# **CONTENTS**

POSSESSION	7
HIERARCHY OF TITLE	7
SCOPE OF POSSESSORY TITLE	7
POSSESSORY TITLE OF PERSONAL PROPERTY	8
Finders Keepers Rule (CB 2.12)	8
Perry v Clissold PC (CB 81)	8
BAILMENT	9
JUS TERTII DEFENCE (RIGHT OF THIRD PERSON)	9
Costello v Chief Constable of Derbyshire Constabulary (Theft)	9
FIXTURES	9
(1) DEGREE OF ANNEXATION	9
(2) OBJECT OF ANNEXATION (PRIMARY TEST)	9
Elitestone Ltd v Morris (HL)	10
TENANT'S RIGHT TO REMOVE	10
THIRD PARTIES (EQUITABLE RIGHT)	11
Metal Manufacturer Ltd v FCT	11
STATUTORY PROTECTION	11
ADVERSE POSSESSION	11
Answer plan	11
REQUIREMENTS	12
Kierford Ridge Pty Ltd v Ward [2005] VSC 215	12
Whittlesea City Council v Abbatangelo	13
AGAINST WHICH OWNER	13
Adverse possession period against future title holders	13
Adverse possession against lesser interest	14
Adverse possession against Crown land	14
INTERRUPTION OF ADVERSE POSSESSION	<b>14</b> 14
DISABILITY AND FRAUD (EXTENSION)  CONSEQUENCES OF ADVERSE POSSESSION	14 15
ADVERSE POSSESSION AND HUMAN RIGHTS	15
DOCTRINE OF TENURE* LOOK AT POWERPOINT	<u>15</u>
SUMMARY	15
TENURE	16
PRINCIPLES OF SETTLEMENT	16
ACCOMMODATION OF NATIVE TITLE (MABO V QLD (2))	16
REMAINING FEATURES OF DOCTRINE OF TENURE	17
NATIVE TITLE	18
SUMMARY OF QUESTIONS TO ASK/ANSWER	18
NATURE OF NATIVE TITLE	18
Yorta Aboriginal Community v Victoria	19
TERMINATION OF NATIVE TITLE	19
LEGISLATIVE POWERS WITH REGARD TO NATIVE TITLE	20
SUSCEPTIBLE TO DESTRUCTION	20
RECOGNITION OF NATIVE TITLE ACT 1993	21
VALIDATION OF PAST ACTS	<sup>21</sup> <sub>2</sub>

Intermediate acts Future acts	21 21
DOCTRINE OF ESTATES	22
ESTATES	22
FREEHOLD ESTATES	23
Fee Simple	23
LIFE ESTATE	24
FUTURE INTEREST	24
DOCTRINE OF EQUITABLE WASTE	25
CONTINGENT LEGAL REMAINDER INTEREST	25
CLR Rules	25
STATUTORY REQUIREMENTS FOR CREATION OF AN ESTATE	26
Nemo dat quod non habet rule	26
VESTED INTEREST AND CONTINGENT INTEREST (CB 229)	26
DETERMINABLE LIMITATION	27
Conditional interest (subsequent)	27
RULE AGAINST PERPETUITIES (LASTING FOREVER)	27
CLASS GIFTS	29
RESTRICTIONS ON THE RIGHT TO ALIENATE	29
Collateral purpose	30
Public policy	30
LEASES	30
Terminology	30
CHARACTER OF LEASE	30
DIFFERENT FORMS OF LEASES	31
FIXED TERM LEASE	31
PERIODIC TENANCY	31
TENANCY AT WILL	32
TENANCY AT SUFFERANCE	32
Equitable lease (not common law)	32
REQUIREMENTS FOR CREATION OF A LEASE	33
(A) STATUTORY FORMALITIES	33
(B) EXCLUSIVE POSSESSION	33
Radaich v Smith (1959) High Court	33
Street v Mountford [1985] AC 809 ( <b>Distinction</b> between lodger and tenant)	33
(c) Certain in duration	33
ASSIGNMENT AND SUBLEASE	34
Privity of estate	34
RIGHTS AND DUTIES OF THE PARTIES (COVENANTS)	35
(1) DUTY OF REASONABLE REPAIR BY LANDLORD	35
(2) DUTY TO EXERCISE REASONABLE CARE BY LANDLORD	35
(3) IMPLIED COVENANT TO PROVIDE TENANT WITH QUIET POSSESSION	36
(4) IMPLIED COVENANT OF NON-DEROGATION FROM GRANT BY LANDLORD	36
(5) IMPLIED COVENANT TO USE PREMISES IN A TENANT-LIKE MANNER BY TENANT	36
(6) IMPLIED DUTY BY TENANT NOT TO COMMIT WASTE	36
(7) IMPLIED DUTY OF TENANT TO YIELD UP POSSESSION AT THE END OF LEASE	37
EXPRESS CONTRACTUAL DUTIES	37
COVENANTS IMPLIED BY STATUTE	37
TERMINATION OF LEASE	37 37
A DECEMBER OF THE SECOND	3

