Analysis of Legal and Judicial Trends in the Transfer of Ownership and Transactions in Immovable Property in Iran and the United States

1. Hooshang Maghbooli: PhD Student, Department of Law, UAE.C., Islamic Azad University, Dubai, United Arab Emirates
2. Ali Alboye*: Assistant Professor, Department of Law, Yasuj University, Yasuj, Iran
3. Hasan Moradi: Assistant Professor, Department of Public Law, Faculty of Law and Political Science, University of Tehran, Tehran, Iran

*****Correspondence: dr.alebouyeh@yahoo.com

Abstract

The transfer of ownership in immovable property constitutes one of the most significant areas of private law because it directly involves contractual validity, proprietary effects, registration, third-party rights, and judicial protection. This study comparatively examines the legal and judicial trends governing the transfer of ownership and real-estate transactions in Iran and the United States. The main objective is to identify the principal similarities and differences between the two systems, particularly regarding the relationship between contract and transfer, the role of registration or recording, the legal status of formal and informal instruments, the protection of good-faith third parties, and the judicial resolution of competing claims. The study adopts a descriptive-analytical and comparative method and focuses specifically on the legal mechanisms governing conveyance rather than on the broader theoretical concept of property ownership. The findings indicate that Iranian law has traditionally emphasized the proprietary effects of valid contracts, while the growing importance of official registration has created an increasingly formalized framework for securing ownership and protecting third parties. By contrast, the American system more clearly distinguishes among the contract for sale, the deed transferring legal title, and the recording process affecting priority and notice. Judicial disputes in both systems commonly arise from incomplete formalization, conflicting transfers, defective documents, unauthorized transactions, and inconsistencies between private agreements and public records. The comparative analysis shows that greater legal certainty can be achieved by clearly distinguishing contractual enforceability, proprietary transfer, opposability to third parties, and priority among competing interests. The study concludes that the Iranian system can benefit from more precise rules concerning the legal effects of registration, stronger protection of good-faith reliance on public records, clearer treatment of private instruments, and greater consistency in judicial approaches to real-estate transactions.

Keywords: Immovable Property; Transfer of Ownership; Real-Estate Transactions; Registration; Recording System; Judicial Practice; Iran; United States

Received: 02 April 2025
Revised: 10 December 2025
Accepted: 17 December 2025
Published: 28 December 2025

Citation: Maghbooli, H., Alboye, A., & Moradi, H. (2025). Analysis of Legal and Judicial Trends in the Transfer of Ownership and Transactions in Immovable Property in Iran and the United States. *Legal Studies in Digital Age*, 4(4), 1-18.

1. Introduction

The transfer of ownership in immovable property occupies a distinctive position within private law because it lies at the intersection of contractual autonomy, proprietary rights, public registration, evidentiary security, and the protection of third parties. A transaction concerning land or a building is not merely a bilateral exchange between a transferor and a transferee. Its consequences extend beyond the immediate parties because ownership of immovable property is generally expected to be identifiable, stable, opposable to third persons, and capable of forming the basis of subsequent transactions, mortgages, leases, investments, and judicial claims. For this reason, legal systems have developed mechanisms that regulate not only the substantive requirements of a transfer but also the manner in which the transfer becomes publicly recognizable. The distinction between contractual validity and proprietary effect is therefore central to the law of real-estate transactions. A contract may create obligations between the parties while raising a separate question as to whether ownership has actually passed, whether registration is necessary, whether the transaction can be invoked against third parties, and which claimant receives priority when conflicting transactions concern the same property. Iranian private law has traditionally approached these questions through concepts derived from the Civil Code, Islamic jurisprudence, the law of contracts, and the registration legislation, whereas the United States addresses comparable questions through state property law, common-law doctrines, deed-based conveyancing, recording systems, and judicially developed priority rules.

The Iranian legal framework reflects a particularly significant interaction between the theory of consensual transfer and the institutional requirements of real-estate registration. In the general law of contracts, the legal effect of a transaction derives primarily from the valid agreement of the parties. The principle that contractual effects flow from legally valid consent is closely associated with the broader structure of contractual autonomy in Iranian civil law, subject to mandatory rules, public order, and statutory limitations (Katouzian, 2016). In the law of sale, this structure has traditionally supported the proposition that a valid contract may itself produce the transfer of ownership when the object of the transaction is sufficiently determined and the statutory requirements of the contract are satisfied. The resulting conception of sale is therefore fundamentally proprietary rather than purely obligatory. The distinction between a theory under which the contract directly transfers ownership and one under which the contract merely obliges the seller to complete a separate act of conveyance has been an important subject of doctrinal analysis in Iranian law (Ghanavati, 2021). The juridical character of transfer cannot nevertheless be separated from the special characteristics of immovable property. Land and buildings are durable assets that are repeatedly subjected to sale, inheritance, mortgage, lease, subdivision, judicial seizure, and other legal operations. Their legal status must consequently be ascertainable in a manner that protects not only the contracting parties but also later purchasers, creditors, governmental institutions, and the judicial system.

Registration law responds to this need for publicity. One of the primary functions of a real-estate registration system is to transform information about proprietary rights from a matter known principally to the parties into legally organized information capable of being relied upon by others. Iranian registration scholarship has emphasized that registration performs functions extending beyond the preservation of documents and includes stabilization of ownership, public notice, transactional security, and the reduction of disputes (Tabatabaei Hesari, 2022). The historical development of Iranian registration law accordingly demonstrates an increasing institutional concern with the difference between the private formation of a transaction and its public recognition. The legal significance of registration becomes particularly important where privately executed instruments, official deeds, registered ownership, possession, and conflicting transfers point to different persons. Classical registration doctrine has long treated the establishment of reliable records as a necessary element in the orderly administration of rights relating to land (Jafari Langroudi, 1957). The problem is therefore not whether contract law or registration law governs the transfer of immovable property in isolation, but how these two bodies of law interact and which legal consequences should be attached to non-registration.

The theoretical debate becomes more complex because different legal systems assign different functions to registration. Registration may operate principally as evidence of an already existing right; it may constitute a condition for invoking the right against third parties; or it may form part of the constitutive mechanism through which the right itself comes into existence. Comparative studies of real-estate registration systems demonstrate that the legal significance of entry in a public register cannot be understood merely by examining administrative procedure, because the decisive question is the effect that a legal system attributes to the register (Tabatabaei Hesari, 2010). Modern registration systems can thus be classified according to the relationship among the underlying transaction, the act of registration, the public reliability of the register, and the position of third parties who rely upon recorded information (Tabatabaei Hesari & Safizadeh, 2021). This functional perspective is especially useful for comparing Iran and the United States. Neither jurisdiction can be reduced to a simple formula in which registration either "transfers ownership" or "does not transfer ownership." Rather, each system combines private conveyancing with mechanisms designed to make transactions externally visible, although the legal consequences of recording and the techniques used to resolve competing claims differ substantially.

The American system presents a particularly valuable comparator because the transfer of real property is not governed by a single nationwide civil code comparable to the Iranian Civil Code. The substantive law of real-property conveyance is primarily state law and has developed from common-law concepts that distinguish contractual rights from the formal conveyance of legal title. A typical real-estate transaction therefore proceeds through stages in which an agreement to sell may create enforceable contractual obligations, while title is formally conveyed through execution and delivery of an appropriate deed. Public recording then performs an additional function by making the conveyance discoverable within the relevant recording system and by affecting priority in relation to later claimants. Although the details vary among states, the structural importance of deeds, title records, notice, and priority makes the American framework particularly suitable for comparison with the Iranian debate concerning official deeds, private instruments, registration, and the effect of transactions against third parties. Comparative registration scholarship confirms that meaningful comparison requires attention to the functional consequences of registration rather than merely to institutional terminology (Tabatabaei Hesari & Safizadeh, 2021).

The practical importance of this comparison is evident in disputes involving successive transfers of the same property, transactions based on ordinary instruments, refusal by a seller to execute an official deed, discrepancies between possession and registered title, defects in the transferor's authority, and competing claims by purchasers or creditors. Such disputes reveal the limitations of examining transfer only at the level of contract formation. The law must determine which transaction is enforceable, whose interest is proprietary rather than merely contractual, whether a claimant may compel formal conveyance, and whether a third person who relied on the public record deserves protection. The relationship between registration and citizenship rights has consequently been understood not only as a technical matter but also as part of the state's responsibility to provide dependable legal services and to protect individuals against uncertainty in transactions (Abdolmaleki et al., 2021). A functioning registration system reduces the informational asymmetry that otherwise permits a person appearing to control property to enter into several inconsistent transactions.

