

You should consider carefully whether you require the property to be purchased in both of your names or in the name of one of you. If you are husband and wife or engaged to be married, then you will probably want to hold the property in joint names and this may well be a requirement of your lenders.

However, if one of you is involved in a high risk unincorporated business and there is a possibility of personal bankruptcy at some time in the future, then you should consider whether the property should be purchased in the sole name of the other party.

Unmarried purchasers, whether co-habitees, relatives or merely friends would also be advised to purchase the property jointly and again, this may be a requirement of your lenders. If you do decide on Co-Ownership, then there are two ways in which a property can be jointly owned.

Joint Tenants

Where a property is held as joint tenants, none of the co-owners has a distinct or separate proportion of the property as each owner owns all of it. When one of the joint tenants dies, his or her share will then belong to the survivor. As no distinct part of the property belongs to any individual tenant, no part of it will belong to the Estate of a deceased joint tenant and where the co-owners are married, will not attract inheritance tax.

Tenants in Common

Where a tenancy in common exists, each co-owner holds a quantified proportion of the property which can be sold or disposed of, or left by Will. The shares of tenants in common need not be equal and should be defined in a separate Deed of Trust which can be noted at the Land Registry. Please note that if you wish to alter the ownership shares, for instance, if one of you repays the mortgage, then this must be done by entering into a further Deed.

As a share in a Tenancy in Common can be left by Will, then you should consider the desirability of making a Will and we are able to advise you in that regard.

Suitability of Each Method

The automatic right of survivorship in connection with a Joint Tenancy makes this suitable to prospective co-owners who are married or intend to marry. Occasionally, a Joint Tenancy may be unsuitable to a married couple where one or both is individually wealthy or is engaged in a high risk business.

Prospective co-owners who are not married to each other may be better advised to become Tenants in Common. This is also the most appropriate method by which business partnership property can be dealt with. A Tenancy in Common is also more suitable where unequal contributions have been made to the purchase price.

Civil Partnerships

Please note that any references made to husband and wife, or married couples, will also apply to couples within a Civil Partnership.

If either of you are in any doubt as to which method of ownership you wish to adopt, then please seek our further advice. If there is the possibility of any conflict between you, then one or both you should seek advice from an independent firm of solicitors.

You should give consideration to taking out a joint life policy to cover your mortgage even if the property is in one name alone.

We require your written instructions as to which method of ownership you wish to adopt and should be grateful if you would tick the appropriate box and if you choose a Tenancy in Common, then please specify how you would like the value of the property to be divided between you.

Joint Tenancy

Tenancy in Common *Proportions required:* _____

Signed _____

Signed _____

Signed _____