Property Law- Lecture and Chapter Notes

Week 1: Concept of Property	7
Introduction	7
What is property	7
Categories of Property	
History of Property	
Three dimensions to the concept of property	
1. Analytical Dimension	
Blackstonian Elements	
John Locks	
Jeremy Bentham	
Frank Snare	
Anthony Maurice Honoure	
Property as a relationship or a thing	
2. Philosophical Dimension	
1. Labour Theory of Property	
2. Utilitarianism Justifications for Private Property	
3. Economic Justification for Private Property	
4. Justice and Equality	
5. Women and Property	
6. Pluralist Approach	
7. Historical Changes	
3. Doctrinal Dimension	11
1. Property and Contract	11
2. Licences: Bare, Contractual or coupled with an interest	11
3. Property and Contract (Original Parties)	12
4. Property and Contract (Third Parties) Equity Intervening in Contractual Licences	12
Property and Indigenous Land Rights	
Property Rights and Rights of persons- Human/Civil Rights	
7. Body parts and Property Rights	14
8. Property Rights and Privacy	14
9. Illusory Property Theory	
10. Property and Information	
11. Property and Right to work	
12. Public and Private Property	15
Week 2: Fundamental property principles and native title	16
Fragmentation of proprietary interests	
1. Doctrine of Tenure	
Tenurial Pyramid Actors	
Doctrine of Tenure in NSW	
2. Doctrine of Estates	17
1. Freehold Estate	17
A) Fee simple	
B) Fee simple	
C) Life Estate	
2. Leasehold Interest	
3. Determinable and Conditional interests 4. Valid limitations and conditions	
4. Void limitations and conditions	
3. Native Title	
Principles of perceptionConnection to the land requirement	
Budle of Rights	
Native Title Evolving over time	
Native Title and Proprietary interests	
Extinguishment of Native Title	
Compensation	
4. Doctrine of Waste and Future Interests	
Doctrine of Waste	

Future interests	24
Week 3: Land, Fixtures, and Chattels	25
Introduction	
1. Land	
A) Airspace	26
Limits on airspace/Remedies	26
B) Subsoil	26
C) Boundaries of Land	
D) Protection of Property Interests in land	27
Trespass to land (Tort)	27
Statutory penalties	
Title to Sue and Recovery of Possession	
2. Fixtures: Boundaries between different types of property	
Introduction and Principle	
3. Chattels (A personal possession)= Boundaries between different types of property	
Doctrine of Accession	
Bailment	
Remedies- Actions in Torts	
1. Trespass	
2. Conversion	
3. Detinue	
4. Negligence	
6. Overlapping of remedies	
7. Jurs Tertii Defence	
Rights of Finders	
1. Finder vs Stranger	
2. Finder vs Employer	
3. Finder vs Occupier	
4. Abandonment	
Week 4- Common Law & Equitable Interests in Land	25
Contracts, Part Performance and Equitable Conversion	
Historical Introduction	
Deeds	
Legal Interests created by Parol or Conduct	35
Consensual transactions with proprietary interests- Legal and Equitable	35
1. Sale	
A) The Sale transaction- real property	35
B) Formal requirements for the contract for sale of goods	
C) The Equitable doctrine of part performance	
D) Equitable interests arising out of enforceable contracts	
1. The doctrine of conversion	
2. Risk of loss	38
3. Agreements to create or transfer of property right- Walsh v Lonsdale	
2. Gifts	
3. Express trust	39
Equitable Doctrines: Resulting trusts, Constructive Trusts and Estoppel	
1. Resulting Trusts 2. Constructive Trusts	
Constructive Trusts Acquisition of an interest in property by estoppel- Equity Estoppel	41 42
A) Proprietary estoppel	
B) Equitable Estoppel	
Trust and Domestic Relationships	
Week 5- Old System Title Priorities	
What is old system title	
Enforceability of legal interests in old system land 1. Earlier Legal Interest Vs a later legal interest	
Earlier Legal Interest Vs a later legal interest Earlier Legal interest Vs a later equitable interest (Equitable interest against legal interest)	
3. Earlier (Prior) equitable Vs a later legal interest	
Requirements for later legal interest to prevail	
4	3

