## COUNCIL OF LEGAL EDUCATION NORMAN MANLEY LAW SCHOOL

# LEGAL EDUCATION CERTIFICATE FIRST-YEAR SUPPLEMENTARY EXAMINATIONS, 2001

# LANDLORD AND TENANT (WEDNESDAY, AUGUST 8, 2001)

## Instructions to Students

- (a) Time: 3 ½ hours
- (b) Answer FIVE questions.
- (c) In answering any question, a candidate may reply by reference to the law of any Commonwealth Caribbean territory, but must state at the beginning of the answer the name of the relevant territory.
- (d) It is unnecessary to transcribe the questions you attempt.

PLEASE REMAIN SEATED UNTIL YOUR SCRIPT HAS BEEN COLLECTED.

### **QUESTION 1**

Nicky had recently suffered a nervous breakdown and on his doctor's advice he was told that he should rent a house in the country in which he could in future rest and relax, especially on weekends. He approached Malcolm, the owner of several country houses, and explained what he wanted. Malcolm said he had just the house Nicky needed and showed Nicky a house adjoining a vacant parcel of land, also owned by Malcolm. Nicky liked the house and decided to take it. As a result, Nicky by agreement in writing dated May 31, 1999, became a tenant from year to year in respect of this house at a yearly rent of \$180,000 payable at the end of every year of the tenancy. The house was let furnished and Nicky agreed to keep it in repair.

In October 2000, Malcolm leased the vacant lot of land to Strike Squad Football Club. Stands were built and from early March this year football matches have been played on the Club premises on Saturdays during the days and sometimes by floodlight during the nights. Large crowds witness these matches and cause considerable noise.

Sometimes, stones, bottles and rubbish were thrown through Nicky's windows and on one occasion his expensive stereo equipment was damaged.

Nicky, has noted the appearance in his house of rats and other vermin. He is of the view that this infestation is as a result of the condition of the Club premises. He wishes to vacate the premises without paying any rent and sue Malcolm for damages.

- (i) Advise Nicky.
- (ii) How far would your advice differ if there had been a vermin infestation at the commencement of the tenancy?

### **QUESTION 2**

- (a) Discuss the extent to which rent restriction control legislation has affected the common law procedure for determination of tenancies and recovery of possession of premises.
- (b) On December 1, 1993, Shelters Limited, Shelters, the landlords of a commercial premises at 10 Dunster Street, demised to Jason as a quarterly tenant, a shop on the second floor and a storeroom on the ground floor of the building.

On April 1, 2001, Shelters gave Jason notice to quit in the following terms-"Dear Jason, we the undersigned, Shelters Ltd., give you notice to quit and deliver up possession of the shop at 10 Dunster Street of which you are a tenant on the 31<sup>st</sup> July, 2001."

Advise Jason.

## **QUESTION 3**

By a deed dated December 31, 1999, Verleta granted a lease of a farm of which she was the owner in fee simple to Harrie for 30 years commencing January 1, 2000. The lease contained a covenant by the lessor that –

"if the lessee at any time during the term hereby granted shall give to the lessor six months notice in writing that he desires to purchase the reversion in fee simple in the demised premises, the lessor upon the expiration of such notice and on payments of the sum of \$2.5 Million and of all arrears of rent up to the

expiration of such notice shall convey the demised premises to the lessee in fee simple free from encumbrances."

On April 7, 2000 Verleta sold and conveyed the farm to Owen in fee simple and on May 2, 2000 Harrie assigned his lease to Mitya.

Mitya now wishes to purchase the fee simple in the farm.

- (a) Advise Mitya.
- (b) What would your advice be if, instead of the above-mentioned covenant, the lease contained a covenant giving Harrie an option to renew for a further term of 30 years?

## **QUESTION 4**

Matland Limited, the owner of a four-apartment building not subject to rent restriction/control legislation, has agreed on April 1, 2000, with four persons to enter into the following lease agreements –

- (i) With Joel for a term of 25 years to begin at a time to be determined by the parties;
- (ii) With Allan, the watchman of the apartment building for him to occupy one of the apartments for the duration of his employment;
- (iii) With Melena, a tenant from year to year, on condition that no other person is allowed to occupy the premises without the prior consent of Matland Limited;

(iv) With Arnold "for the term of one year and so on from year to year until the said tenancy shall be determined by Matland Limited, until they require the said premises for purposes of their own business undertaking".

Allan, Melena and Arnold took possession of their respective premises on June 30, 2000, the commencement date of their leases. Matland Limited has agreed to sell the apartment building to Cross Limited subject to Matland Limited giving vacant possession of the premises.

