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Recommended Citation
DePaul College of Law, Property - Illinois Possibility of Reverter Act Held Constitutional, 5 DePaul L. Rev. 325 (1956)
Available at: https://via.library.depaul.edu/law-review/vol5/iss2/16

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PROPERTY—ILLINOIS POSSIBILITY OF REVERTER ACT HELD CONSTITUTIONAL

In two separate actions, trustees of township schools brought suit under the Reverter Act of 1947\(^1\) to have possibilities of reverter attached to school lands declared invalid. The possibilities of reverter in both cases had been in existence over 50 years. The conditions were then broken. The circuit court entered a decree in each case that the Reverter Act of 1947 was unconstitutional as being ex post facto legislation and in violation of the due process clauses of the state and federal constitutions. On appeal the Supreme Court of Illinois, consolidating the two cases, held that the Reverter Act was constitutional.\(^2\) Due to indecision by the trial court as to when the terminating conditions had actually occurred, the Supreme Court applied sections 4 and 5\(^3\) of the Reverter Act to find that no right existed in any of the former holders of the possibilities of reverter. *Trustees of Schools of Township No. 1 v. Batdorf*, 6 Ill. 2d 486, 130 N.E. 2d 111 (1955).

Possibilities of reverter and rights of re-entry for conditions broken became known many hundreds of years ago.\(^4\) Although they are in continuous use today, courts, even though lacking appropriate legislation, have gone to great lengths to obviate forfeitures brought about by the breach of these conditions subsequent.\(^5\) Courts have refused to enforce a condition because an unreasonable time had elapsed since its creation.\(^6\) In *Bonniwell v. Madison*,\(^7\) lack of knowledge by the landholder of the breach

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1 Ill. Rev. Stat. c. 30, § 37 (b) to 37 (h) (1955).
2 The Illinois statute was noted in dictum in Calumet v. Standard Oil Co., 167 F. 2d 539 (C. A. 7th, 1948) and cited by the Supreme Court of Illinois in Deverick v. Bline, 404 Ill. 302, 89 N.E. 2d 43 (1949) but its constitutionality was not discussed.
3 Ill. Rev. Stat. c. 30 § 37 (e): “Neither possibilities of reverter nor rights of entry or re-entry for breach of condition subsequent, whether heretofore or hereafter created, where the condition has not been broken, shall be valid for a longer period than fifty years from the date of creation of the condition or possibility of reverter. If such a possibility of reverter or right of entry or re-entry is created to endure for a longer period than fifty years, it shall be valid for fifty years.
§ 37 (f): “If by reason of a possibility of reverter created more than fifty years prior to the effective date of this Act, a reverter has come into existence prior to the time of the effective date of this Act, no person shall commence an action for the recovery of the land or any part thereof based upon such possibility of reverter, after one year from the effective date of this Act.”
7 107 Iowa 85, 77 N.W. 530 (1898).
of the condition was considered a sufficient reason for its non-enforce-
ment. A delay of a year before commencing suit has been held sufficient
to bar the holder of the right of re-entry from enforcing his right.8

States have been reluctant to enact legislation to alleviate the trouble-
some aspects of these conditions. Prior to the Illinois statute only four
states attempted to alert the common law conditions by legislation.

Massachusetts, the first state to attempt to curtail conditions on land,
showed by the nature of its act9 that it was approaching the problem with
cautions. Only restrictions coming into existence after the date of the
statute were affected by its thirty-year limitation period. The Massachu-
setts statute applies only to restrictions unlimited in time. Thus, a grantor
by express provision, could make a restriction valid for hundreds of years.

Two states, Michigan and Wisconsin, have identical statutes.10 They do
not provide a specific time limit for the conditions, leaving it to the discre-
tion of the court as to when these conditions should be cut off. Although
the courts in these states favor the presumption that the conditions are
invalid, they are very reluctant to declare them unenforceable.11

The Minnesota Statute12 has the provisions found in the Michigan and
Wisconsin Statutes and in addition has a maximum thirty-year limitation
for all conditions. This statute is the closest in form to the present Illinois
Reverter Act.

