



CHIEF EXAMINER COMMENTS WITH SUGGESTED POINTS FOR RESPONSES

JANUARY 2022

LEVEL 6 – UNIT 10 – LANDLORD & TENANT

Note to Candidates and Learning Centre Tutors:

The purpose of the suggested points for responses is to provide candidates and learning centre tutors with guidance as to the key points candidates should have included in their answers to the January 2022 examinations. The suggested points for responses sets out a response that a good (merit/distinction) candidate would have provided. Candidates will have received credit, where applicable, for other points not addressed by the marking scheme.

Candidates and learning centre tutors should review the suggested points for responses in conjunction with the question papers and the Chief Examiners' **comments contained within this report**, which provide feedback on candidate performance in the examination.

CHIEF EXAMINER COMMENTS

The better performing candidates showed similar characteristics in that they used case law appropriately to underpin their analysis and had good knowledge and understanding of the law. Candidates who did less well did not have a sufficient legal foundation on which to base any sort of reasoned argument or (in terms of the Section B questions) advice. Citation of relevant statute or case law was scant. Learning/recall must be accompanied by reasoned discussion and/or application if higher grades are to be achieved.

Weaker candidates tended simply to recite everything that they were able to recall about a particular topic (whether or not it was germane to the question posed) – this was particularly evident in some of the sub-questions, where candidates answered the first sub-question as if it were their only opportunity to write everything that they knew about the overall subject area seemingly without regard to the presence of the remaining sub-questions (and in some cases did not then repeat what they had previously written).



In relation to the Section B questions, a failing which is common to a large number of candidates is a reluctance to commit to a conclusion and/or offer a pragmatic explanation or advice – the phrase “it all depends on what the court decides” (or its equivalent) features too regularly in scripts. Candidates are expected to cite statutory provisions and/or case law in relation to legal principles which they refer to. They are also expected to be accurate. No credit is given for statements such as ‘In a decided case...’, or ‘In the case about...’ or ‘In [blank] v [blank]...’ or ‘The Landlord and Tenant Act 1927 deals with this...’.

Excessive or unnecessary recitation of the facts of particular cases receives no credit.

CANDIDATE PERFORMANCE FOR EACH QUESTION

Section A

Question 1(a)

This question required candidates to discuss the formalities for the creation of a legal leasehold estate.

Candidate performance was patchy overall. Many could not identify the relevant formalities and/or misidentified the applicable statutory provisions (with many appearing to think that section 2 of the 1989 Act applied). Very few went into real detail.

(b)

This question required candidates to discuss how an equitable lease might come into existence.

Most candidates simply didn’t engage with the question, and just recited what they had learned. A significant number didn’t really seem to understand what an equitable lease is (for example, stating that a periodic tenancy was by definition equitable).

Question 2

This question required candidates to discuss repair in the specific context of inherent defects.

Very few of the candidates engaged with the specific issues in relation to inherent defects. Almost all simply recited what they had learned about repair generally.

Question 3

This question required candidates to discuss the obligations on the part of the landlord that are implied into a tenancy.

For the most part, candidates dealt with the implied common law obligations adequately (but a number failed to cite any case law). A few discussed obligations that are imposed by statute.

Question 4(a)

This question required candidates to discuss the characteristics of a lease.

The topic is usually popular with candidates and most of those who answered this question dealt with the basics adequately.

(b)

This question required candidates to discuss the consequences of the distinction between a lease and a licence.

A lot of candidates simply referred to 'greater protection' without articulating any specifics in support of this.

(c)

This question required candidates to discuss the so-called '*Faccini* exceptions'

Most of those who answered this question dealt with the basics adequately.

Section B**Question 1(a)**

This question required candidates to discuss the 'qualifying criteria' for security of tenure under the 1954 Act.

Most candidates were able (to a greater or lesser degree of detail) to articulate those criteria, but the application of the law to the facts was patchy. Discussion in relation to periodic tenancies was generally poor.

(b)

This question required candidates to discuss the steps that a landlord needs to take to terminate a tenancy which enjoys security of tenure under the 1954 Act.

Too few candidates seemed to know what steps were required. A number seemed to think that the tenancy had to end before a section 25 notice could be served or that the landlord could only respond to a tenant's section 26 request.

1(c)

This question required candidates to discuss the grounds under LTA 1954, s 30(1) that might be available and the landlord's prospects of success in relation to them.

Most candidates identified the possible grounds, but articulation of the law in relation to them (particularly ground (f)) and the application of that law to the facts was generally weak/equivocal – few candidates offered much by way of definitive opinion/advice.

