

## CHOICE OF TENANCY

Transfer of \_\_\_\_\_ (the "Property")

In connection with the transfer of the above-referenced Property, the undersigned hereby direct Gimer Law to recite in the Deed the following selected tenancy -- CHOOSE ONE ONLY:

- 1. **SOLE OWNER:** An undivided interest by **one** person with no other party having a right or interest in or to the Property.
- 2. **TENANTS BY THE ENTIRETY:** An undivided interest by a **married couple** with the right to the entire property passing to the surviving spouse upon the death of one (1) spouse.
- 3. **JOINT TENANTS:** An equal ownership interest by all parties named on the deed with rights of ownership vesting in the **survivor** of all owners.

Example: Andy, Beth and Charles own Blackacre (1/3 each). If Beth dies, Andy and Charles will each own one-half (1/2) of Blackacre. If Charles then dies, Andy owns Blackacre outright.

- 4. **TENANTS IN COMMON:** An individual ownership interest in a portion of the Property (either equal or unequal) with another party and sharing a common interest and right to use as to the whole. Tenants in Common does **not** provide for survivorship rights. Thus, a will is recommended to identify the recipient of the ownership interest upon the death of one of the owners.

Example 1: Andy, Beth and Charles own Blackacre. Beth owns seventy percent (70%), Andy owns twenty percent (20%), and Charles owns ten percent (10%). Charles dies. Charles had a will which states that his interest should pass to his mother, Charlene. After probate, Charlene now owns a ten percent (10%) interest in Blackacre. If Charles had died without a will, his ten percent (10%) interest would pass in accordance with the laws of the jurisdiction in which the property is located.

Example 2: Andy and Beth are married but own Blackacre with Charles. Andy and Beth own a sixty percent (60%) interest in Blackacre, which they hold as Tenants by the Entirety. Charles owns a forty percent (40%) interest in Blackacre. As between Charles and the unit made up of Andy and Beth, the parties own Blackacre as Tenants in Common, forty percent (40%) to Charles and sixty percent (60%) to Andy and Beth jointly.

\_\_\_\_\_ % to \_\_\_\_\_                      \_\_\_\_\_ % to \_\_\_\_\_  
\_\_\_\_\_ % to \_\_\_\_\_                      \_\_\_\_\_ % to \_\_\_\_\_

**Important:** transfers of property can have tax consequences. The above examples are provided for information purposes only. The undersigned acknowledge that we have been provided with the opportunity to consult with advisors of our own choosing concerning all aspects of this transfer, including any tax consequences. Having been fully informed as set forth above, we direct Gimer Law to prepare documents using the tenancy identified above.

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Name: \_\_\_\_\_

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Name: \_\_\_\_\_

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