

VESTING OR OWNERSHIP OF A PROPERTY

What is vesting? Vesting is how you choose to title your property. You must put vesting on the deed. If you do not then it is not clear how this property was intended to be held. If someone dies and it is not vested properly and clearly then it could be held up in the courts or the probate.

1. **Tenant in Severalty**, this means 1 owner. John Doe, an unmarried man, as Tenant in Severalty.
2. **Tenants by the Entirety**, this is only between a husband and a wife. If they are not married they cannot hold property this way. What it means is: if the husband dies it will pass to the wife or vice versa. This type of ownership has rights of survivorship
3. **Joint Tenants with Right of Survivorship**, this can be held by a husband and wife. It is also used to hold property between any other persons with rights of survivorship. For example: John Smith, an unmarried man, June Smith, a married woman, and Dave Smith, an unmarried man, as Joint Tenants with right of Survivorship. If one dies it will automatically pass to the other two. They both will have equal shares of ownership, but cannot will any of their ownership to someone else. Upon death it will pass to the last owner. It can also read, John Smith and June Smith, husband and wife, as Joint Tenants with Right of Survivorship. Some husband and wives want to hold title this way depending on what state they live in. AZ is a community property state and must have a special clause if husband and wife want to hold property as joint tenants with right of survivorship.
4. **Tenants in Common**, this means that John Smith and June Smith bought a property and they are both single, or married doesn't matter. Lets say that John Smith dies June will not automatically own the property in full she will only own 50%
So what happens to that 50% she doesn't own? John can will it to someone completely different. This property will have to go through Probate to determine who the property is willed to. Why would a husband and wife do this? Blended families.
Husband want his 50% to go to his children and wife wants her 50% to go to her children. Not advantageous in Timeshare. Not worth enough.
Can cause lots of issues. Most of the time when you see this in this office it is between two different couples or two different businesses.