1. Bona Fide purchaser for value- Test 1	49
2. Doctrine of Notice- Test 2	49
4. Earlier equitable Vs a later equitable interest (Prior Equitable interest against later equitable interest)	51
Week 6- Torrens Title and Indefeasibility	54
What is Torrens title	54
Principles of Torren	54
Registration of Torrens title	54
Conversion process	54
Torrens Register	54
Real Property Act 1900 (NSW) s 31B	54
Principles of TS- Systems by registration	55
Indefeasibility of title	55
Types of Indefeasibility	
1. Immediate indefeasibility	 55
2. Deferred indefeasibility	
Characteristics of indefeasibility	57
Ambit of indefeasibility	 57
Touches and concerns the land	57
Void instruments and indefeasibility	57
Indefeasibility in a void mortgage	5 <i>7</i>
All Money Clauses and Indefeasibility	5 <i>7</i> 58
Innocent Mortgager and Fraudulent Mortgager	58 58
Volunteers and Indefeasibility	59
Exceptions to Indefeasibility	
1. Fraud Exception	
2. Other estates or interests recorded in the folio	63
3. Prior folio recorded interests	
4. Omission or misdescription of easements	63
5. Omission or misdescription of profits a prendre	
6. Wrong description of parcels	
7. Short term tenancies	
8. Options to Review	63
Other Exceptions to Indefeasibility	64
1. Rights in personam (the 'personal equities exception')	
The requirement of an element of unconscionability	
2. Receipt of Trust Property	
3. Adverse possession	
4. Overriding statutes	
5. The Registrar-General correcting the register	
6. Possessory application	
Week 7- Caveats & Torrens Title Priorities	
Equitable interests and unregistered instruments	
Introduction	
What is a Caveat	
When will a caveat be lodged	
Real Property Act: Sections that explain the operation of caveats	
Exceptions to caveats freezing the Register	
Caveatable interest	
No a caveatable interest	
Removal of Caveats	
Extending Caveats Page viron ants for Caveats	
Requirements for Caveats	
Other circumstances where caveats may be used: More exceptional circumstances	
Priority disputes in Torrens system- Interests	69
Registered Interest v Registered Interest (registered interest= legal interest in old system)	
2. Unregistered interest v Registered interest (unregistered interest= Equitable interest in old system)	
3. Unregistered Interest v Unregistered interest	69

Priorities in Unregistered Interests	
1 Arming conduct	
2. Failure to caveat	
Stautory Protection for the Purchaser Between Settlement and Registration	
Successive effect" doctrine from Wilkes v Spooner [1911] 2 KB 473	
Torrens Assurance Fund	
RPA, s120	
Circumstances for Claim	76
Fraud and the Torrens Assurance Fund	
Torrens assurance fraud	
Interrelationship with other sections	77
Week 8- Strata Title	<i>78</i>
Strata Schemes	78
Different stages of setting up strata scheme:	
1. Initial Period	
2. Common Property	
3. Owners Corporation	
Management	
1. Maintenance & Repair of the common property	79
2. Managing the Finances of the Strata Scheme	
3. Taking Out Insurance for the Strata scheme	
4. Keeping Records and Accounts for the Strata Scheme	
By-Laws	
Dispute Resolution	80
Termination of Strata Schemes	
Week 8- Co-Ownership	01
1. Joint tenancy	
Two features:	81
The four unities. The following four unities must be present for a joint tenangue to exist.	
The four unities: The following four unities must be present for a joint tenancy to exist Joint tenancy distinguished from a tenancy in common	
2. Tenancy in common	
At Law	
In Equity	02
Business Partners Money advanced on a mortgage	82
Notice advanced on a mortgage Unequal contributions to the purchase price	
Statutory Reform	
Co-ownership and the Torrens system	
Severance of Joint Tenancy	
Severance by unilateral act- By unilateral act by a joint tenant acting on his or her own behalf	85
A) Alienation to another party B) a joint tenant may alienate the property to him or herself	05 85
C) a declaration of trust involving equitable assignment of property can sever a joint tenancy according	05
23(c)(1)(b) → Conveyancing Act, s 23C(1)(b).	
2. Severance by agreement- Mutual Agreement among tenants	85
Severance following a course of dealing - By course of dealing among the joint tenants:	
Severance by court order	
5. Severance following homicide - In cases of unlawful killing	86
6. Severance upon Bankruptcy	
Severance of Tenancy in Common	
Occupation Rent	
Compensation for improvements	
<mark>Week 9- Leases</mark>	
Introduction	89
The General law of Landlord and Tenant	89

