

IN-PRsho02

## **Shared ownership agreement: residential property; three or more owners**

**Dated:** [Date]

[names of all Owners]

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Date:

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The Schedule: The allocation of areas

**This agreement is dated:** [date]

It is made between the Owners \_\_\_\_\_ , \_\_\_\_\_ :  
[Now list names and addresses \_\_\_\_\_ ]

**These are the agreed terms:**

## 1. Definitions:

These definitions apply unless the context \_\_\_\_\_ :

"Confidential Information" means all information about an Owner to this agreement. It includes among other things information about personal and business contacts, health \_\_\_\_\_ , \_\_\_\_\_ , \_\_\_\_\_ , \_\_\_\_\_ , \_\_\_\_\_ .

"Furniture and Fixtures" means all furniture, carpets, fixtures and fittings, appliances and possessions used in common, contributed or \_\_\_\_\_ .

"Joint Area" means those parts of the Property which are exclusive to the Owners and used jointly by them. It does not include "common parts" of a building, most \_\_\_\_\_ , \_\_\_\_\_ .

"Owner" means a party to this agreement or a person who becomes a party to this agreement or who otherwise stands in the shoes of a \_\_\_\_\_ , \_\_\_\_\_ .

"Personal Area" means the area allocated by agreement to each of the Owners for his exclusive \_\_\_\_\_ .  
1 .

"Property" means the property situated at [complete address] which \_\_\_\_\_ .

"Sale Owner" means an Owner who wishes to sell his share or a person in whom a share vests

( )

“Share” means a share in the Property

## 2. Summary of agreement

The Owners have agreed to purchase the Property for use as living accommodation

OR

The Owners have agreed to purchase the Property for use

## 3. Terms of beneficial interest

3.1. The Property is held by [two of] the

3.2. The beneficial interest in the Property is owned

:

[name 1]	00%
----------	-----

[name 2]	00%
----------	-----

3.3. The Owners listed above have paid for the property according to

3.4. If any Owner listed above shall at any time require

## 4. Relationship of Owners

4.1. This agreement contains the entire agreement

4.2. This agreement does

4.3. None of the Owners is an agent of any

## 5. Price and payment for the Property

5.1. The Owners agree to finance /

[name 1] INR111

[name 2] INR222

5.2. In addition to the above cash, the [ ] / [ ]  
[ ]

5.3. That money will be held by [ ] / [ ]

5.4. That money will be paid immediately [ ] ,

5.5. [William/ James] is

## 6. Use of the Property

The Owners agree that they will:

6.1. Use their respective Personal [ ].

6.2. Accept full responsibility

6.3. Not come into

6.4. At all times, occupy

6.5. Make clear to

## 7. The Furniture and Fixtures

7.1. The Owners can

7.2. All Furniture and Fixtures shall remain the property

7.3. Fixtures or Fittings lost or damaged, other than by normal

7.4. Normal maintenance of the Furniture

7.5. The Owners are free to remove from the Property any

## 8. Joint expenses

8.1. Expenses relating to the

8.2. Expenses relating to the Joint

:

OR

8.3. Expenses relating to

:

[name 1]

Aaa%

## 9. Management and expenses

9.1. Within one week of today, the first named Owner, or  
[ 28 ]

9.2. At least [once / twice] in every year [name], the chairman  
[ 28 ]

9.3. At the meeting, motions will be put, on which the Owners will

9.4. The Owners shall exercise

9.5. [Except as specified in this agreement,  
].

9.6. The first item for the attention of the meeting shall be the appointment  
of a chairman of the meeting. An Owner may vote for

[ 12 ]

9.7. Each Owner agrees that he will

9.8. The Property Manager shall be responsible for:

9.8.1 collection of cash from all Owners in proportion to their  
Ownership to





- 10.6. Places bins and  
;
- 10.7. Use the Property for the  
;
- 10.8. Not place any advertisement or notice  
.
- 10.9. Not smoke  
.
- 10.10. Not use the  
;
- 10.11. Not license or sublet any  
;
- 10.12. Not play music or allow any  
;
- 10.13. Not cause nuisance or annoyance to the other Owner or  
.
- 10.14. Not make any alterations, improvements or additions  
;
- 10.15. Not change or install any locks on doors of the  
.
- 10.16. Not keep or  
;
- 10.17.  
/ ;
- 10.18.  
;
- 10.19. [ 7 ] .

## 11. Warranties and indemnities

Each Owner warrants to the others that:

11.1.

11.2. He has no criminal record.

11.3.

## 12. Long stop termination date

12.1.

]. [

].

12.2.

(  
)

12.3.

12.4.

[ 10 ] %

## 13. Termination and assignment

[ 01 -

]

13.1. [ ]

31st

[ ]/

2010

95 %

31st 2010

].

13.2.