Remedies	38
TERMINATION: FORFEITURE	38
Progressive Mailing House v Tabali Pty Ltd	39
Repudiation	39
Chan v Cresdon (Followed 'Progressive Mailing House')	40
EQUITABLE INTERESTS	40
TRUST (THE "USE")	40
DKLR Holdings Co Pty Ltd v Commissioner of Stamp Duties	41
Types of trusts	41
EXPRESS TRUST	41
Formality requirements for creation of an express trust	42
RESULTING TRUST	42
Calverley v Green (joint owners)	43
Presumption of advancement/gift	43
CONSTRUCTIVE TRUST	43
Institutional constructive trust	44
Institutional constructive trust: sale	44
OTHER EQUITABLE INTERESTS IN LAND	44
DOCTRINE OF PART PERFORMANCE	45
Mere equities	45
Proprietary character	46
EASEMENTS	46
CREATION OF EASEMENTS	47
1. Express grant and reservation	47
Equitable easement	48
2 (A) IMPLIED GRANT AND RESERVATION	48
2(B) NECESSITY	49
2(c) Common intention or Construction (unlikely)	49
2 (d) Continuous and apparent easements	49
Wheeldon v Burrows (easement to light)	50
Non-derogation principle	50
4. Prescription	50
Remedies	51
MODIFICATION OR EXTINGUISHMENT OF EASEMENTS	51
Profit à prende (right of taking)	53
RESTRICTIVE COVENANTS	<u>54</u>
NATURE OF RESTRICTIVE COVENANTS	54
(1) PASSING OF BENEFIT OF A RC UNDER COMMON LAW	55
TOUCH AND CONCERN AND INTENTION TO BIND	55
(2) PASSING OF THE BURDEN OF A RC IN EQUITY	56
1. RESTRICTIVE RATHER THAN POSITIVE IN NATURE	56
2/3 COVENANT MUST BENEFIT IDENTIFIABLE LAND	56
Clem Smith Nominees P/L v Farrelly (35km race track: Not "neighbourhood")	57
4/5 Intention to impose burden upon a knowing successor in title	57
(4) PASSING OF BENEFIT OF COVENANT IN EQUITY	57
ASSIGNMENT OF BENEFIT OF COVENANT AT COMMON LAW	58
S 134 PLA	58
ASSIGNMENT OF BENEFIT OF COVENANT IN EQUITY	58
BUILDING SCHEMES	<b>58</b>
	4

(A) RIGHT TO A SPECTACLE (VICTORIA PARK RACING V TAYLOR) (B) MORAL BOUNDARIES:	<b>75</b> <b>75</b> 5
RESOURCES INCAPABLE OF OWNERSHIP	<u>75</u>
NATURAL RESOURCES	
	<u>74</u> 74
RESOURCES OUTSIDE OF PRIVATE OWNERSHIP	74
VIRTUAL PROPERTY	74
NEW FORMS OF PROPERTY	<b>74</b>
Sources of Property Law	73
JUSTIFICATION OF PROPERTY	73
PRELIMINARY FINDINGS	73
(D) PROPERTY AS OBJECT OF PUBLIC LAW/HUMAN RIGHT	72
(C) PROPERTY DEFINED AS A RELATIONSHIP	71
(B) PROPERTY DEFINED WITH REFERENCE TO CONTENT (HONORE)	71
(A) THE FOLLOWING FEATURES CAN BE DEDUCED FROM BLACKSTONE'S DEFINITION:	70
PROPERTY CAN BE DEFINED:	70
CONCEPTS OF PROPERTY	70
DISCHARGE OF MORTGAGE	70
Manner in which sale must be conducted	69
(5) MORTGAGEE'S POWER OF SALE	68
(4) FORECLOSURE	68
(3) RIGHT TO POSSESSION	68
(1) RIGHT TO SUE FOR LOAN MONE! (2) RIGHT TO ALIENATE	67
(1) RIGHT TO SUE FOR LOAN MONEY	67
RIGHTS OF MORTGAGEE	67
(3) LEASES	66
(2) Possession	66
Clogs on equity of redemption	65
(1) EQUITY OF REDEMPTION	65
RIGHTS OF MORTGAGOR	65
4. MORTGAGE BY DEPOSIT OF TITLE DEEDS	64
3. SPECIFICALLY ENFORCEABLE AGREEMENT TO MORTGAGE	64
2. FORMAL MORTGAGE IMPROPERLY EXECUTED	64
1. Formal mortgage over equitable title	63
EQUITABLE MORTGAGES	<b>63</b>
TORRENS MORTGAGES FORMALITIES	<b>62</b>
REDEMPTION:	62 <b>62</b>
OLD TITLE MORTGAGE (UNCOMMON)	62
MORTGAGOR = (DEBTOR- BANK), MORTGAGEE = (CREDITOR-PERSON)	61
MORTGAGES	61
Remedies for infringement	61
Section 84 PLA (Vic): formulated in Stanhill Pty Ltd v Jackson	60
MODIFICATION AND EXTINGUISHMENT OF COVENANTS	<b>60</b>
BUILDING SCHEME RULES Small v Oliver & Saunders (Dev) Pty Ltd	59 60
Divi Divid doubled but no	۲O