rerminology	89
Creation of Leases	89
Substantive requirements	89
1. Certainty of duration – Fixed term tenancy	89
c) Periodic tenancies	90
d) Tenancies at will	
e) Tenancies at sufferance	
2. Grant of exclusive possession	
Exclusive possession- exceptions	
Formal requirements	
Torrens Title	92
Old System at Law	
Agreement for a lease	
Old System in Equity	
Types of Tenancies of Common Law	93
Periodic Tenancies	
Yearly periodic Tenancies	
Tenancy by Estoppel	94
Cocurrent leases	94
Reversionary leases Fixed-term tenancies	94 94
Fixed-term tenancies	94 95
Tenancies for life	95
Tenancy at Sufference	95
Tenancy at Sufferance	95
ovenants in Leases	96
Introduction	96
1. Covenants Implied at common law	96
A) Quiet Enjoyment	96
B) Obligation not to derogate from the grant of the lease	97
C) Implied Condition of fitness for habitation	97
E) The Obligation to repair	98
F) Duty to take reasonable care for the safety of occupants (Tort of Negligence)	98
G) Tenant's obligation to use the premises in a tenant like manner	
H) Tenant's obligation to yield up possession	98
2. Covenants Implied by statute	99
A) Statutory implied obligation on tenant to repair	99
B) Statutory implied right of landlord to inspect premises	99
C) Statutory implied right re-entry	99
3. Covenants by necessary implication	99
4. Miscellaneous covenants	99
Doctrine of waste	100
In the case of agricultural land, to cultivate in a husband-like manner	
5. Express covenants	100
1) Covenant to repair- duty to repair (Both landlord and tenant)	
Inherent Defects	
Measure of damages	
2) Covenant against assignment or subletting	
3) Covenant as to user	102
4) Covenant to pay rent	102
5) Option to renew	102
6. Enforceability of Covenants after assignment	
Privity of contract	
Privity of estate- assignment of the lease	
Sublease v Assignment	103
Privity of estate- assignment of the reversion	103
Covenants touching and concerning the land	
Who can sue or be sued for past breaches after assignment?	
7. Termination of leases	
8. Relief against forfeiture	105

ek 10 - Mortgages	107
The Secured loan transaction	107
When is a mortgage granted?	
How is a secured loan agreement structured	
How does the law achieve a balance between the mortgagor and the mortgagee	107
The Nature of mortgages	107
History- Old Mortgage	107
General law Mortgage	107
Mortgage today= Torrens System Mortgage (operates as a charge, not a transfer of title)	108
Description of mortgage- Characteristics of mortgage	108
Formal requirements	
Old system Mortgage	109
The Torrens system mortgage	110
Equitable mortgages	
Covenants in Mortgages	111
Remedies of the Mortgager - Equitable doctrines protecting the mortgager	111
1. Clogs on the equity of redemption	111
Penal provisions in mortgages under the National Credit Code	112
3. Collateral Advantage	112
4. Penalty clauses	114
5. Relationship Debt and Mortgage	114
Personal covenant	
Remedies of the mortgagee	115
1. Foreclosure	115
2. Discharge	116
3. Power of sale	
Statutory duty: notice to the mortgagor	
Sale to an associate or a related parties	118
Auction sales	118
Timing of sale	118
Equity Duty- Conduct of Sale	119
1.Without Negligence test	119
2. Good Faith Test	120
4. Market Value	120
5. Restraining the sale	121
6. Improper Exercise with a purchaser	121
Proceeds of Sale	122
Priorities	122
Tacking	122

Week 1: Concept of Property

Introduction

- Property law is more statute heavy compared to contracts- Conveyancing Act 1919 (NSW) and the Real Property Act 1900 (NSW).
- Property is concerned with 'rights' as opposed to 'things'.
- Property law is a part of private law governs the relationship between private individuals and is to be contrasted with public law, which governs the relationships between individuals and States, and between States.

What is property

- **Property**; relations between human beings, or more accurately about relations between persons in relation to things- Milirrpum v Nabalco (1971) 17 FLR 141- Property generally implies:
 - 1. The right to use or enjoy- property does not refer to a thing; it is a description of a legal relationship with a thing. Treated as a bundle of rights. Refers to the degree of power that is recognised in law as power permissibly exercised over the thing.
 - 2. The right to exclude others= It is a private right exercisable against the general public including the state
 - Example of public right: fish and navigate in an open sea
 - 3. The right to alienate
- Elements of property can be seen by examining the boundaries that property rights share with other classes of rights within the scheme of private law. Private law subdivided into two distinct categories:
 - 1) Property Rights
 - Property rights: are in rem (enforceable in respect of a thing)
 - Personal rights: are in personam (enforceable against a person)
 - 2) Obligations = Refers to the rights of persons against other persons that arise from certain events.
- Property Rights and contractual rights
 - o Property rights: are rights over things enforceable against other persons
 - Contractual rights: rights enforceable against particular persons

