

Business law essay



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There is a bilateral mistake in the contract, and therefore the contract is invalid. When both parties are mistaken about a fact that goes to the heart of the contract, then either party has the option to avoid the contract. The landlord attempts to force Raff to get rid of his dog under the pet clause.

However, this pet clause is invalid due to a bilateral mistake on understanding the term “bulldog.” When discussing whether a bulldog is allowed in the apartment, Raff was thinking of his English bulldog and his landlord was thinking of a French bulldog. This mistaken fact grants Raff power to void the pet clause. There are some similarities between Raffia’s case and some previous cases in which the court rules the contracts to be invalid due to bilateral mistakes. In *Raffles*, the court makes it clear that the contract is avoidable if both parties are mistaken about a key term in the contract. When making the contract, the defendant meant one “Peerless” and the plaintiff another. There was no agreement on the same issue, and therefore there is no binding contract’.

In Raffia’s case, both parties attempt to make an agreement on what are the exceptions in the pet clause, which is the key of this contract. To some extent, it can be interpreted that part of the pet clause mentions the allowance of bulldogs. However, the two parties are not thinking of the same bulldog; Raff was thinking of an English bulldog and the landlord thinking of a French bulldog.

Similar to how the two ships both have the name of “Peerless,” the two types of dogs also share the name, bulldog, which causes confusions. There is clearly a bilateral mistake in this case. Based on the previous ruling, the

court is likely to rule the pet clause invalid and allow Raff to keep his dog. The landlord might oppose this argument by claiming that Raff knew he has made mistake on believing that Raff was talking about a little French bulldog. The landlord might argue that it is a unilateral mistake in their oral agreement on allowing Raff to have his bulldog in the apartment. If this is the case, this agreement is avoidable to the landlord.

However, there is an obvious distinction between this case and some previous cases. In *Donovan*, the contract is not enforceable because the plaintiff knows about the fair market price for the car and intends to take advantage of the dealer's honest mistake". However, in this case, Raff has no intention to take advantage of his landlord's mistake. There is no clear definition what a large dog is. It is not likely that Raff is aware of the mistake his landlord when talking about bulldog.

One could argue that Raff might not consider an E bulldog a large dog. In this way, it is not reasonable to assume that Raff has take advantage of his landlord's mistake. Also, this situation fits more into the cater bilateral mistake, which will then make the contract invalid. Based on promissory estoppels, Raff should be allowed to keep his dog The doctrine of promissory estoppels can also be applied to help Raff gain the to keep his dog in the apartment.

It can be argued that Raff has reasonably reel his landlord's promise that a bulldog is allowed in the apartment. When his lan tries to force Raff to get rid of his dog under the pet clause, he has broken a pr that Raff relies on. This breach of promise causes Raff to suffer certain damage. Therefore, Raff

reserves the right to sue under promissory estoppels to demand enforcement to keep the promise. Based on the adoption of promissory estoppels defined in Hoffman, this doc can also be successfully used in this conflict between Raff and his landlord. In Hoffman, the court makes it clear that it must be a promise that the promissory s seasonably expect to induce action or forbearance of a definite and substantial character on the part of the promise; the promise induces such action or forbearance; injustice can be avoided only by enforcement of the promise. Landlord's promise of allowing Raffia's dog in the apartment induces Raffia's action signing the lease and later bringing the dog to the apartment. It is reasonable to rely on this promise because the landlord has more knowledge about the el The breach of this promise obviously brings injustice to Raff.

If this promise ha been made, Raff would not sign the lease and would not have to pay a boarding or his dog. Without the enforcement of the promise, Raff has to pay a fee that be avoided and has to spend extra time on looking for a new apartment. Similar how the court favors Hoffman in the previous case, the court is likely to enforce promise to give Raff Justice, which is to allow him to keep his dog. However, this approach has a weakness that the landlord can take advantage This promise is not written into the lease that both parties sign, and there is a disclaimer to exclude any agreements made before or after this lease is signed not written into it in the contract. Therefore, the landlord will impose a defense oral evidence rule. He will demand Raff to perform according to all the agree in the lease.

In Yucca, the court dismisses the plaintiffs complaint because “ the evidence rule bars the admission of any evidence of previous oral or written

negotiations or agreements entered into between the parties concerning the Sibyls'. It seems that similar ruling will happen in Raffia's case, but a major difference between Raffia's case and Yucca must be noticed. In Yucca, all terms in contract are clearly defined. In Raffia's case, the contract contains some ambiguity term "big dog" is very ambiguous because there is no universal standard. Since written agreement is ambiguous, outside evidence is admissible to explain the meaning of the written contract. In other words, the oral agreement on whether a bulldog is allowed can be introduced. Raff can recover the boarding fee under promissory estoppels. Raff can recover the entire boarding fee from his landlord if he depends upon promissory estoppels. According to promissory estoppels, Raff should be awarded reliance damages under the estoppels that protects a party's reasonable and detrimental reliance upon a promise.

This case can easily be aliened from the previous case of Hoffman. In Hoffman, the plaintiff is rewarded with the loss from change of position. More specifically, the plaintiff can recover the moving expense because "The \$140 moving expense would not have been incurred if plaintiffs had not sold their bakery building in Without in reliance upon defendants' promises.

" Here, Raff is in a similar situation, and therefore the same logic can be applied here. The 60 dollar per day boarding fee would not have been incurred if Raff had not brought his dog to the apartment in reliance upon his landlord's promise that bulldog is allowed in the apartment. As discussed previously, it is reasonable for Raff to believe in his landlord's words and rely on this promise. Also, this boarding fee can be avoided if his landlord does not break this promise.

The boarding fee is a detrimental damage for Raff, and it should be recovered. On the other hand, if Raff depends on the doctrine of mistake to keep his dog in the apartment, he is not able to demand a recover of his boarding fee. When a contract is avoided due to mistake, rescission and restitution should be the proper equitable remedy applied. Following the ruling of Raffles, Raff is likely to win the right o keep his dog but might not be able to recover his loss. In Raffles, the court only rules to end the contract because neither party gains any unfair enrichment from the mistake. This is also the case in Raffia's situation. It is very likely for the court to rule that the pet clause is invalid.

It should be noticed that although the boarding fee Raff has to pay for his dog is a loss, he suffered from the mistake. Also, the landlord does not gain any additional benefit from this loss because money is not directly paid to the landlord. Since this loss is not an unfair enrichment for the landlord, the landlord as no obligation to help Raff recover this loss. Ruling in favor of Raff can make the lease more complex The court is very likely to rule that Raff has the right to keep his dog in the apartment. There is a higher possibility to win the case by arguing that the bilateral mistake in the contract makes it invalid. If this is the case, Raff can keep his dog but will not be able to recover the boarding fee. There is relatively a lower possibility to win the case by arguing that promissory estoppels should enforce the landlord's promise to allow Raffia's dog in the apartment.