( )

[ 02 -

-

.]

13.3.

[ ]

13.4.

[ ](

).

13.5.

13.6.

13.7.

[ 03 -

.]

13.8.

[ ]  
]

13.9.

[ 04 -

,  
13.10.

:  
13.11.

13.12.

13.13.

13.14.

13.15.

## 14. Ownership terminated by operation of law

14.1.

14.2.

14.3.

14.4.

## 15. Confidentiality

15.1.

15.2.

( )

## 16. Successors to the agreement

16.1.

16.2.

## 17. Dispute Resolution

## 18. Damages not adequate

,

[ ]

,

[ / ]

## 19. Severance and invalidity

,  
,  
,  
( )  
.

## 20. Service of notices

[ 72 ] [ 24 ]  
.

## 21. Uncontrollable events

, [ ]  
].

## 22. Miscellaneous matters

22.1. , ,  
.

22.2. ,  
.

22.3. ,  
.

22.4.

22.5.

22.6.

22.7.

22.8.

22.9.

Signed by [\[name 1\]](#)

In presence of:

Signature of witness:

Name:

Address:

Signed by [\[name 2\]](#)

In presence of:

Signature of witness:

Name:



Address:

etc, etc



## Explanatory notes:

### Shared ownership agreement: residential property; three or more owners

## General notes:

1. By law, only four people can be registered as owners. But you could use only two or three if you prefer. The beneficial ownership rights of others, whose names are not on the title, should be set out in a “trust deed” or similar formal document. This template is applicable where a residential property is to be purchased under joint ownership. This template serves two purposes: first it is a “ , ” ;  
.
2. You should make sure your solicitor has bought the property for you as tenants in common and you should  
.
3. The template is drawn to govern the relationship between more than two people. You should use the names of all of the owners to replace William and James. Simply  
.
4. Any change or addition to this agreement must be in writing,  
.

## Paragraph specific notes:

Note: numbering refers to paragraph numbers.

### **3 Terms of beneficial interest**

You may like to own the property in different proportions to the shares in which cash has been found. Net Lawman advises against that. Set down the shares to be owned. Nevertheless, if one  
 , .

### **5 Price and payment for the Property**

It is important to think through and set down clearly, you precise arrangements for who pays what and when. This paragraph provides

alternatives for the purchase price depending on the whether the

## **6 Use of the Property**

It is very important to set down the precise “rules” as to who is allowed to live and visit and under what circumstances. Arrangements like this one may be undertaken with friends or relatives. Everyone is anxious not to “rock the boat” so avoids saying anything controversial. However, this agreement is specifically to open up the wishes and requirements of the owners,

A specific issue may be as to whether children are allowed to live or stay at the property. At Net Lawman,

## **8and9 Joint expenses and Management and expenses**

We cannot know what expenses will be incurred nor how you will wish to share them. The important point here is to make sure you do have agreed arrangements. If one Owner may

## **10 Undertakings by the Owners**

This is a menu of items which could be included in this agreement, provided to

## **13 Long stop termination**

A long stop termination is advisable in case all else fails. All parties can take comfort that they can see a point in

## **14 Termination and assignment**

A simple and fair exit strategy is essential. However, the legal position complicates your choice. Under law, any land held by more than one person

is automatically held “on trust for sale”. That means, among other things, that any co-owner, whether or not he

If the property is situated outside the India, this may not apply. In that case we advise that you simply set out the terms as you would wish them to be, using one of the

A second issue is that it may be undesirable for a party wishing to leave the arrangement to be free to sell his share to any (awful!) Person he likes, leaving the other owners to make the best of a difficult relationship. On the other hand an

The difficulty for the draftsman here is in how best to reconcile the opposing interests that may arise on a proposed sale. If the property is owned by two or three parties only, they may agree simply to sell up and close down the agreement. If there

When you draft your version, we advise you to take the strong and brutal view. You can always agree something gentler if

In summary, this agreement provides alternatives to avoid a sale by operation of law (by dis-incentivising anyone who might want a sale)

If the Owners have made an arrangement for co-Ownership, then the breakup of the arrangement will be expensive and inconvenient for any Owners who do not want it. We have therefore provided for payment of a percentage sum to cover

## **15 Ownership terminated by operation of law**

Then there is the question of transfer by operation of law. What happens if one of the owners dies or is made bankrupt? The provisions in this document are intended

## **17 Dispute resolution**

There are many ways to settle a dispute. But an action in court is the least desirable because it takes a long

## **18 Damages not adequate**

Court will usually try to award money damages as

## **19 Severance and invalidity**

To avoid a judge striking

**20 Service of notices**

We have no comment.

**21 Uncontrollable events**

Often referred to as “force”.

**22 Miscellaneous matters**

A number

to minimise disruption and expense.

**End of notes**