

PROPERTY

PROPERTY DEFINED:

Anything of which there can be **ownership**. Ownership of property is the right to **possess and use** a property to the **exclusion of all others**.

The ownership of property is known as a "**BUNDLE OF RIGHTS**." These rights include the **exclusive** rights to **possess, use, encumber, dispose of**, and to **exclude** others from using your property. **EXCEPTION:** All individual ownership rights of property are subject to **governmental limitations and restrictions**.

TYPES:

Real or Personal property. (**TWO KINDS**)

PERSONAL PROPERTY:

Any property that is **MOVABLE**.

A **bill of sale** is used to convey title to **personal property**.

TWO PARTIES: Vendor (seller)-**Vendee**. (buyer). "**Chattel Real** is the historical name for **personal property**. **NOTE:** A **lease, trust deed, or mortgage** (all of which are movable since they are written on paper) are considered to be **personal property** even though all 3 documents refer to **real property**.

REAL PROPERTY:

Any property that is **IMMOVABLE**.

FOUR COMPONENTS:

1. **LAND:** In its natural state. Ownership rights extend not only to the surface of the earth but that which lies **beneath the surface** and the **air space above** the surface. Includes underground minerals such as metals, gold, and coal. Mineral rights may be sold **separately** from the land. An **Owner of mineral rights** has an **implied right** to enter upon the land and **extract the minerals**.
2. **AFFIXED TO THE LAND:** Anything attached to the land such as buildings, fences, walls, walks, and shrubs become **REAL PROPERTY** when they are **permanently affixed or attached to the land**.
3. **APPURTENANT OR INCIDENT TO THE LAND:** Appurtenant means "**belongs to**." Includes anything, which is by right used with land for its benefit. **Example:** 1) Stock in mutual water company 2) Easements 3) Rights of way over adjoining lands, and water rights.
4. **IMMOVABLE BY LAW:** Established crops and trees are a part of the land. Trees must be sold **with the land**. Any **growing vegetables or fruits** are considered **personal property**.

LATERAL & SUBJACENT SUPPORT:

A homeowner has a **right to have his or her land supported** by the land of **adjoining** landowners. **Lateral support** refers to the support that a piece of land receives from land on all sides of the homeowner's property. **Subjacent support** refers to the support of land beneath the homeowner's property.

A landowner has the **right to prevent or stop** the actions of surrounding landowners to do anything that might weaken or undermine the **lateral** or **subjacent** support of the landowner's property.

IMPORTANT NOTES ON PROPERTY:

1. Growing crops are **affixed** to the land but are not subject to real property taxes except fruit and nut trees: **4 years and over**. Also applies to Grapevines: **3 years and over**.
2. **Deciduous** means – sheds its leaves at the end of each season.
3. **Tenements** – all rights which pass with the land.
4. **Emblements** - Cultivated crops - Tenant has right to take crops after tenancy has ended **if** the crops are a product of the tenant's labor.
5. For purpose of sale, emblements and industrial growing crops that are **to be severed before sale**, are treated as goods and sold under the provisions of laws governing the sale of **personal property**.
6. When growing crops are sold, they are considered to be **personal property** even though they have not been severed from the land.
7. **Fructus Naturales (Natural Growth)**: Trees, shrubs, perennial bushes, which do not require annual cultivation. They are part of land to which attached. Considered to be **Real property** until severed at which time they become **Personal Property**.
8. **Fructus Industriales (Industrial Crops)**: Crops such as wheat, corn, and other vegetables, which are a result of **annual labor**. This type of crop is normally considered to be **Real Property** until harvested. However, if the crop is sold before harvest, it is then treated as **Personal Property**.

FIXTURES:

Items of **personal property** that have become attached to real property in such a manner that the items are considered to be part of the **real property** and will pass with the land. Ownership is acquired by **accession**. **FIVE TESTS OF A FIXTURE:**

SIGNAL

**M
A
R
I
A**

1. **Method of Annexation**: What **method** was used to **affix (attach) it**.
2. **Adaptability**: How **adaptable** is the item to the property? - Is it an item that could easily be put up and taken down such as Venetian blinds or screens? Or, was it custom made for a particular building.
3. **Relationship of Parties**: The establishing of **the relationship** between parties in a possible lawsuit - Such as buyer/seller: landlord/tenant. Between **buyer and seller** - law favors the buyer. Between **landlord and tenant** - law favors tenant.
4. **Intention**: What was the **intention** of the parties when the item was attached to the real property? - Was it intended to be removed later or was it considered to be permanent? **(MOST IMPORTANT TEST)**
5. **Agreements between Parties**: Is there any **written agreement** between parties stating the permanency of or the intent to remove the fixture.

TRADE FIXTURES:

Personal property affixed to **real property** for the purpose of **conducting a business**. Example: Shelves affixed to the walls of a storefront in a clothing store Trade fixtures are **an exception to the fixtures rule**. Trade fixtures are **always personal property** and **may be removed by the tenant** at the expiration of the lease. Tenant may remove without consent of owner. If removal causes damage, tenant **must restore property** to its original condition.

TEST TIPS:

1. All tests of a fixture **do not** have to be met in order for a court to determine that an item is a **FIXTURE**.
2. The **time** at which an item of personal property has is attached to real property is **NOT one of the five tests used by courts** to determine if item has become a fixture.
3. The court's determination of a fixture is **never based on the cost of the item**.

ESTATES
(What is owned)

ESTATE means **OWNERSHIP**. **ANY** ownership right in real property is called an **ESTATE**. It is the degree, duration, nature, quantity, or extent of an interest in real property. **TWO TYPES:** **1) FREEHOLD ESTATE** (You Own) **2) LESS THAN FREEHOLD** (You Use). **FREEHOLD ESTATES** are **transferable** estates in real property of **indefinite duration**. **TWO KINDS:**

- 1) **ESTATES IN FEE**
- 2) **LIFE ESTATES**

ESTATES IN FEE:

Also known as a **Fee Simple Estate**. This is the **greatest degree of ownership** in real property that a person or persons can hold. A fee simple estate continues indefinitely. This type of estate is referred to as "**an estate of inheritance**" or "**perpetual estate**" since owner can dispose of it in life by **sale** or **gift** or upon death by **will** or **interstate succession**.

THREE REQUIREMENTS:

(a) DURATION: It is of **INDEFINITE DURATION**. It is the property of the owner or his successors as long as they wish to keep it or until they leave it to another by will.

