

Joint Tenants or Tenants in Common

What does it mean?

When you're in a relationship, it can seem like the obvious choice to buy a property together. It's really important to understand what the two options are, especially if you're not married.

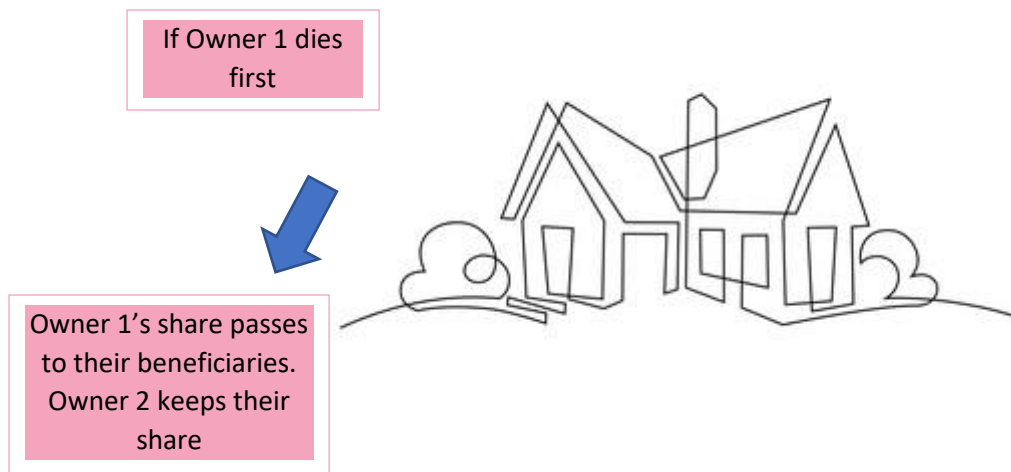
When you buy a property as joint tenants, it means you both own the property equally. It makes no difference if one of you has paid more of the deposit or is contributing more towards the mortgage repayments. As joint tenants, your ownership is totally equal.

Alternatively, you can own a property in unequal shares - you both agree what your shares are, and what you will get if you sell or if you die.

Joint Tenants



Tenants in Common



More often than not, when you're not married you'll split the capital according to whether you were joint tenants or tenants in common (although there are some exceptions).

If you're married and you separate, it's more complicated. You'll both have to think about your 'needs', and this might mean that you can't split the equity in the way you might have originally intended. Whichever way you choose to work together in resolving things, your advisor will help you make the best decisions.

If you're splitting up, and there's going to be a delay between making your financial decisions and implementing them, it's important for you both to think about how you continue to own the property. Will you continue to be joint tenants for example?

Whatever you do, DON'T change it unless you're sure that you understand the implications. This might be an ideal thing to ask your lawyer, so that together, you can decide what to do.