

DIFFERENT WAYS TO HOLD TENANCY



CSS

**CORPORATE SETTLEMENT
SOLUTIONS**

Traverse City
414 E Front St.
Traverse City, MI 49686
(231)-946-6033

Suttons Bay
422 N St. Joseph, Suite B
Suttons Bay, MI 49682
(231)-271-5555

Elk Rapids
212 River St., A3
Elk Rapids, MI 49629
231-264-4444

Bellaire
502 E Cayuga St.
Bellaire, MI 49615
231-533-4200

Charlevoix
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Charlevoix, MI 49720
231-547-5220

Mt. Pleasant
209 E. Broadway St.
Mt. Pleasant, MI 48858
989-773-7428

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There are different types of tenancy for individuals (how people can hold title) in Michigan. The types and characteristics include:

1. Tenants in common:

- The most common form of ownership in Michigan. If no tenancy is indicated, it is assumed to create a tenancy in common
- Each party has an individual ownership interest in a portion of the property and the right to use the whole
- Can be equal or unequal ownership interests
- Does not provide for survivorship rights

2. Joint tenants:

- Provides for survivorship rights
- One joint tenant can convey his interest to a 3rd party The joint tenancy is severed and the parties become tenants in common

3. Joint tenants with full rights of survivorship:

- Same characteristics as joint tenants, except that survivorship may not be severed by a conveyance out to a 3rd party from less than all parties
- If one joint tenant conveys to a 3rd party, the 3rd party only gets a life estate with a contingent remainder. The joint tenant that conveyed the interest must survive the other remaining joint tenant in order for the 3rd party to acquire a fee interest. If the conveying joint tenant dies before the other remaining joint tenant, the 3rd party's interest is automatically terminated

4. Tenants by the Entirety. Only available for a husband and wife:

- "Best" type of tenancy—most difficult to break
- Assumed if at the time of acquisition a man and woman are husband and wife, even if no mention on the deed is made
- Not automatically created if parties become married after they acquire title
- Neither husband nor wife can convey to a 3rd party without the other joining
- Husband and wife have to convey on the same instrument, although the document may be executed and notarized in two separate locations