

INSTITUTE OF LEGAL EXECUTIVES

UNIT 10 – Landlord & Tenant*

Time allowed: 3 hours plus 15 minutes reading time

Instructions to Candidates

- You have **FIFTEEN** minutes to read through this question paper before the start of the examination.
- **It is strongly recommended that you use the reading time to read the question paper fully.** However, you may make notes on the question paper or in your answer booklet during this time, if you wish.
- **All questions carry 25 marks. Answer FOUR only of the following EIGHT questions. The question paper is divided into TWO sections. You MUST answer at least ONE question from Section A and at least ONE question from Section B.**
- Write in full sentences – a yes or no answer will earn no marks.
- Candidates must comply with the ILEX Examination Regulations.
- Full reasoning must be shown in answers. Statutory authorities, decided cases and examples should be used where appropriate.

Information for Candidates

- The mark allocation for each question and part question is given and you are advised to take this into account in planning your work.
- Write in blue or black ink or ball point pen.
- Attention should be paid to clear, neat handwriting and tidy alterations.
- Complete all rough work in your answer booklet. Cross through any work you do not want marked.

Do not turn over this page until instructed by the Invigilator.

* This unit is a component of the following ILEX qualifications: **LEVEL 6 CERTIFICATE IN LAW, LEVEL 6 PROFESSIONAL HIGHER DIPLOMA IN LAW AND PRACTICE** and the **LEVEL 6 DIPLOMA IN LEGAL PRACTICE**

SECTION A

(Answer at least ONE question from this section)

1. Critically assess the extent to which the Protection from Eviction Act 1977 protects occupiers of residential property from eviction and harassment.

(25 marks)

2. Compare and contrast the Rent Act 1977 with the Housing Act 1988 in relation to:

- (a) the requirements that must be met in order to qualify for protection under each Act;

(16 marks)

- (b) the protection afforded a tenant in relation to rent review.

(9 marks)

(Total: 25 marks)

3. "The current law of forfeiture is complicated, outdated and difficult to use. There are too many pitfalls for the unwary. The case for reform is overwhelming".

Termination of Tenancies for Tenant Default (Law Com No. 303).

Discuss the law of forfeiture in the light of this statement.

(25 marks)

4. Explain the practical difficulties posed by granting long leaseholders of flats a right to acquire freehold ownership and analyse the extent to which the collective enfranchisement provisions of the Leasehold Reform (Housing and Urban Development) Act 1993 successfully overcome these difficulties.

(25 marks)

SECTION B

(Answer at least ONE question from this section)

Question 1

Luther is the owner of a 99 year lease of a residential purpose built flat in a block. The entrance hall, stairs and stairwells are shared.

In January 2011, Luther lost his job. To save money, he moved in with a friend and let his flat to Ted, a surveyor. Luther made it clear to Ted that Luther would not be responsible for the day to day maintenance costs of the flat. The tenancy agreement was not put in writing.

In March 2011 Luther received a letter from Ted informing him that:

- (i) the washing machine is leaking;
- (ii) the handrail on the balcony has become detached from the wall and needs to be fixed with cement;
- (iii) the flat and entrance halls are in a disgraceful state of repair resulting from a build up of damp and condensation which has accumulated due to the faulty construction of the block.

In view of their agreement, Luther did not act on the letter.

Luther received another letter from Ted. It claims that Luther is legally obliged to repair the defects and that if he does not do so within a reasonable time, Ted will withhold rent until the repairs are undertaken. The letter also makes it clear that Ted has no intention of paying the costs of the maintenance of the flat.

Advise Luther as to:-

- (a) the scope and extent of the obligations imposed by the Landlord and Tenant Act 1985
(9 marks)
- (b) whether Luther is required to repair the defects
(13 marks)
- (c) whether Ted is entitled to withhold the rent.
(3 marks)

(Total: 25 marks)

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Question 2

June lives in a flat which she occupies as her home. She has met her landlord only once, but the flat is managed by AB Properties Ltd. June is not entirely sure whether she moved in during 1996 or 1997 but she does remember thinking it strange that at the time she did not receive any paperwork.

