

Chapter 3

Estates and Future Interests

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Student Slides

C. Future Interests (p. 168)

- *Held by grantor or grantee?*
- *Wait patiently (for natural end of FT, LE, or TOY) or divest?*
- *Condition precedent or unascertained taker?*
- *Condition subsequent?*
- *Class gift?*
- *Anything retained by O (or T)?*

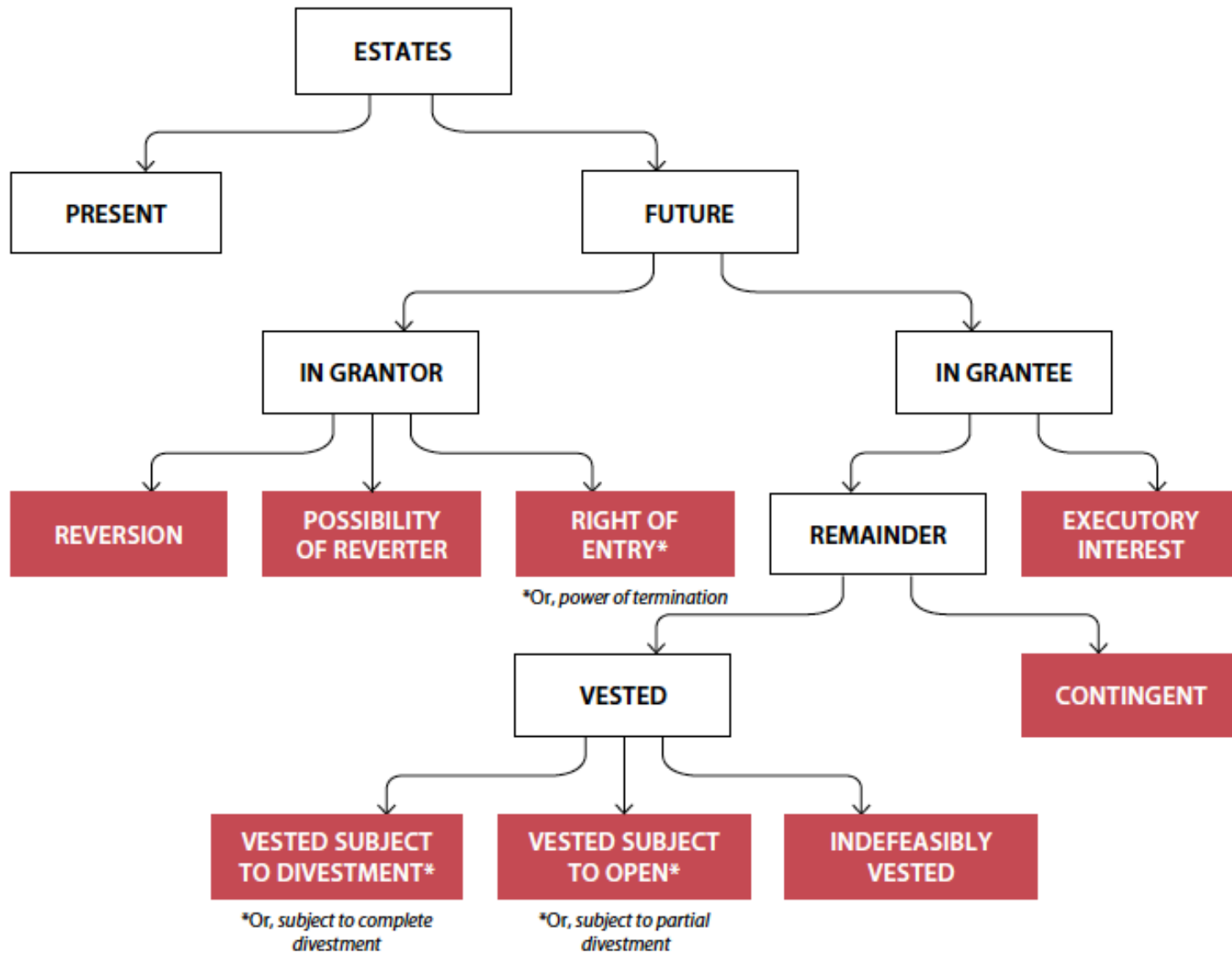


Figure 11

(p. 168)