Judicial practice is indispensable to this field because statutory rules frequently leave room for disagreement regarding the exact relationship between substantive validity and registration. Iranian courts have historically faced claims for confirmation of ownership, compulsory execution of official deeds, invalidation of documents, recovery of property, removal of unlawful possession, and resolution of conflicts between registered and unregistered claims. Judicial precedent therefore performs an important role in translating abstract doctrines of ownership and contract into concrete solutions for transactional disputes. Collections of civil judicial precedent demonstrate the longstanding importance of judicial interpretation in the development and practical application of property and contractual rules (Matin-Daftari, 1961). In the United States, the role of judicial interpretation is even more structurally visible because many principles governing deeds, notice, equitable interests, recording priorities, and remedies developed through common-law adjudication and were subsequently modified or supplemented by state statutes.

The objective of the present study is to analyze the principal legal and judicial trends governing the transfer of ownership and transactions in immovable property in Iran and the United States and to identify the different mechanisms through which the two systems attempt to reconcile contractual autonomy with publicity, security of title, and protection of third parties. The analysis focuses on the legal structure of transfer, the role and effects of registration or recording, the treatment of formal and informal transactional instruments, disputes arising from competing claims, and the contribution of courts to the stabilization of real-estate transactions. The study adopts a descriptive-analytical and comparative approach. It does not seek to provide a general theory of property or to reproduce the broader classifications of movable and immovable assets. Instead, it isolates those aspects of property law that become legally significant when ownership is transferred or when competing transactions must be evaluated. This narrower perspective permits a more precise assessment of the movement of Iranian law toward stronger formalization and of the American reliance on deed-based conveyance, recording, notice, and priority. The comparison ultimately provides a basis for assessing how Iranian law might increase transactional transparency without disregarding the doctrinal foundations of its own system.

2. Legal Foundations and Evolution of Immovable-Property Transfers in Iran and the United States

The legal structure of transfer in Iranian private law begins with the distinction between a proprietary transaction and a merely obligatory transaction. In a proprietary conception of sale, the legally valid agreement does not simply create a duty to transfer ownership at a future stage; transfer is among the principal legal effects attributed to the contract itself. The concept of ownership in Iranian law consequently has a direct connection with the effect assigned to nominate contracts such as sale. The doctrinal language of transfer reflects the broader civil-law understanding of ownership as a legal power over property that includes possession, use, exploitation, and disposition within legal limits (Eslamnia & Al-e Bouyeh, 2016). Where the owner concludes a valid transaction intended to transfer that right, the central question becomes whether the effect follows immediately from the contract or depends upon an additional legal event. Iranian scholarship concerning the theory of transfer has treated this distinction as more than a terminological matter because it determines the legal position of the parties during the interval between agreement and formalization (Ghanavati, 2020). If ownership passes directly through the contract, subsequent formal acts may be understood primarily as mechanisms of proof, registration, publicity, or enforcement. If the contract produces only an obligation, ownership remains with the transferor until the additional conveyancing requirement has been fulfilled.

The traditional structure of Iranian sale law strongly supports the proprietary effect of the contract, although this proposition must be qualified when the subject is registered immovable property. Analysis of transfer in the contract of sale has long recognized that the time of transfer may depend on the characteristics of the subject matter and the structure of the transaction rather than on a single rule mechanically applicable to every form of sale (Pirhadi, 2013). In a straightforward sale of an individually identified property, contractual consent appears capable, at the level of civil-law doctrine, of producing the proprietary effect contemplated by the parties. This position is consistent with a causal system of transfer in which the validity of the proprietary result is connected to the validity of the underlying legal cause. The contract is not legally detached from the transfer that follows from it. Defects in the underlying transaction can therefore affect the proprietary consequence. The causal understanding of transfer differs from abstract systems in which the disposition may retain legal effect despite defects in the underlying obligatory relationship. Iranian contract law, by contrast, generally connects the intended proprietary effect with the legal validity of the juridical act that constitutes its cause.

This contractual conception developed within a legal environment in which private transactions could historically be demonstrated through possession, witnesses, written instruments, presumptions, and other evidentiary mechanisms. The creation of a comprehensive registration apparatus altered the practical operation of these rules. Registration introduced a public dimension into a field that could otherwise be governed primarily through bilateral evidence. The Iranian registration system sought to identify land, establish records of ownership, reduce uncertainty concerning boundaries and title, and create legally authoritative documentation. Foundational works on registration law emphasize that the regulatory framework governing land cannot be treated as merely ancillary to civil law because registration establishes specialized procedures and effects relating to recognition of ownership and transactions involving registered property (Jafari Langroudi, 1957). This development generated a structural tension that continues to influence contemporary disputes: contract law may recognize the legal significance of agreement, while registration law may reserve particular external consequences to ownership and transfers reflected in the official record.

The increasing importance of formal documentation is therefore one of the principal legal trends in Iranian real-estate transactions. Special rules governing transfer of immovable property operate because land transactions create risks not normally encountered to the same degree in transfers of ordinary movable goods. A seller can enter into inconsistent agreements, property can be encumbered without the knowledge of a purchaser, documentation may contain imprecise descriptions, and possession may not reveal the complete legal history of the asset. Detailed analysis of special transfer rules has accordingly emphasized the significance of distinguishing registered from unregistered property, ordinary writings from official documents, and different forms of contractual commitment relating to future transfer (Ahangari, 2018). Formalization attempts to reduce these risks by channeling transactions through institutions capable of verifying identity, authority, previous ownership, restrictions, and the legal description of the property.

Registration nevertheless raises a difficult doctrinal issue when a private agreement satisfies the substantive requirements of contract law but has not been transformed into an official registered deed. One approach treats the private agreement as legally effective between the parties but insufficient to alter the official position of the property in relation to the registration authorities and third persons. Another, more formal approach gives registration a stronger constitutive significance and treats compliance with registration requirements as an indispensable component of legally recognizable transfer. The doctrinal debate over the position of registration in contractual transfer demonstrates that Iranian law contains elements capable of supporting both emphasis on contractual consent and emphasis on formal registration (Safizadeh, 2022). The resulting problem has practical consequences. If the ordinary transaction is treated as completely ineffective, the purchaser may lose the benefit of a valid agreement merely because the seller has not cooperated in formalization. If it is treated as fully equivalent to registered ownership, the reliability of the public record may be undermined and third parties may be unable to determine who actually holds the relevant property right.

This tension explains the importance of distinguishing the internal effect of a transaction from its external effect. Between the seller and purchaser, a valid agreement may create powerful rights, including a right to demand completion of formal transfer. Against third parties, however, the absence of registration may significantly weaken the purchaser's position. The theoretical functions attributed to registration include evidentiary authentication, public notification, protection of reliance, stabilization of transactions, and the creation of an orderly chain of title (Tabatabaei Hesari, 2022). These functions cannot be achieved if private claims that are invisible in the register routinely prevail over persons who transact in reliance upon registered information. At the same time, a system that gives absolute protection to the record irrespective of the circumstances may produce injustice where registration was obtained through fraud, invalid transactions, or abuse. The design of a registration system therefore reflects a policy choice concerning the distribution of transactional risk.

The distinction between declaratory and constitutive effects is useful in explaining this development. A declaratory system assumes that the legal right may arise independently and that registration principally declares or publicizes it. A constitutive system treats registration as an element necessary for creation or transfer of the relevant proprietary right. Comparative analysis demonstrates that actual legal systems frequently occupy positions between these ideal types because registration may be non-constitutive as between certain parties but decisive against third persons (Tabatabaei Hesari, 2010). This intermediate structure is particularly relevant to Iran. The effect of registration cannot adequately be described simply by asserting that registration is either purely declaratory or absolutely constitutive in every context. The more precise question concerns which consequence is being examined: contractual enforceability, proprietary transfer, administrative recognition, evidentiary status, or priority against competing claimants.