Moore v Regents of Uni California	76
(c) Common heritage of mankind	76
DISTINCTION BETWEEN PROPERTY RIGHTS AND CONTRACTUAL RIGHTS	76
CONTRACTUAL RIGHT	76
PROPERTY RIGHT	76
LEASE & LICENCE	77
Cowell v Rosehill Racecourse Co Ltd (HK)	78
CLASSIFICATION OF PROPERTY	78
CLASSIFICATION ACCORDING TO NATURE	79
LEASES	79
AIR RIGHTS/TRANSFER DEVELOPMENT RIGHTS	80
CARBON SEQUESTRATION RIGHT	80

### **Possession**

- Components of possession = 'factual control' and 'intention to posses'
  - Appropriate level of physical control is required
- Possessor must be able to exclude others
  - Absolute power of control to the exclusion of others rather than temporary or fleeting control
    - Nature of control required depend upon nature of object and circumstances (dwelling, land, chattels)
- Summary of **methods** to acquire possession:
  - Consensual possession: sale, lease, gift or bequest etc.
  - –Misplaced/lost goods (finder)
  - Goods never previously possessed (discovery)
  - Stolen goods even wrongful possession is protected

#### Hierarchy of title

- Possession give rise to right to defend possession
  - Hierarchy of title:
    - -True owner has **proprietary** title
      - True owner has a **superior** claim to object than possessor
    - –Possessor has possessory title
      - –Possessor's title is enforceable against the whole world, except owner
    - Proprietary title is stronger than possessory title

## Scope of possessory title

- **Possessory title** is enforceable against the whole world except for the true owner:
  - Whereas, Proprietary title is enforceable against all the world (in rem)
- Possessory title is important when goods are found in absence of owner
  - o Hannah v Peel
    - Finder has superior title to lost property
- Dual nature of possessory title:
  - o Contains a present enforceable right upon possessor in physical control and

dormant right to enforce possession if wrongfully dispossessed (prior possessory title)

#### Possessory title of personal property

- Physical possession of personal property is **evidence** of title:
  - Person in possession is treated as owner save against someone with a better right to title
- Dispossessed holder has a right to **recover** chattel
  - Dispossessed holder must prove an absolute right to recover chattel from possessor
  - Problem where chattel is lost and later found by stranger

Finders Keepers Rule (CB 2.12)

- Armory v Delamirie
  - o Finder's prior possession enable him to hold it against all but the rightful owner
- The **owner** only has the right to recover goods from possessor
  - The owner out of possession who seeks to recover possession, must show an <u>absolute right</u>
  - If the possessor can show that a third party has a better right, the owner cannot recover

Waverley Borough Council v Fletcher

- Where the object becomes part of the land the owner of land is awarded the object over the finder
  - If goods are discovered on land belonging to a <u>third party</u> the finder can only acquire possession (and, therefore title,) if the third party did not manifest a clear intention to control all goods discovered on the land
    - Same principles apply to land which is a public open space

Perry v Clissold PC (CB 81)

- If possession confers a good title, enforceable against all the world, except for the owner, such title should be compensated where it is compulsory acquired (by the government)
- The right of the prior possessor over land will defeat those of subsequent, physical possessor