

## Holding Title

Before you reach the closing day, you will want to make a decision as to how you will "hold title" to the property. This decision has legal, tax and estate planning ramifications. Therefore, it may be prudent to consult an attorney or certified public accountant (CPA).

The following information is supplied for informational purposes and should not be relied upon as legal definitions.

### Buying Alone

- **Sole Ownership**
  - A single individual who has not been legally married.
  - An unmarried individual who was married and is now legally divorced.
  - A married individual who wishes to acquire title in his or her name alone. At the time of closing, the spouse of the buyer will be required to specifically disclaim or relinquish his or her right, title and interest to the property.
- **Living Trust**

A living trust is created while an individual is alive and gives the individual control of the distribution of his or her estate. The individual transfers ownership of his or her property and assets into the trust.

### Buying with Others

- **Tenancy in Common**

Enables each partner in the property to sell, lease or will to his/her heirs that share of the property belonging to him/her.

  - Who can take title? *Any number of individuals.*
  - Ownership Division: *Any number of interests, equal or unequal.*
  - Who holds title? *A separate legal title to his undivided interest is held by each co-owner.*
  - Possession: *Equal right of possession.*
- **Joint Tenancy**

Property owned by multiple individuals where if one of the owners dies, the remaining owners acquire the share of the deceased owner automatically.

  - Who can take title? *Any number of individuals.*
  - Ownership Division: *Interests cannot be divided.*
  - Who holds title? *There is only one title to the whole property.*
  - Possession: *Equal right of possession.*
- **Community Property**

Property owned equally between a husband and wife. Each must sign all agreements and documents of transfer.

  - Who can take title? *Only a husband and wife.*
  - Ownership Division: *Interests are equal.*
  - Who holds title? *Similar to title being in a partnership, title is held in "community."*
  - Possession: *Equal right of possession.*



Ron and Julie Neeffe, GRI, REALTORS®  
Real Estate III-(North) 434-817-9200 Office  
2231 Seminole Ln., Charlottesville, VA 22901  
434-484-2100 Ron / 434-422-7205 Julie / 1-888-344-9191 FAX  
[www.RJNHomes.com](http://www.RJNHomes.com) / [Ron@RJNHomes.com](mailto:Ron@RJNHomes.com) / [janeefe@verizon.net](mailto:janeefe@verizon.net)





### **Additional Ways to Hold Title**

- **Corporation**

A corporation is a legal entity, created under state law, consisting of one or more shareholders but regarded under law as having essentially the same as those of an individual. The entity has continuous existence until it is dissolved according to legal procedures. Land owned by a corporation cannot be attached for personal debts or judgments rendered against any of its shareholders.

- **A Partnership**

A partnership is an association of two or more persons who can carry on business for profit. A partnership may hold title to real property in the name of the partnership with partners having an equal or an unequal interest in the property.

- **A Trust**

A trust is an arrangement whereby legal title to property is transferred by the grantor (or trustor) to a person called a trustee, to be held and managed by that person for the benefit of the people specified in the trust agreement, called beneficiaries.



Ron and Julie Neeffe, GRI, REALTORS®  
Real Estate III-(North) 434-817-9200 Office  
2231 Seminole Ln., Charlottesville, VA 22901  
434-484-2100 Ron / 434-422-7205 Julie / 1-888-344-9191 FAX  
[www.RJNHomes.com](http://www.RJNHomes.com) / [Ron@RJNHomes.com](mailto:Ron@RJNHomes.com) / [janeefe@verizon.net](mailto:janeefe@verizon.net)

