



COMMON WAYS TO HOLD TITLE

When people purchase real estate (like a house or land), “holding title” refers to how ownership is legally structured. The method chosen affects rights of survivorship, transferability, taxes, and liability. Here are the most common ways to hold title in the U.S.:

A Single Individual

A person who is not married or a registered domestic partner.

Separate Property

Separate property can be held by an unmarried person, a married person or a registered domestic partner. Separate property in Washington State is defined as property owned before marriage and property acquired during the marriage or registered domestic partnership by gift, devise or inheritance. In certain scenarios Ticor Title may require a non-participating spouse or partner to execute a Quit Claim Deed to relinquish any presumptive community interest in the property.

Community Property

The Revised Code of Washington (RCW 26.16.030) defines community property as property “acquired after marriage or after registration of a state registered domestic partnership by either domestic partner or either husband or wife or both.”

Tenancy-in-Common

Two or more people have interests (not as community property or joint tenants) in the property. The individual interests do not need to be equal but the sum total of the interests must equal 100% (i.e. Fred Smith and unmarried man, as to an undivided 73% interest and Anne Jones, an unmarried woman, as to an undivided 27% interest). The interests of each tenant-in-common passes to his/her heir(s) at law upon death.

Joint Tenancy

Two or more people have equal interests in the property and the deed by which they take title must specify that the property is “held as joint tenants, with rights of survivorship”. Unlike tenancies-in-common, when a co-owner dies, his or her ownership interest automatically passes to the other co-owners.

Trust Ownership

Title is held in the name of a trust, managed by a trustee for beneficiaries. Avoids probate and offers estate planning benefits.

We are not authorized to advise you on how to take title (also referred to as “vesting”). The method of holding title can have significant legal and tax consequences. Because these matters depend on your personal circumstances and applicable state law, you should consult with an attorney or other qualified professional to determine the best way to vest title for your situation.

