Bundle of Rights

• The “bundle of rights” is a term in the United States for the collection of legal rights that are granted to an owner of title to real estate.
• Owners can use one or all of the rights
• Each right within the bundle can operate independent of the other rights.
  – A lease is an encumbrance on title
  – A will with an heir anticipates the future transfer of ownership
Bundle of Rights

The Bundle
- Right of Possession
- Right to Control
- Right of Enjoyment
- Right to Exclusion
- Right of Disposition
Right of Possession

• Simply put, this is the right to use the property
  – The right of possession may require your to do certain things to maintain that possession
    • Pay your mortgage if you borrowed money to acquire the property
    • Pay taxes assessed against the property
    • Abide by rules and regulations if part of a homeowners association
  – Failure to comply with the obligations of ownership may cause you to surrender possession
Right to Control

• This is the right to decide what happens on your property
  – An owner can decide to leave the property alone, build a home or choose to get income from it
  – An owner can decide whether or not to allow others to use the property
  – The right to control may still have limitations
    • Zoning regulations may stop an owner from building a septic system next to a body of water
    • Homeowner’s associations may not allow an above ground pool or the parking of an RV in the driveway
Right of Enjoyment

- Also known as a right to quiet enjoyment, this right recognizes the ability of the owner to decide how to design or live on the property.
  - The only limitations on this right are prohibited by law. For instance you cannot:
    - Sell drugs
    - Maintaining a public nuisance
  - Violations of law would permit an enforcement officer to arrest and detain you on your property.
Right to Exclusion

• The right to prevent others from trespassing or entering your property
  – No one has the right to be on your land without your permission
  – Once again, there are exceptions to this right
    • Law enforcement carrying out a warrant or conducting active pursuit of criminal activity
    • Utility companies completing repair and maintenance activity within an easement
Right of Disposition

• The right of an owner to transfer ownership or use of the property to another party
  – Sale of the property
  – Will or gift of the property
  – Encumber the property
    • Create an easement or right-of-way
    • Lease the property
  – If there is a mortgage lien against the property, this must be paid off before the transfer can be completed
Federal Title and Oversight

• The Bundle of Rights is tied to title of the land. Because the federal government holds title to Indian land as trustee, they are the party that holds these rights.
  – The current trust system covering Indian lands necessarily means that the federal government can:
    • Establish regulations for all land transactions
    • Limit transfer to others
    • Decide whether to lease land or grant rights-of-way
  – Restricted fee landowners hold title, but the bundle of rights are still limited the same as with trust land
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