**Review Case Answers**

**Chapter 18**

**1.** *Issue:* Was the tenant discharged from the contract due to impossibility? Contracts are discharged by objective impossibility due to destruction of specific, unique subject matter, a change of law, or the death or disability of a party to a personal services contract. ,*Decision:* The tenant was not discharged from the contract. Discharge by impossibility is not granted for an unexpected increased burden or cost in the contract. Although it may be much less profitable, it is not impossible for the tenant to operate the trailer park. Connecting to the public sewer system significantly increases the tenant’s cost to operate the park, but this was a risk he took when he leased the park. The tenant knew the septic system was not connected to the public sewer, had an opportunity to inspect the property, and did not receive any guarantee from the landlord about the system.

**2.** *Issue:* Was the contract discharged by impossibility? Contracts are discharged by objective impossibility due to destruction of specific, unique subject matter, a change of law, or the death or disability of a party to a personal services contract. *Decision:* No. The contract was not discharged by impossibility. Although the boathouse and gift shop were destroyed, Grant can still operate the parks. There are other facilities Grant can use, or he could rent vending carts to replace the destroyed facilities. The city cannot discharge the contract just because the agreement is less profitable than it expected.