



Joint Purchasers Information

As you are buying your property jointly you have to decide how you wish to hold it. This is a very important part of your purchase and you should consider this carefully and discuss it with us if you have any doubts in the matter whatsoever.

Contributions:- (Original and Ongoing)

In every case you should consider what financial contribution each of you has made to the purchase at this stage and who will be making the payment of the property expenses once it is purchased e.g. Mortgage, Improvement costs or insurance payments.

The Three options are as follows:-

- 1: You can buy as **BENEFICIAL JOINT TENANTS**:- You are both regarded as owning the whole of the property. In the event that one of you dies, the survivor automatically takes the interest in the property of the person who has died. Therefore the survivor becomes the sole owner of the property and for example, could sell it and keep the proceeds of sale. This is automatic and overrides any provisions you may make for the property in your Will. This is the usual arrangement for married couples.

To hold the property as **BENEFICIAL JOINT TENANTS** it is normally assumed that either:-

- All parties contributions to the purchase and future expenses are approximately equal, or
 - That the person(s) making the greater contribution(s) is/are happy to make a gift to the other(s) of those greater contributions. Although not impossible, it is difficult later to seek to adjust the arrangements now being made. The Court may also make orders adjusting the ownership arrangements for example on divorce, however a **BENEFICIAL JOINT TENANT** can at any time, by giving written notice to the other **BENEFICIAL JOINT TENANT(s)**, Asever@ that joint tenancy which then creates a beneficial tenancy in common in equal shares.
- 2: If you hold as **BENEFICIAL TENANTS IN COMMON** you are regarded as having separate shares which can be equal (50/50) or unequal (e.g. 70/30). In the event one of you dies his or her share does not automatically pass to the survivor. It may pass to whoever the deceased person wishes either under the terms of his or her Will or intestacy. It is advisable, particularly in these circumstances, to make a Will.
 - 3: You may also hold the property under the terms of a **TRUST DEED**. This may be required in all but the simplest case where unequal shares are being considered, for example where the purchase money is being contributed unequally, but the future outgoings are to be contributed equally or vice-versa. Another example, because the remedy for a dispute between **BENEFICIAL TENANTS IN COMMON** is normally resolved by the sale of the property, is to give the persons who wish to retain the property a right to buy from those who wish to sell their interest. These are just a couple of simple examples, but almost any arrangement can be provided for in a **TRUST DEED**.

If you are considering a **TRUST DEED** please advise as soon as possible as this may take some time to discuss and finalise and it is important that it is done at an early stage in the transaction. We would regard the preparation of a **TRUST DEED** as additional to the normal conveyancing work and an additional charge based on the time spent in discussing, reviewing, drafting and finalising the documentation will be made. We would normally involve our specialist Trust Solicitor.

Independent Legal Advice

You will appreciate that in some circumstances the interest of each co-owner may be different in considering this aspect of the matter and in every case, we would recommend you to consider whether you should seek independent legal advice on this issue. Certainly if you are unhappy with the arrangement being proposed, we would normally insist that you do so.