

## **Chapter 51—Interests in Real Property**

### **Future Interests**

**Future Interests are of two types:**

**Reversions—is the grantor’s right to the property on the death of the life tenant—created when, for example, Anderson conveys property “to Benson for life” and makes no disposition of the remainder of the estate. A reversion can also occur after a defined period, as when property is conveyed “to Caldwell for ten years.”**

**Reversions may be transferred by deed or will and may pass by intestate succession. A conditional reversionary interest exists where property may return to the grantor or his successor because an event on which a fee simple estate was to terminate has occurred.**

**Remainders—is an estate in property that will take effect on the termination of a prior estate created by the same instrument. Unlike a reversion, a remainder is held by a person other than the grantor or his successors.**

## **Leasehold Estates**

### **Transfer of Interests**

**Both the tenant's possessory interest and the landlord's reversionary interest in the property may be freely transferred in the absence of contractual or statutory prohibition—the one major exception: the tenancy at will.**

**Transfers by landlord—the landlord may transfer either by reversionary right or her rights under the lease, including the right to receive rent. The party to whom the reversionary interest is transferred takes the**

**property subject to the tenant's leasehold interest, if the transferee has notice of the lease.**

### **C. Concurrent Ownership**

#### **Tenancy in Common**

**--most frequently used form of concurrent ownership**

**--each co-owner has both an undivided interest and the right to possession but claims no specific portion of the property**

**--there is no right of survivorship, so the interests of tenants in common may be devised by will or pass by intestate succession**

**--by statute in all states, a transfer of title to two or more persons is presumed to create a tenancy in common**

**--tenants in common need not have acquired their interests at the same time or by the same instrument, and their respective interests may differ as to duration and scope**

**--tenancy in common is terminated by transferring all interests to one person or by partitioning**