Santa Clara University School of Law - Fall 2006

4-DIGIT EXAM ID:___________ COURSE:_________ PROFESSOR:_________.

THESE EXAMINATION QUESTIONS MUST BE RETURNED AT THE END OF THE EXAMINATION.
THE STANDARD EXAMINATION RULES GOVERN THIS EXAMINATION.

CONTRACTS
PROFESSOR MACINTOSH
ESSAY

DECEMBER 5, 2006
1 1/2 HOURS
CLOSED

PROFESSOR’S INSTRUCTIONS

1. This exam contains 2 pages, not including the cover page and a blank insert. If you do not have all these pages please raise your hand.

2. Discuss all issues, even if one issue will determine the outcome.

3. Your answer should be thorough but concise. Do not discuss legal principles in the abstract—apply them to the facts of the question.

4. If you need more facts to resolve an issue, identify those facts and explain their relevance.

STOP! DO NOT FLIP THIS COVER PAGE UNTIL TOLD TO DO SO BY THE PROCTOR!
Exam
Begins on
Next Page
QUESTION

Alan Brown is a 40 year old man who works as an insurance salesman. After his divorce, he decided that he wanted to live a more bohemian life. He figured he could abandon his apartment (rented at $2,000 per month) and live on a boat in the harbor.

Brown saw the following ad in the local newspaper:

32 foot Tahiti ketch for sale. Like new. $50,000 cash.
Contact Sam White at swhite@Sailor.com.

On November 1, 2006, Brown e-mailed Sam White. He asked many questions about the boat, including its age and condition.

On November 2, 2006, White e-mailed back, stating that he bought the Tahiti ketch new and had lived on it for 10 years. It was in excellent condition. White also told Brown that he had two other boats in the harbor for sale at $80,000 and $100,000 each.

On November 3, 2006, Brown responded via e-mail. He stated: "Thanks for the info on the other boats, but the Tahiti ketch sounds more like what I want. When can I see it?"

On November 4, 2006, White responded via e-mail: "Come on down to the harbor any time before the 9th. I'm sure I can work something out for you."

On November 6, 2006, Brown gave written notice to his landlord that he would be out of his apartment by the end of the month. He had the right to do this under a termination clause in his lease.

On November 7, 2006, Brown went to offices for the harbor district. The girl at the counter told him slips (e.g., spaces where boats can be anchored long term) were available in the harbor for $100 per month.

Brown wrote his name down on a list of persons requesting slips. "What are my chances?" he asked. The girl replied, "Don't worry. We've got a lot of open slips right now. It's as good as yours. I'll send you the paperwork soon."

On November 8, 2006, Brown came down to the harbor to meet with White. He found White in front of the Tahiti ketch with a woman. White immediately said, "You must be Mr. Brown. Sorry, but I just sold the Ketch to Mrs. Black."
Brown was flabbergasted. He protested that the boat belonged to him, but White gave no ground.

Brown left the harbor and went home, where he ran into his landlord. He told the landlord that his plans had changed and that he wanted to keep his apartment. The landlord told him that it was too late; the lease had been terminated effective November 30 as per his request. However, the landlord said he would let Brown keep the apartment if he was willing to sign a new lease for $3,000 per month.

DISCUSS THE RIGHTS AND LIABILITIES OF THE PARTIES.