C. Future Interests

1. The Basic Categories of Future Interests

Reversion (Rev)

- “To A and the heirs of his body.” (Ex. 12)
- “To A *for life*, so long as the property is used for residential purposes.” (O holds **reversion** + POR) (Ex. 13)

Possibility of reverter (POR)

- “To A **for life**, *so long as* the property is used for residential purposes.” (O holds **reversion** + **POR**) (Ex. 13, p. 170)
- “To A so long as the property is used for residential purposes.” (Ex. 7, p. 154)
- “To A while the premises are used for noncommercial purposes.” (Ex. 7, p. 154)

Right of entry (ROE)

- “To A, but if A divorces, O may re-enter and terminate the estate.” (Ex. 8, p. 155)

Remainder (Rem)

- “To *A* for life, and then to *B*.” (Ex. 14, p. 170)
- “To *A* for life, then to *B* if *B* has graduated from college.” (Ex. 15)

Executory interest (EI)

- “To A *as long as* A does not divorce, otherwise to *B*.” (Ex. 16)
Fee simple (*determinable*) subject to EL
- “To A, *but if* A divorces, then to *B*.” (Ex. 16)
Fee simple (*on condition subsequent*) subject to EL
- “To A and his heirs, beginning one year from today.” (Ex. 17)

C. Future Interests

1. The Basic Categories of Future Interests
2. Remainders—A Closer Look

Contingent remainder (C-Rem) (p.173)

- “To A for life, then to B if B graduates from law school.” (Ex. 18)
- “To A for life, then to A’s oldest surviving child.” (Ex. 19)
- “To A for life, then to B and her heirs *if B survives A*; and *if B does not survive A*, then to C and his heirs.” (Ex. 20)

Vested remainder subject to (complete) divestment (V-Rem/Divest) (p. 175)

- “To A for life, then to B, *but if* B ever uses the property for commercial purposes, then to C.” (Ex. 21)

Vested remainder subject to open (V-Rem/Open) (p.175)

- “To A for life, then to *B’s children* and their heirs.”
B is alive and has one child, C (Ex. 22)
- Natural class closing rule: (pp. 184-85 preview)
Class closes when new members physiologically impossible—at *B’s* death
- Rule of convenience: (pp. 184-85 preview)
Class closes when at least one member is entitled to possession—at *A’s* death. At that time, C (or C’s heirs or devisees if C is no longer alive) is entitled to possession.

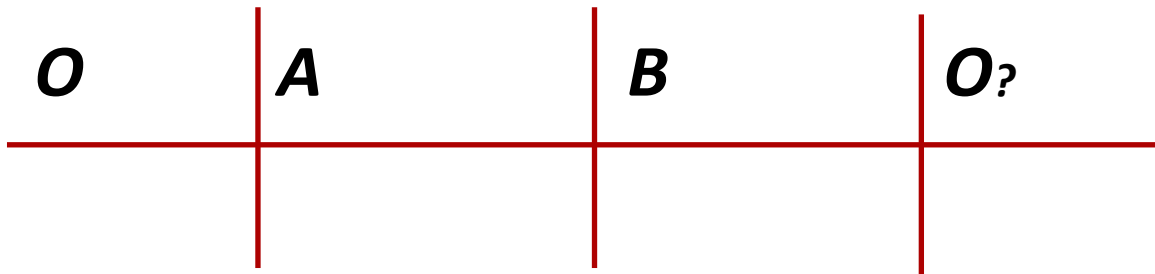
Indefeasibly vested remainder

(V-Rem) (p. 176)

- “To A for 10 years, then to *B*.” (Ex. 23)

Test Your Understanding (p. 178)

- Problem 1: “To *A* for life, then to *B* for life.”



