

Many Homeowners Don't Understand Title Issues, Which Can Lead to Big Problems Later on

Our office hosted estate lawyer Dan McKenzie at last week's office meeting, where he shared some horror stories about homeowners who made mistakes in the execution of deeds on their property.

It's important to understand the difference between "joint tenants" and "tenants in common." Most married couples hold title to their home as joint tenants, meaning that both of them own the whole house, and, if one dies, the surviving spouse still owns the whole house by himself or herself. **Tenants in common** own part of the house, typically but not necessarily *equal* parts. When one of them dies, the heirs on the deceased party inherit that part of the house. The problem arises when that new relationship may not be a friendly one.

When a single person owns their home by himself or herself ("in severalty") and wants to add a lover or spouse to the title, a "quitclaim" deed is used to accomplish that, usually with zero dollars exchanged. For example: John Doe quitclaims his home to John Doe and Jane Roe. Dan told us of a case where John Doe mistakenly

quitclaimed his home to Jane instead of to both of them, removing him from title. When she died, her heirs inherited the house, not him. Because they weren't married and he wasn't in her will or on good terms with her heirs, it created a real problem trying to reclaim the home he thought he owned.

A common mistake is for a homeowner, whether single or a couple, to add their heirs to title as joint tenants so the heirs would instantly own the home when they die. The problem with that approach is that the value of the home is not "stepped up" at death. Rather, include the home in your *will* or create a "beneficiary deed" so that the value of the home is stepped up to the value at the time of death. Otherwise, the heir would owe capital gains tax when they sell. If your heir *inherits* the house and then sells, the capital gains tax would be close to zero.

In a beneficiary deed, you name the person who is to inherit the home, independent or outside of your will. Thus, the transfer of ownership is automatic at your death at the stepped-up value.



A "life estate" is a special kind of deed that allows you to sell your home while you're alive, but not have to vacate it until you die. When my brother died ten years ago, my sister-in-law (his widow) was able to sell their farm to a buyer who gave her a life estate, allowing her to live free (except for utilities) in the farmhouse until her death many years later. The

buyer got full use of the rest of the farm during those years, so it was a win/win.

If you have questions about deeds or other title issues, including how probate works, you can reach Dan McKenzie at **The McKenzie Law Firm, LLC**. His cell number is **303-578-2745**, and you're welcome to email him at Dan@TheMcKenzieFirm.com.

How to Avoid Home Repair/Renovation Scams

First of all, **do not hire someone who solicits you**, either at your door or by phone/text/letter/email.

You've seen TV ads, no doubt, for [Angi.com](https://www.angi.com), and I like them as a resource because they survey every client about the service provided and price charged by the vendors they recommend. Those vendors are incentivized to do good work, because they want to get more referrals.

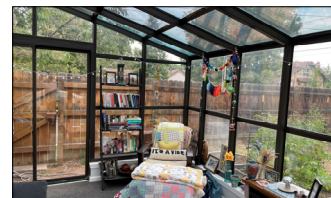
I also recommend calling your

trusted Realtor (me, for example) to get referrals and, importantly, to **tell the vendor that you were referred**. That way, they will, just like the Angi vendor, want to make you happy so they get more referrals.

The most risky thing you can do (other than what I described in the first paragraph) is to do online searching for vendors. Without a focus on getting repeat business or referrals, the vendor your find online could disappoint you.

North Park Hill Home Listed by David Dlugasch

Welcome to this completely renovated charming brick 2-bedroom, 1-bathroom single-family home at **2690 Ash Street** in the heart of residential Denver. This home features hardwood floors, new paint, new windows, stainless steel appliances, newer kitchen cabinets, tile backsplash and slate countertops. The bathroom has tile floors and a tiled bath. There is a sunroom (see picture below) at the rear of the home. The yard has a 6' privacy fence and has a large storage shed. The yard is great for entertaining friends and comes with garden beds to grow your veggies and flowers. Air conditioning, furnace, and water heater were installed in 2020, and there is a whole house fan. It is in walking distance to several coffee shops, City Park, the Denver Museum of Nature & Science, the Denver Zoo — and an Italian grocery store called Spinelli's. There's no HOA to deal with, either. Find a narrated video walk-through and interior photos at www.DenverHome.info. Then call David at 303-908-4835 to see it yourself!



Come to Golden This Weekend for Buffalo Bill Days!

Buffalo Bill Days is one of Golden's signature events, and you're invited. We're one of the event's sponsors, as we have been for over a decade, and I'll be driving our free moving van in Saturday's 10 a.m. parade. Come early and enjoy the Golden Fire Department's annual pancake breakfast, and stay afterwards for a multitude of activities. See www.GoldenBuffaloBillDays.com.

Price Reduced on 3-Bedroom Golden Townhome



Nestled in a cul-de-sac of the neighboring Canyon Point Villas community, this home provides its owner with relaxing views of the foothills from every window, including the famous "M" on Mt. Zion. **Originally listed at \$725,000, the price has been reduced to \$698,000.** Its full-width cedar deck in back is great for relaxing and entertaining. Relax inside, too, including in the

great room with its 20-foot ceiling and windows. Enjoy the refinished hardwood floors throughout and new carpeting in the lower-level living area. The updated, contemporary kitchen with slab granite countertops includes cutouts to let in twice as much natural light. The brightly painted 2-car garage includes wall cabinets and other convenient storage. View a narrated video walk-through, drone video, floor plans, and pictures at www.NorthGoldenHome.com, then come to our open house **Saturday, July 27th, from 11 a.m. to 1 p.m.** Or call your agent or listing agent **Jim Smith** at 303-525-1851 to request a showing.

Jim Smith

Broker/Owner, 303-525-1851
Jim@GoldenRealEstate.com

1214 Washington Ave., Golden

Broker Associates:

- JIM SWANSON, 303-929-2727
- CHUCK BROWN, 303-885-7855
- DAVID DLUGASCH, 303-908-4835
- GREG KRAFT, 720-353-1922
- AUSTIN POTTORFF, 970-281-9071
- KATHY JONKE, 303-990-7428

In-house Lender: WENDY RENEE, 303-868-1903



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