

Final Examination

Property II

Professor Chang

Spring 2006

1. You have **three (3) hours** to complete the exam. There are two parts to this exam. Each part is worth 50 points, for a total of 100 points. The suggested time for each section is 1 and 1/2 hours.
2. This is a **closed book** exam.
3. This exam consists of two parts.

Part I consists of 25 multiple choice questions. Each multiple choice question is worth 2 points. Please mark your responses to the multiple choice questions on the separate ParSCORE TEST FORM using pen or pencil and following the instructions on that form. If you change your answer, place a clear 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.

Part II consists of one (1) essay question, which is worth 50 points. Please write your response in the blue books provided. Please write clearly. Write on every other line and every other page to permit instructor comments. The answer to the essay question should demonstrate their understanding of the law as applied to the facts. Conclusions without analysis will not be given credit.

Total points for the exam is 100 points.

4. Write your exam number on your exam envelope. Put your correct class section and student exam # at the top of this page, each page of questions, each blue book, and the ParSCORE TEST FORM. **Do not** use your name, student ID number or Social Security Number on any exam materials.
5. At the conclusion of the exam, return all test materials, including blue books, ParScore answer sheet, scratch paper, and this exam packet to the 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 may not be graded.

GOOD LUCK!!! ENJOY THE SUMMER!!!

Property 2 Final Exam Spring 2006 Essay Question (50 Points)

Othello owned an undeveloped, 10-acre by 10-acre (total 100 acres) tract of land approximately 50 miles outside the City's limits. The southern border of the tract bordered the state's coast line. Othello purchased the property in 1995 for \$1 million.

In 1997, Othello listed twenty-five acres (5-acres by 5-acres) in the northwest corner of the tract for sale with Bert, a licensed real estate broker. Othello and Bert agreed upon a real estate sales commission of 6 percent. Two weeks later, Othello conveyed the property by general warranty deed to his cousin, Candy, for \$150,000. Bert demanded a sales commission but Othello refused to pay since Bert had not expended any efforts to advertise the property for sale.

Unbeknownst to either Othello or Candy, Othello's predecessor in interest had gifted the mineral rights in the tract to Wilmer. Candy recorded her deed on August 8, 1997. Wilmer recorded his deed for the mineral rights on August 16, 1997. Candy used the land as an elephant sanctuary for abused elephants.

In January 1998, Othello began operating a marijuana club on the northeast corner of his remaining land, for the distribution of medical marijuana. In February, 1998, the City revised its general zoning plan and Othello's land was zoned for single-family residential use only. Othello was advised that he had 60 days to cease any non-conforming uses.

In an effort to boost the City's economy, in March 1998, the City condemned 50 acres in the southern half of Othello's land for the purpose of developing a beach and boardwalk which would be privately owned and operated by the FunLand Corporation (FLC). Although the fair market value of Candy's land will likely increase because of the new development, the costs of relocating her elephant sanctuary will exceed any appreciation in fair market value to her property.

In April 1998, Wilmer demanded entry to drill for oil. Both Othello and Candy refused Wilmer entry. Wilmer filed suit to quiet title and Candy cross-complained against Othello. Othello and Candy instituted a separate proceeding challenging the City's zoning and condemnation actions. Bert filed a claim against Othello for a sales commission. The court has now consolidated all actions.

How should the court rule on: Wilmer's claims, Candy's claims, Othello's claims, and Bert's claims?

END OF ESSAY PORTION OF THE EXAM

END OF EXAM