

**COMMON EXAMINATION FOR HOUSE AGENTS**

**PAPER 1**

**LAW OF REAL PROPERTY**

Monday, 5 January 2009

2 ½ hours

100 marks

**Instructions :**

1. Answer any **5 (FIVE)** out of 8 questions  
(You must not provide answers to more than 5 questions.)
2. Each question carries 20 marks only.

**Failure to comply with the above instructions may result in loss of marks.**

**Question 1**

Each part of this question carries two (2) marks. You are required to indicate clearly the most appropriate answer for each part of the question in the answer script. No marks will be given if the answer is not clearly indicated. If more than one answer is given to any part, no marks will be awarded for that part.

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**(I) Under the Residential Property Act, a “foreign person” means any person who is not any of the following:**

- (A) Singapore citizen or Singapore company.
- (B) Singapore limited liability partnership; or
- (C) Singapore society.
- (D) All the above

**(II) New Certificates of Title are issued:**

- (A) When land is subdivided.
- (B) When land is amalgamated.
- (C) When land is owned by joint tenants.
- (D) (A) and (B).

**(III) (a) Singapore is divided into 64 survey districts known as Mukim or Town Subdivision. (b) There are 34 Mukim survey districts and 30 Town Subdivisions survey districts.**

- (A) Both statements (a) and (b) are true.
- (B) Both statements (a) and (b) are false.
- (C) Only statement (a) is true.
- (D) Only statement (b) is true.

(IV) (a) State properties are let out by tender by the Urban Redevelopment Authority. (b) State properties can be rented based on Tenancy Agreements or alternatively, Temporary Occupation Licences may be issued.

- (A) Both statements (a) and (b) are true.
- (B) Both statements (a) and (b) are false.
- (C) Only statement (a) is true.
- (D) Only statement (b) is true. ✓

(V) The following is part of the planning framework in Singapore:

- (A) The State Lands Act.
- (B) The Planning Act.
- (C) The Master Plan and Concept Plan.
- (D) (B) and (C).

(VI) James is buying a HDB flat. Which statement/s is/are TRUE?

- (A) He has to pay property tax from the date he signs the contract of sale and purchase.
- (B) URA will subsequently send him a Valuation Notice to him to inform him about the Property Tax assessment for the flat.
- (C) The Property Tax payable is calculated based on a percentage of the stamp duty.
- (D) None of the above

**(VII) (a) The Temporary Occupation Licence is a lease for the temporary use of State land and buildings for a short fixed term or on a monthly or yearly renewable basis and licensees may use the properties for any purpose they wish. (b) A Tenancy Agreement entitles interested parties to rent State land and properties for a fixed, longer period, up to a maximum of 5 years for each term.**

- (A) Both statements (a) and (b) are true.
- (B) Both statements (a) and (b) are false.
- (C) Only statement (a) is true.
- (D) Only statement (b) is true.

**(VIII) In a landlord / tenant relationship there exists:**

- (A) Privity of contract.
- (B) Privity of tort.
- (C) Vicarious Liability.
- (D) An agency relationship.

**(IX) Strata properties in Singapore are directly governed by:**

- (A) The Strata Titles Boards Act.
- (B) The Land Titles (Strata) Act.
- (C) The Building Maintenance and Strata Management Act.
- (D) (B) and (C).

**(X) The veil of incorporation refers to:**

- (A) The joint liability of partners.
- (B) The liability of company directors for their company's actions.
- (C) The separate legal entity of the company from its shareholders.
- (D) None of the above.

**(20 marks)**

**Question 2**

**Write short notes on the following :**

- (a) Pure economic loss. (5 marks)
- (b) Common property in strata developments. (5 marks)
- (c) Types of agency. (5 marks)
- (d) Trespass. (5 marks)

**Question 3**

Your client Mr Tan Ah Bah has agreed to purchase a property at No. 5 Rose Lane. He is told that several “searches” about the property need to be made prior to legal completion.

Explain to Mr Tan:

- a) How the searches are done (8 marks);
- b) SIX types of requisitions that need to be obtained and their significance (12 marks).

**Question 4**

With the current downturn in the property market, Mr Jimmy Ong your client, is trying to make a decision between buying a property, or renting it to carry out his interior design business. One of the items he is unsure about is the stamp duty payable.

