

# **SAMPLE**

# **Examination for Property**

Candidate No.: \_\_\_\_\_(To ensure your anonymity, please DO NOT include/type your

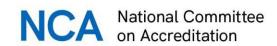
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<u>name</u>) in any part of your exam)

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### **General conditions of NCA online exams:**

The NCA allows three (3) hours in total for completion of each exam.

NCA exams are open-book. **Only hard copy study materials** will be permitted; you will **NOT** have access to electronic copies of your notes or textbooks.

The examination will be graded on a pass/fail basis (50% is a pass).

The contents of the examination, including the exam questions, **must not be disclosed** or discussed with others.

If you finish early, you must to stay in place, with your computer still locked down, for the full 3 hours. Failure to follow the proctor's instructions regarding sequestering is a violation of the <u>Candidate Agreement</u> and will result in your exam being disqualified.

NCA online exams are available through a secure, browser-based platform that locks down your computer. This means the computer cannot be used for any other purpose or to access any other material during the exam.

As you write your exam, a person designated as proctor will check your identification and monitor you **using two cameras**; a web camera on your computer and a camera on a tablet or phone.

For more information concerning the NCA's online exams, including exam rules, technical requirements and the candidate agreement please see the links below:

https://nca.legal/exams/online-exam-rules/ https://nca.legal/exams/technical-requirements-and-testing-for-online-exams/ https://nca.legal/exams/nca-candidate-agreement/

# Each exam may have its own special instructions. It is important for you to read these carefully before starting.

### Instructions specific to this exam:

- 1. This examination contains XYZ questions in total, for a total of 100 marks.
- 2. Assume throughout:
  - a) that all property and claims to property referred to are situated in one of the common law provinces of Canada;
  - b) that the law of the jurisdiction applies the common law rules in relation to future interests and perpetuities;
  - c) that a devise or transfer of land without words of limitation or reservations confers upon the recipient the entire interest held by the testator or grantor, unless a contrary intention appears in the instrument:
  - d) that in a devise or transfer of land to two or more persons other than as trustees or executors, the devisees or transferees hold the land as tenants in common, unless a contrary intention appears in the instrument; and
  - e) that the period for adverse possession of land is 10 years.
- 3. For all questions, provide full reasons to support your views, providing relevant authorities where appropriate. Identify relevant uncertainty on the facts and in the law. Consider all plausible arguments and plausible alternative outcomes even if you are convinced that there is only one correct answer.

This sample exam provides an indication of the style/type of questions that may be asked in each exam. It does not reflect the content or actual format/structure of questions nor their value. Actual exams for a specific subject vary from exam session to exam session.

### **QUESTION ONE (25 marks)**

Edward Edmunson passed away in December of 2024. His will reads in part as follows:

- 2. My house in [address] shall go to my son Bernard if and when he marries and for as long as he needs it.
- 5. My farm in the Town of Largesse I devise to my nephew and niece Fanny and Fidelio as joint tenants. If Fidelio enlists in the Canadian Armed Forces, he shall be divested of his interest, and it shall pass to my cousin Giselle.
- 6. The residue of my estate shall be sold by my executors and the monies held by them in trust to be paid as an annual bursary of \$20,000 to the most outstanding graduate of Largesse High School every year who is admitted to university in Canada, until the bursary is depleted.

...

You are additionally informed of the following. Edward's wife, Sharon, passed away in 2022. At all of the relevant times, Edward was the sole registered owner of the real property referred to in Edward's will. The farm he inherited from his parents. The house was purchased in 2012 with a \$40,000 down payment provided by Edward and Sharon equally. Sharon and Edward both worked the farm and used the income produced to make the mortgage payments. Oswald is the most recent class valedictorian and most outstanding student to graduate Largesse High School. He has been accepted to a reputable Canadian university.

Advise all of the parties, referred to by name, or otherwise implied, as to their rights in relation to all of the properties mentioned above. Advise as to the effect, duration, and validity of any property right or interest arising by law, equity, or Edward's will.