Question 2(a)

This question required candidates to discuss the ability of the tenants to acquire the freehold of the block(s) of flats.

Hardly any candidates discussed the right of first refusal, notwithstanding the clear 'signal' in the scenario that there was an impending disposal of the freehold which would engage that right. Those candidates who discussed collective enfranchisement did so poorly.

(b)

This question required candidates to discuss the applicable procedure.

Answers were weak overall. Some candidates seemed generally confused about the separate roles of the right of first refusal, the right of collective enfranchisement, and the right to manage.

Question 3

This question required candidates to discuss the circumstances in which the landlord might recover possession of the residential property.

A substantial number of candidates focussed only on: (i) a landlord's implied obligations in relation to repair (whilst failing to consider what the tenancy agreement might itself say about rights of entry) and/or (ii) obtaining possession by service of a section 21 notice (without considering the possibility of obtaining possession 'for cause'). Discussion of the PEA 1977 was generally cursory.

Question 4

This question required candidates to discuss the remedies available to the landlord of a commercial property for non-payment of rent and/or breach of covenant.

Candidate performance on this question was patchy – most candidates could articulate the basic legal landscape (when the right to forfeit arises, LPA 1925, s 146, and relief), but the application of the law to the facts was poor. Discussion of waiver was cursory at best.

SUGGESTED POINTS FOR RESPONSE

LEVEL 6 – UNIT 10 – LANDLORD & TENANT

Question Number	Suggested Points for Responses	Max Marks
1(a)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of LPA 1925, ss 1 and 205. • Discussion of requirements of LPA 1925, s 52, coupled with LP(MP)A 1989, s 1 (signature, seal, delivery, witnessed, stated to be a deed, etc). • Discussion of all elements of the exception in LPA 1925, s 54(2) (term not exceeding three years, lease taking effect in possession, best rent, no fine). • Discussion for requirement of registration at HM Land Registry where triggered by LRA 2002, ss 4 or 27. 	13
1(b)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Consequences of failing to register a registrable lease. • Discussion of creation of a contract for the grant of a lease which the parties do not attempt to complete by due execution of the formalities for the creation of a legal lease. • Discussion of failed attempt to complete by due execution of the formalities for the creation of a legal lease (with reference to <u>Walsh v Lonsdale</u> (1882)). • Discussion that in latter two situations there must be a binding contract if an equitable lease is to arise, with reference to requirements of LP(MP)A 1989, s 2(1). <p>Responses could include:</p> <p>Discussion of deliberately ‘resting on contract’</p>	12
Question 1 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
2	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion that <u>Ravenseft Properties Ltd v Davstone (Holdings) Ltd</u> (1980) establishes that whether works amount to repair is a question of fact and degree, with relevant inquiry being whether the works in question would involve giving back a wholly different thing from that which was demised, with reference to relevant common law articulations, eg <u>McDougall v Easington DC</u> (1989) 	25

	<p>and three tests identified in it (reviewing older cases which may be cited):</p> <ul style="list-style-type: none"> ▪ do the alterations go to the whole or substantially the whole of the structure or only to a subsidiary part ▪ is the effect of the alterations to produce a building of a wholly different character than that which has been let ▪ what is the cost of the works in relation to the previous value of the building, and what is their effect on the value and lifespan of the building <ul style="list-style-type: none"> • Recognition that it is therefore incorrect to say that an inherent defect can never engage the obligation to repair. • Discussion that this point was subsequently refined in <u>Quick v Taff Ely BC</u> (1986) QB 809 (obligation to repair is not triggered without some damage to the subject matter of the covenant). It is at this point that the tests above become relevant. • Discussion that this was taken a stage further in <u>Post Office v Aquarius Properties Ltd</u> (1986), (no ‘damage’ by reason of the mere presence of an inherent defect which has existed since the date of construction). If the obligation to repair is to be engaged, there must be damage to or deterioration in the condition of the building. It does not matter whether the original defect “resulted from error in design, or in workmanship, or from deliberate parsimony or any other cause”. • Discussion that once damage has occurred which falls within the repairing obligation, the covenantee is obliged to carry out sufficient works to deal with the disrepair. If that requires eradication of the inherent defect, then so be it. • Recognition that in all cases the extent of the obligation to repair is to be approached in the light of the nature and age of the premises, their condition when the tenant went into occupation, and the other express terms of the tenancy. 	
Question 2 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
3	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of non-derogation from grant and relevant case law: eg <u>Browne v Flower</u> (1911), <u>Southwark LBC v Mills</u> (2001), <u>Platt v London Underground</u> (2001). • Discussion of covenant for quiet enjoyment and relevant case law, eg <u>Kenny v Preen</u> (1963), <u>Birmingham, Dudley & District Banking Co v Ross</u> (1888), <u>Aldin v Latimer Clark, Muirhead & Co</u> (1894) and <u>Perera v Vandiyar</u> (1953)). Candidates will note that the covenant does not give the tenant an absolute right (see eg <u>Jones v Cleanthi</u> (2006)). 	25