(b) INHERITABLE: It is **FREELY INHERITABLE**. Upon the death of the owner, the estate goes to his or her heirs by will or interstate succession.

(c) TRANSFERABLE: It is **FREELY TRANSFERABLE**.

NOTES:

1. When owner holds a fee without **any** restrictions, it is called a **FEE SIMPLE ABSOLUTE**.
2. It is possible to have more than one fee simple ownership of land. Owner A has the exclusive right to minerals below the surface. Owner B has all the rights to the surface and the air above it. **Both** owners have **estates in fee**.

FEE SIMPLE DEFEASIBLE ESTATES:

A fee simple estate with a **condition or limitation on it**. This type of fee estate may be **defeated, undone** or **revoked**. If a grantor transfers a property in fee simple but places a condition or limitation on the title, it could trigger the **termination or revocation** of the property transfer.

EXAMPLE:

Able conveys land to Baker "on the condition that the land **not be used** in any way for the sale of alcoholic beverages. Several years later, Baker breaks this condition and builds a convenience store on the property that sells beer and wine. The condition has been broken! Able, the previous owner, would now have grounds to revoke the property transfer and retake the property.

NOTE: A **fee simple defeasible estate** that has a condition or limitation placed on the title to the land when it is transferred is **less valuable** than a fee simple estate.

LIFE ESTATE: An estate limited in duration to the **life of its owner** or to the life or lives of one **or more** other **designated persons**. This type of estate is usually created to provide a lifetime residence for someone while they are alive. When the holder of the life estate dies, the property will **revert back to original owner**. A **life estate** can be created by either a **deed** or it can be **willed**.

Estate in Reversion: An estate that reverts back to the **original grantor** at the death of the holder of the life estate.

Example: Able gives Baker a life estate **based on Baker's life**. When Baker dies, the **estate (ownership)** of the property is **to revert back** to Able. Once the property is transferred, **Baker holds the "life estate."** Since the estate has been set up so that the property will **revert** to Able when Baker dies, Able holds an **"estate in reversion."**

Estate in Remainder: Suppose in the above example, the deed conveying the life estate to Baker had been worded to state "I, Able, convey a life estate to Baker and upon Baker's death what **remains** of the estate will pass to Johnson." If this were the case, , while Baker is holding the **life estate** and Able is holding an **estate in reversion**, Johnson now also holds an **"Estate In Remainder"** on the same property.

NOTES:

1. The owner of a Life Estate may borrow money on the life estate, but an encumbrance created by the life estate holder would be binding only **during his or her lifetime**.
2. A **lender on a real property loan** made to a holder of a life estate-would require a **life insurance policy** to cover any unpaid loan balance. **Protects the Lender!**
3. The holder of the life estate **may lease** the property to another person. However, the **lease is void** upon his or her death.
4. The holder of a Life Estate may **sell** his interest and convey it with a deed. However, upon his death, rights of any buyer of the life estate would **terminate**.
5. A life estate may be **sold** or **leased** or **encumbered** but may **not be WILLED**.

LESS THAN FREEHOLD ESTATES

Estates owned by tenants who **lease or rent** real property. Leasehold estates are **personal property** or **Chattels Real**.

LEASEHOLD ESTATES:

(Holder Has No Title Rights)

DISTINGUISHING FEATURES: Rights to the exclusive **possession** and **use** of real property are acquired by a lessee for a specified period. A contract between the **LESSOR** (owner or landlord) and **LESSEE** (tenant).

LESSOR parts with the right to the **exclusive use and possession** of the real property. Lessor holds basic title (reversion) during period of lease.

FOUR LEASEHOLD ESTATES:

ESTATES FOR YEARS: A leasehold for a **definite duration - a fixed period of time** (Such as one day, one week, two years). This type of lease automatically terminates at end of term. **NO NOTICE REQUIRED**

MAXIMUM TERM: City or Town - **99 years**. Agricultural - **51 years**.

PERIODIC TENANCY: Known as an estate from period to period and is of **indefinite duration**. No set expiration. The lease renews for another similar period (year to year, month to month) until **notice of termination** is given by either party. Tenancy then expires at end of current period.

ESTATES AT SUFFERANCE: If a tenant continues to occupy a property beyond the expiration of the term of his lease and the loss of his rights in the property, it is known as an Estate at Sufferance. No notice is required to terminate an estate at sufferance. If the landlord, however, continues to **accept rent payments even though the lease has expired**, the estate becomes a **Periodic Tenancy** and requires that **notice be given** to evict.

ESTATE AT WILL: A leasehold estate which has **no fixed term** and may be terminated by either party **without notice**. By law. However, California requires that 30 day advance notice of termination be given by either party.

CREATION OF LEASEHOLD:

No particular language required as long as it is the **intention** of parties to rent premises. **MUST INCLUDE:**

- | | |
|----------------------------|----------------------|
| 1) Name of Parties | 4) Method of Payment |
| 2) Description of Property | 5) Length of Term |
| 3) Amount of Rent | |

NOTES:

1. Statute of Fraud requires leases for **more than** one year to be **in writing**.
2. A **written** lease must be signed by **LESSOR**.
3. Lessee evidences acceptance of lease by paying rent and entering into possession.
4. A lease **does not** have to be recorded.
5. **IF** a lease is to be recorded, it must be acknowledged by **LESSOR**.
6. A lessee has a **right** to the **quiet enjoyment and possession** of the leased property.

ASSIGNMENT:

ASSIGN means to transfer a right or interest in a property to another person.

PARTIES:

ASSIGNOR: Person who **assigns the right or interest**.

ASSIGNEE: Person to whom the right or interest **has been assigned**.

A tenant, under a lease, has a right to assign or sublet his or her lease to someone else **UNLESS** it is expressly prohibited in the lease without the landlord's consent.

ASSIGNMENT: In an assignment, the **entire remainder** of a lease is transferred to a **new tenant** (assignee). New tenant now become **PRIMARILY LIABLE** to pay the rent to landlord and meet the other terms of the lease. In the event the rent is not paid, the **original tenant** (Assignor) is still **secondarily liable** to pay the rent.

SUBLETTING: A sublease is a transfer of **less than the entire leasehold**. If not prohibited by the lease contract, a tenant can sublease or can transfer (**ASSIGN**) the **entire leasehold**.