Under the Illinois Statute the life of the condition does not depend on
the discretion of the court as in Michigan and Wisconsin, but rather a spe-
cific limitation of 50 years is provided. Where an act occurred breaking
the condition before the passage of the Reverter Act, only one year is
allowed from the date of the act to bring an action. Thus, the Illinois act
is the first to retroactively cut off conditions.

The defendants in the instant case contended that the statute was un-
constitutional because it was ex post facto legislation, impaired the obliga-
tion of contracts, and deprived persons of their property without due
due process of law, in violation of both the Illinois and the United States
Constitutions. The argument that the act is ex post facto legislation was not
considered by the Illinois court.13

11 Baxter v. Ogoosheitz, 205 Mich. 249, 171 N.W. 385 (1919); E. G. Whealkate
13 Courts, generally however, hold that the inhibition against the passage of an ex
post facto law applies only to criminal proceedings. Cf. Mahler v. Eby, 264 U.S. 32
(1924). Retrospective laws as to civil rights, not contractual in nature, and not vested
rights of property, are valid. Cf. People v. Chicago, B. & Q. R. Co., 323 Ill. 536, 154
N.E. 468 (1926).
The retroactive aspects of the Reverter Act, cutting off interests prior
to the passing of the statute, present the greatest difficulty in justifying
the constitutionality of the statute. What must be considered is twofold;
first, whether the statute impairs the obligation of contract,\textsuperscript{14} and second-
ly, whether the statute violates the constitutional guarantee of due process
in regard to property.\textsuperscript{15}

The Court does not discuss the argument concerning the impairment of
contract. However, it can be seen that a contract is an agreement which
creates an obligation and one of its essentials is mutuality of obligation.
Conditions subsequent and rights of re-entry have been held to impose no
obligations of performance on either party.\textsuperscript{16} Therefore, since there seems
to be no contract, there can be no impairment of one.

A possibility of reverter may be defined not as an estate but only a
possibility of having an estate at a future time. A North Carolina court in
\textit{Bass v. Roanoke Nav. \& Water Power Co.}\textsuperscript{17} set the stage for future legis-
lative change by holding that a mere possibility of reverter could be de-
feated by statute. Since these rights are not vested, they do not come un-
der the protection of the due process clause of the Constitution. On this
point, the Illinois Supreme Court said in \textit{People v. Lindheimer}:

That the legislature cannot pass a retrospective law impairing the obligation
of contract, nor deprive a citizen of a vested right, is a principle of general
jurisprudence, but a right, to be within its protection, must be a vested right.
It must be something more than a mere expectation based upon an anticipated
continuance of the existing law. It must have become a title, legal or equitable,
to the present or future enjoyment of property or to the present or future en-
joyment of the demand, or a legal exemption from a demand made by another.
If, before rights become vested in particular individuals, the convenience
of the State induces amendement or repeal of the laws, these individuals have no
cause to complain.\textsuperscript{19}

Justice Schaefer in the instant case reasons by analogy in justifying the
retroactive aspects of the statute that since other legislation concerning
inchoate rights of dower and curtesy and contingent remainders has been
held constitutional, this statute affecting what he feels are more remotely
expectant rights must also be ruled constitutional.

Thus, the Illinois court in declaring the statute constitutional has shown
the other states a way out of the dilemma of centuries-old law which has
outlived its usefulness.

\textsuperscript{14} U.S. Const., Art. 1, § 10; Ill. Const., Art. 2, § 14.
\textsuperscript{15} U.S. Const., Art. 14, § 1; Ill. Const. Art 2, § 2.
\textsuperscript{16} Powell v. Powell, 335 Ill. 533, 167 N.E. 802 (1929); Sanitary District v. Chicago
Title and Trust Co., 278 Ill. 529, 116 N.E. 161 (1917).
\textsuperscript{17} 111 N.C. 439, 16 S. E. 402 (1892).
\textsuperscript{18} 371 Ill. 367, 21 N.E. 2d 318 (1939). \textsuperscript{19} Ibid. at 373 and 321.