

## Principles of Law and Economics for the Built Environment

### 23CVA121

Semester 2 2024

In-Person Exam Paper

This examination is to take place in-person at a central University venue under exam conditions. The standard length of time for this paper is **2 hours**.

You will not be able to leave the exam hall for the first 30 or final 15 minutes of your exam. Your invigilator will collect your exam paper when you have finished.

#### Help during the exam

Invigilators are not able to answer queries about the content of your exam paper. Instead, please make a note of your query in your answer script to be considered during the marking process.

If you feel unwell, please raise your hand so that an invigilator can assist you.

You may **not** use a calculator for this exam.

THIS PAPER COMPRISES **PART A** AND **PART B**.

Answer **TWO QUESTIONS** in **PART A**.

Answer **TWO QUESTIONS** in **PART B**.

Please use a separate answer book for each part. Print **PART A** or **PART B** on the front of the applicable answer books.

All questions carry equal marks.

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**PART A**  
(Answer **TWO** questions)

1.   a)   Describe and compare the relationship between common law, equity and statute law.[20 marks]  
  
      b)   Describe and explain the doctrine of precedent.[5 marks]
  
2.   a)   Explain what is meant by the “neighbour principle”.[12 marks]  
  
      b)   Discuss the distinction between an offer and an invitation to treat using relevant case law to illustrate your discussion.[13 marks]
  
3.   a)   Define, in law, what is meant by land.[7 marks]  
  
      b)   Explain the difference between fixtures and chattels in relation to land purchase using relevant case law.[6 marks]  
  
      c)   State whether the following items are likely to be considered fixtures and therefore deemed to be included in a sale of a property and why:  
  
          (i)   a white marble statue of a Greek athlete weighing 500kg and standing on a plinth.[4 marks]  
  
          (ii)   a large glass chandelier, suspended from a ceiling by a chain, that is designed to complement other features of the dining room.[4 marks]  
  
          (iii)   electrical white goods slotted into standard holes in a fitted kitchen that can just slide in and out.[4 marks]

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**PART B**  
(Answer **TWO** questions)

4. With the use of suitable diagrams:

- a) Describe the three different ways a firm's costs can be measured in the short term.  
[7 marks]
- b) Describe the three different ways a firms' production can be measured in the short term.  
[7 marks]
- c) Explain the relationship between a firm's short-term average cost and long-term average cost curves.  
[11 marks]

5. With the use of suitable diagrams:

- a) Explain how a firm operating in a perfectly competitive market can identify the output level which maximises profits.  
[7 marks]
- b) Describe why a firm operating in a perfectly competitive market may continue to operate in the short-run when making an economic loss.  
[7 marks]
- c) Explain how a permanent increase in demand in a perfectly competitive market could lead to firms receiving economic profits in the short-term followed by normal profit in the long-term.  
[11 marks]

6. With the use of suitable diagrams:

- a) Illustrate a typical demand curve for a good and explain what factors lead to its structure.  
[5 marks]
- b) Explain the differences between a movement along the demand curve and a shift of the demand curve for a good.  
[10 marks]
- c) Describe what excess demand in a market is and how a movement towards equilibrium will occur.  
[10 marks]

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