

Property Deed(s) ...

DEED INFORMATION:

WHY SHOULD YOU RECORD A DEED? ~~ Under Pennsylvania Law, for the transfer of property to be binding on third parties, the deed must be recorded in the county's Recorder's Office. In other words, legal title is established when the deed is recorded in the Recorder's Office. The purchaser named on the last recorded deed is the legal owner.



WHERE IS YOUR DEED? ~~ When the deed is recorded, a permanent record of the deed is made and a specific deed book volume and page number is assigned to the deed. The original deed is mailed back to the address placed on the deed by the recording party. This is normally the name of the new purchaser or the attorney who prepared the deed. If you do not have your deed, check with your attorney or you may obtain a copy from this office. An uncertified copy of your deed costs \$1.00 per page. A certified copy, which is the legal equivalent of the original deed, cost \$5.00 for the first four pages and \$1.00 for each additional page over four.

Remember playing Monopoly as a kid, where amassing deeds to property -- those little color-coded cards -- was all-important? Real-life deeds aren't nearly so colorful, but they're still very, very important. Here are a few questions commonly asked about deeds:

1. What is a deed?

A deed is the document that transfers ownership of real estate. It contains the names of the old and new owners and a legal description of the property, and is signed by the person transferring the property.

2. Do I need a deed to transfer property?

Almost always. You can't transfer real estate without having something in writing. In some situations, a document other than a deed is used -- for example, in a divorce, a court order may transfer real estate from the couple to just one of them.

3. Does a deed have to be notarized? YES.

The person who signs the deed (the person who is transferring the property) should take the deed to a notary public, who will sign and stamp it. The notarization means that a notary public has verified that the signature on the deed is genuine. The signature must be notarized before the deed will be accepted for recording (see Question 4).

4. After a deed is signed and notarized, do I have to put it on file anywhere? YES.

You should "record" (file) the deed in the land records office in the county where the property is located. This office goes by different names in different states; it's usually called the County Recorder's Office, Land Registry Office or Register of Deeds. In most counties, you'll find it in the courthouse.

Recording a deed is simple. Just take the signed, original deed to the land records office. The clerk will take the deed, stamp it with the date and some numbers, make a copy and give the original back to you. The numbers are usually book and page numbers, which show where the deed will be found in the county's filing system. There will be a small fee, probably about \$5 a page, for recording.

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Confused by all the different kinds of deeds? -- quitclaim deed, grant deed, warranty deed. Does it matter which kind of deed to use? Probably not. Usually, what's most important is the substance of the deed: the description of the property being transferred and the names of the old and new owners. Here's a brief rundown of the most common types of deeds:

- A **quitclaim deed** transfers whatever ownership interest you have in the property. It makes no guarantees about the extent of your interest. Quitclaim deeds are commonly used by divorcing couples; one spouse signs all his or her rights in the couple's real estate over to the other. This can be especially useful if it isn't clear how much of an interest, if any, one spouse has in property that's held in another spouse's name.
- A **grant deed** transfers your ownership and implies certain promises -- that the title hasn't already been transferred to someone else or been encumbered, except as set out in the deed. This is the most commonly used kind of deed, in most states.
- A **warranty deed** transfers your ownership and explicitly promises the buyer that you have good title to the property. It may make other promises as well, to address particular problems with the transaction.
- A **trust deed** (also called a deed of trust) isn't like the other types of deeds; it's not used to transfer property. It's really just a version of a mortgage, commonly used in some states (California, for example). A trust deed transfers title to land to a "trustee," usually a trust or title company, which holds the land as security for a loan. When the loan is paid off, title is transferred to the borrower. The trustee has no powers unless the borrower defaults on the loan; then the trustee can sell the property and pay the lender back from the proceeds, without first going to court.
- A **contract for deed** is not really a deed at all. Also known as a "contract of sale," "land sale contract," or "installment sales contract," it's used when a seller finances a property for a buyer. The contract states that the seller will keep title to the property until the buyer pays off the loan. *SOURCE: Nolo Lawyer Directory (www.nolo.com)© Nolo Press 1996*

I HAVE A DEED FOR MY LAND; DO I NEED ANOTHER DEED FOR MY HOUSE? ~~
NO. Many people purchase a lot, then years later they build a house. We are frequently asked "when do I get the deed for our house?" The deed for the land is for both; there is no deed for the house.

MAY THE RECORDER CHANGE THE NAMES ON MY DEED? ~~ NO. The Recorder's Office is not permitted to change the names on any deed. If you want the names changed, a new deed must be prepared and recorded in this office. Consult with an attorney about preparing a new deed.

CAN THE DEEDS IN YOUR OFFICE TELL ME HOW OLD MY HOUSE IS? ~~ NO. In some cases, you can trace back all the deeds, many times a house is mentioned. The deed may only give you a very rough idea of the age. Pennsylvania law does not require the party preparing the deed to state on the document whether or not a structure is erected thereon. The best way, other than building permit records from the municipality, is by the County assessment records. These records will indicate when the assessment was changed to include a house.

IF MY SPOUSE DIES, DO I NEED A NEW DEED? ~~ NO. If your deed reads John Smith and Ruth Smith, his wife, and either spouse dies, the surviving spouse does not need a new deed prepared.

WHAT ARE REALTY TRANSFER TAXES? ~~ When a property is sold, Realty Transfer Taxes must be paid to the Commonwealth of Pennsylvania, the municipality and school district. The Pennsylvania Realty Transfer Tax is one percent of the selling price. The municipal and the school district Realty Transfer Tax are one percent or more of the selling price. You should check with your local municipality and school district to see what their Realty Transfer Tax is. These transfer taxes are paid at the Recorder's Office when the deed is recorded.

IF I GIVE MY PROPERTY TO MY CHILD, DO I HAVE TO PAY TRANSFER TAX? ~~ NO. Certain transactions are exempt from Pennsylvania and local Realty Transfer Tax. The most common example is between parent and child and grandparent and grandchild. Although these transfers are exempt from Realty Transfer Taxes, the purchaser still has to pay yearly county, local, and school district real estate taxes.

ONCE THE MORTGAGE IS SATISFIED, SHOULD I DO ANYTHING ELSE? ~~ Make sure the Bank that has your mortgage informs the county and the local tax collector (Municipal and School District) that they are to send your real estate tax bills to you and not to the bank.

WHEN I PAY OFF MY MORTGAGE, SHOULD I DO ANYTHING ELSE? ~~ YES. Once you have paid off the lending institution, make sure the lending institution records a "SATISFACTION PIECE" in this office. At that time, the original mortgage will be stamped "satisfied" and the permanent record of the original mortgage in our mortgage book will be marked on the margin "satisfied". The lien of the mortgage is not removed a "Satisfaction Piece" is recorded and the permanent record is marked "satisfied".

MAY A DEED BE TRANSFERRED BY A POWER OF ATTORNEY? ~~ YES. However, the power of attorney must be signed in front of a notary public and the notary must fill out the acknowledgement on the power of attorney. The power of attorney must then be recorded

in the Recorder of Deeds Office in the county where the property is located prior to the recording of the deed. The deed then is subject to the power of attorney.

NOTE: While every attempt has been made to provide accurate information, it is advisable to consult an attorney prior to initiating any legal action regarding your particular situation.