### QUESTION 2 (25 marks)

Tammy owned a rural property situated in the common law province of [...]. Eleven years, ago, while clearing overgrown brush on her land, Tammy discovered a cave opening several metres from the property's boundary. Tammy decided to develop the cave, which is extensive and reaches a depth of 50 metres, as an escape room business. (An "escape room" is a recreational space where customers race against the clock to solve a series of puzzles.) Tammy considered obtaining a land survey, but ultimately decided to proceed without undertaking one. She constructed stairs leading down to the cave, reinforced the cave walls with concrete, and installed lighting and washrooms. Last year, Tammy added storage lockers securely anchored to the concrete walls. Tammy promotes her venture as the "largest underground escape room in Canada", and it attracts many customers.

 Last year, Tammy's neighbour, Nancy, found out that approximately one-third of the cave extends under her own land, including the area where the lockers and washrooms are built. A dispute has erupted over rights in relation to the parts of the cave under Nancy's land. Advise all of the interested parties.

- Tammy has not yet paid the vendor who supplied her with the storage lockers. The vendor was
  concerned about the viability of Tammy's business, so their contract stipulated that the lockers
  would remain the vendor's property until payment is made in full. Advise all of the interested
  parties.
- 3. Wendell, another neighbour of Tammy, is complaining about Tammy's customers driving through a private road on Wendell's property to access Tammy's escape room. Tammy believes the complaint is unjustified. When she purchased her land 12 years ago, she learned of an agreement made between Wendell as grantor, and Tammy's predecessor in title as grantee. The agreement, which was registered on the relevant titles, provided: "in consideration of the sum of \$12,500 paid by the Grantee to the Grantor, the Grantor hereby grants and conveys to the Grantee, his heirs and successors, a perpetual right of way over the Road (as marked below) for the purpose of ingress and egress to the Grantee's property and for no other purpose". **Advise the parties.**

### QUESTION 3 (25 marks)

Anita and Beatrice owned a large building zoned for commercial uses. In January of 2021, Anita and Beatrice leased part of the property facing the street to Dylan for a term of 5 years. Dylan covenanted in the lease:

- a. To pay a monthly rent of \$7,000.
- b. Not to use the property for any objectionable or prohibited use.
- c. To maintain the entrance to the demised premises and the parking stalls designated to its business clean and free of snow and ice.
- d. Not to assign or transfer any part of the term of the lease without the prior written consent of the landlord (i.e., Anita and Beatrice).

In 2023, Anita and Beatrice had a falling out, and Anita relocated to another city. At the same time, another commercial tenant in the building moved out as its lease expired, leaving that part of the building empty. Beatrice struggled to find a new tenant, so she decided to use the space for her own business, "Bea's Baked Goods".

1. Assume that latent structural problems and heavy rain in the fall of 2024 resulted in water damage and repeated electrical problems throughout the building. After making several complaints, Dylan decided to find another tenant to take his place. Answer the following and explain your answers in full: (a) would a replacement tenant be bound by the covenant to maintain the entrance to the demised premises and the parking stalls designated to its business clean and free of snow and ice? (b) can Anita and Beatrice prohibit the transfer by Dylan, arbitrarily or otherwise?

- 2. Having failed to find a tenant to replace him, Dylan notified Anita and Beatrice in December that "effective immediately, I consider the lease null and void due to your failure to repair the premises and your other breaches". Dylan then moved out. Rent is two months in arrears. What remedies are available to Anita and Beatrice?
- 3. Beatrice and Anita cannot agree and require your advice as to the following: (a) can Beatrice compel Anita to pay a share of the cost of building repairs? (b) Beatrice has been depositing her revenue from her business as well as the rent collected from Dylan into her personal account. Does she have to account to Anita for this revenue? (c) what other remedies and recourse, if any, Anita and Beatrice have to resolve their disagreements?

### QUESTION 4 (25 marks)

For each of the following 5 questions, choose True or False. Provide a brief explanation to support your answer. Each answer is worth 5 marks:

- 1. A gift of chattels (choses in possession) may be made using symbolic delivery if actual delivery by the donor is impractical. True or False?
- 2. If Blackacre is devised "to A and his heirs, to the use of B and her heirs", A acquires legal title in fee simple, and B acquires equitable title in fee simple. True or False?
- 3. A claim by an Indigenous group to a right to conduct a sacred ceremony on specific Crown lands does not require proof of exclusive possession. True or False?
- 4. In a claim for unjust enrichment between former common law partners, a remedial constructive trust is not available unless the partners conducted their lives as a "joint family venture". True or False?
- 5. In the Torrens system, an unregistered first-in-time property interest does not have priority over a registered second-in-time interest. True or False?

### **END OF EXAMINATION**