



Property ownership types

Three main tenancy types apply to property ownership:

- a) Joint tenants
(refer to [TRO User Factsheet No. 20](#): Joint tenants, tenants in common or a combination);
- b) Tenants in common; and
- c) Life tenants.

This factsheet (No. 21) deals with life tenants.

Meanings

- **Life estate (commonly referred to as life interest)**
Interest in a property for the duration of the tenant's life.
- **Life tenant**
Life tenant is the holder or holders of the life estate.
- **Creating a life estate**
A life estate can be created by a deed, a transfer or by a testamentary trust.
- **Remainder estate (commonly referred to as remainder interest)**
Interest held by a party or parties (i.e. remainderman) who are entitled to the estate in fee simple when the life estate is extinguished or surrendered.
- **Remainderman**
This is the holder of the remainder estate.



Entering transactions in TRO

Important

Where the interest in the property is transferring from a deceased estate, the transfer type should be amended from 'Property transfer' to 'Transfer from deceased estate'.

Life estate

- Enter the transaction as a *Property Transaction*.
- Enter the details on the *Dealing information* screen.
- Enter the details on the *PID* screen.
- Enter the details on the *Transferor information* screen, amending the *Estate/interest transferring* field to *Life estate*.
- Process the balance of the document as normal.

Transferor information

Estate/interest transferring	Life estate	▼	*	?
Transferor tenancy type	Single transferor	▼		

Remainder estate

- Enter the transaction as a *Property Transaction*.
- Enter the details on the *Dealing information* screen.
- Enter the details on the *PID* screen.
- Enter the details on the *Transferor information* screen, amending the *Estate/interest transferring* field to *Remainder*.
- Process the balance of the document as normal.

Transferor information

Estate/interest transferring	Remainder	▼	*	?
Transferor tenancy type	Single transferor	▼		



Frequently Asked Questions

- Q What should I do if 'life estate' and 'remainder estate' are recorded on the same instrument?**
- A Endorse separately for each of the dutiable transactions. The instrument needs to be entered into TRO twice.
- Q How do I enter a transfer to, or from, a life tenant in TRO?**
- A Enter the transaction in TRO similarly to loading an 'Estate in fee simple' transaction except:
- select 'Life estate' from the *Estate/interest transferring* field on the *Transferor information* screen; and
 - where there are two or more life tenants, the transferees must hold their interest jointly.
- Q How do I enter a transfer to, or from, a remainderman in TRO?**
- A Enter the transaction in TRO similarly for loading an 'Estate in fee simple' transaction except:
- select 'Remainder' in the *Estate/interest transferring* field on the *Transferor information* screen.
- Q Why do I have to submit to the SRO for assessment?**
- A The SRO estimates the dutiable value of the transaction.
- Q Does a life estate have to be created by a last will and testament when a property owner is deceased?**
- A No. A life estate can be granted to another person by the owner of a property at any time. In such cases, enter the transferor information as normal, select *Life estate* (rather than *Estate fee simple*) from the *Estate/interest transferring* field on the *Transferor information* screen. Enter other transferee information as normal.