



# How You Hold Title in Arizona

## Affects Your Ownership of Real Property

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Real property is an asset you want to protect. Holding title to real property, however, can take many forms. To ensure that your assets are protected in the future, it's important to hold title in a way that accurately reflects your circumstances, wishes and interests.

**Community Property** – In a community-property state, such as Arizona, all property acquired by a married couple is jointly owned unless exempted by statute(s). Upon the death of either spouse, the survivor owns a one-half interest, with the deceased's interest being subject to his or her will or the laws of intestate succession.

**Community Property With Right of Survivorship (CPWROS)** – The difference between community property and tenancy in common is a valid marriage between two persons. Each spouse will hold an undivided (one-half) interest in the estate, which cannot be partitioned by selling his or her interest. A signature by both spouses is required to convey or encumber the estate. Upon the death of the first spouse, no court action is required to “clear” title and the estate passes to the surviving spouse outside of probate, after satisfaction of any estate taxes, and recording a copy of the death certificate.

**Sole and Separate** – Sole and separate title refers to real property owned by a spouse before marriage or any property acquired after marriage by gift, devise, descent or specific intent. If a married person acquires title as sole and separate property, his or her spouse must execute a disclaimer deed at the time of acquisition.

Stewart Title & Trust of Tucson, Inc  
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**Joint Tenancy With Right of Survivorship (JTWROS)** – Even though Arizona is a community-property state, a married couple may acquire title as joint tenants by vesting as it is, which is contrary to the presumption that the property is community. Individuals that are not married may also acquire property in this manner. Upon the death of one of the joint tenants, the property transfers to the surviving joint tenant(s). For the property to be vested in the survivor's name, a copy of the death certificate must be recorded and the estate taxes, if any, must be satisfied.

**Tenancy in Common** – This form of co-ownership entitles two or more individuals to an undivided interest in the entire asset. Since the ownership is separate, it may be dealt with separately by the tenants. Property acquired by individuals not married to one another is presumed to have title as tenancy in common, which makes all interests equal unless the document states differently.

**Corporation** – Title may be taken in the name of a corporation, provided that the corporation is duly formed and in good standing in the state of its incorporation.

**General Partnership** – In Arizona, title may be taken in the name of a general partnership duly formed under the laws of the state. A partnership is defined as a voluntary association of two or more persons as co-owners in a business for profit.

**Limited Partnership** – A limited partnership under Arizona laws is formed by two or more persons and has one or more limited partners. A certificate of limited partnership must be filed in the office of the Secretary of State.

**Limited Liability Company** – A limited liability company, formed by two or more persons under the laws of Arizona, operates similar to a partnership and offers protection that is similar to that of a corporation. An Arizona liability company must be filed with the State of Arizona.

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