

Unit 3: Interests in Real Estate

Ownership of a parcel of real estate includes all or some of the bundle of rights, depending on the type of interest a person holds in the property. Ownership may be limited by public and private restrictions intended to ensure that one owner's use and enjoyment of the property owned does not interfere with others' use and enjoyment of their property or with the welfare of the general public.



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Learning Objectives

- Identify and describe the various types of estates.
- Explain the difference between liens and other types of encumbrances.
- Explain the limitations on private property rights for the welfare of the public.

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Estates in land

Freehold estates

- Fee simple estate

Fee simple absolute

Fee simple defeasible

Fee simple determinable

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- Life Estate

Conventional Life Estate

Ordinary, with remainder or reversion

Pur autre vie, with remainder or reversion

Legal Life Estate

Dower

Homestead

Curtesy

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Encumbrances

- Easements
- Private restrictions
- Liens
- Encroachments

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Liens

- Real estate taxes
- Mortgages
- Judgments
- Mechanics' liens

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Private Restrictions on use of Real Estate

- Deed restrictions
- Covenants, conditions, and restrictions (CC&Rs)

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Easements

- Easement appurtenant
- Easement in gross
- Easement by necessity
- Easement by prescription

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Terminating an Easement

An easement terminates

- When the need no longer exists
- When the owner of either the dominant or the servient tenement becomes sole owner of both properties
- By the release of the right of easement to the owner of the servient tenement
- By the abandonment of the easement
- By the nonuse of a prescriptive easement

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License

- Personal privilege given for a specific purpose

Encroachment

- Illegal extension beyond boundaries of land

Lis Pendens

- Pending legal action

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Governmental Powers

- Police power
- Eminent Domain
- Taxation
- Escheat