American real-property transfer developed from a different doctrinal foundation. Common-law conveyancing historically treated the transfer of interests in land as requiring legally recognized forms of conveyance, and the deed became the principal instrument through which title is transferred in an ordinary voluntary transaction. Modern American practice separates the executory real-estate contract from the conveyance that follows at closing. The contract establishes the obligations of seller and buyer, while the deed is executed and delivered to transfer the legal title described in it. Recording the deed is then a distinct act. This three-stage structure—contract, conveyance, and recording—differs conceptually from an approach in which the contract of sale itself is understood as transferring ownership. The difference should not be exaggerated, however, because both systems recognize an interval in which contractual and proprietary positions may differ and both require mechanisms for resolving the consequences of incomplete formalization.

The American recording system developed principally to address the problem of competing claims rather than to make recording an indispensable condition for validity of every conveyance between the immediate parties. A properly executed and delivered deed may generally have legal effect between grantor and grantee even if it has not yet been recorded, while recording becomes critical when third parties acquire conflicting interests. Recording statutes determine whether an earlier unrecorded interest can prevail against a later purchaser and under what circumstances a later claimant receives priority. The emphasis therefore falls on notice and reliance. Although American states employ different statutory formulations, recording systems broadly seek to encourage purchasers to search existing records and to record their own instruments promptly. This produces an institutional incentive toward publicity without necessarily defining recording as the event that creates the original bilateral conveyance.

The contrast is significant because it shows that strong public registration need not depend on treating every unrecorded transaction as entirely nonexistent. What matters is the legal consequence attributed to failure to record. Contemporary comparative classifications of registration systems therefore concentrate on the effects of registration, the public faith accorded to registered information, the degree of examination performed before registration, and the allocation of risk when the record conflicts with an underlying claim (Tabatabaei Hesari & Safizadeh, 2021). From this perspective, the American recording model and the Iranian registration model represent different institutional responses to the same underlying problem: the law must allow property to circulate through private transactions while creating a sufficiently reliable public framework to prevent hidden rights from destabilizing later dealings.

The historical trajectory of Iranian law shows a movement from strong doctrinal attention to the consensual basis of transfer toward increasing emphasis on documentary and registration security. The change does not necessarily eliminate the contractual foundations of Iranian law. Rather, it reflects recognition that the legal requirements appropriate to an isolated bilateral transaction are insufficient for a modern real-estate market. Registration contributes to public administration as well as private security, and its connection with access to dependable public services has become increasingly emphasized (Abdolmaleki et al., 2021). American law reached a comparable functional objective through a different route: a highly developed practice of conveyancing, record searches, title investigation, recording statutes, and judicially enforced rules of priority. The comparison therefore reveals convergence in objective but divergence in technique. Both systems attempt to make real-estate ownership visible and reliable; they differ primarily in the doctrinal route through which contractual rights become secure proprietary positions.

3. Contemporary Legal Rules Governing Transfer and Real-Estate Transactions

A contemporary analysis of Iranian real-estate transactions must begin by separating the validity of the underlying transaction from the formal mechanisms through which its proprietary consequences are recognized and secured. The general law of contracts requires the existence of legally competent parties, genuine intention and consent, a sufficiently definite subject matter, and a lawful purpose. Contractual freedom exists within the framework established by mandatory law and public order (Katouzian, 2016). In a transaction involving immovable property, these general requirements operate alongside rules specific to the status of the property and the method by which ownership is documented. The transferor must possess the legal authority to dispose of the property, the asset must be identifiable, and the transaction must not violate legal restrictions affecting the land. A contract signed by a person without ownership or authority, or a purported transfer concerning property that cannot legally be disposed of in the manner contemplated, creates problems different from a transaction that is substantively valid but has not yet been entered in the registration system. The first problem concerns the existence or validity of the power to transfer; the second concerns the relationship between an otherwise valid transaction and formal publicity.

Iranian doctrinal analysis of sale emphasizes that the transfer of ownership is closely linked with the legal effect of the contract itself (Pirhadi, 2013). This characteristic distinguishes a sale from a preliminary promise that merely obliges the parties to enter into or formalize another transaction. In practice, however, real-estate transactions frequently involve preliminary agreements, private sale contracts, undertakings to execute an official deed, installment arrangements, and documents commonly used before completion of registration formalities. The legal characterization of such documents is therefore crucial. A writing may constitute the principal sale itself, evidence of an already completed agreement, or merely a commitment to transfer the property later. The classification affects the remedy available to the purchaser and the legal significance of the seller's subsequent conduct. Special rules applicable to transfers of immovable property consequently require careful examination of the document's content rather than reliance solely upon its title (Ahangari, 2018).

The registration system introduces a distinct level of legal scrutiny. Where a property has an established registration record, the public register identifies the person whom the state recognizes as owner and provides a formal basis for subsequent transactions. The public nature of registration is designed to reduce uncertainty and to prevent legal relations concerning land from depending solely on private documents that may remain undisclosed (Tabatabaei Hesari, 2022). Official transfer procedures can verify the identity of the parties, the status of the title, existing restrictions, and other matters relevant to the transaction. Registration therefore provides information before the transaction as well as evidence after it. A purchaser who relies exclusively on a private representation by the seller faces a substantially different risk from a purchaser who is able to confirm the seller's registered position and complete transfer through the formal system.

The legal distinction between an official deed and an ordinary instrument consequently has substantive implications even where the latter is not automatically deprived of every contractual effect. Iranian registration doctrine has long distinguished documents according to their manner of preparation and their evidentiary status (Jafari Langroudi, 1957). An official deed enjoys a stronger institutional position because it is produced within the framework recognized by law, whereas an ordinary document may require proof of authenticity and may encounter restrictions when used to challenge registered information. The difference becomes especially important in litigation. If a seller enters into a private agreement and later refuses to cooperate with official transfer, the purchaser may seek a judicial order compelling execution of the formal deed. Such litigation illustrates that private agreement and official registration are not necessarily mutually exclusive alternatives. The private transaction may be the legal basis on which the purchaser demands completion of the formal process.

The strongest policy argument for formalization arises when more than two persons are involved. Consider a seller who executes a private agreement with one purchaser and later enters into another transaction concerning the same property. If the law resolves the dispute solely by identifying the earliest private agreement, later purchasers bear a significant risk because the previous transaction may have been impossible to discover. If, on the other hand, priority depends entirely on the registration record, the first purchaser may lose a substantial contractual investment because the seller failed or refused to formalize the transfer. The legal system must therefore decide which party should bear the loss created by hidden transactions and fraudulent multiple dispositions. Research concerning the effects of registration on legal acts identifies this conflict between the substantive transaction and the reliability of the register as one of the fundamental questions of real-estate law (Tabatabaei Hesari & Sadeghi Moghadam, 2015).

The distinction between validity and opposability offers one means of resolving this conflict. A transaction can be regarded as valid and enforceable between the parties while remaining incapable of defeating particular third parties until registration has occurred. Such a model preserves the contractual expectations of the original purchaser without making undisclosed agreements universally effective. Comparative examination of the position of registration in contractual transfer demonstrates the attraction of this approach because it avoids the extremes of both absolute consensualism and absolute formalism (Safizadeh, 2022). The practical effectiveness of this distinction nevertheless depends on the clarity of the applicable statutes and judicial doctrine. If courts inconsistently characterize an unregistered purchaser as owner in one context and merely as creditor in another, uncertainty persists.

The American recording system addresses the same problem more explicitly through rules governing priority. The first stage of a conventional transaction is the real-estate contract, which establishes the terms under which the seller is to convey and the purchaser is to pay. Performance ordinarily culminates in delivery of a deed. A deed identifies the parties, describes the property, expresses the necessary conveyancing intention, and is executed according to applicable state requirements. Different forms of deed may allocate different levels of responsibility to the grantor concerning title, but the underlying function remains conveyance of the interest specified in the instrument. The transaction is therefore document-centered in a way that is structurally different from the Iranian doctrinal focus on the proprietary effect of sale.

