

**FINAL EXAMINATION  
PROPERTY I  
PROFESSOR BERNHARDT  
FALL 2006**

You have three (3) hours to complete this exam.

2. This is an **open** book exam. You may use any written materials you wish.
3. The exam consists of 44 multiple-choice questions and one essay question. You may allocate your time as you please.
4. The multiple choice section constitutes 2/3 of the examination. You should try to complete this part in two hours. Correct multiple-choice answers are to be marked on the ParScore answer sheet form provided using pen or pencil and following the instructions on that form. If you change your answer, place a X through the wrong answer and mark the correct answer. A machine will score the exam and any ambiguities will be counted as a wrong answer. If two answers are true, you should select only the best answer.
5. If you have comments on any questions you want me to read, write those comments directly next to the questions themselves, and indicate on the first page of the question booklet what their numbers are. I won't pay attention to any written notes inside the exam book except those listed there. Don't try to make each question into a little essay just to get some extra credit points, because a wrong comment can also make a correct answer wrong.
6. Write your exam number on your exam envelope **and** at the top of this page, and the top of each page of questions, each blue book and on your ParScore answer form. **Do not** use your name, student ID number or Social Security Number on any exam materials.
7. At the conclusion of the exam, return all exam materials to the exam envelope and submit it to the proctor. **Do not** seal the envelope. Students who do not return all exam materials at the end of the exam will not be graded.

**PART II**

This essay question constitutes 1/3 of the exam. It consists of one (1) question divided into two parts. Answer both parts. Read the facts carefully. Answers based on incorrect facts are treated as incorrect answers. If you think that important facts are missing or ambiguously stated, make reasonable and explicit assumptions about them, but don't make any assumptions that would make the entire problem vanish. Abbreviate where appropriate. Write legibly on every other line and only one side of each page only. **I won't read illegible answers.**

**I suggest you look at both parts before you start your answer in order to locate the points you want to make in the right part and not have to repeat yourself more than necessary.**

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Loren and Mike own a building that has some stores on the ground floor and several residential apartments upstairs. They hold title as tenants in common, but Loren informally manages the property most of the time.

In 2004, Tina signed two leases with Loren: one for a first floor store for her perfume shop, and the other for a second floor apartment above the store for her to live in. Her rent was \$2000 a month for the perfume store and \$1000 a month the apartment. Each lease ran until 2110 and provided that the landlord would supply hot water to both units.

In 2005, Tina met Bobby. Shortly thereafter Bobby moved in to Tina's apartment with her and also took over a corner of Tina's store, where he sold computer parts.

On December 1, 2006, Tina suddenly vanished from both the store and the apartment, taking all of her belongings with her. She left without notice, and she also had not paid the last two months rent – October's and November's - on either the apartment or the store

Bobby was as surprised as Loren over Tina's departure. He and Tina had not been getting along, but he had no idea that she was planning on leaving. Tina has since been located and says that she felt forced to move because the constant fighting she had with the other residents made living there impossible, and she not want to live – or work – anywhere near to them. Bobby and Loren have met, and Mike has come to visit you, his attorney, about the situation.

1. With regard to the apartment, Tina is gone but Bobby does not want to move out of it; he has a document signed by Tina permitting that he can stay as a tenant for the rest of her lease period. He is prepared to pay the \$1000 rent that is owing for December and to continue paying it thereafter until 2110. He refuses to pay the October or November rent because, he says, he had already paid Tina \$500 each month as his share for those months. Loren thinks that Bobby is not a desirable tenant, and that the apartment could be rented out for around \$1400 to someone else if he could get him out. Mike is not so sure, and wants advice from you on what their remedies and choices are, as to both Tina and Bobby. Mike also wants to know whether he and Loren have to worry about Bobby's demand that the water isn't hot enough.

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2. With regard to the store, Bobby has a writing signed by Tina permitting him to sublet part of her store for his computer business for \$900 on a year by year basis. He again denies liability for any unpaid back rent (since he had paid his share to Tina), but he is willing (and eager) to leave at once, because, he says, the odor of all her perfumes has permeated the walls and the stink makes the place impossible to work in. Mike is afraid that is true and he fears that unless he and Loren spend upwards of \$28,000 to get rid of all of the smelly walls, they will not be able to charge more than \$600 a month rent for it. (Indeed, some of the other tenants are complaining that the smells from the store make them sick and they are making various threats about it.). Consequently, Mike would like to hold Bobby as a tenant in the store (although he is less interested in doing so if he and Loren have to pay for a new water heater in response to Bobby's complaints). Mike also wants to know about Tina's liability in all this.

**END OF EXAM**