

Types of Deeds in Real Estate

This guide explains the most common types of deeds, their uses, and important considerations when reviewing a deed during a real estate transaction.

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A Comprehensive Guide by The Housing Assistant



Introduction

In real estate, a deed is the legal document used to transfer ownership of property from one party to another. Different types of deeds offer varying levels of protection for the buyer and responsibility for the seller. This guide explains the most common types of deeds, their uses, and important considerations when reviewing a deed during a real estate transaction.

1. General Warranty Deed

This deed provides the highest level of protection to the buyer. The grantor guarantees:

- They have legal ownership of the property
- The title is free of encumbrances (unless disclosed)
- They will defend against future claims to title

Common Use: Traditional home sales

THA Insight: Often required by lenders due to the strong buyer protections it provides.

2. Special Warranty Deed

Provides a limited guarantee that the grantor has not caused title issues during their ownership only.

Common Use: Builder sales, REO (bank-owned) properties, commercial transactions

THA Tip: Buyers should conduct a thorough title search since protection does not cover prior owners.

3. Quitclaim Deed

Conveys whatever interest the grantor has without any warranties. It may or may not include full ownership.

Common Use: Transfers between family members, divorces, or clearing title issues

Pros: Fast and easy transfer

Cons: No protection if title defects exist

THA Caution: Quitclaim deeds are not typically used in financed transactions.

4. Bargain and Sale Deed

Implies that the grantor owns the property but offers ****no warranties****. Some versions may include limited covenants.

Common Use: Tax sales, foreclosures, or transfers from an estate

THA Note: Often used by municipalities or trustees—buyer due diligence is critical.

5. Grant Deed

Offers basic warranties:

- The grantor has not previously transferred the property
- The property is free of undisclosed encumbrances

Common Use: Used in many states as a standard deed (e.g., California)

THA Tip: Grant deeds offer more assurance than quitclaims but less than warranty deeds.

6. Trustee's Deed

Used when a property is sold by a trustee, such as in a foreclosure or trust transfer.

Common Use: Non-judicial foreclosures, property transfers through living trusts

THA Reminder: Limited warranties—review all trust or foreclosure documents carefully.