	<ul style="list-style-type: none"> • Discussion of landlord’s common law obligation re fitness for human habitation at start of tenancy (<u>Smith v Marable</u> (1843)), but cf <u>Robbins v Jones</u> (1863) re subsequent unfitness. • Discussion of obligation to maintain the common parts of a building in order to give efficacy to the particular circumstances of a residential letting in a block of flats: see <u>Liverpool City Council v Irwin</u> (1977). • Discussion of <u>Barrett v Lounova</u> (1982) (obligation to keep the exterior of the premises implied in order to give business efficacy to a lease where the tenant had covenanted to keep the interior in repair). Candidates will note that this approach has not been followed and has largely been confined to its facts (see, eg <u>Adami v Lincoln Grange Management Co Ltd</u> (1997)). <p>Responses could include:</p> <p>Discussion of obligations implied by statute (eg LTA 1985, s 11, LTA 1927, s 19(1), etc). Credit should be given for any reasonable examples/explanation.</p>	
Question 3 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
4(a)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Recognition that a lease is a contract which creates a proprietary interest, whereas a licence is solely a contract. • Discussion of common law requirements which must be satisfied for a contract to constitute a lease: (i) exclusive possession, (ii) fixed and ascertainable duration, and (iii) term at least one day shorter than duration of grantor’s estate (with reference to, eg, <u>Lace v Chantler</u> (1947) and <u>Prudential Assurance v London Residuary Body</u> (1992)). • Detailed discussion of concept of exclusive possession, with reference to, eg, <u>Street v Mountford</u> (1985), <u>Marchant v Charters</u> (1977), <u>Prudential Assurance v London Residuary Body</u> (1992), <u>Mexfield Housing Association v Berrisford</u> (2011). • Recognition that rent is not essential for creation of landlord and tenant relationship, see eg <u>Ashburn Anstalt v Walter John Arnold and W. J. Arnold & Company Limited</u> (1989). <p>Responses could include:</p> <ul style="list-style-type: none"> • Reference to <u>Bruton v London and Quadrant Housing Trust</u> (1999) as example of a contractual or non-proprietary lease. <p>Reference to Law of Property Act 1925, ss 1 and 205.</p>	11

4(b)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of various statutory protections available to tenants but not licensees, with specific reference to at least Rent Act 1977, Housing Act 1988, Landlord and Tenant Act 1954 and Protection from Eviction Act 1977. Candidates may also refer to Leasehold Reform Act 1967 or Leasehold Reform, Housing and Urban Development Act 1993. 	5
4(c)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of three main <i>Facchini</i> exceptions (<u>Facchini v Bryson</u> (1952), examples of which can be found in <u>Cobb v Lane</u> (1952), <u>Booker v Palmer</u> (1942), <u>Norris v Checksfield</u> (1986) and <u>Errington v Errington and Woods</u> (1952), namely: <ul style="list-style-type: none"> - no intention to create legal relations - occupation arises from some other legal relationship (eg a service contract) - landlord has no power to grant a tenancy • Reference to ‘grey areas’ where authorities may appear inconsistent, eg <u>Family Housing Association v Jones</u> (1990), <u>Antoniades v Villers</u> (1988), <u>Stribling v Wickham</u> (1989), <u>Dresden Estates v Collinson</u> (1987). 	9
Question 4 Total:		25 marks

SECTION B

Question Number	Suggested Points for Responses	Max Marks
1(a)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of statutory protections provided by Landlord and Tenant Act 1954 (LTA 1954), Part II to a tenant who occupies premises for the purposes of a business and which is not contracted-out, including: <ul style="list-style-type: none"> - right to remain in occupation after original contractual term has expired or has been determined; - right of occupation can only be terminated in accordance with LTA 1954, ss 25 to 27; and - tenant can request a renewal tenancy following termination (with limited grounds on which landlord can object: see LTA 1954, s 30(1)). • Application to Benjamin, including discussion of: <ul style="list-style-type: none"> - ‘transition’ of initially excluded tenancy to a potentially protected periodic tenancy - whether Benjamin occupies studio for the purposes of a business, in light of: (a) even if not particularly successful in 	11

