

Common Ways to Hold Title

Title to real property may be held by a single individual or entity, known as Sole and/or Separate Ownership, or by two or more individuals and/or entities known as Co-Ownership. Following is a brief list of common ways to hold title (Ownership and tenure of title varies by state - remember, it is important to distinguish the proper way to hold title to your property. You may want to consult with your Attorney or Tax Advisor for what form suits your particular circumstance and needs).

Sole and/or Separate Ownership: Where an individual or entity is the sole and/or separate owner of the realty.

- A Single Individual -- A single individual who has not been legally married or registered as a Domestic Partner.
- An Unmarried Man or Unmarried Woman -- A man or woman who was previously married and is now legally divorced.
- A Married Man or Married Woman, or Registered Domestic Partner as his/her Sole and Separate Property -- A married man or woman who is either married or a Registered Domestic Partner who will hold title without a spouse or Registered Domestic Partner (The title company insuring title may specifically require the excluded spouse or Registered Domestic Partner to relinquish his or her right, title and interest to the realty by recorded quitclaim deed or other recorded instrument).

Co-Ownership: Where two or more individuals or entities are the owners of the realty.

Community Property: A form of Co-Ownership by a legally married husband and wife.

Community Property with Rights of Survivorship -- A form of Co-Ownership by a legally married husband and wife which includes the benefits of community property and that of joint tenancy.

Joint Tenancy: A form of Co-Ownership by two or more individuals (none of which can be a Corporation, Partnership, Limited Liability Company or Trustees of a Trust) held in equal shares, by a title created by a single transfer, when expressly declared to be a joint tenancy.

On the death of one Co-Tenant the survivor or survivors take no new title but hold the entire estate under the original transfer, if the joint tenancy has not been legally broken.

Tenancy in Common: A form of Co-Ownership with two or more individuals or entities. The interest of each individual or entity may or may not be stated and may not be equal. A Tenant in Common in has the right to deal with its interest as it sees fit - sell, hypothecate, lease, gift, etc.

Other Forms of Ownership -- Entities created under state law, such as:

Corporation: An artificial entity created under the authority of the laws of a state usually regarded separate from its shareholders.

Partnership: An artificial entity created under the authority of the laws of a state as an association of two or more individuals or entities to carry on, as co-owners, a business for profit.

Limited Liability Companies (L.L.C.): An artificial entity created under the authority of the laws of a state and can be considered a hybrid of a corporation and partnership.

Trust: A confidence in one person to hold and administer for the benefit of another. The legal title to realty is held by the Trustee who manages the realty for the benefit of the Beneficiary pursuant to the terms and conditions of the Trust Agreement.