June has fallen into arrears as she had to take six months unpaid leave from work to care for an elderly relative. She currently owes two month's rent but hopes to be able to clear the arrears within the next three months as she has now returned to work.

June has never been behind with her rent before. She telephoned AB Properties Ltd. to explain her situation but its representative was not sympathetic. The representative informed June that if the arrears are not cleared by the end of the month AB Properties Ltd. will take steps to evict her on behalf of her Landlord.

Advise June.

(25 marks)

Question 3

Louise is the owner and managing director of Lou's Juice Bars Ltd., a company that sells smoothies from two shops in London. Both shops are leased from LCD Holdings Ltd.

The first shop was opened in 2002. The premises consist of the ground floor shop and a flat above. Louise is currently living in the flat. The lease was granted to Lou's Juice Bars Ltd. in May 2002. It was expressed to run for ten years and be subject to the provisions of the Landlord and Tenant Act 1954. Louise wants to be able to renew the lease when it expires but, following an informal conversation with a representative of LCD Holdings Ltd., it appears that LCD Holdings Ltd. will oppose any renewal. Louise was told that a well known fast food chain has expressed an interest in redeveloping the shop as it is in a newly designated Development Zone, while the Directors of LCD Holdings Ltd. intend to use the residential flat as a base to entertain their clients during the Olympic Games.

The second shop was leased in 2005, for the duration of ten years and included a qualified covenant against assignment. The premises consist of a shop with an underground garage which houses the delivery vans for the business. Unfortunately, the premises have proved wholly unsuitable for Lou's Juice Bars Ltd., so it wants to assign the remainder of the lease. It has found what it believes to be a suitable assignee but LCD Holdings Ltd. have stated it will only take up references if the new assignee will agree to grant LCD Holdings Ltd. the right to use one of the parking spaces in the underground garage.

Advise Lou's Juice Bars Ltd.

(25 marks)

Question 4

Brownfield Ltd specialise in redeveloping unused industrial sites. It purchased a two acre site with the intention of building four units for the high-tech industry. As capital was limited, the intention was to build the units in turn. Unit One was to be completed by the end of October 2011.

In May 2011 Brownfield Ltd signed a written agreement with DMG Ltd, a manufacturer of computer chips for mobile devices, which requires a clean environment. Under the agreement, DMG Ltd. undertook to occupy Unit One from 1st November 2011 for a fixed term of four years at an agreed monthly rent.

Work on Unit One was completed on schedule and Brownfield Ltd agent's allowed DMG Ltd into occupation on 1st November as agreed. The lease was not formally signed, however, as the Directors of the respective companies were on annual leave.

Work on Unit Two, began in December 2011. Unfortunately, the work was complicated by the discovery of underground chemical storage tanks. The work is still ongoing and the excavation of the site is expected to take a further eight months. As a consequence, Brownfield Ltd has abandoned its plans to develop the rest of the site and has let the remaining part of the site to BBM, a local builders merchants, who are using the yard to store sand and cement.

DMG Ltd. has complained to Brownfield Ltd about the current position. It alleges that the vibrations from the excavations of Unit Two are interfering with its manufacturing process while dust particles from BBM's yard have overwhelmed its plant's ventilation and filter systems, DMG Ltd. has stated that if the matter is not resolved expeditiously they will serve one month's notice to terminate the tenancy and seek compensation for breach of implied covenant.

Advise Brownfield Ltd:-

- (a) as to whether DMG Ltd. will be able to terminate the tenancy by serving one month's notice;

(12 marks)

- (b) the chances of success of any action DMG Ltd. might bring for breach of implied covenants.

(13 marks)

(Total: 25 marks)

End of Examination Paper

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