

**Contracts**  
**Fall 2003**  
**Section 5**

**Practice Exam**

**Instructions**

This practice exam lasts one hour and is entirely open book. At the end of the practice exam (2:10), please give these questions and the blue books to Amanda Bibb. Use one blue book for each question. If you do not have time to finish both questions (which is entirely possible), outline your answers as much as possible for the other question. Assume that the Restatement (Second) of Contracts is law in this jurisdiction.

**Question one**

Smith and Golding are negotiating the sale of Smith's house to Golding, where Smith raised his family. Golding has just moved into town with her family from Vermont, is living at a hotel, and needs a house very soon to accommodate her, her close-knit family and an exceptionally large collection of hockey equipment. She has told Smith all of this. She likes Smith's house, especially the large porch swing on the front porch where she can sit with her family and talk at length about hockey.

On February 20, Golding offers to buy the house for \$115,000 on the usual terms, fixtures to remain with the house. After a few minutes of conversation, Smith has to leave for another appointment that Golding knows about. As Smith leaves, Golding says, "I know you can't decide now, but please let me know just as soon as you can. It's really urgent that we find a place." On February 25, Smith calls Golding and leaves the following message: "I accept your offer, but I'd appreciate it if it I could take the entire porch swing apparatus where I used to sit with my kids." In the meantime, Golding has seen another house she also very much likes, though she hasn't made an offer on that house yet. Golding comes to you and says, "Just tell me straight – is the house mine, or not, and if it is, on what terms?"

**Question two**

Simpson wants urgently to sell his books for \$200. Barton is interested. Simpson is going out of town that weekend and wants to have a buyer as soon as possible. He says to Barton, "Let me know by Saturday morning or just come by with your money and pick up the stuff if I'm gone, but let me know by cellphone what's going on." Barton is delayed, doesn't have a chance to call Simpson, shows up at 11:45 Saturday morning with the money, and picks up the books. Over the weekend, not knowing that Barton has picked up the books and left the money, Simpson receives a promise from Tim to buy the books at \$300. When he returns he calls you and asks whether he can get the books back from Barton and sell them to Tim.