Recording follows conveyance and creates public notice. The grantee submits the deed to the appropriate local recording office so that it becomes part of the public chain of title. A later purchaser or creditor can search this record to determine whether prior interests have been recorded. The effectiveness of the system depends not merely on storing documents but on making them discoverable through an organized chain associated with the relevant property and parties. The broader registration literature recognizes publicity and accessibility as essential components of a system capable of reducing transaction costs and protecting reliance (Tabatabaei Hesari, 2010). In this respect, the recording office functions as an information institution. It does not independently eliminate every defect in title, but it substantially changes the legal position of a claimant whose interest has been made public.

American recording statutes generally resolve conflicts through variations traditionally described as race, notice, and race-notice approaches. Under a race model, priority depends principally on which claimant records first. Under a notice model, a later purchaser who acquires without notice of the prior interest may obtain priority even if the earlier interest existed first. Under a race-notice model, the later purchaser ordinarily must both lack notice and record before the earlier claimant. These models differ in detail but share a central concern: priority should depend on some combination of temporal order, public recording, and the good faith of the later purchaser. The broader comparative insight is that the external effect of a property transfer need not be identical to its bilateral validity. A deed may be valid between its original parties while losing priority to another claimant because it was not recorded.

Notice is therefore fundamental in the American system. Actual notice exists when a purchaser genuinely knows of an earlier claim. Constructive notice arises where the law treats recorded information as known because it was properly available in the public record. In some circumstances, facts visible from possession or other circumstances may require further inquiry. The law thereby discourages deliberate ignorance and encourages purchasers to investigate title before completion. The combination of record searching, notice rules, and prompt recording distributes responsibility among the parties. The transferor must provide a conveyance capable of supporting title, the purchaser must investigate the property, and the grantee must protect the acquired interest by recording.

The Iranian system pursues comparable objectives but historically with less explicit reliance on a statutory taxonomy of notice-based priority. Instead, the legal analysis often turns on the registered status of the property, the status of the documents invoked by the parties, the chronological relationship between transactions, the validity of the underlying agreements, and the judicial remedies available to enforce or invalidate those agreements. This difference has important consequences for predictability. Rules specifically designed to resolve successive conveyances can provide clearer ex ante guidance than a system in which the result emerges from the interaction of contract law, registration law, evidentiary rules, and judicial characterization. This does not mean that the American approach is free from complexity. Chain-of-title defects, improperly recorded instruments, forged deeds, adverse interests, and exceptions to recording protection continue to generate extensive litigation. The comparative advantage lies principally in the explicit organization of priority around publicity and notice.

The function of public records also extends to creditors and financial transactions. Real estate frequently serves as security for credit, which means that the reliability of ownership records affects mortgagees and other secured parties. A lender must know whether the borrower owns the property, whether earlier interests exist, and whether the lender's security will receive the expected priority. Registration thus contributes to the economic utility of ownership by making rights capable of safe circulation. Iranian scholarship concerning the public-service dimension of document registration emphasizes that accurate registration protects citizens by reducing uncertainty surrounding legal status and transactions (Abdolmaleki et al., 2021). The same functional reasoning explains the centrality of recording in American real-estate finance.

Another important point concerns the distinction between proof of title and title itself. A document may constitute evidence of a transaction without necessarily guaranteeing that the transferor possessed an indefeasible ownership right. Real-estate systems must therefore determine how far a purchaser can rely upon official or recorded information and what happens when the record itself originates in a defective transaction. The effect attributed to registration on the validity of legal acts is consequently inseparable from the degree of public reliability that the system seeks to establish (Tabatabaei Hesari & Sadeghi Moghadam, 2015). A system that requires extensive administrative examination before registration may be more willing to attach strong legal consequences to the register. A system that principally records documents submitted by parties may rely more heavily on title examination, private professional services, insurance mechanisms, and litigation over defects.

The contemporary trend in Iran increasingly favors stronger formalization because the traditional coexistence of ordinary documents and formal registration can produce repeated litigation. Strengthening registration does not require denying the entire legal significance of private agreements. A more coherent framework can distinguish the obligatory rights arising from such agreements from the proprietary status that becomes fully opposable through registration. Theoretical analyses distinguishing the theory of ownership transfer from the theory of obligation provide a useful doctrinal foundation for such a distinction (Ghanavati, 2021). A contract may create an enforceable duty to convey even where the law reserves the final public proprietary effect to formal registration. Such a model would also make the remedy of compulsory formal conveyance conceptually clearer: the court would be enforcing an obligation to complete the legally required proprietary act rather than attempting to treat every private writing as functionally identical to registered ownership.

The comparative analysis therefore reveals that contemporary real-estate law is moving away from purely bilateral understandings of transfer. In both Iran and the United States, the legality of the underlying agreement remains important, but transaction security increasingly depends upon public visibility. Iranian law approaches this through official deeds and the registration system; American law relies upon deeds, recording, title investigation, and priority statutes. The central difference lies in the conceptual relationship among these stages. Iranian doctrine continues to negotiate the relationship between consensual proprietary transfer and formal registration, whereas American conveyancing more clearly distinguishes the executory contract, the deed transferring legal title, and the recording process governing external priority. The increasing significance of registration in Iran suggests a gradual functional convergence, even though the doctrinal architecture of the two legal systems remains different.

4. Judicial Trends, Transactional Disputes, and Comparative Evaluation

The judicial dimension of immovable-property transfer becomes most visible precisely where the formal and substantive elements of a transaction do not coincide. If the parties conclude a valid agreement, complete all formalities, register the transfer, and perform their obligations, there is ordinarily little need for judicial intervention. Litigation arises when one component of the legal structure fails: the seller refuses to execute the official deed, the purchaser invokes an ordinary document against a registered owner, more than one person claims to have purchased the same property, the purported seller lacked authority, the registered record is challenged as inaccurate, or possession conflicts with documentary title. Courts must then determine not only what occurred between the immediate parties but also which legally protected position should prevail. This transforms the abstract debate concerning registration into a concrete question of remedies and priority.

Iranian litigation concerning real-estate transactions has historically involved a particularly close relationship between contractual claims and registration claims. A purchaser relying on a private sale agreement may seek an order compelling the seller to appear before the competent authority and execute an official deed. Such a claim implicitly recognizes that the private agreement possesses legal significance while also acknowledging that formal transfer remains necessary to secure the purchaser's position. The contractual rules governing performance provide the foundation for compelling a party to perform a legally binding obligation (Katouzian, 2016). In real-estate disputes, however, performance often requires more than delivery of the physical property. It may require removal of legal obstacles, satisfaction of registration prerequisites, discharge of encumbrances, and execution of formal documentation.

The judicial recognition of claims for compulsory formal transfer illustrates the intermediate position occupied by ordinary real-estate agreements. If such an agreement were completely without legal effect, there would be no obligation capable of judicial enforcement. If it were always identical in effect to formal registered ownership, there would be no reason to seek compulsory execution of an official deed. The existence of this remedy therefore demonstrates a practical distinction between contractual entitlement and fully formalized proprietary status. The legal literature addressing the position of registration in contractual transfers recognizes precisely this difficulty and emphasizes the need to distinguish between the formation of contractual obligations and the proprietary consequences associated with registration (Safizadeh, 2022).

Disputes become more difficult where an ordinary agreement conflicts with a subsequent official transaction. The first purchaser may argue that the seller had already disposed of the property and therefore lacked the authority to transfer it again. The subsequent purchaser may respond that the public record identified the seller as owner and that a hidden private agreement should not defeat a transaction completed in reliance on formal registration. The conflict exposes the fundamental policy choice underlying registration law: whether priority should principally protect chronological acquisition or justified reliance on publicly available information. Scholarship on the effects of real-estate registration has emphasized that one of the central purposes of the system is to protect transactions against precisely the uncertainty generated by undisclosed competing claims (Tabatabaei Hesari, 2022).

The problem cannot be solved solely by invoking freedom of contract. Contractual autonomy determines the validity of the relationship created between contracting parties but does not automatically determine the effect of that relationship on outsiders. A seller's breach of an earlier contract may unquestionably create liability toward the first purchaser, yet it remains a separate issue whether the breach should invalidate a later proprietary transaction involving a third person. The distinction between an obligation and a property right is therefore indispensable. Theoretical analysis of transfer and obligation in Iranian jurisprudence demonstrates that the classification of the legal effect determines whether the claimant possesses a direct right over the property or merely a claim against the transferor (Ghanavati, 2020). Courts faced with successive transactions must, expressly or implicitly, make this classification.

