

Transfer on Death Deeds

New to Nebraska Law are Transfer on Death Deeds. These Deeds may have a place in your estate plan.

Transfer on Death Deeds work like POD (Payable on Death) financial accounts. The owner of the real estate can designate a person(s) to receive the real estate upon the owner's death. However, the person to receive the property at the death of the owner acquires no rights in the property until the death of the owner. This allows the owner to change his mind generally up until the owner's death. Further, since the person receiving the property has no interest in the real estate until the death of the owner, the creditors of the person receiving the property cannot get at the property during the life of the owner.

Transfer on Death Deeds have some advantages over Life Estates. With a Life Estate, the owner transfers the property to someone (often his child) and the owner retains a Life Estate. With Life Estate Deed, the owner cannot change his mind later and get the property back. Further, creditors of the child will be able to attach their liens onto the real estate. Often times this makes it impossible to undo the Life Estate, even if all parties are agreeable.

For individuals looking for an alternative to probate, a Transfer on Death Deed may be something to consider. You should talk to your attorney to see if these Deeds may be appropriate for your situation.