

# COMMON WAYS TO HOLD TITLE TO REAL PROPERTY IN TEXAS



The question of not only whether you own real property, but how you hold title to any property, can have significant implications on your rights as a property owner and how the property can be passed down to your heirs. It is extremely common for married couples to own property together, but there are several different ways that spouses can hold titles. We'll take a deeper dive into this subject below and lay out some common arrangements for property ownership in Texas.

## SOLE OWNERSHIP

This method of holding title to real property is pretty straightforward. Real estate that is owned by one person (such as a single or unmarried woman or man) is said to be solely owned. A single corporation, LLC, or other business entity may have sole ownership of real property as well. A married woman or man may have sole ownership of real property in certain circumstances, but there is a presumption that any property gained by married Texans during their marriage is community property.

## TENANCY IN COMMON

Tenancy in Common is the most common form of concurrent ownership. Under this arrangement, multiple owners own fractional interests in a piece of real property. The fractional interests may not necessarily be equal among the different owners. For example, one unmarried man may own 1/2 of a piece of land in Galveston County, while a real estate investor may own the remaining 1/2 through a LLC. There is no right to survivorship when one owner passes away. Instead, his or her interests will pass down to a beneficiary through estate planning documents or by intestate succession in the absence of a will or estate plan.

## JOINT TENANCY WITH RIGHT OF SURVIVORSHIP

Joint Tenancy with Right of Survivorship (JTWROS) is similar to tenancy in common, but a JTWROS generally refers to a written agreement for a right of survivorship between two or more persons who hold an interest in the property jointly. The right of survivorship must be specifically stated. Also, spouses may agree to take title as community property with right of survivorship by executing a written agreement pursuant to the requirements of the Texas Estates Code.

## COMMUNITY PROPERTY

As mentioned above, property gained during marriage is considered to be community property in Texas. This means that each spouse has a 1/2 interest in community property. This comes into play in divorce proceedings. However, those putting together estate plans must know that real property owned as community property does not automatically pass to the other spouse after one spouse passes away.

## CONCLUSION

Exactly how you or a loved one owns real property is probably not an urgent matter for you until it presents major problems among those who claim to own or deserve it. For clarification or general education on this subject, don't hesitate to contact one of our Chicago Title Hesse locations.

*The preceding summaries are a few of the more common ways to take title to real property in Texas and are provided for informational purposes only.*

