

UNIVERSITY OF LONDON

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LLB EXAMINATION

for External Students

PART I EXAMINATION (Scheme A)

SECOND AND THIRD YEAR EXAMINATIONS (Scheme B)

GRADUATE ENTRY LEVEL II (Route A)

GRADUATE ENTRY SECOND AND THIRD YEAR (Route B)

BSc DEGREES

for External Students

MANAGEMENT WITH LAW, LAW WITH MANAGEMENT, ACCOUNTING
WITH LAW AND LAW WITH ACCOUNTING FOR STUDENTS IN THE
EXTERNAL PROGRAMME

Land Law

Tuesday 2 June 2009 : 10.00 - 1.15 pm

Candidates will have **fifteen minutes** during which they may read the paper and make rough notes **ONLY** in their answer books. They then have the remaining **THREE HOURS** in which to answer the questions.

Candidates should answer **FOUR** of the following **EIGHT** questions.

Candidates should answer all parts of a question unless otherwise stated.

1. Ruth, a plumber, bought her workshop in the late 1980s. She soon noticed that the neighbouring property, a warehouse, was disused and dilapidated. Matt had recently acquired the registered title to the warehouse so that he could convert it into a block of luxury apartments.

In 1990 Ruth decided to park her van on the forecourt of the warehouse. By 1991 she had begun using the warehouse to store her tools and plumbing materials. She repaired the leaking roof to protect them from damage. In later years she installed a generator to supply electricity and, after intruders broke in, she secured the warehouse by fitting padlocks and a burglar alarm. Matt occasionally drove past the warehouse and once or twice waved to Ruth when he saw her driving away from the forecourt.

Last month Matt sold the warehouse to Housemate, a builder's merchant. Housemate has written to Ruth insisting she vacate the warehouse immediately.

Advise Ruth.

2. In 2007 Ian purchased a café, Ian's Plaice. Ian's Plaice has a large car park. Although Ian paid the deposit from his savings, he obtained the balance of the purchase price by entering into a mortgage with one of his suppliers, Prize Pies plc. Ian had spent months unsuccessfully trying to find a bank that would grant him a mortgage. Ian's mortgage agreement with Prize Pies plc contains the following terms:

- (a) the monthly interest rate will be calculated by using the highest prevailing interest rate in the world;
- (b) the borrower must buy all his pies from Prize Pies plc, at a price to be determined by reference to the list price that Prize Pies plc charges all its other customers;
- (c) the borrower cannot redeem the mortgage until the final year of the twenty year term;
- (d) the lender will have a right of pre-emption to purchase the car park belonging to Ian's Plaice, which pre-emption it may exercise for a period of two years after redemption of its mortgage.

Advise Ian about the enforceability of the mortgage terms.

3. In 2006 four bankers, Andrew, Belinda, Cindy and Davina purchased Seaview, for them to use as a weekend cottage. They made equal contributions to the purchase price, and title to Seaview was conveyed to all four of them.

In 2007 Andrew decided to emigrate to Australia. He therefore sold his interest in Seaview to Edna. Belinda disliked Edna. She therefore wrote to Cindy and Davina to tell them that she was urgently looking for somebody to buy her share. Belinda subsequently changed her mind about selling when she realised she would be able to use Seaview when Edna was not there.

In 2008 Cindy ran into financial difficulty and offered to sell her interest to Davina. They discussed the possibility over several months but before they could agree terms Cindy was killed in a boating accident. By her will, Cindy left all her property to her brother, Frank.

Belinda now wants Seaview to be sold, but Davina prefers to retain the cottage.

Advise Belinda. If Seaview is sold, who would be entitled to the proceeds of sale?

4. Rita owns a property which comprises a ground-floor shop and a first-floor, one-bedroom, flat. The flat and shop have separate entrances. In 2007, Rita agreed to grant Audrey a lease of the shop for three years at an annual rent of £8,000, the rent to be paid in monthly instalments. The agreement also provides that either party may terminate the lease by giving six months' notice. The lease has never been executed; but Rita has moved in and started paying rent each month.

Last year Rita agreed that her friend's son, David, a trainee hairdresser, and his girlfriend, Tina, could live in the first-floor flat. Rita drew up a 'licence' agreement and insisted that David and Tina sign separate copies. The agreements provide that they will each pay £300 per week as an 'occupation fee'; and that they will be able to live in the flat for three years 'or until David completes his training'. The agreement also states that David and Tina must vacate the flat so that it can be cleaned every Tuesday between 12 noon and 2pm. David and Tina have always preferred to do all their own cleaning.

Advise Rita about: (a) how much notice she needs to give Audrey to leave the shop; (b) the legal nature of the agreement she has with David and Tina.

5. Damien was the registered owner and occupier of Bridge House, which was connected to a studio in which he made pottery. The studio was accessible through an internal door in Bridge House and also by an external door which opened directly on to a small lane at the rear of the property. Damien regularly used the external door as a short-cut to reach the local train station.

In 2003 Damien granted a lease of the studio to an artist, Jennifer, for a period of five years. In 2004 Damien told Jennifer that she was welcome to paint in the garden and to park her motorcycle in the drive of Bridge House whenever she wished. Jennifer did not object to Damien continuing to use the studio's rear entrance as a short-cut whenever he liked. The lease of the studio was renewed for a further five years in 2008.

Damien has now sold the freehold of the house and studio to Eric. Eric has told Jennifer he wants her to stop using the driveway and garden. Jennifer has responded by telling Eric that he must not make use of the rear entrance to the studio.

Advise Eric.

6. 'The rules governing the passing of benefit and burden of freehold covenants could and should be simplified.'

Discuss.

7. Critically assess the contribution that the equitable doctrine of proprietary estoppel makes to modern land law.

8. Matt has recently purchased Grange Farm from Oliver; title to Grange Farm has always been registered. Oliver has since moved to live in Australia. Matt has now discovered the following information.
- (a) Roy, a local gardener, claims that he has a two year lease of a barn on Grange Farm in which to store his gardening tools.
 - (b) Caroline, Oliver's wife, has recently returned from Norway where she spent a year running a hotel. Caroline did not know about the sale of Grange Farm. She paid the deposit when Oliver purchased the property some years ago. Caroline insists she still has rights to Grange Farm.
 - (c) Ruth, the owner of a neighbouring farm, Brookfield, claims she has acquired an easement to use the underground drains that run across Grange Farm.
 - (d) Ed, a tenant farmer of part of Grange Farm, claims that he has an agreement to buy the land over which he has the tenancy.

Advise Matt about his legal position in relation to any claims made by Roy, Caroline, Ruth and Ed.

Briefly indicate how your answer would differ if *unregistered* land law principles could still govern both title to, and the above claims to rights over, Grange Farm.

END OF PAPER