

# Yaxley v Gotts [2000]

## Evidence

The plaintiff, Yaxley, made a parol contract with the accused that Yaxley would renovate and convert the house of the accused into flats. The defendant obliged to give Yaxley a ground floor flat for this service. Instead, the accused made his son buy the property and refused to give the ground floor flat into the ownership to Yaxley, refusing that any parol contract had been made.

## Problematics

The accused claimed that the parol contract did not comply with s.2 of the Law of Property (Miscellaneous Provisions) Act 1989 that required all contracts for land to be conducted in writing. The accused also claimed that the demurrer was inappropriate.

## Resolution

The Court of Appeal delivered a judgement in favor of the plaintiff. Under s.2(5) of the 1989 Act, constructive trusts of land do not have to be concluded exclusively in writing. Where there is a demurrer, there is a constructive trust. According to Walker LJ, a demurrer cannot outsmart a statute. The agreement did not need to be written and was also valid. According to Beldam LJ, however, public policy considerations were insufficient to prevent a claim of a demurrer. Thus, the latter was the correct choice despite s.2(5) of the 1989 Act. The court ruled to give Yaxley a 99-year lease or any other reciprocal sum to satisfy the interest of the plaintiff.