Official documents occupy a privileged evidentiary position in this litigation. The purpose of requiring or encouraging official documentation is partly to reduce disputes concerning authenticity, date, identity, and content. An ordinary agreement can be denied, challenged, alleged to have been altered, or disputed as to its legal characterization. An instrument prepared and registered through the official system provides a more stable evidentiary basis. Classical registration scholarship accordingly treats official documentation as an essential mechanism for preventing instability in legal dealings concerning land (Jafari Langroudi, 1957). This procedural advantage becomes especially important in property litigation because the consequences of accepting or rejecting a document may extend to parties who did not participate in its creation.

The role of judicial precedent has historically been important where statutory provisions admit competing interpretations. Iranian civil adjudication has developed through decisions addressing contractual validity, proof of ownership, possession, competing instruments, and the relationship between substantive rights and formal documentation. Collections of judicial precedent reveal that property disputes have long required courts to coordinate the Civil Code with specialized registration rules (Matin-Daftari, 1961). Such coordination is unavoidable because registration law does not replace the general law of contracts, while contract law alone cannot provide the public reliability required for modern land transactions.

Judicial disputes concerning unauthorized transfers present a different set of issues. A person may purport to transfer property that belongs to another, act beyond the limits of an authorization, or enter into a transaction when the property is subject to a restriction. The court must then consider the transferor's authority, the possibility of subsequent approval, and the rights of the actual owner. These disputes show why registration must identify not only documents but legal capacity to dispose of the relevant right. Special rules governing immovable transfers emphasize the importance of verifying ownership and authority before completing a transaction (Ahangari, 2018). Prevention at the registration stage can be significantly more effective than attempting to repair the transaction through later litigation.

American judicial practice addresses comparable conflicts within the framework of deed law, equity, recording statutes, and remedies. One recurring category involves a seller who has entered into a contract but refuses to complete the conveyance. Because land has traditionally been regarded as unique, courts may grant specific performance where monetary damages are inadequate and the requirements for equitable relief are satisfied. The contractual purchaser therefore possesses a judicial mechanism for obtaining the promised conveyance. Functionally, this resembles the Iranian action compelling execution of an official transfer document, even though the doctrinal architecture is different. In both systems, courts bridge the gap between a contractual entitlement and completion of the proprietary transfer.

A second major category of American litigation concerns defective deeds. A deed may contain an inadequate property description, fail to satisfy execution requirements, be delivered conditionally, result from fraud, or be executed by a person lacking authority. Courts must determine whether legal title passed and, where appropriate, whether equitable remedies such as reformation, rescission, or cancellation are available. These cases underline a structural advantage of distinguishing the conveyancing instrument from the antecedent contract: a court can analyze separately whether an enforceable agreement existed and whether the deed successfully performed the intended proprietary function. Iranian law can reach analogous distinctions, but the conceptual boundary may be less obvious where sale itself is understood as transferring ownership.

The most characteristic American judicial disputes arise from competing conveyances and recording statutes. Suppose an owner transfers property to one purchaser who does not record and subsequently purports to transfer the same property to another purchaser. A court must apply the recording statute of the relevant state and determine whether the later purchaser gave value, whether that purchaser had notice, and which instrument was recorded first. The result may vary according to the statutory model, but the judicial inquiry is structured around identifiable factors. The first purchaser's chronological priority is therefore not always decisive. The law may protect a later good-faith purchaser because the earlier claimant failed to use the recording system designed to make the transaction public.

This approach reflects a particular theory of transactional responsibility. The holder of an unrecorded interest is treated as having the ability to protect that interest by recording it. Failure to do so leaves open the possibility that another person may rely on the record. Registration scholarship more generally recognizes that publicity mechanisms are effective only if legal consequences encourage right holders to use them (Tabatabaei Hesari, 2010). A public register that parties can safely ignore cannot perform its central function. American priority rules therefore convert recording from a merely administrative option into a practical necessity even when non-recording does not render the original deed invalid between grantor and grantee.

The concept of notice further permits courts to distinguish between deserving and undeserving later purchasers. A person who actually knew of the first transaction should not generally be permitted to exploit the first purchaser's failure to record. Similarly, circumstances that should prompt a reasonable investigation may prevent a later purchaser from claiming the protections available to an innocent acquirer. The resulting doctrine attempts to reconcile the public record with equitable considerations. Publicity is protected, but it is not transformed into a mechanism for consciously appropriating another person's known interest. This balancing function is significant for Iranian reform because strengthening registration need not entail indiscriminate protection of every formally recorded transaction. The legal system can combine public reliance with requirements of good faith.

The comparative difference is particularly clear in the treatment of hidden interests. Iranian disputes have often required courts to determine the effect of an ordinary instrument notwithstanding the registered status of property. This can create uncertainty for later purchasers if private claims are capable of emerging after the transaction. American recording law addresses hidden interests by assigning consequences to the failure to record while preserving exceptions based on notice and other doctrines. The essential lesson is not that the American system should simply be copied. Rather, the comparison demonstrates the value of an explicit statutory theory of priority. Iranian law would benefit from clearer rules stating when an unregistered transaction remains enforceable only between the parties, when it may affect third persons, and what conditions a subsequent purchaser must satisfy in order to receive protection.

A related issue concerns the reliability of registration itself. Stronger protection for persons relying on the public record can only be justified if the registration process produces sufficiently accurate information. If erroneous, fraudulent, or outdated records are common, shifting the entire risk to persons with unregistered interests may generate serious injustice. Registration theory therefore connects the effect of registration with the institutional quality of the system (Tabatabaei Hesari & Sadeghi Moghadam, 2015). The greater the legal conclusiveness attributed to the register, the stronger the need for reliable verification procedures, correction mechanisms, and effective remedies for persons harmed by registration error.

The modernization of registration can contribute substantially to this objective. Centralized and interoperable electronic records can reduce opportunities for inconsistent transfers, accelerate verification, and enable transaction participants to identify restrictions before completion. Registration also constitutes a public service whose quality directly affects the ability of citizens to protect their property rights (Abdolmaleki et al., 2021). The reduction of litigation should therefore be treated as a design objective of the registration system rather than solely as a responsibility of courts after disputes arise. The most efficient property dispute is often one that transparent records prevent from occurring.

The comparative perspective also demonstrates different institutional allocations of responsibility. American transactions frequently rely on professional title searches, closing procedures, recorded documents, and mechanisms for managing residual title risk. Iranian transactions place substantial legal importance on official registration and notarial procedures, while private preliminary agreements continue to play a major practical role. The coexistence of these two levels creates vulnerability during the interval before formal registration. A coherent legal framework should minimize the time and uncertainty between contractual commitment and formal completion and should make the legal status of the purchaser during that interval predictable.

Judicial consistency is equally important. If similar disputes concerning ordinary deeds, compulsory formal transfer, successive sales, or registered ownership generate divergent outcomes, parties cannot accurately evaluate transactional risk. Published and systematically applied judicial principles can therefore supplement legislative reform. The historical role of judicial precedent in clarifying civil-law disputes confirms that adjudication has always been part of the effective operation of property law (Matin-Daftari, 1961). Yet judicial development functions best where the legislature has provided a clear framework. Courts should not have to reconstruct the entire hierarchy of contractual and registered interests case by case.

The most important comparative lesson is consequently the desirability of separating four questions that are sometimes conflated: whether the underlying agreement is valid; whether ownership has been effectively transferred between the immediate parties; whether the transfer is opposable to third persons; and which claimant has priority where interests conflict.

A transaction may receive different answers to each question. Comparative registration theory supports examining systems through precisely these functional effects rather than through broad labels (Tabatabaei Hesari & Safizadeh, 2021). Such analytical separation would allow Iranian law to preserve legitimate contractual rights while simultaneously increasing the reliability of formal ownership records.

A further reform implication concerns good-faith reliance. Public records achieve limited value if a purchaser who carefully examines them remains exposed to undiscoverable prior transactions without a clearly defined legal rule. Conversely, unlimited protection of registered purchasers would facilitate fraud where they possess actual knowledge of earlier claims. A balanced framework could therefore provide stronger protection to subsequent purchasers who acquire for value, complete formal registration, and lack actual or legally attributable notice of a competing claim. The precise formulation would need to remain compatible with Iranian substantive law, but the functional principle follows from the comparative analysis: responsibility for hidden rights should be allocated according to the ability of parties to publicize or discover those rights.