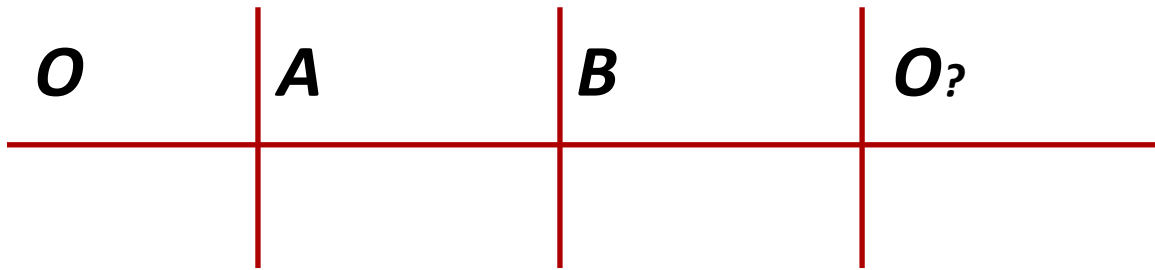
Test Your Understanding (p. 178)

- Problem 2: “To A for 10 years.”



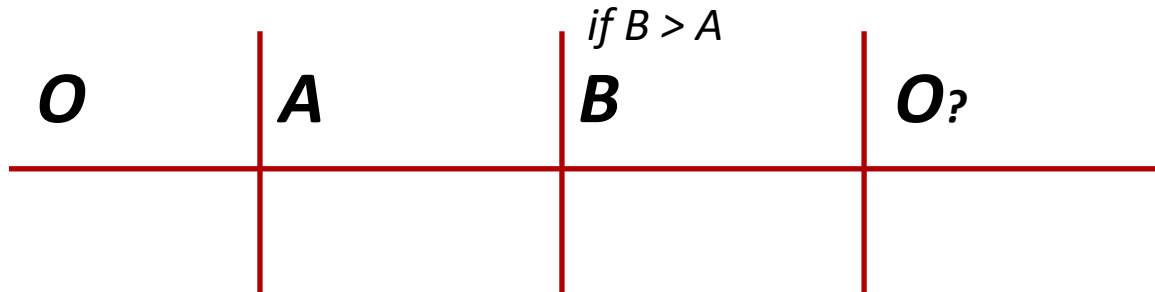
Test Your Understanding (p. 178)

- Problem 3: “To A for 10 years, then to B.”



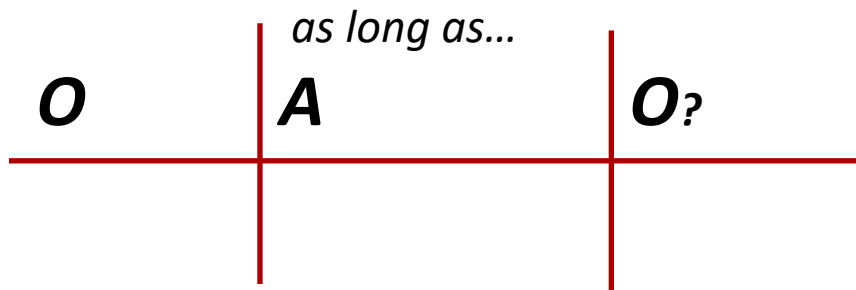
Test Your Understanding (p. 178)

- Problem 4: “To A for life, then to B and her heirs if B survives A .”



