

Case brief

Lonergan v. Skolnick

Parties of this case were Lonergan and Skolnick. Skolnick moved from Los Angeles to New York. He decided to buy his real property (about 40 acres of land) in Los Angeles.

In March 1954 he gave an ad into Los Angeles newspaper. A few days ago Skolnick received a letter from Lonergan with some questions about the ad. He answered how to find that land, described it and wrote that the lowest price of that land is 2,500 dollars. Lonergan wrote that he could find the land and he saw it and if the bank agreed with escrow agent in the case of buying it. One day later, on April 8th, Skolnick answered Lonergan that he should quickly decide if he wanted to buy that real estate because it seemed there is another buyer within a week. On April 14th Lonergan contacted Skolnick that he accepted the offer. But Skolnick answered he sold that land on April 12th.

Lonergan took an action for the breach of contract but the Court ruled in favour of Skolnick.

The issue of this case is if there must be a manifestation of intent and if the contract became enforceable.

The plaintiff appealed to the Court of Appeal. The Court ruled that no contract was created between parties because one of essential elements missed - mutual agreement. The seller wanted to sell his property to everyone who wanted to buy it. That is why wrong to think the contract was created because the plaintiff should know it was not an offer and its acceptance. And the defendant told the plaintiff he must act quickly. It shows that the defendant intended to sell his property to the first buyer.

The Court of Appeal affirmed the judgement of the First Degree Court.