	<p>his chosen career, he is still pursuing a 'trade, profession or employment' (see LTA 1954, s 23(2) which does not depend on profitability: see <u>Abernethie v A M Kleiman</u> (1970)), (b) it is irrelevant that he currently makes a living from a separate (albeit related) activity, and (c) he has latterly been sleeping at the studio, but this does not seem sufficiently substantial to alter the predominant purpose of his occupation (see, eg <u>Cheryl Investments Ltd v Saldanha</u> (1978)).</p> <ul style="list-style-type: none"> • As regards Clarisse, the existence of the right to extend the term for a further 6 months (regardless of whether or not she actually chose to exercise it) means that the tenancy fell within the scope of LTA 1954 from the outset (see LTA 1954, s 43(3)(a)), even though the initial term was only six months. The fact that the amount of rent is variable is immaterial. 	
1(b)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Candidates will probably conclude both tenancies are protected under LTA 1954. Consequently, they can only be terminated by serving notice under LTA 1954, s 25. Notice must be in prescribed form and must be served on tenant in accordance with one or more of permitted methods set out in LTA 1954, s 66 (which adopts methods of service permitted by Landlord and Tenant Act 1927, s 23). • Each s 25 notice must specify termination date (not earlier than date on which tenancy would otherwise have come to an end or could have been lawfully terminated by landlord). Candidates will discuss different rules re a periodic tenancy (Benjamin) and a fixed-term tenancy (Clarisse). Notice must be served not less than 6, nor more than 12, months before termination date specified in it. Re Benjamin, the s 25 notice can also serve as a common law notice to quit which will bring his contractual periodic tenancy to an end. • Each notice must specify whether or not Amal will oppose the grant of a renewal tenancy and must identify the ground on which any opposition will be based. 	7
1(c)	<ul style="list-style-type: none"> • Amal can only gain vacant possession of studio and café if he establishes a ground of opposition under LTA 1954, s 30(1). On the facts, ground (f) would appear to be available in relation to both tenants. • Ground (f) applies where the landlord intends to carry out demolition, reconstruction or substantial construction and cannot do so without regaining possession of the holding. This is a mandatory ground for refusing a renewal tenancy. The proposed conversion works would appear to qualify. • Although it does not appear that Amal intends to carry out the works, the necessary intention only needs to be demonstrated at trial and not before: <u>Betty's Cafés v Phillips Furniture Stores</u> 	7

	<p>(1958). Consequently, it does not matter if the works are actually carried out by the supermarket operator (provided that it is the competent landlord by the date of the hearing, see <u>Marks v British Waterways Board</u> (1963)). Otherwise, if time permits, the property can be sold to the operator and it can then serve the s 25 notices.</p> <ul style="list-style-type: none"> • In addition, ground (b) within LTA 1954, s 30(1) also appears to be available re Clarisse. Her claim that she has made no profit in recent months (so as to justify his non-payment of rent), is misguided: her obligation to pay rent is based on turnover, not profit. She has wrongly refused to pay rent, so Amal could oppose a renewal tenancy on that ground (b). However, this is a discretionary ground, so no certainty that Amal would succeed. • If time is a factor, Amal may have to consider negotiating a surrender with both tenants: nothing in LTA 1954 prevents a business tenant from voluntarily surrendering their tenancy if they wish to do so (see LTA 1954, s 24(2)). 	
Question 1 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
2(a)	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of general nature of collective right of pre-emption (or first refusal) under the Landlord and Tenant Act 1987 (LTA 1987). • Discussion re “qualifying tenants” (as defined in LTA 1987, s 3(1)). Conclusion that all the tenants at Dover Court appear to satisfy this requirement because they all hold long leasehold interests in their respective flats. • Discussion that the right of pre-emption applies to a disposal of the landlord’s interest in premises if: <ul style="list-style-type: none"> - the premises consist of the whole or part of a building (LTA 1987, s 1(2)(a)); and - they contain two or more flats held by qualifying tenants (LTA 1987, s 1(2)(b)); and - the number of flats held by such tenants exceeds 50 per cent of the total number of flats contained in the premises (LTA 1987, s 1(2)c). • Application of these requirements. The requirements in LTA 1987, s 1(2)(b) and (c) are clearly satisfied. It is also clear that the blocks are occupied for residential purposes (LTA 1987, s 1(3)). There is no suggestion from the facts that the landlord is an “exempt landlord” to whom the provisions of LTA 1987, Part I do not apply (LTA 1987, s 1(4)). Finally, the transfer of the reversion (which will include a transfer of internal and external common 	16

