

Property Exam 7

Olivia owns one hundred square miles of desert in fee simple absolute ("Desert"). Olivia conveys Desert to Alexis so long as Desert is used as a dune buggy race track.

Alexis then conveys Desert to Blake and his heirs, but if Blake dies without children to Cole and his heirs.

Cole buys Oasis next to Desert and sets up a popular restaurant.

Cole then conveys Oasis to Danielle for life, then to Daniel's surviving children for life then to the surviving children of Erin. At the time of Cole's conveyance Erin is 95 years old. Two days after this conveyance is made, Erin dies leaving five children.

Blake continues to use Desert as a dune buggy race track until he dies without children. Cole then claims his interest in Desert and converts it to a desert wildlife preserve.

What interest does Alexis get from Olivia in Desert?

What interest does Blake get from Alexis in Desert?

What interest does Cole get from Alexis in Desert?

What interest do Cole's heirs get in Desert?

What interest do Erin's children get in Oasis?

What interest does Danielle get from Cole in Oasis?

What interest do Daniel's surviving children get in Oasis?

Example Answer:

What interest does Alexis get from Olivia in Desert?

Olivia conveys Desert to Alexis so long as Desert is used as a dune buggy race track.

This conveyance creates a fee simple determinable. A fee simple determinable is an estate in land with a possibility of reverter. Under these facts the possibility of reverter is that if Desert is not used as a dune buggy track then ownership of Desert will return to Olivia (or if she has passed, her heirs).

What interest does Blake get from Alexis in Desert?

Alexis conveyed Desert to Blake and his heirs, but if Blake dies without children to Cole and his heirs.

This conveyance creates a fee simple subject to an executory limitation. An executory limitation passes an estate to a third person upon the occurrence or non-occurrence of an event. Under these facts the event is Blake dying without children.

Blake obtains a fee simple subject to an executory limitation from Alexis.

What interest does Cole get from Alexis in Desert?

As explained above, the conveyance from Alexis creates a fee simple subject to an executory limitation. Cole receives the executory interest. Under these facts, the interest is called a "shifting" executory interest as title to the property will shift to Cole if Blake dies without children.

Under this conveyance, Cole receives a shifting executory interest from Alexis.

What interest do Cole's heirs get in Desert?

When Cole turned desert from a dune buggy park into a desert wildlife preserve he violated the fee simple determinable. When that violation occurred, the property automatically reverted back to Olivia (or if she passed, to her heirs).

Cole's heirs received no interest in Desert. (Thanks Dad!)

What interest does Erin's children get in Oasis?

Although Erin died two days after the conveyance was made, the conveyance to Erin's children violates the common law rule against perpetuities and is therefore void.

The rule against perpetuities states that a future interest must vest or fail within 21 years of the death of some person alive at the time of the creation of the interest. The rule against perpetuities is analyzed at the time the conveyance is made and it is therefore irrelevant that Erin died two days after the conveyance.

Analyzing this conveyance we see that Cole conveyed Oasis to Danielle for life, then to Daniel's surviving children for life then to the surviving children of Erin.

Although it seems impossible, at the time this conveyance was made it was possible that all of Daniel's children could be born after the conveyance was made and that they might live more than 21 years after Cole, Daniel and Erin died.

Because the conveyance to Erin's children violates the rule against perpetuities, that conveyance is void and Erin's children receive nothing.

What interest does Danielle get from Cole in Oasis?

Cole then conveys Oasis "to Danielle for life." This conveyance creates a life estate in Danielle. A life estate is a conveyance of property to someone while they are alive. Danielle will therefore be able to use Oasis while she is alive.

Danielle received a life estate from Cole.

What interest do Daniel's surviving children get in Oasis?

As explained above, the conveyance to Erin's children was void as it violated the rule against perpetuities. This would vest all interest in the property in Daniel's surviving children who would take the property as a fee simple absolute.

Danielle's children would receive a fee simple absolute in Oasis upon Danielle's death.