

COHABITATION AGREEMENTS AND TRUST DEEDS

TO AVOID FUTURE COURT DISPUTES

There are many legal pitfalls if you own property in an unmarried relationship (either solely or jointly with your partner) or if you live with someone else who owns the property.

This page explains the pitfalls and the very simple written steps you can take to avoid them, with the brief help of your solicitor. Couples can wish they had known these steps in advance to avoid expensive legal argument later on.

WHAT ARE THE COMMON PITFALLS?

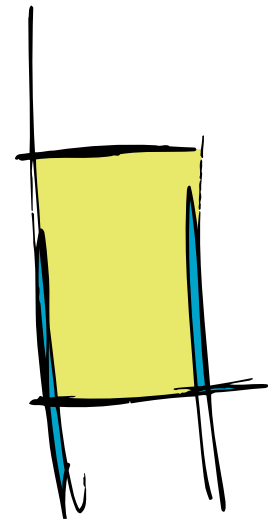
- one of you may make a one-off large payment towards the mortgage or for building work. It is wise to say in advance how it affects property ownership.
- one party may make a spoken promise to the other about the property which they later regret - it is safer to have shares stated in writing.
- in a long relationship, one party may take a career break to retrain or care for someone. If they stop paying towards the mortgage they may lose out, unless the parties have a written agreement.
- the law will not give you credit for routine household expenditure such as on clothes, food, or the children; a written agreement can avoid this.

Remember: no written advance agreement can mean a costly court case about the above. The results of Court proceedings will usually seem unfair to one or both of you!

THE SIMPLE SOLUTIONS

There are three cost-effective solutions to all of this, which, at Woodford Stauffer, we can talk through with you.

- 1. ownership as joint tenants** – if one party dies, their half share automatically passes to the other party: no extra cost over and above usual conveyancing: **no extra cost over and above usual conveyancing.**
- 2. trust document** – ownership in any fixed shares you may specify, and you can leave the property in your will to anyone: **£125.00 plus VAT.**
- 3. cohabitation agreement** – a more detailed version of option 2 which allows you to plan ahead for future changes: **£150.00–£250.00.**



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