

PROPERTY PRACTICE QUESTIONS

QUESTION 12

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Topic: Real Property

Sub-topics: Estates and Future Interests

Type: Objective

Difficulty: Moderate

Time: 45 minutes

1. When you have a remainder interest in the heirs of the grantee, what must you consider?
 - A. The Doctrine of Worthier Title
 - B. The Rule in Sherry's case
 - C. The Doctrine of Equitable Title
 - D. The Rule in Shelley's case

2. Which of the following are parties in a trust scenario: (Circle all that apply)
 - A. Settler
 - B. Pioneer
 - C. Beneficiary
 - D. Settlor

3. What are the three scenarios that create a contingent remainder?

4. Select the correct statements regarding the doctrine of worthier title (circle all that apply).
- A. It applies when there is a future interest in the heirs of the Grantor
 - B. It applies only when the gift is in a will
 - C. It applies every time the rule in Shelly's case does not apply
 - D. When applied it voids the interest of the heirs of the grantor

5. What are the three possible future interests in the grantor?

6. A remainder cannot divest or shorten a prior estate T / F

7. The Texas Constitution outlaws the Fee Tail T / F

8. What are the two types of future interests held by a third party?
(Not the grantor)

_____ .

_____ .

9. A shifting executory interest is acquired from the grantor T / F

10. In a trust scenario, the legal interest goes to the _____ .

11. The grantor of a trust is called the _____ .

12. If you have a general power of appointment, you can appoint yourself T / F

13. When speaking of trusts which of the following are correct:

- A. The equitable interest goes to the beneficiary
- B. The trustee owes a fiduciary duty to the beneficiary
- C. After the legal and the equitable interests merge, the beneficiary still has to follow the trust instructions in order to get the money
- D. The legal title goes to the beneficiary

14. What types of future interests can trigger the rule against perpetuities?

_____ .

_____ .

15. What is another name for the doctrine of *Cy Pres*?

_____ .

16. What rule was created to prevent the remote vesting of contingent interests?

_____ .

17. What doctrine must you consider when a prior estate has expired but a contingent remainder has not yet vested and the contingency could still occur?

_____ .

18. The words, “so long as,” “until” or “while” signify what type of interest?

_____ .

19. The language “but if,” “provided that” and “on the condition that” signify what type of interest?

_____ .

20. What statute was passed in 1535 that allowed executory interests?

_____ .

21. In 1290 the system of sub-infeudation was abolished by the statute of _____ and replaced with the system of _____ .

22. Grantor: “I give blackacre to my wife Andrea and her heirs for so long as no man has landed on Saturn, but if a man lands on Saturn, then to Alex.” What does Alex have if the jurisdiction follows a common law RAP approach?

- A. Alex has a contingent remainder subject to a condition precedent
- B. Alex has a shifting executory interest
- C. Alex has nothing because his interest would be voided by the rule against perpetuities
- D. Alex has a springing executory interest

23. A grant in Brenda's valid will reads, "I leave all of my real property to Arthur and his heirs so long as he does not marry my sister, if he marries my sister than I leave all of my real property to the Humane Society." Which of the following statements is most correct about this grant?
- A. Arthur has a fee simple determinable and the Humane Society has a contingent remainder "condition precedent scenario"
 - B. Arthur has a fee simple absolute because a remainder cannot be held by a charity
 - C. Arthur has a fee simple subject to an executory limitation and the humane society has a shifting executory interest
 - D. Arthur has a fee simple subject to a condition subsequent and the Humane Society has a possibility of reverter
24. Bob writes a grant which reads, "To Alex for life." Which of the following is most correct about Bob's interest:
- A. Bob has a possibility of reverter if he outlives Alex
 - B. Bob has a reverter
 - C. Bob has a reversion, but only if he outlives Alex
 - D. Bob has a reversion
 - E. Bob has a fee simple subject to an executory limitation
25. If Vito Grants Lauren a fee simple determinable, what is the name of the interest that Vito retained?
- A. Vito has a reversion
 - B. Vito has a possibility of reversion
 - C. Vito has the right to re-enter and claim the property
 - D. Vito has a possibility of reverter
26. Al, Rob and Ted are best friends. While on their annual "all guys" fishing trip Al writes a grant which reads, "I leave my condo in Vail to Rob for life, and then to Ted's heirs." Which of the following statements is most true about this grant?
- A. Rob has a shifting executory interest and Ted has a remainder
 - B. Rob has a life estate and Ted has a vested remainder
 - C. Rob has a life estate and Ted's heirs have a contingent remainder
 - D. Rob has a term of years and Ted has nothing

27. Mother has two daughters, Alice and Bridget, Bridget has one child, Sam. Mother drafts a grant to her family which reads, "To Alice for ten years and then to Bridget for life, remainder to Bridget's children." Which of the following statements are most true about this grant? (Circle all that apply).
- A. Mother has a reversion after Bridget's term of years
 - B. Bridget's children have a contingent remainder
 - C. Alice has a term of years subject to an executory limitation
 - D. Bridget's children have a vested remainder subject to open
 - E. Bridget has an indefeasibly vested remainder
28. In Ben's valid will he leaves "My ranch in Midland to my wife Glenda for life, and then to my son Harry and his heirs, but if Harry is not yet married, then to my daughter Nina and her heirs." Which of the following is most true about Harry's interest?
- A. Harry has a fee simple determinable
 - B. Harry has a contingent remainder "condition precedent scenario"
 - C. Harry has a shifting executory interest
 - D. Harry has a vested remainder subject to total divestment
 - E. Harry has an indefeasibly vested remainder
29. Grantor: "To Amy until 2050 and in 2050 to Bonnie and her heirs, but if Bonnie becomes pregnant than to Carole and her heirs." Which of the following interests are contained in the grant? (Circle all that apply)
- A. Term of years
 - B. Vested Remainder subject to total divestment
 - C. Term of years subject to a condition subsequent
 - D. Shifting executory interest
 - E. Contingent remainder "condition precedent scenario"
- 30 - 40 Match these grants with the appropriate present interest by putting the letter of the type of interest in the blank in front of the grant.
30. _____ "To Lauren so long as she is in Law School."
31. _____ "To Naomi and the heirs of her body."
32. _____ "To Manard and his heirs, but if he marries Allison the grantor may reenter and claim the property."

