

PROPERTY

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CLASS 16(A): LEASES

Class Outline

- Lease Types:
 - Term of Years
 - Periodic Tenancy
 - Tenancy at Will
 - Tenancy at Sufferance
- The Independent Covenants Model
- Dependent Covenants

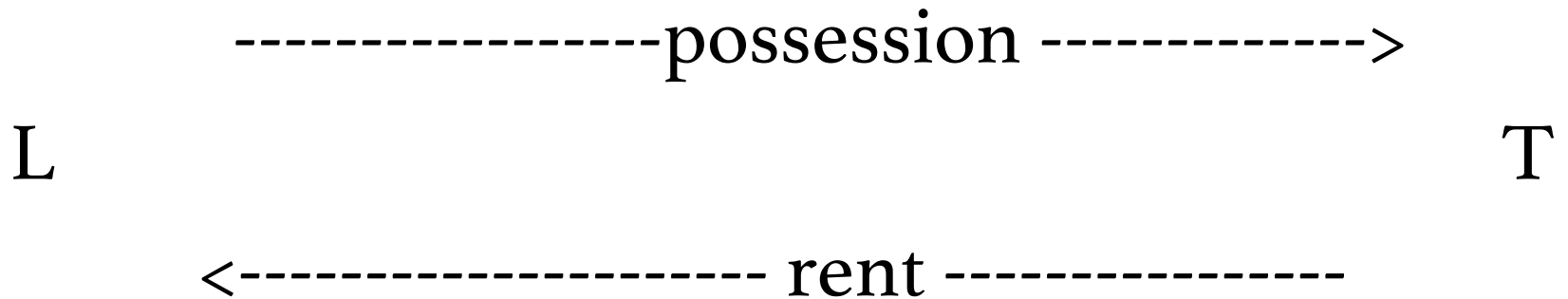
Types of Leases

1. Term of years: Terminates at a point predetermined in the lease. Can be for any time period (some states limit) so long as maximum duration is definite enough. No notice required.
2. Periodic Tenancy: Rolls over automatically from one time period to the next until termination. Express or implied. Fixed duration that continues until notice by LL or T.
3. Tenancy at Will: No fixed term; continues indefinitely until either LL or T terminate (common law: no notice; modern: notice requirement).
4. Tenancy at Sufferance: For holdover tenants; gives them more rights than a trespasser, but still subject to eviction.

Two Models of Landlord Tenant Law

1. Independent covenants (Property/Conveyance)
2. Mutually dependent covenants (Contract)

Paradine v. Jane



Medico-Dental Bldg. Co. v. Horton and Converse



Medico-Dental Bldg. Co. v. Horton and Converse

(cont.)

Tenant who has suffered a substantial breach of a material covenant has three remedial options:

- (1) The tenant can rescind the lease and be released of any further obligation to pay rent.
- (2) The tenant can remain in possession and sue for damages for loss in profits suffered by reason of the breach.
- (3) The tenant can rescind, putting an end to the contract prospectively, and sue for damages for lost profits suffered up to the time of rescission.

The drug store followed the first course, and therefore the judgment in its favor is affirmed.