Matland Limited seeks your advice as to the above transactions.

- (a) Advise Matland Limited.
- (b) Draft a notice to quit to be served on Melena.

## QUESTION 5

On June 10, 1999, Leroy granted to Tony, a medical practitioner, a lease of premises with two buildings thereon, the main house and the other an annex, at a yearly rent of \$48,000 payable at the end of every year. Tony occupies the main house as his residence and the annex as a doctor's office. In August 2000, Tony paid the rent only after Leroy threatened to break down the doors and seize his surgical and other equipment on a day when Tony's surgery was full of patients. The rent payable this year is still due and unpaid, in spite of several requests by Leroy for payment. Leroy has now consulted you and said he would like to levy distress on the following —

- (i) some medical text books in the annex;
- (ii) two beds and living room furniture in the 'main house';

- (iii) some paintings in the 'main house' kept in place on the walls of the building by screws;
- (iv) whatever cash is found on the demised premises;
- (v) a motor car, owned by Tony, now parked in the yard of Tony's friend Hal. (Leroy discovered that this vehicle was removed by Tony from the garage of the 'main house' and taken to Hal's residence so that Leroy, should he decide to levy distress, would not find it on the demised premises.)

Advise Leroy.

### **QUESTION 6**

Your client, Pascoe, wishes to take a lease for 50 years of a great house built in 1850 and located in a rural community.

The house which is constructed of cut stone and timber is in a poor state of repair. The upper flooring which is made of wood is virtually non-existent in places; the roof which is made of wooden shingles and timber beams is about to collapse and the walls are covered with moss.

The draft lease, prepared by the lessor's attorney-at-law, contains (inter alia) the following covenant by the lessee –

"To repair and keep in repair and good condition the premises hereby demised and the said premises being so repaired and kept to peaceably yield up to the landlord, his personal representatives or assigns at the end or sooner determination of the term hereby granted."

He further informs you that the house, not having been altered since its construction, does not have a bathroom or kitchen within it and he would wish to convert two rooms in the house for these purposes. There is no covenant in the draft lease against alterations or modification.

He therefore seeks your advice as to the nature and extent of the obligations which will be imposed on him by the covenant to repair and his proposal to carry out the modifications.

Advise Pascoe.

### **QUESTION 7**

On May 10, 1996, Val granted a lease of a dwelling house to Byron for five years. The lease contained inter alia the following clauses:

- that the landlord may have the right during the term to use the lawn tennis courts twice weekly;
- (ii) that the landlord shall keep the demised premises in repair during the term of the lease;
- (iii) that the tenant shall have the right to renew the lease for a further term of years as from the expiry date of the lease, but in any event, this option being conditional on the observance by the tenant of the tenant's covenants in the lease.

On May 15, 2000, Byron assigned the lease to Lydia. On taking possession of the premises, Lydia noticed that the roof of the house was in need of repairs. She notified the landlord to do the necessary repairs which he failed to do. Recently, due to heavy rains, the damage to the roof caused severe flooding

resulting in extensive damage to Lydia's belongings. To avoid further damage, Lydia used three months rent to effect the repairs. She has also refused the landlord permission to use the lawn tennis courts.

Recently, Lydia has served the landlord a valid notice to exercise the option to renew. However, the landlord is claiming that she is in breach of clause (i) of the lease and has brought an action against Lydia for recovery of possession of the premises for breach of the covenant to pay rent.

Advise Lydia.

## **QUESTION 8**

Mercediaz, the owner of an attractive property in Bay View granted Developers Limited a fifteen year building lease of the one-acre plot of land which comprised half of the property. Permission to sub-divide was obtained prior to the completion of the contract. Both parties proceeded on the understanding that Developers Limited would construct a block of four two-bedroom apartments on the site.

It was agreed that for the first two years of the lease the rental would be \$1,000 per annum payable half-yearly and thereafter the rental would increase to \$10,000 per annum. The agreement also gave Developers Limited an option to purchase the freehold any time after the tenth year of the lease.

Advise the parties in the following circumstances:

(i) Due to various factors – lack of capital, shortage of material and labour problems - Developers Limited are unable to begin construction one year

after the commencement of the lease. They claim that the contract is frustrated. Mercediaz is anxious to continue with the arrangement since he does not himself have the capital to develop the plot.

(ii) At the end of the lease Developers Limited purported to exercise the option. Mercediaz insists that the option has lapsed since the lease has expired by effluxion of time.