SUBLET EXAMPLE:

Able (Lessee) is leasing a beachfront condo for one year from Charlie (Landlord). After 4 months have expired on the lease, Able has to go to New York for business purposes and will be there 4 months. Baker, a friend of Able, volunteers to rent the condo for 4 months from Able to enjoy a summer at the beach. Able now becomes a **SUB-LESSOR** and **sublets** the condo to Baker, who is technically a **SUB-LESSEE** for the 4-month period. Baker is responsible to pay his rent to Able. Able is still responsible to pay the rent to Charlie (Landlord). When Able returns from New York, Baker's sublease (which was only a **part of the original lease**) is terminated. Able moves back to occupy the condo for the **remaining part** of the original lease.

**THE
LANGUAGE
OF LEASES:**

Renewing: Same parties negotiate a **new** lease.

Extending: Same parties extend time of **existing** lease.

Percentage lease: Based on a percentage of **gross income**, with a **minimum guarantee**. Parking lot and garages - Highest % lease. Chain grocery store - Lowest % lease. **Sandwich Lease:** The leasehold interest that lies between the **primary lease** and the **operating lease**.

Exculpatory Clause: A clause which holds the lessor **free of liability** for injury on the premises.

Escalator Clause: A clause which provides for the **increase** or **decrease** of rent usually based on the cost of living index.

Flat, Fixed or Straight Lease: Rental is a **fixed sum** paid periodically throughout the entire lease term.

Step-Up Lease: Provides for **increased** rent to be made in a **series of steps** over a **period of time**.

Tenant Improvement Allowance: Landlord makes specific improvements to a shell space for a specific tenant.

Ground Lease: Lease of **land only**.

Index Lease: Rent is tied to the cost-of-living index (CLI).

Graduated Lease: Contains a clause providing for a varying rental rate (escalation clause).

Gross Lease: Lessee pays an agreed rent, the lessor pays the expenses.

Rent: Consideration for the **use and possession** of property.

Waste: Destruction or injury to property caused by a tenant.

Surrender: Termination of a lease by **mutual agreement**.

Net Leases Tenant pays certain expenses such as **taxes, insurance, maintenance, and repairs** in addition to the rental charge depending on whether it is a **net lease, net net lease, or triple net lease**.

TERMINATION:

Leases or rental agreements can be terminated for a variety of reasons by either the **landlord** or the **tenant**.

EIGHT common grounds for termination:

1. Violation of landlord's duty to place tenant in **quiet possession. BY TENANT.**
2. Violation of landlord's **duty to repair. BY TENANT.**
3. Upon **eviction** by landlord. **BY TENANT.**
4. Upon **destruction of premises** if no covenant to repair. **BY EITHER PARTY.**
5. **Use** of premises for **unauthorized purposes. BY LANDLORD.**
6. **Abandonment** of premises. **BY LANDLORD.**
7. **Breach** of a **condition** of lease. **BY EITHER PARTY.**
8. Breach of Implied Warranty of Habitability. **BY TENANT.**

EVICTION: Legal process for removing tenant. **FOUR STEPS.**

1. **3 day notice to quit or pay rent**
2. Filing the complaint - Called an **UNLAWFUL DETAINER ACTION.**
3. **Writ of Possession** issued by Court. Sheriff directed to execute
4. **Eviction** of tenant by sheriff within 5 days after service

NOTES:

1. All leasehold estates are estates less than freehold. All other estates are **freehold estates**
 2. Lease not terminated by **death or sale.** Death terminates lease given on property held as a life estate.
 3. A lease for **one year or less** may be oral. Law presumes monthly tenancy. Signature of lessee not required if he **takes possession** or pays rent - called "part performance."
 4. To terminate a periodic tenancy- either party must personally serve notice equal to the rent paying period not to exceed 30 days.
 5. Demand for needed repairs not granted - tenant may **abandon** premises **OR** make repairs equal to **one month's rent.**
 6. Prepaid rent is taxable in the **year collected.**
 7. Landlord must return the security deposit **within 21 days** after premises are vacated.
 8. If landlord retains any portion of the deposit in bad faith, landlord subject to damages not to exceed \$600 plus any actual damages sustained by tenant.
 9. **Maximum Security Deposits** - Landlord cannot demand more than **2 months rent** on **unfurnished residential units** and **3 months rent for furnished units.**
 10. Security deposits may not be characterized as "**non-refundable.**" Unused portion must be refunded to tenant within two weeks after termination of tenancy with written statement showing disposition of deposit funds.
 11. An **OPTION** in a lease normally passes with an assignment of the lease - even if not mentioned in the lease.
 12. If a landlord tries to force a tenant to sign a contract to make improvements to the property, the lease would be **VOIDABLE** by the tenant.
 13. A tenant, who suspects that hazardous materials have been or are being released above or underneath the leased property, **must notify the owner or lessor in writing.**
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PROGRESS QUIZ

(The correct answers and explanations of these answers can be found at the end of this Chapter)

1. The right to use, possess, enjoy, transfer, or dispose of a thing to the exclusion of all others most accurately describes: (a) Real estate (b) An estate in fee (c) Equity (d) Ownership
2. Which of the following is an "estate" in real property? (a) A mortgage (b) A lease (c) An easement (d) A homestead
3. Which of the following is considered to be personal property? (a) An easement (b) Mineral rights (c) A trust deed (d) Trees growing in a forest
4. All of the following are considered to be real property except: (a) Mineral, oil, and gas rights (b) Airspace over a property (c) Shares in a real estate investment trust (d) Trees and shrubs attached to the land
5. Which of the following is usually considered to be real property? (a) Stock in a mutual water company (b) Minerals that have been mined (c) Crops that have been harvested (d) Growing crops that have been sold
6. A sublease is considered to be: (a) A transfer of the entire leasehold (b) A transfer of less than the entire leasehold (c) An assignment (d) An estate for years

PROGRESS QUIZ - CONTINUED

7. Which of the following is an estate less than freehold? (a) Fee simple estate (b) A leasehold estate (c) A life estate (d) A fee simple defeasible estate
 8. A tenant, who continues in possession of a property after his lease has expired without the consent of the owner, has: (a) An estate of inheritance (b) An estate for years (c) An estate at sufferance (d) A life estate
 9. A lease, to be recorded, must be acknowledged by the: (a) Lessor (b) Lessee (c) Notary (d) All of the above
 10. Under California law, a tenant who terminates a tenancy, must be advised of the final disposition of the security deposit within: (a) 14 days (b) 21 days (c) 30 days (d) 60 days
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OWNERSHIP OF REAL PROPERTY (WHO OWNS IT)

BASIC KINDS: All property has an **owner**. May be Government (federal, state, or local), a private organization, or person, Property owned by government is called **Public Property**.