	<p>parts) will amount to a “relevant disposal” within the meaning of LTA 1987, s 4(1).</p> <ul style="list-style-type: none"> • Recognitions that in terms of LTA 1987, s 1(2)(a) the facts appear to demonstrate that Dover Court in fact consists of two separate sets of premises, because each block of flats consists of a “whole ... building”. This means that for the purposes of LTA 1987, s 1 there are in fact two proposed disposals, one of which relates to The Laurels and one of which relates to The Cedars. This has consequences in relation to the steps which must be followed under LTA 1987, ss 5 and 6 in order to give effect to the right of pre-emption. • Discussion of landlord’s obligation to serve a separate s 5 ‘offer’ notice (setting out the principal terms of the proposed disposal, offering to sell the property to the tenants, specifying a period of acceptance of not less than two months and a further period for the tenants to specify the nominee purchaser) in relation to each “premises” or “building” that is to be disposed of (LTA 1987, s 5(3)) – which may require two notices (in which case the single notice from EHL may be bad). 	
<p>2(b)</p>	<p>Responses should include:</p> <ul style="list-style-type: none"> • Once valid offer notices have been served, the “requisite majority” of the qualifying tenants on whom an offer notice has been served can serve an “acceptance notice”: see LTA 1987, s 6(3). “Requisite majority” is defined in LTA 1987, s 18A as meaning more than 50% of the qualifying tenants within each “premises” or “building” referred to in the offer notice which was served on them. This requirement is satisfied re The Laurels but not The Cedars. • If Farouk and his fellow tenants are determined to proceed with acquiring the entirety of Dover Court, he must either: <ul style="list-style-type: none"> - persuade another tenant in The Cedars to participate in the acquisition; or - try to argue that the entirety of Dover Court constitutes a single set of “premises” (so only a single offer notice needs to be served) in which case there are already 21 of the 40 qualifying tenants who wish to serve an acceptance notice and so the “requisite majority” for doing so exists). • Once a valid acceptance notice has been served, EHL will not be able to dispose of its reversionary interest (the ‘protected interest’) to GML (or anyone else) for the periods specified in the offer notice. Concurrently, the tenants will have to select a nominee purchaser to acquire EHL’s interest. Within one month of being notified of the identity of the nominee purchaser, EHL must either inform the nominee purchaser that it will not be proceeding with the disposal of the protected interest (in which case EHL will not then be able to dispose of that interest for 12 months) or it must send a sale contract for the protected interest 	<p>9</p>

	to the nominee purchaser. Once the contract has been sent to the nominee purchaser, exchange of contracts must occur within two months.	
Question 2 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
3	<p>Responses should include:</p> <ul style="list-style-type: none"> • Imogen is the lawful tenant of the premises by virtue of the assured shorthold tenancy (AST) which has been granted to her under the Housing Act 1988 (HA 1988). As such, she enjoys the right to exclusive occupation of the premises. The right to exclusive possession entitles Imogen to exclude the entire world, including Helen, from the premises for the duration of the lease (save to the extent that Helen has reserved a right to enter). The tenancy agreement would therefore need to be reviewed to establish whether Helen has reserved a right of entry in order to carry out repairs. • If Helen has not reserved a right of entry, Imogen is perfectly entitled to refuse to allow Helen to enter the premises for that purpose. However, changing the locks means Helen is completely excluded from the premises for all purposes: it would be necessary to check the terms of the tenancy agreement to make sure that there is not some other right of entry which has been reserved (eg to inspect the state of repair and condition of the premises) which Helen would be entitled to exercise and which is currently being prevented. • If Helen has reserved such a right, Imogen's refusal to allow Helen to enter for any purpose may have resulted in a breach of the tenancy agreement. Helen would be entitled to an order for specific performance requiring Imogen to let Helen into the premises, or she might even opt to forfeit the tenancy and bring proceedings to recover possession. • However, these options would be both costly and time-consuming, which perhaps explains the attempt to terminate the tenancy by giving one month's notice. However, an AST cannot be terminated by such a notice: HA 1988, s 21 requires that at least two months' notice must be given and possession proceedings must then be commenced. Helen would also need to demonstrate that she had satisfied the necessary conditions for serving a s 21 notice (eg provision of prescribed information, provision of prescribed certificates, protection of deposit, etc). • Alternatively, Helen could bring 'ordinary' possession proceedings and attempt to rely on Ground 12 in HA 1988, Sch 2 (breach of the tenancy other than non-payment of rent). This is a discretionary ground and Helen would have to persuade the Court that it was reasonable to make a possession order. 	25