The relationship between contract and registration should likewise be articulated more clearly. A private agreement that satisfies the general requirements of contract law can be recognized as creating binding obligations without necessarily being treated as equivalent to completed registered title. This approach is consistent with doctrinal work distinguishing transfer from obligation (Ghanavati, 2021). The purchaser could compel the transferor to complete registration and claim appropriate remedies for breach, while full proprietary opposability would follow the legally prescribed formal process. Such a distinction can simultaneously protect contractual justice and public transactional security.

Finally, reform should recognize that registration is not an end in itself. The objective is a dependable system in which a person contemplating purchase can identify the legal status of property with reasonable confidence, complete the necessary formalities without excessive obstacles, and know the priority consequences of registration. The development of special rules for transfer should therefore be assessed according to their capacity to reduce fraud, prevent double transfers, clarify ownership, and limit unnecessary litigation (Ahangari, 2018). The comparative value of American law lies chiefly in showing how public recording, notice, and priority can operate together as an integrated system. Iranian law has different doctrinal foundations, but it confronts the same practical need for a clear transition from private agreement to secure and publicly reliable ownership.

5. Comparative Legal Assessment and Prospects for Reform

The comparison between Iran and the United States demonstrates that the most important difference does not lie simply in whether each legal system recognizes private ownership of land. Both systems recognize extensive powers of disposition and permit ownership to be transferred through voluntary transactions. The more significant distinction lies in the legal architecture connecting agreement, conveyance, publicity, and priority. Iranian law begins from a civil-law and jurisprudential conception in which a valid proprietary contract may itself carry the legal effect of transfer. American law more clearly separates the agreement to sell from the deed that conveys legal title and then distinguishes both from the subsequent act of recording. This architectural difference shapes the disputes that arise in each jurisdiction and determines how courts conceptualize the position of a purchaser whose transaction has not yet been fully formalized.

Iranian private law cannot be accurately understood by treating registration as entirely external to transfer. The growth of formal registration has progressively changed the practical meaning of ownership. A proprietary right that cannot readily be reflected in the official system may be difficult to use, finance, transfer, or defend against competing claimants. Modern registration theory consequently treats the register as an institution that stabilizes legal relations rather than merely an archive for documents (Tabatabaei Hesari, 2022). The legal effect of a private transaction must therefore be evaluated in relation to this institutional reality. Even where doctrinal analysis supports consensual transfer, the purchaser's ability to function as an owner in dealings with third parties increasingly depends on formal recognition.

The principal weakness of an excessively consensual model is informational. Two persons can create a private transaction without enabling outsiders to discover it. This feature causes limited difficulty where the property remains outside further commerce, but it becomes dangerous when the transferor enters into another transaction or when creditors rely on apparent ownership. Property rights differ from ordinary contractual claims because they are asserted against persons who may never have participated in the transaction creating them. Publicity is therefore structurally important. The comparison of major registration families confirms that real-estate systems develop mechanisms for making proprietary rights externally knowable precisely because such rights are intended to operate beyond the original parties (Tabatabaei Hesari & Safizadeh, 2021).

The principal weakness of excessive formalism is different. If every defect in registration automatically destroys the legal significance of a substantively valid agreement, the stronger party may benefit from deliberate refusal to complete formalities. A seller could accept payment and later invoke non-registration to deny the purchaser's rights. A balanced legal system must prevent the requirement of publicity from becoming a tool for opportunistic breach. The Iranian action for compulsory execution of an official deed is important in this regard because it permits the contractual purchaser to obtain completion of the formal process rather than treating the seller's refusal as legally decisive. The general contractual principle that binding obligations must be performed supports such a remedy (Katouzian, 2016).

The distinction between an enforceable contractual right and a fully opposable proprietary position provides the most promising conceptual mechanism for balancing these considerations. Iranian legal thought has already engaged extensively with the competing theories of direct transfer and obligation (Ghanavati, 2020). Rather than forcing all real-estate transactions into a single category, the law can recognize that different legal effects may arise at different stages. A valid private agreement can establish contractual rights and obligations. Completion of prescribed formalities can then determine the point at which the purchaser obtains the level of proprietary publicity necessary to prevail against protected third parties. This staged understanding is not a rejection of the traditional law of sale; it is an adaptation of its external effects to the institutional demands of registered land.

The American experience supports this distinction. The real-estate contract gives the purchaser enforceable rights, but the deed performs the formal conveyancing function, and recording protects the acquired interest within the public priority framework. A failure to record does not ordinarily erase every legal consequence of the conveyance, yet it exposes the grantee to risks in relation to later claimants. The system therefore uses differential consequences rather than a simple binary choice between total validity and total invalidity. For comparative purposes, the important element is not the technical terminology of common-law estates or deeds but the functional separation of bilateral enforceability from third-party priority.

Iranian law could benefit from a similarly explicit approach to opposability. Scholarly analysis of the effects of registration on legal acts demonstrates that uncertainty concerning the consequences of non-registration is one of the central difficulties in coordinating civil and registration law (Tabatabaei Hesari & Sadeghi Moghadam, 2015). Legislation should therefore state as precisely as possible whether an unregistered transaction is effective between the parties, whether it creates a right to demand registration, whether it can be invoked against creditors, and whether it can defeat a subsequent registered purchaser. Clear differentiation among these consequences would reduce judicial inconsistency.

The treatment of good-faith third parties requires particular attention. A registration system is socially valuable only if persons can rely on it to a meaningful degree. If a purchaser examines the official record, discovers no competing interest, completes the required transaction procedures, and nevertheless remains indefinitely vulnerable to undisclosed private agreements, the register cannot provide genuine transactional security. Comparative scholarship on real-estate registration stresses that public reliance is among the defining functions against which such systems must be evaluated (Tabatabaei Hesari, 2010). The law should therefore establish a defined sphere in which reliance on registered information receives protection.

Such protection should not be absolute. Good faith must remain relevant because registration should not protect a purchaser who knowingly participates in circumvention of an existing right. The American emphasis on notice illustrates one technique for balancing reliance with fairness. Iranian law need not transplant the precise race, notice, or race-notice categories employed in American states. It can nevertheless adopt the underlying principle that protection of a later registered purchaser should depend on legally relevant factors such as value, good faith, and absence of knowledge of an earlier enforceable interest. This would provide more precise guidance than resolving each successive-transfer dispute solely through broad contractual or evidentiary principles.

The distinction between ordinary and official documents should also be clarified in functional rather than purely formal terms. Ordinary documents perform important roles in practice. Parties frequently use preliminary sale agreements before all administrative requirements for official transfer have been completed. Denying any legal significance to such agreements would therefore be unrealistic and could destabilize legitimate transactions. Conversely, treating them as equivalent in every respect to official registered deeds undermines the institutional rationale for registration. Scholarship specifically examining registration in contractual transfer has identified this tension and supports differentiating contractual consequences from proprietary effects (Safizadeh, 2022). The ordinary agreement can thus serve as evidence of contractual commitment and as a basis for compulsory formal transfer without automatically acquiring the full external effect of registered title.

Reducing the temporal gap between agreement and registration is equally important. The longer a transaction remains in an intermediate state, the greater the possibility of subsequent transfers, creditor intervention, death or incapacity of a party, administrative restrictions, or changes in the property. Efficient registration procedures can therefore prevent disputes independently of substantive reform. Viewing document registration as a public service highlights the state's responsibility to make formalization accessible, accurate, and timely (Abdolmaleki et al., 2021). Digital integration among registration authorities, notarial systems, judicial records, tax institutions, and other relevant databases can substantially reduce the opportunity for inconsistent or unauthorized transactions.

The reliability of the register must increase in parallel with the legal consequences attached to it. A state cannot reasonably demand that citizens rely exclusively on official records while tolerating substantial deficiencies in those records. Stronger third-party protection therefore presupposes accurate identification of properties, complete recording of transactions and encumbrances, secure verification of parties, and efficient correction of errors. The foundations and effects of a real-estate registration system are interdependent: the stronger the system's institutional reliability, the more justified the law is in assigning decisive consequences to registered information (Tabatabaei Hesari, 2022).