TWO BASIC KINDS OF OWNERSHIP: 1) Severalty Ownership, and 2) Co-Ownership

SEVERALTY ESTATE: This is the ownership of property by **ONE** person.

CORPORATION: In the eyes of the law, a corporation is **ONE PERSON**, a called a **LEGAL** person and holds title **in SEVERALTY**.

JOINT TENANCY ESTATE: (Cannot be Willed)
The ownership of property by two OR more persons **WITH** the "**Right of Survivorship**." This means that when a joint tenant **dies**, his interest is acquired by the surviving tenant. Joint tenants have the "**Right of Survivorship**."

A joint Tenancy **MUST HAVE FOUR UNITIES: Time, Title, Interest, and Possession**.

(1) TIME: **All joint tenants** must be created at the **same time**. Once the joint tenancy has been created, another tenant cannot be added at a later date.

(2) TITLE: **All joint tenants** must be named in **ONE** deed.

(3) INTEREST: **All joint tenants** must have **EQUAL INTEREST**. A joint tenant cannot own more nor less than his co-tenant.

(4) POSSESSION: **All joint tenants** must have **EQUAL RIGHTS** to the possession of the property.

A joint tenant can do **anything** with his interest in the joint tenancy, prior to death, **EXCEPT** leave it to someone by a **WILL**. When he dies his interest, by law, goes to the survivors.

JOINT TENANCY NOTES

1. When a joint tenant dies, the title vests in the survivor **FREE AND CLEAR OF ALL CLAIMS** of the creditors of deceased joint tenant. Joint tenants are **not liable** to creditors of deceased joint tenant.
2. **PARTITION ACTION:** A court action by which property held by co-owners is **sold by the court** in order to **serve their joint ownership**.

3. A license should **not advise** as to the advantages of joint tenancy - this is considered **Practicing law**.
4. Joint Tenancy in most cases, **avoids Probate Court**.
5. **Disadvantages:** 1) A joint tenant cannot dispose of his interest by will. 2) Either party can sever the joint tenancy **without the consent** of the other tenant.
6. A joint tenancy is destroyed when **any** of the **four unities** is **destroyed**.

TENANCY IN COMMON: The ownership of property by **two or more** persons **WITHOUT** the "**Right of Survivorship**." Interest **may be WILLED**. Only **one unity** in a Tenancy in Common --- **POSSESSION**.

- (a) TENANTS IN COMMON -- NO -- RIGHT OF SURVIVORSHIP
- (b) TENANTS IN COMMON -- NO -- FOUR UNITIES -- only **ONE**.

NOTES:

1. Each tenant in common receives an **UNDIVIDED** interest described **in one deed**.
2. Upon death, the undivided interest of a tenant in common passes to his heirs or devisees. **No Right of Survivorship**.
3. A tenant in common may sell, will, or mortgage his or her own interest in the property.
4. Interests of co-tenants may be unequal and may be acquired at different times.
5. A tenant in common's rights are in proportion to the shares owned (20%, 60%, etc).

COMMUNITY PROPERTY: The ownership of property acquired by **husband and wife** during marriage except that which either might acquire by. **1) Gift 2) Inheritance 3) Will**. These are called Separate Property, the same status given to property owned by either **prior to** marriage.

NOTES:

1. Separate property **may become** community property if it becomes so **commingled** that it cannot be separated.
2. Separate property or earnings of either spouse **are not** liable for debts incurred by the other spouse **PRIOR** to marriage.
3. The separate property of a spouse **is** liable for his or her own debts contracted **BEFORE** marriage.
4. Community property **is liable** for the debts of either spouse contracted after marriage.

STATUTORY MANAGERS: **EITHER SPOUSE** has the **management** and **control** of Community Real and Personal Property and the right of absolute disposition as if it was their separate property.

BOTH SPOUSES, personally or by an authorized agent, **must join in the execution of any instrument for the sale, conveyance, encumbering or a lease for more than one (1) year**, regarding **COMMUNITY REAL PROPERTY**.

RIGHT TO WILL: During their lifetime, the husband or wife may will their interest in the community property to **anyone** of their choosing.

NOTES:

1. The marital status of a husband and wife **need not** be stated **in a deed** in which they are the **grantors**. When stated, the legal designation **ET UX** means "**and wife**."
2. Either spouse may obligate community funds for personal services (**LISTINGS**).
3. Either spouse may **add** to the community assets **without** the written consent of the other spouse.

TENANCY IN PARTNERSHIP:

A partnership consists of **two or more person** operating a business as co owners in which they share the **profit and loss**. Partnerships may own **Real Property**.

TWO KINDS OF PARTNERSHIPS: (1) A General Partnership (2) A Limited Partnership

GENERAL PARTNERSHIP: No written agreement required **unless** the ownership of real property is involved.

1. **All** general partners are personally liable to 3rd parties for partnership debts.
2. A general partner's liability is for the **entire** obligation of the partnership.

LIMITED PARTNERSHIP: All partners must execute and acknowledge a Partnership Agreement and file a **Certificate of Limited Partnership** in the Office of the Secretary of State. **MUST BE IN WRITING.**

1. A limited partner's liability for firm debts is **limited** to the amount of his investment. However, at least **ONE PARTNER** must be a "General Partner" with **UNLIMITED** liability.
2. Partnership is **run** by "General Partner" - Limited partners invest with no voice in operation or direction of partnership.

AGENCY:

Each partner acts as the **agent** of the other partners. Each partner **MUST ACT** for the benefit of the partnership. Any advantage secured for himself would be fraudulent. **A PARTNER MAY NOT TAKE ADVANTAGE OF HIS POSITION AT EXPENSE OF PARTNERSHIP.**

NOTES:

1. A partner cannot **sell, lease, or encumber** his interest unless **ALL PARTNERS** join in transaction.
2. Upon the death of one partner, the heirs have rights to the partnership in the form of accrued profits and property owned, but NOT in the business of the partnership. The surviving partner **may sell** the partnership Real Property but **must account** to the heirs for their share of the proceeds.
3. A married partner's interest **is not** community property and consent of spouse is not required to transfer title.
4. A partner **may not** will his interest in specific partnership property. Upon death, the surviving partners control business until partnership can be dissolved and interest of deceased partner distributed to heirs.

