

# House Research Act Summary

**CHAPTER:** 266

**SESSION:** 2014 Regular Session

**TOPIC:** Updating terms for real property transfer on death deeds

**Analyst:** Mary Mullen

**Date:** May 15, 2014

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd/](http://www.house.mn/hrd/).

---

## Overview

This act updates terms and clarifies the effect and revocation of transfer on death deeds for real property.

### Section

- 1 Designated transfer.** Adds gender-neutral language related to spouses.
- 2 Married persons.** Adds gender-neutral language related to spouses.
- 3 Conveyances by spouses; powers of attorney.** Adds gender-neutral language related to spouses.
- 4 Definitions.** Clarifies that the term “grantor owners” includes individuals, including when the individual is a joint tenant or a tenant in common and that “owner” can be someone who has an interest either when the deed is executed or when the transfer on death deed becomes effective. This section adds a new definition for “property” and “interest in real property,” which is real property owned in Minnesota and includes ownership interest such as mortgage, liens, contracts for deed, and other forms of purchase agreements and securities on real property.
- 5 Effect of transfer on death deed.** Removes examples of real property as the term is now defined in the statute. Provides that a spouse who is neither an owner of the real property or a grantor owner under the transfer on death deed statute, who executes a transfer on death deed (“TODD”) or provides in writing their consent for the transfer on death deed is providing conclusive proof of their consent to the TODD. This section provides that the spouse no longer has a claim on the property, except as an interest for the purposes of a medical assistance lien.

**Section**

- 6**        **Rights of creditors and rights of state and county under sections 246.53, 256B.16, 261.04, and 514.981.** Clarifies that the transfer of property in a transfer on death deed is subject to any mortgage or encumbrance, including the rights of the surviving spouse if the surviving spouse did not join in executing the transfer on death deed and any legal claims by the state or county available under the law such as medical assistance liens against the estate.
- 7**        **Multiple joint tenant grantors.** Clarifies that when multiple joint owners are executing a transfer on death deed, the spouses to those owners if required by the law and even if the spouse is not a recorded owner, must also execute the deed.
- 8**        **Recording requirements and authorization.** Clarifies that when recording a transfer on death deed the grantors needs to have an interest in ownership or other interest in the real property.
- 9**        **Revocation or modification of transfer on death deed.** Clarifies that when a grantor owner or any of the grantor owners when there is more than one revokes a transfer on death deed, the revocation is in its entirety. This section clarifies that if the land transferred is located in more than one county the revocation only needs to be recorded in one of the counties the property is located in and removes language allowing only the last surviving grantor owner to have executed the transfer on death deed.
- 10**       **Liability.** Clarifies that when a person or an entity wrongfully or erroneously executes a satisfaction for a mortgage or release from a mortgage, it is the person who executed the release, not the person who recorded it, who is liable for the damages.
- 11**       **Certificate of redemption; record.** Clarifies that when a person is redeeming property after a foreclosure the certificate must be recorded four days after the period allowed by law for the redemption, instead of one year, as redemption periods can vary.