## Shared ownership agreement residential property

Dated: [Date]

[names of all Owners]

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The Schedule: Allocation of areas

This a	agreement is dated:	[ • • • • ]								
It is m	nade between:									
[name	e of first Owner]	of [address] ("ABC")								
And										
[name	e of other Owner]	of [address] ("DEF")								
The C	Owners have agreed to purc	hase the Property for use as [living them ■ ■ ■ / ■ ■ ■ ■ ■ ].								
Thes	e are the agreed terms:									
1.	Definitions									
	These definitions apply unl	less the context • • • • • • • • • • • :								
	"Confidential Information"	means all information about an Owner and his family, their affairs and their •••, ••••								
	"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 party to this agreement,								
	"Personal Area"	means the area allocated by agreement to each								

of the Owners for his exclusive

"Prop	erty"	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								
"Shar	e"	means a share in the Property.								
Inte	rpretation									
In this	agreement unless th	e context • • • • • • • • • :								
2.1	•	ender shall include any or all genders and a jular may be interpreted								
2.2		son includes a human individual, a corporate entity								
2.3	legal representatives and obligations are t	son includes reference to that person's successors, s, permitted assigns and any person to whom rights ransferred or pass as a								
	•••••									
2.4		agraph or schedule is to a paragraph or schedule less the context •••••••••••••••••••••••••••••••••••								
2.5		paragraphs and schedules (if any) to this ted •••••••••••••••••••••••••••••••••••								
2.6	· -	ny party not to do or omit to do something includes allow some								

2.

	2.7	from this = = = = = = = = = = = = = = = = = = =	
	2.8	a reference to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information,	
	2.9	a reference to a specific statute includes any statutory extension or modification, amendment or re-enactment of that	
	2.10	this agreement is made only in the English language. If there is any conflict in meaning between the English language version of this agreement and any version or	
3.	Terr	ns of beneficial interest	
	3.1 Th	e title to the Property is registered in the names of:[ ■ ■ ■ , ■ ■ ■ ] ■	l
	•		
	_	[Name 1] 15%	
		[Name 2] 25%	
		[Name 3] 10%	
		[Name 4] 50%	
	3.2	The Owners listed above have paid for the Property according to ■ ■ ■	
		,	
	0.0		
	3.3	If any Owner listed above shall at any time require	

## 4. Relationship of Owners

### 5. Price and payment for the Property

5.1 ...................... [name 1] R [111] [name 2] R [222] [name 3] R [333] [name 4] R [444] Etc. etc R [555] 5.2 . . . . . . . . 1 5.3 5.4 5.5 

### 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.	Joir	nt expenses
	8.1	Expenses relating to the

8.2	Expenses relating to the J	
OR		
8.3	Expenses relating to	••:
	[name 1]	00%
	[name 2]	00%
	[name 3]	00%
	[name 4]	00%
	Etc, etc	00%
Maı	nagement and expe	nses
9.1	Within one week of today,	the first named Owner, or
9.2		very year [name], the chairman • • • • • • • • • • • • • • • • • • •
9.3		ill be put, on which the Owners will  , , , , , , , , , , , , , , , , , ,
9.4	The Owners shall exercise	
9.5	[Except as specified in this	s agreement,

9.

The first item for the attention of the meeting shall be the appointment

of a chairman of the meeting. An Owner may vote for  $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$ 

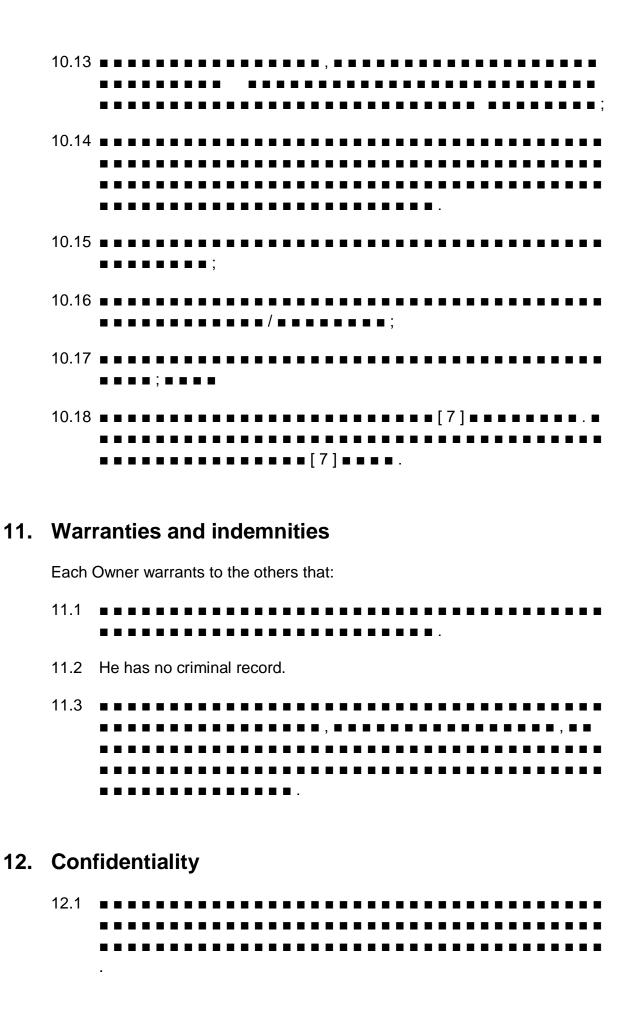
•••••••••.]