CORPORATION:

A LEGAL PERSON - Created by Law - Has an existence separate from its shareholders. Must file Articles of Incorporation with Secretary of State. **NEVER DIES. Has perpetual existence.**

MAY TAKE TITLE TO PROPERTY IN ITS OWN NAME. Can hold title as:

1. **In Severalty.** Considered to be **ONE** legal person.
2. As a Tenant in Common
3. **CANNOT** hold title as Joint Tenant. Why? **Never Dies.**

Authority to convey title to corporate real property must be given by the **BOARD OF DIRECTORS.** This is done in the form of a **CORPORATE RESOLUTION** authorizing certain officers to deal with the corporate real property.

PROGRESS QUIZ

(The correct answers and explanations of these answers can be found at the end of this Chapter)

11. A person who owns a property "in severalty," probably has:
(a) A life estate (b) A tenancy in common (c) A defeasible estate (d) Sole ownership
 12. McBride owns a small industrial building and enters into a 7 year lease with Woods for the property. In your opinion, Woods' lease is: (a) An estate for years (b) Personal property (c) A chattel real (d) All of the above
 13. Tenancy in common interests have a unity of: (a) Time (b) Title (c) Interest (d) Possession
 14. Sheila, Sharon, and Mary own some land as joint tenants. When Sheila dies, Sharon and Mary would each hold a one-half interest in the property because of: (a) The right of survivorship (b) The unity of possession (c) The rules of intestate succession (d) The doctrine of severalty
 15. A, B, and C own a house as joint tenants. B takes out a loan, giving the lender a trust deed on her interest in the property. Which of the following is true? (a) If B defaults on her trust deed, the lender can foreclose on the entire property (b) The trust deed is void (c) If B dies, the lender loses its lien against the property (d) The trust deed severs the joint tenancy
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TITLE

BUNDLE OF RIGHTS:

Title is the bundle of rights through which a person owns property. It is the **EVIDENCE** of title. **TITLE IS AN IMAGINARY THING.** It is very real in the eyes of the law, but intangible and without body or substance. It embraces the **RIGHTS OF OWNERSHIP** - Known as a "**Bundle of Rights.**"

The title is a **RIGHT** that is **IN YOU.** Therefore, when you take the title out of one person, you must vest it in another. You may convey title even though it is encumbered with a judgment, lien or trust deed.

NOTES:

1. Clear title means there are **no encumbrances**
2. Free title means **owner is free to convey title**

FIVE BASIC WAYS TO ACQUIRE AND TRANSFER TITLE:

1. Will (Testate)
2. Succession (Intestate)
3. Accession (Fixture)
4. Occupancy (Adverse Possession)
5. Transfer (Deed)

WILLS:

A will is a document that states how property is to be disposed of as determined by its owner. Any competent person may make a will. Wills are **CREATED** during the maker's lifetime. A will becomes **EFFECTIVE** only upon the death of its maker.

PROBATE: Court Procedure for purpose of **determining** and **settling** the debts of the estate and **establishing** the **identity** of the **beneficiaries**.

THREE STEPS FOR PROBATE SALES:

1. Submit offer at **90% of appraisal and 10% deposit**.
2. Have the **Court approve** the sale.
3. Court will fix **AND** approve commission.

NOTES:

1. **Exclusive Listing** – Executor or Administrator may give **exclusive listing up to 90 days** with court permission.
2. A **Legacy** is a gift of **personal property**, usually money, by will - the receiver is called a **Legatee**.
3. Probate property may be sold **at any price** with the **approval of the court**.
4. At probate hearing, court will accept **additional** bids.

SUCCESSION: When a person dies **INTESTATE** (without a Will), the law provides for the disposition of property. This is called **INTESTATE SUCCESSION**. Persons entitled to decedent's property by Intestate Succession are called "Heirs."

ACCESSION: Occurs when owner acquires title to **additional** land or property which becomes attached to his property. (Man-made or natural causes). **TWO WAYS:**

#1. Addition of Fixtures: Called **Annexation**. An owner attaches his **personal property** to the **real property** of another in such a manner that it becomes a permanent fixture. **No agreement allowing him to remove, RESULTS:** - The personal property becomes part of the real property. **TITLE** passes to owner of real property through **ACCESSION** unless the owner requires the improvement to be removed.

NOTES:

Improvements made in Error - The Civil Code permits an innocent person, who improves the land of another by mistake, to remove the improvements upon **payment of damages** to the owner of the land.

If a party unlawfully intrudes onto an adjoining property when building an improvement, it is termed an **ENCROACHMENT** - Party encroached upon may bring a court action to remove the improvement. And may also collect damages for **TRESPASS** (A Court Action to remove must be within 3 years).

#2. Accretion: An owner of **riparian** property or **littoral** property may acquire title to additional land. **CAUSED BY:** Gradual and imperceptible accumulation of land from shifting of a river or the action of an ocean.

THE LANGUAGE:

1. **RIPARIAN PROPERTY** - Property located along a **moving body of water** such as a **river, stream, or watercourse**.
2. **LITTORAL PROPERTY** - Located beside a pond, lake, or ocean shoreline where body of water is **non-flowing**.
3. **RELICTION** - Land that has been covered by water is exposed by the gradual receding of water such as when a lake permanently recedes.
4. **ALLUVIUM** - Land added by **Accretion** or **Reliction**.
5. **AVULSION** - **Process where by land is** torn away or washed rapidly away by action of water.

**ADVERSE
POSSESSION:**

This is a method of acquiring title to real property **without** a deed and any court action. Title to **another's property** is acquired through continuous and notorious occupancy under a claim of title. If the **adverse possessor is to acquire the title**, he or she **must comply** with the following requirements:

1. **TAXES** paid for 5 years by the adverse possessor
2. Adverse possessor must **OCCUPY** the property (not necessarily live on the property) in an **open and notorious** manner
3. **CLAIM OF RIGHT OR COLOR OF TITLE** - Adverse Possessor must have some basis for claiming the title.
4. **CONTINUOUS** 5 years of occupancy
5. **HOSTILE** (without consent) to owner. (Must be against owner's wishes.)

Adverse Possession cannot be traced through the county recorder's office, therefore it is an **unmarketable** and **uninsurable** title until **perfected** by either of the following remedies: **1) Quiet Title Action** in court, **or 2) Receive a Quitclaim Deed** from the record title owner.

NOTES:

1. When a person acquires title by adverse possession, he must **record** the court order to **perfect a marketable title**.
2. Title **cannot be acquired** by adverse possession against the **government**.

**TRANSFER
BY DEEDS:**

In California, the transfer of ownership of real property is usually accomplished by a simple written document - **A DEED**. A Deed is a written instrument which **conveys (alienates)** title to Real Property. A deed does **ONE** thing - **MOVES TITLE TO REAL PROPERTY**.