Judicial remedies should be coordinated with this staged model of transfer. Where the purchaser possesses a valid contractual right but formal registration has not been completed, the primary remedy should ordinarily aim at completion of the formal process, provided that no protected third-party right has intervened. Where registration cannot be completed because the seller has unlawfully transferred the property to a protected third party, the first purchaser may instead require contractual remedies against the seller. This differentiation prevents a bilateral breach from automatically destabilizing a later transaction deserving public protection. It also directs liability toward the person responsible for creating the conflict.

Where the subsequent purchaser acted in bad faith, a different result may be justified. A party who knowingly participates in a conflicting transaction has a weaker claim to reliance-based protection. The law should therefore distinguish undiscoverable hidden rights from rights actually known to the later purchaser. An explicit good-faith standard would improve both fairness and predictability. The American experience demonstrates that recording and notice operate most effectively when they are complementary rather than mutually exclusive: recording establishes constructive information, while actual knowledge prevents a party from invoking formal priority opportunistically.

Greater precision is also necessary concerning the conceptual meaning of ownership during the pre-registration period. Terminological uncertainty can itself generate doctrinal inconsistency. Legal terminology distinguishes property rights from obligations precisely because the categories have different consequences in relation to third persons (Jafari Langroudi, 2012). A claimant who possesses a right to demand transfer should not automatically be described in the same terms as the person whose ownership is fully recognized in the public system. Clear terminology would assist courts in identifying the appropriate remedy and prevent contractual entitlement from being confused with publicly opposable title.

The historical evolution of Iranian registration law also indicates that reform should be understood as a continuation rather than a rupture. Registration has long been directed toward reducing uncertainty in land ownership and transactions (Jafari Langroudi, 1957). Contemporary economic and technological conditions simply increase the importance of these objectives. High-value real-estate markets, complex financing, rapid transactions, and digital access to information make hidden and conflicting claims increasingly disruptive. The modernization of formal requirements therefore reflects the same underlying concern that originally justified the creation of the registration system.

Specialized transfer rules must likewise remain sensitive to the variety of transactions affecting immovable property. Sale is central but not exclusive. Property may be transferred through gift, settlement, inheritance, judicial sale, corporate transactions, or other legally recognized mechanisms. Real property may also be burdened by mortgages, leases, easements, and other interests that affect the value and scope of the right acquired by a purchaser. Special transfer literature demonstrates that a complete system must account for the status of the property and the nature of the instrument rather than addressing only a single contractual form (Ahangari, 2018). Public records should therefore provide an integrated picture of legally significant interests rather than merely a sequence of ownership names.

Judicial access to reliable registration information is particularly important. Courts deciding property disputes should be able to obtain authoritative and current information concerning ownership, restrictions, and transactional history. This reduces dependence on conflicting private evidence and facilitates consistent adjudication. At the same time, correction procedures must exist where the public record itself is challenged. A system that attaches strong consequences to registration must provide judicial remedies for fraud, forgery, administrative error, and transactions concluded without legal authority.

The American system offers useful comparative lessons but should not be idealized. Its decentralized state-based structure produces substantial variation, and recording generally provides notice rather than an absolute governmental guarantee that every recorded deed reflects valid title. Purchasers may therefore need extensive title investigation and other mechanisms to manage residual risk. The Iranian system has the potential advantage of a more centralized concept of official registration. Reform should capitalize on this institutional characteristic rather than simply reproduce American conveyancing practice. The most transferable features are functional: clear priority rules, meaningful reliance on public information, protection conditioned on good faith, and a precise distinction between contractual rights and third-party opposability.

A further comparative lesson concerns prevention. The strongest property system is not necessarily the one that offers the greatest number of judicial remedies but the one that minimizes the circumstances in which those remedies are required. Formal verification before transfer can prevent unauthorized dispositions; immediate registration can prevent successive hidden sales; integrated records can reveal encumbrances; clear priority rules can discourage strategic litigation. The protection of citizenship rights through registration is therefore connected with procedural design as much as with substantive doctrine (Abdolmaleki et al., 2021). Citizens benefit when they can determine their legal position before committing substantial financial resources.

The jurisprudential legitimacy of reform also depends on preserving the distinction between the validity of an agreement and the public organization of property rights. Strengthening registration need not imply that consent has become irrelevant or that every private contract is void. Contractual doctrine remains capable of determining whether the parties validly assumed obligations (Katouzian, 2016). Registration law can then determine the external consequences of those obligations. This division of labor allows each branch of law to serve its principal function: contract law protects legitimate consensual expectations, while property and registration law provide publicity, stability, and third-party security.

The future direction of Iranian law should therefore be toward a transparent hierarchy of legal effects. Parties should know what legal position arises upon conclusion of a private agreement, what additional effect follows from execution of an official deed, when registration becomes necessary for opposability, and which claimant receives priority in the event of conflict. These consequences should be stated in a manner accessible not only to courts but also to purchasers, sellers, legal professionals, registration authorities, and financial institutions. Clarity at the transactional stage is more valuable than sophisticated doctrinal reconstruction after litigation has begun.

Ultimately, comparison with the United States demonstrates that real-estate transfer law is most effective when private autonomy and public information operate as complementary institutions. Parties require freedom to structure transactions, but the market requires a public mechanism capable of identifying rights that affect outsiders. Iranian law possesses an established registration tradition and a sophisticated contractual doctrine. The principal challenge is to coordinate them more explicitly. A coherent staged model, stronger reliance on registered information, protection of good-faith third parties, enforceable rights to complete formal transfer, and efficient digital registration would reduce the structural tension between consensual transfer and formal publicity while remaining compatible with the underlying foundations of Iranian private law.

6. Conclusion

The comparative analysis of legal and judicial trends concerning the transfer of ownership and transactions in immovable property in Iran and the United States demonstrates that both systems seek to achieve the same essential objectives through substantially different doctrinal mechanisms. Real-estate law must permit owners to dispose of their property, enable purchasers to acquire legally secure rights, provide third parties with reliable information, prevent conflicting transactions, and supply effective judicial remedies when the transfer process fails. The central difference between Iran and the United States lies not in recognition of these objectives but in the legal sequence through which private agreement becomes secure and publicly recognizable ownership.

Iranian law has traditionally approached transfer through a contractual framework in which a valid proprietary transaction, particularly sale, is capable of producing significant ownership effects through the agreement itself. This doctrinal foundation remains important because it protects consensual transactions and prevents a party from escaping contractual responsibility merely by refusing to cooperate with later formalities. At the same time, the development of the land registration system has progressively increased the importance of official documentation and public registration. Modern real-estate transactions cannot operate safely where ownership depends exclusively on private agreements invisible to later purchasers, creditors, public institutions, and courts. As a result, Iranian law has developed an increasingly significant distinction between the private validity of transactions and the public consequences associated with formal registration.

The United States approaches the same issue through a more visibly segmented conveyancing process. The contract of sale establishes obligations, the deed transfers the relevant legal title, and recording places the transaction within the public priority system. Recording is particularly important in disputes involving competing interests because the law uses publicity, timing, notice, and good faith to determine whose claim should prevail. The strength of this approach lies in its explicit recognition that bilateral validity and third-party priority are separate legal questions. An earlier transaction can be valid between its original parties while nevertheless failing to defeat a later protected claimant if the earlier interest was not properly publicized.

This distinction provides the most significant comparative lesson for Iranian law. The legal effect of an immovable-property transaction should not be treated as an all-or-nothing question. Four issues should be separately examined: whether the underlying agreement is valid, whether it creates enforceable contractual obligations, whether the purchaser has obtained a proprietary position recognizable against third parties, and whether that position has priority over competing interests. Failure to separate these questions produces uncertainty because courts may be forced to choose between protecting legitimate private agreements and protecting the integrity of the registration system. A staged conception of transfer can preserve both interests.