Categories of Property

- **Real property:** ownership of an immovable piece of land, typically a house, unit, apartment, farm or an empty plot. Assumed recognition that the owner has a real action in the restoration of the res (the thing) is an unlawful eviction
 - Land focused in this subject
- Personal property: a chattel that is typically movable and not involving land
 - Not involving land
- Intellectual property: intangible property, usually creative work
 - Not covering this (elective)
- Family or relationship property: all property in the context of a family relationship
 - o Property in the family context
 - o Some family property law matters

History of Property

- Blackstone was a leading jurist in his time and provided a definition to property:
 - "[Property is] that sole and despotic dominion which one man claims and exercises over the external things of the world, in total exclusion of the right of any other individual in the universe."
 - Property requires dominion
 - Held against something
 - Individual exercises control
- Margaret Davies 2007: disagrees with Blackstone, at least in regards to contemporary property law. Specifically, rejecting the individualism of the Blackstonian conception of property. She argues for a communitarian view of property which 'concerns individuals and communities: how they are formed, how they live together and how they use their resources'.

Three dimensions to the concept of property

- 1. Analytical- What is property
- 2. Philosophical- What is the jurisdiction for a particular regime of property rights
- 3. Doctrinal- What are the legal rules of property? (such as classification, definition, delimitation nation that makes property rights distinct)

1. Analytical Dimension

- The analytical dimension is concerned with the question "What is property"
- concerns the role of the government, the autonomy of the individual and the distribution of wealth. Human rights issues arise in property law.

Davis v Commonwealth (1988) 166 CLR 79

Facts

• Indigenous civil rights activists produced shirts bearing similarities to the official Commonwealth symbols of the Australian Bicentennial Authority with the words "200 years of suppression and depression". The Authority refused consent for Lou Davis to use the symbols.

Decision

• The High Court of Australia recognised the civil rights of Davis (namely freedom of expression in the Australian Constitution) over the property rights of the Authority under the Australian Bicentennial Act 1980 (Cth).

Comment: Commonwealth power over property can be subject to freedom of expression as civil rights according to the Australian Constitution.

- Implied right to the freedom of speech/expression.
- Property rights exist within the context of human rights
- Making a political comment is completely fine

Australian
Constitution, s
51(xxxi) states:

- 'The Parliament shall...make laws...with respect to: the acquisition of property on just terms from any State or person for any purpose in respect of which the Parliament has power to make laws."
- The Government can compulsorily acquire property but owners must be paid on just terms.(adequate compensation of the land)

Blackstonian Elements

Three Blackstonian elements- Blackstonian Definition

- **1. Dominion:** a legally authorised power, such as personal possession of chattels (e.g. book, phone, etc). This confers a right to use or enjoy. \rightarrow Sole and despotic dominion: rights exclusive to the property owner and has to be alienable
- 2. Exclusion: The *right to exclude* others from enjoying the same rights or interfering with property holders rights only you can own the property
- **3. External things:** This may be tangible (e.g. car) or intangible (e.g. copyright) with a *right to transfer or alienate* the thing \rightarrow based on the power of possession

Application of the Blackstonian Principle Application of Milirrpum v Facts: The Yolngu people from Yirrkala (Arnhem Land, Northern Territory) on the Gove peninsula Nabalco attempted to claim native title. the Blackstonian (1971) 17Decision: Blackburn J of the Supreme Court of the Northern Territory rejected the Applicant's claim. Principle FLR 141 Although there was a recognisable system of law, Blackburn J found that the Yolngu did not have a (Gove proprietary interest in the land, because the Blackstonian indicia was not present (spiritual connection Island Land did not fit into the traditional definition Rights case) Older people did not have a proprietary interest in the land Anglo view of property to deny native title This was overruled after the Mabo decision Per Blackburn J: "I think that property in its many forms, generally implies the right to use or enjoy, the right to exclude others, and the right to alienate." Comment: This was an early case on native title and the case was ultimately overturned in the 1992 Mabo decision. Definition of Yanner v The appellant was an Indigenous man who killed two crocodiles in a creek for his own right to use or **Eaton** consumption, contrary to the statute law. enjoy. The term property does not necessarily mean, full, exclusive or beneficial ownership. It is a degree of power that is recognised in law as power permissibly exercised over a thing. High Court of Australia found in favour of the appellant, as the statute did not cover absolute ownership of native animals but merely regulated hunting. They were influenced by Kevin Gray's illusion theory. Gummow J states, "property comprised legal relations not things, and those sets of legal relations need not be absolute or fixed." • _Endorsement of the bundle of rights theory.