Only **ONE WAY** to move title to real property - **BY DEED**.

Exception: By operation of **LAW**.

(a) **Voluntary** - act of party - **EXAMPLE:** "Grant Deed".

(b) **Involuntary** - Act of law - **EXAMPLE:** "Sheriffs Deed".

A **DEED MOVES TITLE ONCE** - you can never use a Deed a **second** time.

PARTIES:

ALL Deeds (Except the Trust Deed) have a **GRANTOR** and a **GRANTEE**.

GRANTOR- GIVES the title.

GRANTEE- RECEIVES the title.

Words ending in "**OR**" - one who is doing the **GIVING**.

Words ending in "**EE**" - one who is doing the **RECEIVING**.

DELIVERY:

In order for a deed to be **effective** it must be **DELIVERED**. However, a deed, though actually delivered is not effective unless it was the **"intention of the Grantor"** to give ownership and possession at the time of delivery.

BASIC METHODS OF DELIVERY:

1. **MANUAL DELIVERY:** Direct transfer of deed from Grantor to Grantee.
2. **DELIVERY THROUGH RECORDING:** Putting the title of record in the grantee's name at the county recorder's office.
3. **CONDITIONAL DELIVERY:** Requires a specific event take place before title may be passed - Deed is then delivered manually.

NOTES:

1. A deed recorded is **PRESUMED** to have been **DELIVERED**.
2. To be **effective**, a deed must also **be accepted by grantee**. Grantee shows acceptance by acts and words.

ESSENTIAL REQUIREMENTS FOR A VALID DEED

1. The Deed must be **in Writing**
2. The Deed must have a **GRANTING CLAUSE** - An action word that states the Title is being moved - Words like convey, grant, or transfer.
3. The Deed must contain the **NAME OF A GRANTEE** who is capable (alive) of receiving the grant. Legal capacity is NOT REQUIRED - May be infant, incompetent, or person using an assumed name
4. The Deed must contain the **SIGNATURE OF THE GRANTOR**
5. The Deed must contain an **ADEQUATE DESCRIPTION**
6. The Deed must have a **COMPETENT GRANTOR** who has the capacity (adult and sane) to convey the grant.

NON-ESSENTIALS OF A VALID DEED

1. A legal description is not necessary to the validity and the recording of a deed. The deed is **valid between the parties** (Grantor and Grantee) but **it would not be insurable**, therefore **not marketable** without a **Legal Description**.
2. A deed does not have to **be acknowledged** by the Grantor.
3. A deed does not have to **be dated**.
4. A deed does not have to **be recorded** to be valid between the Grantor and Grantee.
5. A deed does not have to **be signed** by the Grantee.
6. A deed does not have to have a **competent Grantee**. A grantee could be a minor or a mentally incompetent person.

RECORDATION: A deed is valid as **between the parties** when **delivered** even though it is not recorded. However, to protect the interest and Right of Possession of the Grantee, the deed **should be recorded**. It **must be recorded** to obtain title insurance.

A Deed to be Recorded must:

1. Be **ACKNOWLEDGED** by the Grantor in presence of Notary Public.
2. **STATE** the basis for the documentary transfer tax.
3. **CONTAIN** the name and address of person to whom the tax statement is to be mailed.

DEED DEFINITIONS:

1. **ACKNOWLEDGMENT** - A formal declaration made before a duly authorized officer and acknowledgment (admitting) that one's signature is given of his or her own free will.
2. An **EXCEPTION** in a Deed **withholds part of the property** from the conveyance.
3. A **RESERVATION** is **the retention of a right** in the property.
4. **ATTEST** - To affirm to be true - an official act establishing authenticity.
5. **VERIFICATION** - A sworn statement as to the correctness of an instrument.
6. **AFFIRMATION** - Solemn and legally binding declaration made by person whose religious beliefs prohibit him or her from taking an oath.
7. **AFFIDAVIT** - Written statement of circumstances, submitted under verification.
8. **NOTARY PUBLIC** - Person authorized by Secretary of State to witness the acknowledgment of documents.

KINDS OF DEEDS

GRANT DEED: A deed in which the word "**grant**" is used as the **ACTION** word. The word "Grant" implies **TWO WARRANTIES**. They are:

1. That the **Grantor has the Title** - In other words, the title has not already been conveyed to someone else.
2. There is **nothing that affects the title** that has not already **been disclosed** to the grantee.

NOTE: A grant deed is the **most commonly used deed** in California. It conveys **After-Acquired Title** (Means any title the grantor might receive **after conveying** the property to a grantee, would belong to the grantee).

QUITCLAIM DEED:

A deed in which the Grantor conveys all right, title, and interest of which he then possesses. **It does not warrant title**. A Quitclaim Deed will convey **ANY** interest the Grantor possesses at the time, but not **after acquired title**. A Quitclaim Deed is used primarily to clear a "**Cloud on Title**" or a "**Color of Title**" from the records.

NOTE: A "Cloud on Title" (A condition affecting the title) or a "Color of Title" (A false claim against the title) may be removed in one of **TWO WAYS:**

- 1) With a **Quitclaim Deed**
- 2) A court action to **Quiet Title**.

GIFT DEED:

A deed that does not require a "valuable consideration" to be effective. Deed may refer to "**Love and Affection**" which is "**Good Consideration**."

WARRANTY DEED:

Rarely used in California because it has been "supplanted" by a **Policy of Title Insurance**. The warranties in this deed are expressed (in writing), not implied.

RECONVEYANCE DEED:

A deed by which the title held in trust is reconveyed by the **Trustee to the Trustor** indicating that the trust deed has been paid in full.

TAX DEED:

A deed given when a property is sold in payment of past due taxes.

SHERIFF'S DEED:

A deed given to the purchaser at a court required foreclosure sale.

TRUSTEE'S DEED:

A deed given to the purchaser of property at a trust deed foreclosure sale.

COVENANTS AND CONDITIONS:

Restrictions may be created by **private owners** - Restrictions will generally be stated in a clause found in: 1) **Deeds** 2) **Written Agreements** 3) **A developer's general plan for a subdivision**.

Private restrictions come in **TWO FORMS:** A **COVENANT** or a **CONDITION**. There is a significant difference between these two restrictions if either one is breached (broken:).

A Covenant: A **promise** to do or not to do certain acts regarding the **use** of a property. If a covenant is **breached** - Owner can be ordered by court to: **1) Comply** with the restriction **OR** 2) **Pay** damages.