Under such a conception, a substantively valid private agreement could continue to produce binding obligations between the parties. The purchaser would be entitled to require the seller to perform the steps necessary for formal transfer, including execution of the official instrument and completion of registration. Until those steps are completed, however, the purchaser's position against third parties would be governed by clear statutory rules concerning opposability and priority. This approach would prevent a seller from exploiting formal requirements to escape a genuine transaction while also preventing hidden transactions from routinely destabilizing persons who reasonably relied on official ownership records.

Protection of good-faith reliance should become a more explicit component of the Iranian framework. A person who examines the official record, pays value, completes legally required formalities, and lacks knowledge of an earlier hidden transaction should be able to determine in advance the extent to which the law protects the acquisition. At the same time, registration should not become a device for validating deliberate participation in fraud. A purchaser who actually knows that the property has already been transferred or who cooperates with the transferor to defeat another person's established rights should not receive the same protection as an innocent purchaser. The combination of public registration and good-faith requirements can therefore provide a more balanced allocation of transactional risk.

Clear rules regarding ordinary and official documents are equally necessary. Private agreements remain practically important and cannot realistically be eliminated from the process of real-estate contracting. Purchasers and sellers frequently reach binding commercial arrangements before all conditions for official transfer have been satisfied. The law should therefore recognize the contractual consequences of these documents where the ordinary requirements of validity are fulfilled. Their existence should not, however, make the official registration system irrelevant. A private agreement should be capable of supporting a claim for performance or compensation without necessarily possessing the same external proprietary effect as a completed registered transfer.

The comparative study also demonstrates that procedural efficiency is inseparable from substantive reform. If formal transfer is slow, expensive, fragmented, or administratively difficult, parties have stronger incentives to remain outside the registration system. Reform should therefore reduce the interval between agreement and formal transfer. Electronic verification of ownership, rapid identification of encumbrances and restrictions, secure authentication of parties, and effective communication among relevant public institutions can reduce the opportunity for double sales and other conflicting transactions. A registration requirement is most legitimate when the state simultaneously provides an accessible and dependable mechanism through which citizens can satisfy it.

The reliability of public records must increase proportionately with the legal protection afforded to persons who rely on them. Strong priority consequences cannot fairly be attached to registration if the record itself is incomplete or unreliable. Effective mechanisms are therefore necessary for preventing fraudulent registration, correcting administrative mistakes, resolving boundary discrepancies, and challenging transactions completed without proper authority. The legal credibility of the register depends on both accurate initial entry and efficient correction when an error occurs.

Judicial practice remains essential within this framework, but the objective of reform should be to reduce the number of issues that courts must reconstruct from inconsistent sources. Courts should receive clear legislative guidance concerning the contractual effect of unregistered transactions, the circumstances in which compulsory formal transfer is available, the status of competing purchasers, the meaning of good faith, and the conditions under which registered information may be challenged. Greater doctrinal consistency would make judicial decisions more predictable and would allow transactional actors to organize their conduct before disputes emerge.

The American experience should therefore be used selectively rather than transplanted mechanically. The decentralized recording systems of the United States developed within a common-law environment that differs substantially from Iran's codified legal system and registration institutions. Specific doctrines cannot always be transferred without modification. The more valuable lessons concern legal function rather than legal form. Public records should provide meaningful information. Failure to publicize an interest should have predictable consequences. Later purchasers should know when reliance is protected. Knowledge of prior rights should matter. Priority rules should be intelligible before litigation rather than being reconstructed only after a conflict occurs.

Iran already possesses the principal institutional components required for a more secure system: a developed body of contract law, a specialized registration framework, official documentation mechanisms, judicial remedies, and increasingly capable administrative infrastructure. The principal need is greater coordination among these elements. Contract law should determine whether a legally enforceable transaction exists. Registration law should establish how that transaction becomes publicly effective. Priority rules should determine the consequences when competing interests arise. Courts should enforce these distinctions consistently and provide remedies appropriate to the claimant's actual legal position.

The long-term trend should consequently be toward a model in which registration is not understood merely as an administrative formality added after a private sale. It should function as the principal mechanism through which property rights become transparently organized and reliably opposable within the broader legal system. This need not eliminate the legal value of contracts concluded before registration. Instead, it requires the legal effects of each stage to be defined with precision.

A more coherent system would produce benefits extending beyond the resolution of individual disputes. Greater security of title would facilitate real-estate investment, mortgage financing, succession planning, commercial transactions, and public administration. Reliable ownership information would reduce the opportunity for fraud and multiple transfers. Purchasers would incur lower informational risk, courts would face fewer disputes involving inconsistent evidence, and property could circulate more efficiently within the economy.

The principal conclusion of the comparative study is therefore that the future development of Iranian real-estate transfer law should not be framed as a choice between consensual transfer and compulsory formalism. The more appropriate objective is their systematic coordination. Valid private agreements should generate legally protected contractual expectations, but public proprietary effects should increasingly depend upon an accurate and accessible registration system. Good-faith third parties should receive defined protection, while bad-faith reliance on formal appearances should be excluded. Judicial remedies should preserve legitimate contractual rights without undermining the stability of registered ownership.

The experience of the United States demonstrates the practical importance of distinguishing the contractual transaction, the act that effects conveyance, and the mechanism that determines public priority. Iranian law can develop an equivalent functional clarity without abandoning its own doctrinal foundations. By defining the stages and effects of transfer more precisely, strengthening the reliability of registration, clarifying the status of private instruments, protecting legitimate reliance, and ensuring consistent judicial enforcement, the Iranian legal system can significantly reduce uncertainty in immovable-property transactions while maintaining the balance between individual autonomy and public legal security.

Ethical Considerations

All procedures performed in this study were under the ethical standards.

Acknowledgments

Authors thank all who helped us through this study.

Conflict of Interest

The authors report no conflict of interest.

Funding/Financial Support

According to the authors, this article has no financial support.

References

Abdolmaleki, M., Hashemi, S. M., & Gorji Azandaryani, A. A. (2021). The Role of Document Registration in Providing Public Services and Protecting Citizenship Rights. *Scientific Research Journal of Medical Law*(15), 259-271.

Ahangari, R. (2018). *Special Rules Governing the Transfer of Immovable Property* (1st ed.). Sokhanvaran.

Eslamnia, R., & Al-e Bouyeh, A. (2016). Ownership of Movable and Immovable Property in Iranian Law. Shiraz.

Ghanavati, J. (2020). The Theory of Transfer of Ownership and the Theory of Obligation from the Perspective of Jurists. *Islamic Jurisprudence and Foundations of Islamic Law*(2), 389-403.

Ghanavati, J. (2021). The Theory of Transfer of Ownership or the Theory of Obligation. *Legal Research Quarterly*, *24*(93), 215-246.

Jafari Langroudi, M. J. (1957). *Registration Law*. Ganj-e Danesh Publishing.

Jafari Langroudi, M. J. (2012). *Legal Terminology*. Ganj-e Danesh Publishing.

Katouzian, N. (2016). *General Rules of Contracts*. Ganj-e Danesh Publishing.

Matin-Daftari, A. (1961). *Collection of Judicial Precedents: Civil Section*. Hashemi Printing House.

Pirhadi, M. (2013). *Transfer of Ownership in the Contract of Sale: A Comparative Study with Revisions and Additions, Including an Article on Lease-to-Own and Non-Fulfillment of Condition*. Javidaneh Publishing.

Safizadeh, S. (2022). The Position of Registration in the Contractual Transfer of Immovable Property in Iran: A Comparative Study with the Laws of England, Switzerland, and France. *Judiciary Law Journal*(118), 185-206.

Tabatabaei Hesari, N. (2010). A Comparative Study of Real Estate Registration Systems: With Emphasis on the Real Estate Registration System in Iran. *Private Law Studies*(2), 219-237.

Tabatabaei Hesari, N. (2022). *Foundations and Effects of the Real Estate Registration System*. Enteshar Joint Stock Company.

Tabatabaei Hesari, N., & Sadeghi Moghadam, M. H. (2015). The Effects of Real Estate Registration on the Validity of Legal Acts: With Emphasis on the Characteristics and Functions of the Registration System. *Comparative Law Studies*(2), 677-698.

Tabatabaei Hesari, N., & Safizadeh, S. (2021). An Introduction to the Major Families of Contemporary Real Estate Registration Systems: Based on Key Components of Comparative Classification. *Legal Research Quarterly*(94), 239-266.