

BUYING TOGETHER

Did you know that there are alternative ways to arrange your affairs if you are buying property with someone else?

Most people who buy property jointly do so as "**Joint Tenants**". Here, if one co-owner dies their share of the property automatically passes to the survivor (or survivors, if more than two people buy together). Incidentally, the same may happen if you have investments or bank or building society accounts in your joint names.

Not everyone wants this result, especially if there's no personal relationship involved, or if you're an unmarried couple living together or if a married couple each wish to benefit their own separate families. The alternative is "**Tenants in Common**". If a tenant in common dies, their share does not pass to the co-owner automatically, but

forms part of their estate which passes under their will (or intestacy).

By entering into a simple Deed of Declaration it is easy to specify the precise shares which each co-owner has in the property.

Such a deed is strongly recommended when a property is held by an unmarried couple for it ensures that they each know who owns what share in the property and what is to happen should they come to want to sell the property.

The use of a "Tenancy in Common" can also be a good starting point for a scheme to save Inheritance Tax on death.

If you don't know which way you are holding jointly owned property, you probably hold it as Joint Tenants. If you are not sure whether that is best for you please seek our advice.

rwp solicitors Meadow House, 22 Reading Road, Pangbourne, Berkshire, RG8 7LY

Tel: 0118 9842266
Fax: 0118 9845133

e-mail:
pangbourne@rwp-solicitors.co.uk

April 2005