A Condition: A **qualification** for the **continued ownership** of a property. If a condition is breached, owner of property may be legally required to **FORFEIT THE TITLE** of the property back to the previous owner.

NOTE: A **condition** has **penalties** that are far **more severe** than a **covenant**.

**VALIDITY
OF A DEED:**

A deed is **VOID** or **INVALID** if:

1. It is **forged** or obtained by **fraud, duress, or mistake.**
2. Grantor is a **minor** or **incompetent.**
3. If the deed is executed in **blank or altered.**
4. Grantee doesn't exist - **A fictitious person.**
5. Never **delivered.**

NOTES:

1. On Deed "**Et al**" - means "**and others.**"
2. On Deed "**Sans**" - means "**without.**"

RECORDING

RECORDING:

The **legal process** of making an instrument an official part of the records of a county. The Recording Act of California provides that any **instrument** (legal document) or **judgment** affecting the **title or possession** of real property **may be recorded.** All documents to be recorded **MUST BE ACKNOWLEDGED.**

Recording gives **CONSTRUCTIVE NOTICE** of the existence and content of documents. When a person records a document, the person is literally "**telling the world**" of his or her **rights and interests** in the real property.

**CONSTRUCTIVE
NOTICE:**

An instrument relating to Real Property must be **recorded in the county where the property is located** to give **Constructive Notice.** It is "filed for alphabetically arranged **GRANTOR and GRANTEE** index called "Name Indices". It provides the only method to trace title to real property in Recorder's Office.

NOTES:

1. Public Records may be inspected **by anyone** - without employee present.
2. The notice resulting from possession **has the same effect** as the notice imparted by recording.
3. Time of important to bona fide purchaser - Protected only by properly using recording statutes.
4. As between conflicting claims to same parcel of land, **PRIORITY OF RECORDATION** will ordinarily determine the rights of the parties.

PRIORITIES:

FIRST TO RECORD IS FIRST IN RIGHT: Also referred to as the Priority of Recording. - Means that when a document is recorded is very important! Recording a document is considered to be a **privilege** - Not a legal requirement. California law rewards those who use the recording system and penalize those who do not. **EXAMPLES:**

#1) "A" sells a property to "B" and gives him a deed. "B" records the deed at the County Recorder's Office thereby giving Constructive Notice of his ownership interest. **By recording his deed, "B" is protecting himself.** Recording the deed puts later potential buyers or lenders on notice that there is already a prior ownership interest of record.

#2) "A" sells a property to "B" on June 1 and gives her a deed. "B" does not record her deed until June 30. On June 10, "A" sells the same property to "C" and gives her a deed. "C" records her deed on June 12 and has no knowledge whatsoever of the sale to "B." Under these circumstances, **"C's" deed is superior in priority to "B's."**

EXCEPTIONS:

FOUR exceptions to the rule that protects a person from later recordings. They are 1) Government liens and special assessments 2) Actual notice of another person's prior rights 3) Mechanic's liens 4) Agreements to the contrary

ACTUAL NOTICE:

Actual notice is having knowledge of an actual fact - Being aware of a situation. **EXAMPLE:**

"A" is considering purchasing a home from "B." While inspecting the property, "A" discovers that a third party ("C") is living in the home and has a one-year lease with "B." "A" now has **ACTUAL NOTICE** of the fact that there is a "party in possession" who has rights in the property that would normally not be revealed in the county records.

PROHIBITING RECORDING: A clause in any instrument forbidding its recording is **unenforceable**, but does not invalidate the instrument.

NOTES:

1. Recorded documents are organized to show **sequential transfers** of a property.
2. Possession of a property gives notice that a "party in possession" has rights in property.
3. Purchaser should always inspect premises to establish **rights of parties in possession**.

WATER RIGHTS

A landowner holds certain rights of ownership of watercourses or bodies of water adjacent to his land-

RIPARIAN RIGHTS:

Right of a landowner to the **reasonable use of water flowing through, adjoining, or under his property**. If a non-riparian owner, you may request the State for a supply of water from a riparian owner. The granting of the request is referred to as "**APPROPRIATION**."

NOTES:

1. A landowner whose property line touches a lake might have **littoral rights**. If the property is next to a river, stream, or watercourse, he could have **riparian rights**.
2. Riparian rights of landowners extend to **Rivers, Streams, and Watercourses**.
3. A **watercourse** is defined as a natural stream of running water being fed by a natural source such as a stream or river.
4. A riparian owner owns the land underneath a stream or river bordering his land to the **midpoint** of the watercourse.
5. In navigable watercourse land underneath owned by government. **Riparian owner owns to water's edge**.

LITTORAL RIGHTS:

Right of landowner to reasonable of water bordering a **non-flowing body of water** (such as lakes and ponds). Ownership **extends to high water mark**. Owner has unrestricted use of water. These rights are **Appurtenant** to the land.

THE LANGUAGE:

1. **ACCRETION:** Gradual deposit of soil by water onto property.
2. **ALLUVIUM:** Soil deposited by **accretion**. Belongs to owner of land on which it is deposited.
3. **RELICTION:** Land formed when water recedes. Owner of waterfront gets added land.
4. **AVULSION:** The **tearing away** of land by the **action** of water flowing over it.
5. **EROSION:** The **gradual wearing away** of soil or land by running water or the elements.
6. **PERCOLATION:** The action of water passing through a porous substance, such as the ground.
7. **POTABLE:** Refers to water that has been purified or is drinkable.
8. **WATER TABLE:** Indicates the distance from the surface of the earth to the depth that ground water can be found.
9. **SURFACE WATER:** (**not** in a regularly defined channel) may not be obstructed or diverted property of another.

MINERAL, OIL, & GAS RIGHTS

Things contained in the land such as coal, oil, or minerals are **real property** until taken from ground – then, **personal property**.