33. _____ “To Becky for the life of Mark.”
34. _____ “To Grace and her heirs provided that she does not use the land to grow illegal plants.”
35. _____ “To Alejandro and the male issue of his body.”
36. _____ “To Mary for 10 years, but if Mary marries, then to Hector and his heirs.”
37. _____ “To Veto for life, but if Veto does not marry before he is thirty, then to Al.”
38. _____ “To Alison and her heirs.”
39. _____ “To Fred for the natural term of his life.”
40. _____ “To Scott for 20 years.”

<ul style="list-style-type: none"> A. Fee simple subject to an executory limitation B. Life estate C. Fee simple absolute D. Fee tail female E. Life estate <i>pur autre vie</i> F. Term of years G. Life estate subject to an executory limitation 	<ul style="list-style-type: none"> H. Fee tail male I. Fee simple subject to a condition subsequent J. Fee tail K. Fee simple determinable L. Life estate determinable M. Term of years subject to an executory limitation
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41. Mother writes a grant leaving her river front property: “To my daughter and her heirs so long as the property is not annexed to the City of New Braunfels, if the property is annexed than the property shall go to the Battered Women’s Shelter.” From the statements below select the ones most correct about the grant. (Circle all that apply.)
- A. The interest to the daughter is a fee simple subject to a condition subsequent
 - B. The future interest violates RAP, so the daughter has fee simple absolute
 - C. The future interest in the Battered Women’s shelter is a shifting executory interest
 - D. The interest in the Battered Women’s Shelter is a contingent remainder
42. If the rule against perpetuities is violated and the jurisdiction applies a common law approach, which of the following statements is most true?

- A. If the interest violates the rule the court will change the language of the grant to make it comply with the rule.
 - B. If the interest violates the rule it is void 21 years and 9 months after all the lives in being in the grant are dead.
 - C. If the interest violates the rule the interest is void from the date of the grant and all other interests must be reclassified accordingly
 - D. If the interest violated the rule the entire grant is void as a matter of law
43. Which of the following situations will create an executory interest? (Circle all that apply.)
- A. A possibility that the future interest might divest a prior estate before its natural ending
 - B. A gap between the date of grant and the vesting of the future interest where the grantor has a reversion in the interim
 - C. A possibility that the interest holder will take after another grantee
 - D. A natural ending of a previous estate
44. At _____ if a prior estate ended before the occurrence of the contingency that triggered the vesting of the contingent remainder, but that contingency could still occur in the future, the contingent remainder was destroyed.
45. By statute, Texas has adopted _____ approach to the rule against perpetuities.
46. If you have the power of appointment you have no duty to appoint a donee T / F
47. If a donor makes a special or limited power of appointment, and you are not in the class of possible appointees, you cannot appoint yourself T / F
48. The 1535 statute of uses was the foundation for today's trusts T / F
49. The doctrine of worthier title and the Rule in Shelley's case have been repealed in Texas for all transfers occurring on or after:
- A. June 1, 1964
 - B. January 1, 1954
 - C. June 1, 1954
 - D. January 1, 1964

49-60: Match the following grants with the appropriate future interest by putting the letter of the type of interest in the blank in front of the grant.

- 50. _____ “To Manard for life and then to Alison and her heirs if she graduates from medical school by the time Manard dies.”
- 51. _____ “To Lauren for life, and then to Alex, but if Alex predeceases Lauren, then to Orlando and his heirs.” What is Alex’s interest?
- 52. _____ “To Alex for life, and one year after his death, to Laura.”
- 53. _____ “To Becky and her heirs so long as the property is not used for any commercial purpose, and if the property is used for a commercial purpose, then to Nancy and her heirs.”
- 54. _____ “To Brad for life and then to Stan and his heirs.”
- 55. _____ “To Jarrod and his heirs so long as no woman is elected president of the United States, but if a woman is elected president of the United States, then to Lisa.”
- 56. _____ “To Lauren for life and then to Alison’s heirs.” (Alison is still alive.)
- 57. _____ “To Sarah for life and then to George’s children if they join a basketball team by the time Sarah dies. (George has two children.)
- 58. _____ “To Ted for life and then to Ted’s children.” (Assume Ted is alive and has two children.)
- 59. _____ “To Manard for one year, this deed to take effect in 3 months.”
- 60. _____ “To Brittany for life and then to Ben’s children” (Ben is alive and childless.)

<ul style="list-style-type: none"> A. Contingent Remainder “unborn scenario” B. Indefeasibly vested remainder C. Shifting Executory Interest D. Nothing, this interest violates RAP E. Vested subject to open / subject to partial divestment 	<ul style="list-style-type: none"> F. Contingent remainder “Unascertained Scenario” G. Springing executory interest H. Contingent reminder “condition precedent scenario” I. Vested remainder subject to total divestment
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