

Posted on Mon, Nov. 28, 2005

Worth Consideration

A few ownership strategies that unmarried couples might consider:

- **Joint tenancy with right of survivorship.** Asset ownership is split equally between two or more parties and generally includes rights of survivorship. After death, that partner's share of ownership automatically transfers to the surviving partner, avoiding probate. This is what married couples are automatically afforded. Unmarried couples must specify such treatment in the deed and tenancy agreement. Ask for it.
- **Tenants in common.** Allows an asset to be held by multiple parties with varying percentages of ownership. Does not carry rights of survivorship. After death, that partner's share goes to the heir or heirs named in his will. If there is no will, heirs are designated by the state.
- **Payable on death/transfer on death.** An asset is owned individually but, on death, transfers to a designated beneficiary, avoiding probate. Quick and easy way to leave assets to a partner.
- **Revocable living trust.** An individual places assets in the trust and continues to control those assets by acting as trustee as long as he or she is alive. The trust is revocable and provides contingencies in case of disability by naming a successor trustee.

SOURCE: Money Without Matrimony (Dearborn, 2005)