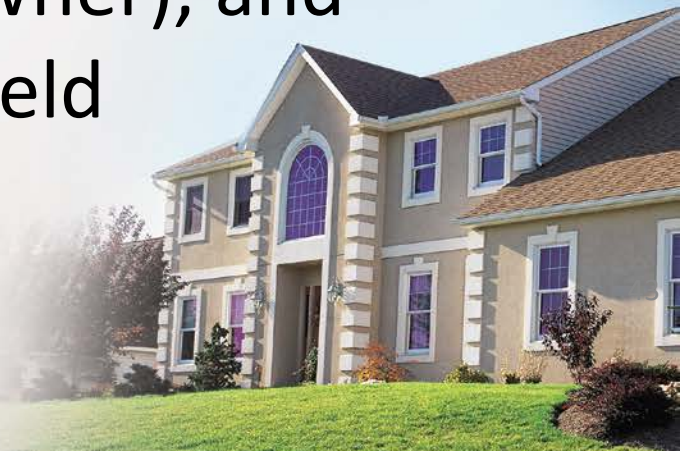


## Unit 4: Forms of Real Estate Ownership

Although the forms of ownership available are controlled by state law, real estate may be held in one of three basic ways. They include ownership in severalty (one owner), co-ownership (more than one owner), and ownership by a trust (property held for the benefit of another).



# 4 Forms of Real Estate Ownership

## Learning Objectives

- Define and explain the distinction between ownership in severalty and co-ownership.
- Describe the various forms of co-ownership in real estate.
- Describe the key elements of trusts, partnerships, corporations, and LLCs.
- Identify and describe the types of property ownership for common-interest properties.

# 4 Forms of Real Estate Ownership

## Ownership in Severalty

- Property is owned by one individual, corporation, or other entity

## Co-Ownership

- Property is owned by two or more individuals

# 4 Forms of Real Estate Ownership

## Forms of Co-Ownership

- Tenancy in common (TIC)
- Joint tenancy
- Tenancy by the entirety
- Community property

# 4 Forms of Real Estate Ownership

## Trusts and Business Organizations

- Living and Testamentary Trusts
- Land Trusts
- Business Organizations

Partnership

Corporation

Limited Liability Company

# 4 Forms of Real Estate Ownership

## Condominiums, Cooperatives, and Time-Shares

- Condominium Ownership

Common elements

Right of first refusal

HOA

# 4 Forms of Real Estate Ownership

- Cooperative Ownership

Corporation holds title

Corporation bylaws

Shares of stock

# 4 Forms of Real Estate Ownership

- Time-Share Ownership
  - Time-share estate
  - Time-share use