Test Your Understanding (p. 178)

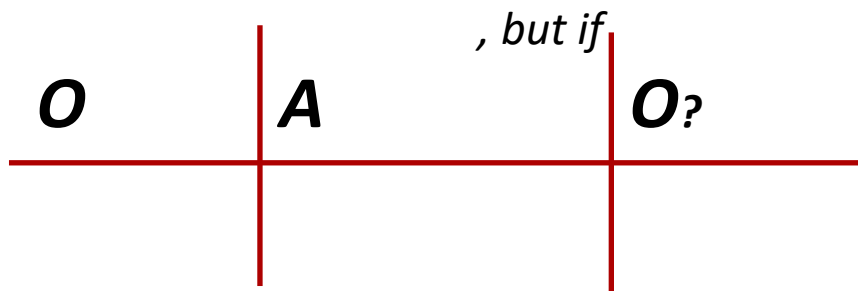
- Problem 5: “To A for life as long as A does not ever smoke cigarettes.”



- Hint: Think carefully about O’s future interest(s)

Test Your Understanding (p. 178)

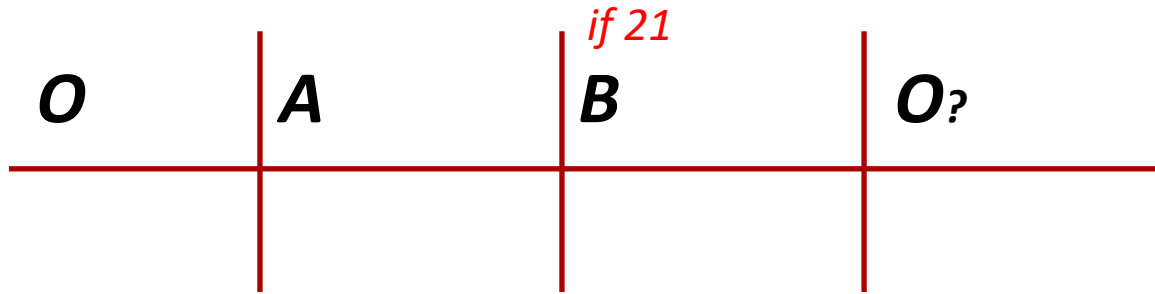
- Problem 6: “To A and the heirs of his body, but if A ever smokes cigarettes, O may re-enter.”



- Hint: Think carefully about O’s future interest(s)

Test Your Understanding (p. 178)

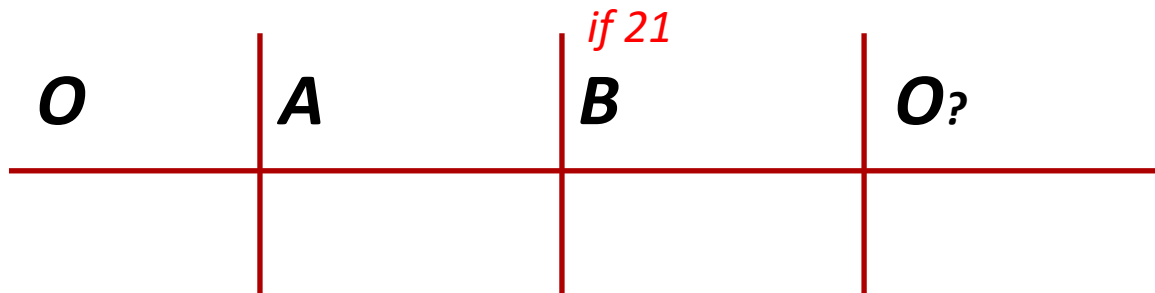
- Problem 7(a): “To A for life, then to B and her heirs if B reaches the age of 21.”



- B is **9 years old** at the time of the conveyance.

Test Your Understanding (p. 178)

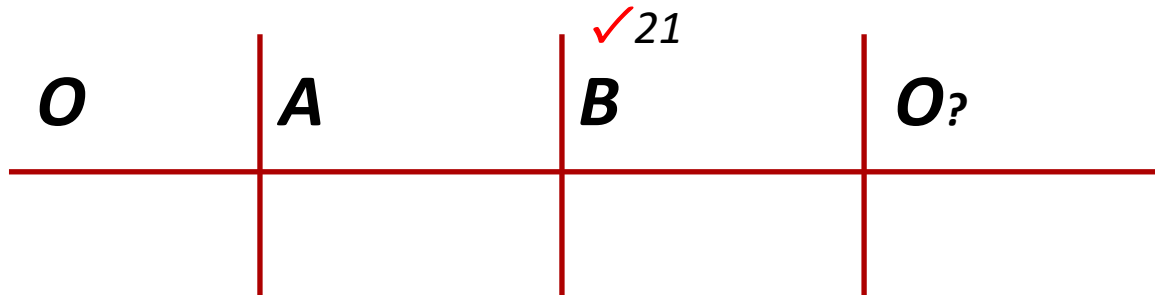
- Problem 7(b): “To A for life, then to B and her heirs if B reaches the age of 21.”



