

## What Is Property – Business Law – Introduction



### INTRODUCTION TO BUSINESS LAW

#### Property

#### Cleverness you will gain from this article:

What is property?

What is ownership

What are property rights?

Why are property rights important?

What types of property are there?

#### What Is Property?

Property is not just something you can see, hold or touch. It may be a tangible (physical) item such as a car or house or an intangible item such as music or brand name.

## Property Definition

'Things and rights that can be owned or that have a money value. Property also signifies a beneficial right to a thing'. [Legal-dictionary.thefreedictionary.com](https://www.thefreedictionary.com/legal-dictionary)

Property refers to a person's rights to something. Property rights include the rights to:

- Possession (use)
- Sale or transfer
- Destruction.

## What Is Ownership Of Property?

Property ownership is the legal right to the exclusive rights and control over property (possession). The idea of 'ownership' means that a person can possess (have) property but they do not own it. For example, you may borrow your neighbor's lawn mower to cut your grass. You possess the property (the lawn mower), but you do not own it. Also, a person may 'own' property but not 'possess' it. For example, the neighbor who lent you their lawnmower owns the mower but does not possess (have) it.

## What Are Property Rights?

These are the rights a person has over a thing that they own or possess. They are the most basic rights in a free society. Property ownership may be formalized through deeds, copyrights and patents. Rights may apply to real or personal property including dogs, cats and other animals and types of intellectual property.

## Why Are Property Rights Important?

*'Secure property rights and efficient land registration institutions are a cornerstone of any modern economy. They give confidence to individuals and businesses to invest in land, allow private companies to borrow – using land as a collateral – to expand job opportunities, and enable governments to collect property taxes, which are necessary to finance the provision of infrastructure and services to citizens'.*

<https://blogs.worldbank.org/>

## What Are The Different Types Of Property?

Property is divided into two main types.

### A. **Real property.**

This is property related to land. land, real estate, growing plants or the improvements on it

### B. **Personal property.**

This is everything else other than real property.

There are also separate divisions for:

### Common property.

This is property owned by more than one person.

### Community property.

Which recognizes property with joint ownership between husband and wife.

### Public property.

Ownership of property by a governmental body such as a school or law court.

**Note:** When selling property the **Sale of Goods Act** identifies the point when the ownership or rights to property passes from seller to buyer.

## Check Your Cleverness:

What type of property (Real or Personal) is:

- A. A car
- B. A house
- C. Your pet dog
- D. Your computer
- E. Your coat
- F. A suit you have rented
- G. Cloud storage space you store your work on.

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