



## What are my vesting options for holding title?

**A:** Vesting is how you take title to real estate. The vesting used to take title when you acquire ownership establishes the rules controlling your later conveyance of your interests in the property.

You choose the vesting for holding and controlling title at any time prior to closing — but in sufficient time for preparation of the grant deed and notarized signature by the sellers prior to the date scheduled for closing.

Ownership may be vested in the following ways:

- as a single or unmarried person with sole ownership of the property;
- as a married person or registered domestic partner with sole and separate ownership from their spouse or partner;
- as community property where property acquired by a married couple or registered domestic partners is not acquired in a separate ownership, and either spouse or partner may will their half of the ownership interest to another person;
- as community property with the right of survivorship where ownership interest in the property is transferred to the surviving spouse or registered domestic partner upon death;
- as joint tenancy where all co-owners hold equal

ownership interest in the property and upon an owner's death, interest is proportionally transferred to the surviving co-owner(s); or

- as tenancy in common where ownership interest in the property is divided into any number of interests, equal or disproportionate, and each co-owner has separate legal title to their ownership interest and is able to will their interest to whomever they choose.

Title to your property may also be held in trust, such as a living trust. However, lenders will not accept a trust arrangement as a borrower since a trust is not an individual or an entity.

When you obtain purchase-assist financing and you decide to hold title to your property in a trust arrangement, you will first need to select the vesting you will use to acquire the property (and hold your beneficial interest in the trust). After your escrow closes, your escrow officer is able to assist you in preparing a new grant deed to transfer your property to your trust arrangement.

The precise vesting you will use does not need to be stated in the purchase agreement as it is not a condition of the purchase agreement or escrow.

Your agent will advise you on the vestings available for your situation. Once you decide on your vesting, escrow will enter it when preparing the seller's grant deed.