Civil Code and Related Subjects: Lease

J. Denson Smith
aspects, since it sometimes places utilities commissions in the position of having to resist the influx of too much venture capital into the industry because of its relatively greater costliness, whereas such an influx, from the standpoint of financial regulation generally, has been regarded as a healthy development.

Civil Code and Related Subjects

LEASE

J. Denson Smith*

Only two cases reached the court for the adjudication of problems involving ordinary leases. The question of whether a verbal lease of a filling station to a lessee "as long as he wanted it, provided he ran it right" was within the purview of Louisiana Civil Code Article 2685 as one entered into "without fixing its duration" was answered in the affirmative in Herring v. Breedlove. The lessee's suit for damages was dismissed. In another case, Probst v. Nobles the court held that a reduction of rent ordered by the housing expediter did not have the effect of terminating the lease. This conclusion was supported by the proposition that when the parties entered into the lease contract they were chargeable with knowledge of the provisions of the Housing and Rent Act then in force. The fixing of the rent by the housing expediter was therefore contemplated by them as a matter of law. The case was remanded for a determination of the question as to whether the lease contract had been violated by sub-leasing.

11. For a development of this problem, see New England Tel. & Tel. Co. v. Department of Public Utilities, 97 N.E. 2d 509 (Mass. 1951).


* Professor of Law, Louisiana State University.

1. 222 La. 1088, 64 So. 2d 441 (1953).

2. 66 So. 2d 609 (La. 1953).