



The Conveyancing Process – Information for Joint Buyers

Joint Tenants

If you hold the property as joint tenants, you will own the whole of the property jointly and must both agree and join in to any future sale of the property. If one of you were to die, the other would become entitled to the whole of the property in his/her own right and it would not pass to your children or family under your will or on intestacy. This method is popular with married couples but may not be suitable if either of you has children from a previous relationship whom you would want to benefit under your will. You may also prefer not to use this method if you are concerned about the impact of Inheritance Tax on your estates after death. We can refer you to one of our associate firms who will provide you with estate planning advice if you require this.

Tenancy in Common

Although called a 'tenancy' this method of ownership is applicable to either freehold or leasehold land and enables the owners to divide the ownership of the property into distinct portions which can be left by will or passed on intestacy. For example, if one person contributes 60% of the purchase price of the property and the other 40%, it may be appropriate for the property to be held as tenants in common in the proportions of 60:40. Each party would then benefit proportionately from an increase in the value of the property (or share the same percentage of any decrease in value). The decision to hold by this method is a private matter which does not affect the legal title to the property, but it is advisable to record the wishes of the parties and their proportionate percentage shares in a separate document which is kept with the title deeds. We can prepare this document for you. Legally you would both still own the property in its entirety and would both therefore need to consent to and join in to any future sale. This method of holding the property can be appropriate in the following types of situation:

- where the purchase price is contributed unequally by the parties
- where the owners are not married to each other
- where the owners may wish children or relatives from a previous relationship to benefit under their wills
- where there are considerations relating to Inheritance Tax planning

If you decide to purchase as tenants in common, I suggest that you each obtain separate advice as to the proportions in which you should hold the property and the tax and other consequences of this decision.

We understand the above and would like to hold the property as:

Joint Tenants	Tenants in Common
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