20 January 2011 Level 6 LANDLORD & TENANT LAW Subject Code L6-10



# **INSTITUTE OF LEGAL EXECUTIVES**

# UNIT 10 – LANDLORD & TENANT LAW<sup>\*</sup>

#### 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 <u>read</u> 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.

Dago 1 of 0

<sup>\*</sup> 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)

StudentBounty.com Critically examine the difficulties that a landlord must overcome if he wishes 1. to enforce a right of forfeiture and assess the extent to which forfeiture remains an effective remedy.

2. "The occupier is a lodger if the landlord provides attendance or services which require the landlord or his servants to exercise unrestricted access in the use of premises. If, on the other hand, residential accommodation is granted for a term at a rent with exclusive possession, the landlord providing neither attendance nor services, the grant is a tenancy."

Street v Mountford (1985)

Lord Templeman

In the light of these comments critically examine the significance of exclusive possession and assess the extent to which Lord Templeman's statement remains an accurate description of the law.

(25 marks)

3. (a) Critically compare the regulation of qualified covenants against assignment with qualified covenants against improvements.

(15 marks)

(b) Consider whether the regulation of qualified covenants places an undue burden on landlords.

> (10 marks) (Total: 25 marks)

Critically compare the 'cases' for possession of tenancies under the Rent Act 4. 1977 with the 'grounds' for possession of Assured Tenancies under the Housing Act 1988.

(25 marks)

Daga 2 of 0

#### SECTION B

#### (Answer at least one question from this section)

#### **Question 1**

StudentBounty.com Leila is the freehold owner of three adjacent properties which she lets on an annual basis.

The first property is let to Clare. Clare is a retired executive and lifelong car enthusiast and uses the premises to house her collection of classic Italian sports cars.

The second property is let to Africa Org, a charity which uses the premises as a warehouse to store reconditioned computers and mobile phones before shipping them to Africa.

The third property is let to Jean. Jean uses the premises as a Dance Studio, teaching tap and ballet to children and adults from the local area. Following a fire at Jean's home in 2006, Leila allowed Jean to live in part of the premises while her house was being repaired. Unknown to Leila, Jean has continued to use part of the premises as her residence ever since.

Leila has received an offer from a local construction company which is interested in purchasing the three properties. The Company has detailed plans for redeveloping the site but will only purchase the properties if they are vacant.

Advise Leila as to whether the agreements will be regulated by the Landlord and Tenant Act 1954 and the steps she should take to terminate the three agreements, assessing her chances of success in obtaining vacant possession.

(25 marks)

Turn over

Daga 2 of 0

## **Question 2**

StudentBounty.com Gareth leases a purpose built flat in a block on a long lease from Housing Company. For the last ten years he has sublet the flat to reside tenants. Following a verbal agreement in 2008, Gareth let the flat to Debbie w pays rent on a monthly basis.

Recently Debbie complained that damp and mould are a problem in the flat and that the gas boiler was switching itself off after 30 minutes use. Gareth sent a surveyor to inspect the mould. The surveyor informed Gareth that the damp was a result of the design of the block of flats as it was constructed without a cavity wall. He told Gareth that there was very little Gareth could do to prevent the mould beyond cleaning it when it first appears and making sure the flat is properly ventilated during the winter months.

Debbie was angered by Gareth's suggestions that she should clean the mould and open the windows in the winter. She has withheld rent ever since and is demanding a reduction in the monthly rent on the grounds that the flat is not, in her words "fit for purpose". In addition, she has complained that the entrance system to the block of flats only works intermittently, that the stairwells are never lit and that the lift is covered in graffiti.

Gareth has not yet had the gas boiler fixed and the boiler continues to behave erratically.

Advise Gareth as to:

2. (a) the obligations imposed on him by ss. 11-15 of the Landlord and Tenant Act 1985

#### (9 marks)

(b) whether he is in breach of the obligations imposed on him by ss. 11-15 of the Landlord and Tenant Act 1985 and whether he should reduce the rent;

## (9 marks)

(c) any action Gareth might have against his landlord, Bedford Housing Company, in relation to the entrance system, the stairwells and the lift.

> (7 marks) (Total: 25 marks)

Dago A of O

## **Question 3**

St George's Court is a purpose built block of flats which comprises six sepunits. The six flats were let to different tenants in 1955 for the duration of years, subject to a ground rent and payment of service charges.

StudentBounty.com Currently three of the six flats are occupied by the holders of the long leases as their residence. The remaining flats have been sublet by the long leaseholders to residential tenants on Assured Shorthold Tenancies under the Housing Act 1988.

The freehold reversion of the block has been held by a succession of different companies over the years. It is currently owned by Manor Property Holdings. Following a restructuring of their core business they have negotiated a sale of the freehold reversion to County Properties for £35,000. The long leaseholders were informed of the potential change in ownership by way of a letter from Manor Property Holdings.

The leaseholders are concerned about the proposed transfer as there have been a number of reports about the sharp practices of County Properties in the local newspaper. One article alleged that County Properties typically raise service charges threefold after acquiring management responsibilities and that long leaseholders have been charged extortionate sums for the renewal of their leases.

Following a meeting, five of the six long leaseholders have expressed an interest in acquiring the reversion. They wish to ensure they are no longer subject to the whims of a management company. In addition they are concerned about the diminishing years left to run on their leases.

Advise the long leaseholders:

3. (a) whether the long leaseholders will be able to acquire the reversionary interest of the block using the provisions of Part 1 of the Landlord and Tenant Act 1987 only.

(15 marks)

(b) the steps the long leaseholders should take, should they be able to acquire the reversionary interest of the block.

> (10 marks) (Total: 25 marks)

> > Turn over

Dago 5 of 0

#### **Question 4**

Charles owns a house which has been converted into two self contained The upper floor flat is let to Jason while the ground floor flat is let to Tara, be of whom are assured shorthold tenants.

StudentBounty.com Jason recently complained to Charles about Tara. He told Charles that she plays loud music constantly, that there are strange goings-on at all times of the day and night and that he has seen uniformed police officers take her from her flat in handcuffs on a number of occasions. Charles told Jason that he did not regard it as his legal responsibility to control Tara, as he was "only her landlord and not her keeper". Nevertheless, to placate Jason, he agreed to have a quiet word with Tara.

The meeting with Tara did not go well. Charles found Tara to be aggressive and abusive. He ended up asking her to leave the flat immediately. Using rather offensive language Tara refused. She told him that she was aware of her legal rights and his treatment amounted to "harassment and victimisation". Charles was so annoyed by her attitude and her refusal to leave that he immediately cut off the water and gas supplies to the flat. He contacted an old friend, Gavin, a night club doorman, and asked Gavin to remove Tara from the premises. Gavin has promised to remove Tara next week.

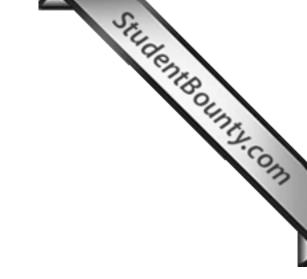
Jason is withholding rent on account of the disturbance to his occupation and has informed Charles that he has no intention of paying rent for the period in which he has suffered the disruption.

Advise Charles.

(25 marks)

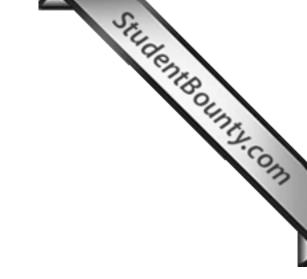
#### **End of Examination Paper**

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Dago 7 of 0



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Dago 0 of 0