the nature and intent of the Uniform Commercial Code (UCC), how negotiable instruments are made negotiable, how and why different means of dispute resolution may be used.
* Explain how federal bankruptcy laws and NYS exemptions may affect the sale of real property, how estate and gift taxes may affect real property transfers, how marital property and subsequent litigations affect real property value and transfers, and how the various NYS Statutes of Limitation affect real property value and transfers.

**KEY TERMS**

administrative law

administrator

arbitration

bankruptcy

case law

chattel

civil law

commercial law

commercial paper

common law

constitutional law

contract law

corporation law

criminal law

deed restriction

Dodd–Frank Wall Street Reform and Consumer Protection Act

due process

endorsement

executor

financing statement

fixture

injunction

laches

law of agency

litigation

lis pendens

marital property

mediation

negotiable instruments

personal property

personal property law

real property

real property law

security agreement

secured creditor

small claims courts

statute of limitations

statutory law

torts

trustee

trusts and wills

Uniform Commercial Code (UCC)

unsecured creditor

**LECTURE OUTLINE**

**I. RATIONALE, SCOPE, AND ENFORCEMENT OF FEDERAL LAWS AFFECTING REAL PROPERTY TRANSACTIONS**

1. The federal court system
2. Common law
3. Federal laws affecting real property transactions

**II. RATIONALE, SCOPE, AND ENFORCEMENT OF NEW YORK STATE LAWS AFFECTING REAL PROPERTY TRANSACTIONS**

1. New York court system
   1. Substantive and procedural law
   2. Civil law
2. Agency disclosures
3. Signed acknowledgments
4. Agency relationships in New York
   1. Exclusive right to sell/lease
   2. Exclusive agency
   3. Open listing
5. Agricultural districts disclosure
6. Interest-bearing escrow accounts (residential security deposits)
   1. Time frame

**III. RATIONALE, SCOPE, AND ENFORCEMENT OF LOCAL LAWS AFFECTING REAL PROPERTY TRANSACTIONS**

1. Local laws affecting real property transactions

**IV. NATURE AND INTENT FOR THE UNIFORM COMMERCIAL CODE (UCC)**

1. Real and personal property differences
   1. Personal property and its involvement in real estate transactions
   2. Cooperative transactions
2. Uniform Commercial Code (UCC)

**V. THE NEGOTIABILITY OF NEGOTIABLE INSTRUMENTS**

1. Promissory notes
2. Drafts
3. Checks
4. Certificates of deposit (CDs)
5. Requirements
   1. Writing
   2. Signed
   3. Promise
   4. Specific sum
   5. Demand or time
6. Endorsement
7. Holder in due course
8. Defenses
9. Alternative dispute resolution
   1. Arbitration
   2. Mediation
   3. Litigation

**VI. FEDERAL BANKRUPTCY LAWS AND NEW YORK STATE EXEMPTIONS**

1. Chapter 7
2. Chapter 11
3. Chapter 13
4. Secured and unsecured creditors
   1. Secured creditors
   2. Unsecured creditors
5. Bankruptcy party’s assets
6. Estate and gift taxes
7. Divorce in New York
   1. Equitable distribution

**VII. STATUTE OF LIMITATIONS**

**VIII. DEED RESTRICTIONS**

1. Enforcement

**IX. SUMMARY**