

Joint Ownership Information

When buying a property jointly it is very important that the respective contributions of the parties are reflected in the legal documents.

Jointly owned property can be owned in one of two ways: as 'joint tenants' or as 'tenants in common'.

1. JOINT TENANTS

Most joint purchasers who are married or in a long-term relationship purchase as joint tenants.

This means that when the first of you dies, the deceased person's share automatically passes to the survivor, irrespective of any will or the rules of intestacy. Joint tenants cannot leave their share in the property to anyone else.

Joint tenants are entitled equally to the proceeds of any sale unless otherwise agreed.

A joint tenancy may be severed by either party at any time which converts the title to a tenancy in common in equal shares.

If you buy your property as joint tenants it is still very important that you both make a will so that you can determine what happens to the property when both of you have died.

2. TENANTS IN COMMON

Most business partners or unrelated joint purchasers purchase as tenants in common.

The share of a tenant in common is separate property and will not automatically pass to the survivor when the first of you dies. You can therefore give your share to anyone in your will, and if you do not have a will your share will pass according to the rules of intestacy.

When buying property as tenants in common a deed of trust or tenants in common agreement is often entered into to agree the relative rights of each owner.

If you buy your property as tenants in common, whether in equal or unequal shares, it is very important that you both make a will so that you can determine what happens to your share of the property when you die.

3. NEXT STEPS

Please contact us if you are not sure about any aspect of the information set out above as we will be pleased to discuss any queries that you have.