Explain to Mr Jimmy Ong the rate, and amount of stamp duty in the following cases:

- a) Where the property he is interested in costs \$1 million. (4 marks)
- b) Where he has to take up a mortgage of \$500 000 for the purchase of the above property. (4 marks)
- c) If the property was being leased to him instead for a period of two years at 3 000 per month? (4 marks)
- d) Would it make a difference if Mr Jimmy Ong signed a lease for more than three years? (4 marks)
- e) If he paid the owner of the property who is his brother, a token sum of \$80 a month. (4 marks)

duplicate

**Question 5**

Jean Lim bought a HDB flat in November 2008. She seeks your advice on the following:

- (a) How is the property tax on her flat calculated and what is this based on? (8 marks)
- (b) How much property tax must she pay if she is residing in the flat, and is she eligible for any rebates? (8 marks)
- (c) If Jean is allowed to let out the entire flat, how much property tax must she pay? (4 marks)

**Question 6**

Amy is the registered proprietor of a strata unit. Her sister Betty returned to Singapore in 2006 after having worked and lived abroad for the past 10 years and has no place to stay. Amy told Betty that she was welcome to stay in her apartment for as long as she wants so long as she paid Amy \$800 per month. Betty moves in with Amy. In 2008, Amy wanted to move to a bigger place and put up her unit for sale. However Betty does not want to move as her workplace is very nearby. In the meantime, Amy put up the unit for sale.

Your client Casey is interested to purchase this unit and Amy has granted him an option to purchase.

Casey seeks your advice on the following matters:

- (a) Discuss with reasons whether Betty has any rights in relation to Amy's apartment? (10 marks)
- (b) What is the nature of the "option to purchase" for Casey, and what are Amy's and Casey's respective rights / obligations? (10 marks)

**Question 7**

Robin Lim grants you exclusive rights to sell his strata unit at Beauty Mansions where all the units have the same share value. He informs you that the development is slated for an enbloc sale. From your inquiries, you note that Robin co-owns the property equally with his wife Sandy.

You have found an interested buyer, Lily who asks you to explain the following:

- (a) "Exclusive right" to sell. (5 marks)
- (b) What is an enbloc sale? (5 marks)
- (c) TWO implications of a strata owner's share value. (6 marks)
- (d) What type of co-ownership exists between Robin and Sandy and what are the different types of co-ownership? (4 marks)

*occupy  
COC**concession**concessionary**severance  
severance*

**Question 8**

Each part of this question carries two (2) marks. You are required to indicate clearly the most appropriate answer for each part of the question in the answer script. No marks will be given if the answer is not clearly indicated. If more than one answer is given to any part, no marks will be awarded for that part.

**(I) The following is currently applicable in Singapore:**

- (A) Master Plan 2003.
- ☒ (B) Master Plan 2008.
- (C) Development Guide Plans.
- (D) Concept Plan 2000.

**(II) Which statement/s is/are FALSE?**

- (A) Property tax is a tax on both real and personal property.
- (B) Only selected owners of immovable property worth more than \$500 000 are liable to pay property tax.
- (C) Property tax is payable twice yearly.
- (D) All the above.

**(III) In a limited liability partnership:**

- (A) There must be less than 12 partners.
- (B) Only half the partners face liability for each others actions.
- (C) Only the Managing Partner is responsible for the wrongful acts of his partners.
- (D) None of the above

**(IV) (a) The annual value of a property is 10% the annual rent that the property can fetch if it is rented out. (b) The annual value of a property is the rent that the property fetches when it is rented out.**

(A) Both statements (a) and (b) are true.

(B) Both statements (a) and (b) are false.

(C) Only statement (a) is true.

(D) Only statement (b) is true.

**(V) Where a 12-year old strata development has obtained 80% majority to proceed with an enbloc sale, a strata unit owner who is against the sale can:**

(A) File an objection at the High Court.

(B) File an objection at the Strata Titles Board.

(C) File an objection at the Land Acquisition (Appeals) Board.

(D) Cannot object to the sale as he is a minority and will be forced to sell.

**(VI) The current system of land registration in Singapore is governed by:**

(A) The State Lands Act.

(B) The Land Titles Act.

(C) The Planning Act.

(D) The Land Acquisition Act.



**(VII) (a) Whenever something is fixed to the land, it becomes part of the land. (b) A fixture is something that cannot be dismantled and removed from the land.**

- (A) Both statements (a) and (b) are true.
- (B) Both statements (a) and (b) are false.
- (C) Only statement (a) is true.
- (D) Only statement (b) is true

**(VIII) Which statement/s is/are TRUE:**

- (A) The only remedy for nuisance is injunction.
- (B) The only remedy for negligence is damages.
- (C) In a nuisance action, the remedies available include injunction and damages.
- (D) (A) and (B).

**(IX) According to the Land Acquisition Act, compensation to the aggrieved landowner is based on:**

- (A) Current market value.
- (B) The value as at 1/1/1995.
- (C) The value as at 1/1/1995 as well as severance damage and injurious affection.
- (D) None of the above.

**(X) The Boundaries and Survey Maps Act provides for:**

- (A) The appointment, powers and duties of the Chief Surveyor.
- (B) The marking and surveying of lot boundaries.
- (C) Publishing and maintaining survey maps in manual and electronic forms; and, establishing a coordinated cadastre.
- (D) All the above.

**(20 marks)**