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### 1. Claims of Reed against Linda

#### Waste

Life tenant's renovation of property constitutes waste impairing the interest of the remainderman and is liable for such waste to remainderman.

Here, Olivia bequeathed a life estate in her house to Linda(life tenant), leaving the remainder to Reed(remainderman). Linda is a life tenant of a house in Havenwood. After taking title, Linda cut down valuable mature trees and privacy hedges on the lot to make room for parking. Linda then obtained a construction permit to renovate the house and a license to operate her business. Linda's renovation reduced the space and significantly reduced value of the structure, constituting waste impairing Reed's interest.

Thus, Linda constituted waste on the property, impairing Reed's interest.

### 2. Remedies

Remainderman is entitled to injunction and compensation if life tenant's waste impaired his interest on the property.

#### Injunction

Remainderman is entitled to injunction to prevent life tenant from waste if the damage has not happened.

Here, Linda renovated the house, reducing the space and value of the house, Reed would have filed for injunction to stop such action of waste.

Thus, Reed is entitled to injunction if the waste has not been actualized.

#### Compensation

Remainderman is entitled to compensation for the value resulted by life tenant's waste if the waste has been actualized.

Here, Linda's renovation has already resulted in reduction of space and depreciation of the property. Reed is entitled to compensation for the waste. Linda is liable for compensating Reed for the depreciation of the house and reduction of space of the house.

Thus, Reed can claim compensation against Linda for the depreciation of the house and space reduction.

## II. Developer's Residential Deed Restrictions

### Real Covenant

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A valid real covenant requires: 1) restriction imposed signed by both parties 2) touch and concern the land 3) vertical and horizontal privies, 4) notice to subsequent grantee to restrict the land to certain use.

Here, Developer(grantor) of Havenwood conveyed each lot, including Olivia's(grantee), by a recorded deed stating that the conveyance was for 'residential purposes.' (restriction). It is a covenant between developer(grantor) and Olivia(grantee), executed in a deed(signed by both parties), touch and concern Havenwood house, horizontal privies between Developer and Olivia, vertical between Olivia(grantor) and Linda(grantee), all elements of real covenant have been satisfied.

Thus, Developer's residential deed restrictions are validly established.

### III. Nancy's Claim Against Linda

#### Violation of Real Covenant

Linda as the grantee of Havenwood house conveyed by Olivia is bound by the restriction covenant between Developer and Olivia. Because it is recorded in the deed. Linda has notice. Other parties of the real covenant are entitled to enforce the real covenant.

Here, Nancy is a party of the real covenant of Havenwood house conveyed by Developer, and entitled to enforce the real covenant. When Linda violated the covenant by changing the house to operate business other than the restricted use of residential purpose, Nancy is entitled to sue against Linda to enforce the covenant. Linda may argue that five other businesses have been operating out of five homes in the subdivision for over 10 years with no prior complaint from Nancy and other lot owners. But this argument will fail because Nancy's failure to initiate claim against previous violation does not automatically forfeit her right to claim against Linda for violation.

Thus, Nancy will likely succeed in her claim against Linda.

Question #1 Final Word Count = 556

**END OF EXAM**