Julie Alarcon

Professor

Law and International Law

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A contract for the purchase and sale of 2008 Aston Martin

A contract entails a written or verbal agreement entered by two parties with an intent of exchange of a product or service (Jean). Bob and John made a bilateral contract. This contract is characterized by both parties agreeing to fulfill their side of the bargain. This is the most common contract and each party is both an obligor to his promise and an obligee on the other party’s promise. John agrees to surrender the car to Bob if Bob makes a payment of $150,000. Bob agrees to pay the amount of money in exchange for the car.

The agreement between Bob and John is legally binding because it contains elements that form a legal a contract. These elements include an offer, acceptance, consideration, parties’ capacity and legal object (Jean).

An offer is a specification of the provisions of a contract. A legal contract must contain an offer with details of what one party provides to another. On the other hand, the other party must accept the terms of the offer. In the contract between Bob and John, Bob offered to purchase John’s 2008 Aston Martin automobile by a written letter. Bob offered to pay $ 150,000 in exchange for the 2008 Aston Martin. John accepted the terms and placed his written response accepting the offer in the mail.

A consideration is a monetary value exchanged for an offer. However, some contract consideration entails any right, interest or benefit. Consideration is based on the sound judgment of both parties in a contract. The consideration between Bob and John was the offer of $ 150,000 in exchange for John’s 2008 Aston Martin.

The capacity of parties is indicated by age and mental competence (Jean). The law assumes that parties aged 18 years and above are adults capable of engaging in a contract. The parties must also understand the legal implications of a contract. Bob and John demonstrated the capacity of parties by sending the agreement in the mail. Moreover, when John made an additional verbal agreement and demanded an increase of the offer from $150,000 to 160,000, Bob disagreed and told John that they had a binding contract for the sale of the 2008 Aston Martin for $150,000.

The contract between Bob and John contains a legal object. The contract was enforceable because both agreed to exchange a 2008 Aston Martin for a value of $ 150,000. Both parties had the intention of fulfilling the promises they made to each other. The question of the legal object is not clear as we are told that the car initially belonged to Sean Connery. Bob should have inquired from John whether the transfer of the car was complete. Otherwise, the contract would become null and void.

The twist in the contract between Bob and John arose when John placed a demand for extra money. When John sent his acceptance letter to Bob, he called him and advised that he had changed his mind and would only accept $160,000 for the car, not the $150,000 he agreed to in his acceptance letter. Bob agreed on the telephone to John’s counter offer. Three days later, Bob called John and advised him that they had a binding contract and he would pay $150,000. The big question is whether Bob breached the contract?

The additional verbal contract between John and Bob is legally binding. The agreement depicts the legal elements of a contract. John offered to increase the monetary value of the car from $150,000 to $ 160,000. Bob accepted the offer and agreed to pay the extra amount. Moreover, there was a consideration as the amount agreed upon was $160,000. Both parties, agreed freely, without coercion, duress, misrepresentation of facts, or undue influence to change the amount from $150,000 to $160,000.

Therefore, Bob breached the contract between him and John. This was an anticipatory breach of contract. This is because the breach occurred before the contract was executed. Bob denied to perform his promise and signified his unwillingness to honor the contract after receiving the contract from John. Bob expressed his unwillingness to perform through telephone communication between him and John.

However, it is important to note that John might find it hard to prove the existence and terms of the additional verbal contract between him and Bob. Without a written agreement, it is John’s word against Bob’s. John should have followed up the verbal agreement by an email or a letter to confirm the agreed terms. On the other hand, maybe Bob agreed to pay $160,000 without properly pondering over the details and consequences of the additional information to the initial contract.

Bob can argue his case by applying the parole evidence rule. This rule bars a party from subtracting or adding, varying or contradicting a written argument between two parties. The parole evidence rule affirms that verbal terms made before a written contract do not change the legal implication of the written contract. If John decides to seek legal redress, Bob can argue in court that the parties are bound by the written contract, the court will likely hold the parties to their written obligations.

This scenario emphasizes the need to avoid verbal agreements. Agreements should be written down. In case of a verbal agreement, this should be followed up by a letter or an email detailing the terms and conditions of the agreement. Seek legal advice before making any kind of contract.

Works Cited Page

Jean Murray. The Basics of Business Contracts and Agreements. Small Business, 29 Aug. 2019,

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