

## **OWNERSHIP AND ITS TYPES**

Ownership refers to the legal right of an individual, group, corporation or government to the possession of a thing. The subject of ownership is of two types material and immaterial things. Material ownership is that which is tangible like property, land, car, book, etc. Immaterial ownership is that which is intangible like patent, copyright, trademark, etc. Now we will discuss the kinds of ownership.

### **Kinds of Ownership**

Ownership could be classified as follows:

1. Corporeal ownership.
2. Incorporeal ownership.
3. Sole ownership.
4. Co-ownership.
5. Legal ownership.
6. Trust and beneficial ownership.
7. Vested ownership.
8. Contingent ownership.
9. Absolute ownership.
10. Limited ownership.

#### **1. Corporeal ownership:**

Corporeal ownership is of that object which is tangible in nature.

Example: Ownership of a house, a table, Land or a machine is corporeal ownership

Corporeal ownership implies ownership of a thing (material object) i.e. house, land, car, etc. The subject matter of the right may be movable or immovable.

## **2. Incorporeal ownership:**

Incorporeal ownership is that which is intangible in nature.

Example: Ownership of a copyright, a patent or a trademark is incorporeal ownership

## **3. Sole ownership:**

When a property is owned by only one legal owner it is called sole ownership. Example: A person owns a car.

## **4. Co-ownership:**

When a property is owned by two or more legal owners it is called co-ownership or joint ownership. Example: Partnership of business between three partners.

## **5. Legal ownership:**

It is the legal claim or title to an asset or property. Therefore, a person who has legal ownership on a property can transfer it to the ownership to another party.

Example: a lender who has lent money for a property is the legal owner of that property.

## **6. Trust and beneficial ownership:**

Beneficial ownership belongs to an entity who has the specific property right. But the property belongs to some other person. Example: If MR. John's property is transferred to trustees to hold it for the benefit of the beneficiaries. It is not MR. John's trust that owns the land or shares but the trustees of MR. John's who owns it. So their names would be used as the trust and beneficiaries.

### **7. Vested ownership:**

According to law, vested ownership has the complete and full ownership on the property. Example: Two people sharing ownership of a property. If one dies the other gets the gain of vested ownership of the property.

### **8. Contingent ownership:**

In Contingent ownership, the owner does not have the full claim to the property, but he can claim it on the fulfillment of some conditions.

Contingent Ownership means an ownership in which title is imperfect but is capable of becoming perfect on the fulfillment of some condition. In this kind of ownership the owner does not have full right to the property. It is an ownership arrangement in property that takes effect only in the event of a specific incident or circumstance. Contingent Ownership is also referred to as Conditional ownership.

### **9. Absolute Ownership:**

Absolute ownership is a free transferable and inheritable property a person can have as his actual right. Example: The mortgage of some property by its owner.

Absolute ownership is the actual right a person is having on a property. A property in actual ownership can be freely transferable and inheritable.

Absolute ownership is a state where s/he becomes the actual owner.

## **10.Limited Ownership:**

Limited ownership is the ownership that is not absolute or perfect. Where the owner enjoys the right to use and enjoy the property for a limited period of time as long as some other person is alive.

Example: A tenant for life enjoys the legal right to retain possession of buildings or lands as long as s/he or some other person is alive