

CLOSING TIME

Tenancy Options in Pennsylvania

Overview

When you purchase real estate with someone else - a spouse, a partner, friend or a family member(s), one of the decisions that you will have to make is how to **take title** to the property. There are 3 different **options for tenancy**, and the one you choose becomes part of the vesting deed. The *type of tenancy* indicates how the ownership is legally agreed upon by the owners, and how the property's ownership will remain upon one of the owner's death. It's important to know that anything outlined in a last will and testament **does not override the vesting on the deed**.

Options*

Tenants in Common	<p>Two or more people who hold title to real estate in common; they have a common and equal right to possession and enjoyment of the property , but each holds a separate individual interest in the property. Each owner may sell or encumber their respective interest, direct in their will who will inherit their interest, and if they die without a will, their heirs inherit their undivided interest.</p> <p>For example, if two people buy real estate and the deed is vested as "Tenants in Common", if one of them dies, their interest in the property goes to the their heirs, not the surviving partner.</p>
Join Tenants with Right of Survivorship	<p>Two or more people who hold title to real estate jointly; they have equal rights to possession and enjoyment of the property during their respective lifetime with the provision that upon the death of a joint tenant their share in the property passes to the surviving tenant(s), until title is fully vested in the last survivor. A joint tenant cannot legally encumber their interest without the consent or joinder of all of the joint tenants.</p> <p>For example, if three people purchase real estate and the deed is vested as "Joint Tenants" upon one of the owners' death, their ownership interest is distributed among the remaining title holders, not their heirs.</p>
Tenants by the Entirety	<p>Similar to joint tenancy above but reserved for legally married couples only, which contains the benefit of survivorship, but also tenancy by entirety protects both spouses through the law. Tenancy by entirety laws are built on the premise that one spouse cannot be held accountable for the debts of the other.</p> <p>For legally married couples, "Tenants by the Entireties" offers the most comprehensive protection under the law.</p>

*Please contact a lawyer with any questions you may have about these various options and what option is best for your specific situation.

Title Agents cannot give legal advice. For general information or questions, please contact our Team at 484-561-5740.