

REAL PROPERTY IN INDIANA

STUDY SHEET

Summary

When you purchase real estate, you not only get the property, but also the rights that come along with owning it. This section focused on some foundational terminology related to real property, its characteristics, property owners' rights, and how that all relates to the real estate market.

Top Takeaways

CHARACTERISTICS OF REAL ESTATE

- Economic
 - » Scarcity
 - » Improvements
 - » Permanence of investment
 - » Location or area preference (situs)
- Physical
 - » Immobility
 - » Indestructibility
 - » Uniqueness (non-homogeneity)

REAL PROPERTY OWNERSHIP RIGHTS

- Possession
- Enjoyment
- Exclusion
- Control
- Disposition

REAL PROPERTY VS. PERSONAL PROPERTY

- Real property = the land and everything attached to the land
 - » Example: built-in hot tub
- Personal property = everything not attached
 - » Example: free-standing hot tub

TESTS OF A FIXTURE (MARIA)

- Method of annexation
- Adaptability of item to land's use
- Relationship of the parties
- Intention in placing item on land
- Agreement of the parties

CLASSES OF PLANTS

- Severance
- Annexation

LAND—earth's surface extending downward to the center of the earth and upward to infinity, including permanently attached natural objects

REAL ESTATE—everything in the definition of land, plus all things permanently attached to it naturally or artificially

IMPROVEMENTS—artificial attachments, such as fencing, buildings, and walkways

REAL PROPERTY—real estate plus the interests, benefits, and rights automatically included with real estate ownership

DOWNCYCLE—a period of stagnation

BUYER'S MARKET—supply exceeds demand

SELLER'S MARKET—demand exceeds supply

- Real estate plays a vital role in multiple aspects of the economy.
- The real estate market is influenced by economic policy, employment, inflation, and consumer confidence.
- The impact of downcycles can be mitigated with proper planning.