	<ul style="list-style-type: none"> • As Imogen is occupying the premises as her “residence” she is a “residential occupier” for the purposes of the Protection from Eviction Act 1977 (PEA 1977). If Helen were to change the locks and evict Imogen, she risks incurring both criminal and civil liability under PEA 1977 and a number of related provisions. A landlord’s right of peaceable re-entry for breach of covenant or condition has been abolished by PEA 1977, s 2 if “any person is lawfully residing in the premises”. • Under PEA 1977, s 3 a landlord may only recover possession of “premises which have been let as a dwelling” from the occupier of them after first obtaining a court order. If Helen were to evict Imogen as planned, she would appear to be guilty of a criminal offence under PEA 1977, s 1(2). Changing the locks and excluding the tenant clearly has “the character of an eviction”, per <u>R v Yuthiwattan</u> (1984). If convicted, Helen could face a fine, or a term of up to 2 years’ imprisonment, or both. • Even if Helen does not in fact evict Imogen, her statement seems designed to intimidate her into leaving (whether or not she actually leaves). Under PEA 1977, s 1(3A), the landlord of a residential occupier commits a ‘harassment’ offence if they do acts likely to interfere with the peace or comfort of the residential occupier or members of their household and the landlord knows, or has reasonable cause to believe, that that conduct is likely to cause the residential occupier to give up the occupation of the whole or part of the premises or to refrain from exercising any right (which in this case would be Imogen’s right to refuse Helen entry to the premises to carry out repairs) or pursuing any remedy in respect of the whole or part of the premises. The penalties for this offence again include a fine, or a term of up to 2 years’ imprisonment, or both. • If Imogen were to give up occupation on account of harassment, she would be able to bring a claim for damages for the tort of unlawful eviction, set out in HA 1988, ss 27 and 28. Damages are awarded on the basis of the difference between the value of the landlord’s interest if the tenant had remained in occupation and the value of the landlord’s interest as a result of the tenant having vacated the property. Damages under these sections can prove substantial and may be punitive in nature. 	
Question 3 Total:		25 marks

Question Number	Suggested Points for Responses	Max Marks
4	<p>Responses should include:</p> <ul style="list-style-type: none"> • Discussion of right to forfeit in outline, with reference to need for reservation of express right of re-entry and <u>Duppa v Mayo</u> (1669). • Discussion of peaceable re-entry or possession order. • Discussion of right to forfeit for non-payment of rent, with reference to (i) LPA 1925, s 146, (ii) need for a formal demand unless Common Law Procedure Act (CLPA) 1852, s 210 applies or requirement for a demand has been dispensed with in the lease. • Discussion of right to forfeit for selling prohibited items, with reference to requirements of LPA 1925, s 146 (including obligation to serve notice which identifies the breaches and, since this is a remediable breach, gives Lakmali a reasonable period within which to remedy the breach). Better candidates will discuss whether there is a breach (ie what is meant by ‘a hot food takeaway’ and whether sales of the items in question are simply ancillary to the permitted use) . • Discussion that acceptance of rent will almost certainly waive the right to forfeit for breach of covenant up to the date of acceptance, since the rent will be being accepted with knowledge of the breach: see eg <u>Seegal v Thoseby</u> (1963). However, the sale of offending items would appear to be a continuing breach, for which a new cause of action would arise. Better candidates may discuss whether acceptance of the rent is a waiver of the covenant and not simply a waiver of the right to forfeit. • Discussion of ‘automatic’ relief for non-payment of the rent if Lakmali is able to pay the outstanding rent (see CLPA 1852 or County Courts Act 1984, ss 138 and 139). Lakmali may apply for this ‘automatic’ relief either before trial or within six months of any judgment granting possession to Karim. • Discussion that Lakmali may also avoid forfeiture if she is granted relief by the court on an application by her under LPA 1925, s 146(2), which if granted would most likely be on terms that any arrears are paid and the sale of any prohibited goods ceases. • Discussion or right to exercise Commercial Rent Arrears Recovery, with reference to relevant provisions of the statute and regulations. • Discussion of right to sue for the rent. 	25
Question 4 Total:		25 marks