NOTES:

1. Landowner conveys **without reservation** – New owner acquires right to these substances.
 2. Landowner may convey land and **reserve right** to all minerals and oil by a **provision in the deed**.
 3. When rights reserved, previous owner has an **implied easement** to enter upon land for purpose of extracting substances - **UNLESS:** Reservation specifically states "without right of surface entry."
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PROGRESS QUIZ

(The correct answers and explanations of these answers can be found at the end of this Chapter)

16. A dam breaks and washes away a portion of Chan's land. Chan has lost the title to the land that was washed away by: (a) Reliction (b) Avulsion (c) Erosion (d) Accretion
17. All of the following statements about covenants and conditions are false except:
(a) The violation of a covenant results in the loss of title (b) Covenants and conditions must be for the benefit of the general public (c) Private covenants and conditions are usually enforced by local governments (d) A violation of a condition can result in the loss of title
18. Able sold her home to Baker, but negotiated a two year leaseback and remained in possession. Baker immediately placed the deed he received in a safety deposit box to "keep it safe." Able then proceeded to sell the house to Charlie who immediately went to the County Recorder's office and recorded the deed. Who owns the property? (a) Baker because she received her deed first (b) Charlie because he recorded his deed first (c) Able still owns the home since the two deeds cancelled each other out (d) The title passes to the county because it is improper to issue two deeds
19. Delivery of a deed depends upon: (a) The knowledge of its existence by the grantee (b) Physical transfer of the deed to the grantor (c) Intention of the grantor (d) Prior acknowledgment of grantor's signature
20. If a person intentionally builds a fence on another person's land, the landowner would the title to the fence by: (a) Adverse possession (b) Prescription (c) Accession (d) Reversion
21. A joint tenant can dispose of an interest held in real property by all of the following ways except: (a) Sell it (b) Lease it (c) Give it away (d) Will it
22. A lessee leases a beach front condo for a two month period of time. His tenancy is known as: (a) An estate for years (b) A periodic tenancy (c) An estate at sufferance (d) An estate at will
23. Which of the following is appurtenant to land? (a) Stock in a mutual water company (b) Easements (c) Rights of way over adjoining land (d) All of the above
24. All of the following are true about a deed **except:** (a) The purpose of a deed is to transfer title to real property (b) A deed must be acknowledged to be valid (c) To be valid, a deed must be signed by the grantor (d) A deed will only transfer a title once
25. A riparian right of an owner to reasonable use of water if his land borders on a:
(a) River (b) Stream (c) Watercourse (d) Any of the above

Progress Quiz Answers & Explanations

1. **(d)** The "ownership of a thing," be it real or personal property, is the right to use and possess the property to the exclusion of all others. Real property, in the historical and legal sense, is a "**bundle of rights**." If you own a property you have the right to sell it, lease it, give it away, use it as collateral to borrow money, and exclude other people from using it.
2. **(b)** Leases are categorized as **leasehold estates**. Mortgages and easements are interests that a party may have in the land of another but are not estates. A homestead is a limited exemption a person may have to protect a portion of his or her estate.
3. **(c)** An existing mortgage is a piece of **paper** that is **movable** and is classified as **personal property**. Both easements and mineral rights are "**appurtenant to**" the land and are part of the real property. Growing trees are **attached** to the land and are real property.
4. **(c)** Shares of stock in a real estate investment trust are **movable** and considered to be **personal property**.
5. **(a)** Stock in a mutual water company is usually considered real property.
6. **(b)** In a **sublease**, a tenant grants someone else the right to possession of the leased property for **part of the remainder** of the lease term. In an **assignment**, the tenant gives up possession for the **entire remainder** of the lease term.
7. **(b)** The two types of **freehold estates** are: (1) Fee simple, and (2) Life estates. There are four **less than freehold estates**: (1) Estate for years (2) Periodic tenancy (3) Estate at sufferance (4) Estate at will - **all of which are leasehold estates**.
8. **(c)** An estate at sufferance is one in which the lessee, who has rightfully gained possession of the property, retains possession after the expiration of his or her lease **without the permission of the lessor**.
9. **(a)** The party who is giving up some right is generally the one who acknowledges an instrument.
10. **(b)** Security deposits for residential leases in California must be refunded, in full, within **twenty-one days** of the tenant vacating the premises.
11. **(d)** When one person owns a property, this person holds title "**in severalty**." Severalty is the term used to designate that **one person only** has **sole ownership** of the property.
12. **(d)** Since the lease contract that McBride is holding is for a **definite, fixed, period of time**, the lease is described as an **estate for years**. Since it is written on a piece of paper and is **movable**, it is an item of **personal property** (also known as a Chattel Real).
13. **(d)** Tenancy-in-common is a form of concurrent ownership in which **two or more** persons each have an **undivided interest in the entire property** (referred to as the unity of possession) but **no right of survivorship**.
14. **(a)** The most important characteristic of joint tenancy ownership is the **right of survivorship**. When a joint tenant dies, his or her interest automatically passes to the remaining joint tenants.

ANSWERS & EXPLANATIONS

15. (c) Any liens, such as a judgment lien, against a deceased joint tenant's interests in the property, are **extinguished**. The surviving joint tenants take the title **free and clear** of the lien or any other debts of the deceased joint tenant.
16. (b) The **sudden tearing away** of land by the action of water is known as **avulsion**. **Erosion** is the **gradual wearing away** of soil by water causing the land to be deposited elsewhere.
17. (d) Breaching a condition is more serious than breaking a covenant and can lead to the **forfeiture of a property**. If a covenant is breached, may result in dollar damages.
18. (b) The **first valid deed** that is **recorded** determines the owner unless that person, prior to recording had either **actual or constructive notice** of the rights of others. A deed signed and delivered but not recorded, is valid as between the parties, but invalid as to later recorded interests without notice.
19. (c) A deed is of **no effect unless delivered**. But delivery means more than turning over the physical possession of the document. The **grantor** must have the **intention to pass title** immediately. If this intention did not exist, the deed would not convey the title even though it was delivered. Another requirement to effectively convey title is that the deed be **accepted by the grantee**. This can be shown by retention of the deed or by any other act of ownership.
20. (c) The owner of the land acquires the title by **accession**. Accession is defined as the acquisition of title to **additional property** by its **annexation to real estate that is already owned**. This can be the result of the actions of a person or by natural causes.
21. (d) One of the key features of joint tenancy ownership is the **right of survivorship**. When a joint tenant dies, his or her interest will automatically pass to the remaining joint tenants.
22. (a) A lease for a **definite, fixed period of time** whether it be for a one year period or a two month period of time is classified as an **Estate for Years**. In this type of lease, **no notice is required**. When the definite, fixed period of time is over, the lease is automatically terminated.
23. (d) If an item is **appurtenant** to land it means it "**belongs to the land**." An appurtenance is a right that goes along with ownership of a piece of real property. It is usually transferred with the land but it may also be sold separately.
24. (b) A deed does not have acknowledged in order to be recorded.
25. (d) Riparian rights are the water rights of a landowner whose property is adjacent to or crossed by a moving stream of water such as a river, stream, or watercourse.