- B turns 12 and then A dies.
- Should B get a second chance?

Test Your Understanding (p. 178)

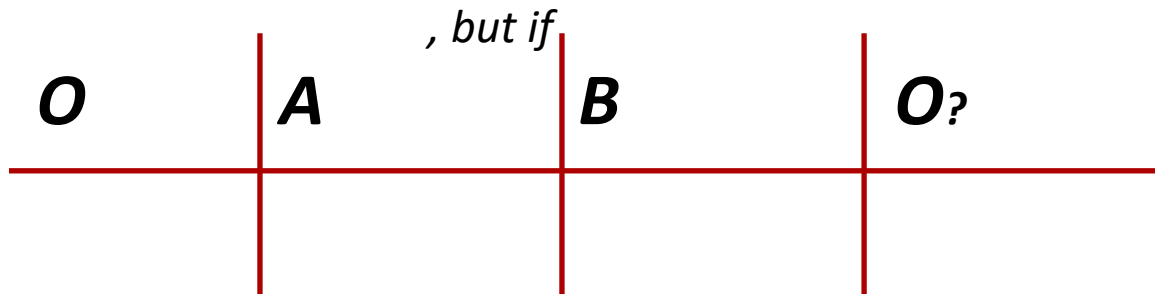
- Problem 7(c): “To A for life, then to B and her heirs if B reaches the age of 21.”



- B turns 21 during A's life.
- Did B's remainder vest in *interest* or in *possession*?
- Does the vesting of B's interest affect O's interest?

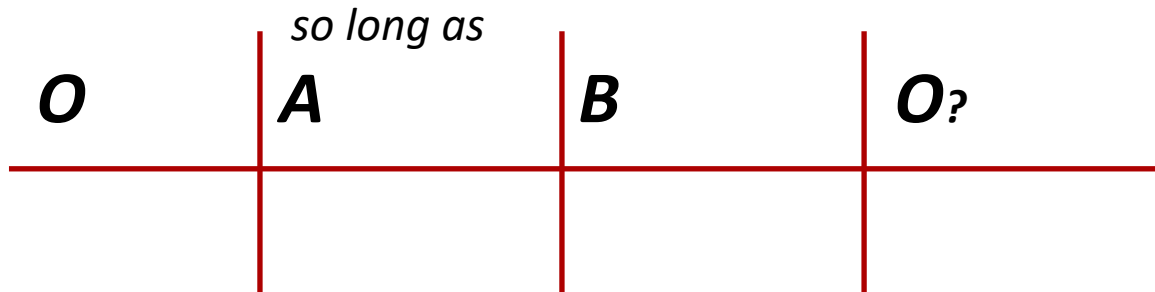
Test Your Understanding (p. 178)

- Problem 8: “To A , **but if** the premises are used for nonresidential purposes, then to B and his heirs.”



Test Your Understanding (p. 178)

- Problem 9: “To A *so long as* the premises are used for residential purposes, otherwise to B and his heirs.”



Test Your Understanding (p. 178)

- Problem 10: T devises, “To A for life, if and when A marries B .”

	<i>if A + B</i>	
\bar{T} H	A	H?

- T dies, leaving H as his only heir.
- At the time of T 's death, A is unmarried.
- Hint: Who holds the present estate at T 's death?
- Does this create “partial intestacy,” disfavored in *White v. Brown*?