9.6

	12 •	•••.
9.7		Owner agrees that he will
	•••	<b>.</b> .
9.8	The F	Property Manager shall be responsible for:
	9.8.1	collection of cash from all Owners in proportion to their Ownership to
	9.8.2	payment of all bills relating to the Property.
	9.8.3	insurance of the Property • • • • • • • • • • • • • • • • • • •
	9.8.4	finding and managing •••••;
	9.8.5	preparing a list each month of all expenses relating to the
	9.8.6	securing the Property
9.9	-	Owner shall fail to pay money on account
9.10	■ . No pa	nyment shall be made to the Property Manager for his personal ■
	•••	

# 10. Undertakings by the Owners

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10.11	;	 										
10.12												
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12.2

### 13. Long stop termination date

13.1

13.2

13.3

......................

13.4

### 14. Termination and assignment

14.2									
- 1	• • • •			 		 			
14.3			,		[				
14.4		, , ,							
14.5									•••
14.6	••••								
14.7									

15. Ownership terminated by operation of law	<b>15.</b>	<b>Ownership</b>	terminated b	y operation of	f law
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.............. ........... 15.1 ......... 15.2 ....].......................... ............ ............ .................................... ........ 15.3 ............. ------............................... 15.4 ----------

### 16. Miscellaneous matters

16.1									
	•••	•••	 	 	■.				
16.2								••••	
							•••		
16.3									
				 	■ , ■ ■	 • • • •	••••		
16.4									
								••••	

		• • • •																
		•••																
																•		
16.5																		
		• • • •							<b>I</b>	•		<b>I</b>	•			•	- 1	
			■.															
16.6											-			-			- 1	
																	- 1	
16.7																	_	
										• •	-	<b>I</b>	•	-		•		
16.8									_			_						
10.0																•		
16.9																		
		·																
	<b>.</b>								•									•
	It shal	I be de	eme	d to l	have	e be	en d	deliv	vere	ed:								
						-		•	■:		•	•			•	•		
			■;															
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16.10																		
		• • • •																

16.11
16.12
Where parties are corporate person
<b>Signed by</b> [personal name] on behalf of [named Owner] as its representative who personally accepts liability for the proper authorisation by [named Owner] to enter into this agreement.
Where parties are individuals
Signed by
Signed by

## The Schedule Allocation of areas:

Joint Area			
[			
		<b>.</b>	
Personal Areas:			
[			
	•••••		

## **Explanatory notes:**

#### Shared ownership agreement residential property

### **General notes**

1.	This template is applicable where a residential property is to be purchased under joint ownership. This template serves two purposes: first it sets out the ownership shares; secondly it is a "sharing • • • • • • • • • • • • • • • • • • •
2.	We have used the names "ABC" and "DEF" at the start of the document. It is for reference only. The best way to deal with this is to start by using full names at start of the document and at signature point and then enter your (

## Paragraph specific notes

Notes numbering refers to paragraph numbers.

#### 1. Definitions

You may change the terms as suitable to your agreement. We may not have been able to provide you with defined terms ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
By all means use the find/replace function in your word processor to change them. But if you do change the defined word, make sure it
Remember too, that when a word or phrase is defined, the defined meaning, capitalised, takes precedence over the <b>*** *</b>
You should first decide on the contents of the document, then return to check what definitions are needed and whether they really ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■

#### 2. Interpretation

There are some very important points here that affect many other parts of the document. Leave these items in place unless there is a good reason to edit or remove. We suggest that you read them a couple of times  $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$   $\blacksquare$ 

	!
3.	Terms of beneficial interest
	It is perfectly possible to own the property in one set of shares, pay expenses in some different ratio and occupy it under a third ratio. However, we strongly advise that the property is bought
4.	Relationship of Owners
	This is a basic provision
5.	Price and payment for the Property
	It is important to think through and set down clearly, your precise arrangements for who pays what and when. This ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
	•
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 ■ ■ ■
	A specific issue may be as to whether children are allowed to live or stay at the property. At Net Lawman,
7.	The Furniture and Fixtures
	You really have to consider what rules you      I I I I I I I I I I I I I I I I I
8.	Joint 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

9.	Management and expenses
	What you want in this paragraph depends on how many people will share the property and on what terms you intend to manage it. For example • • • • •
	Remember that as far as any supplier is concerned, the bill will be paid by the person named on it.
10.	Undertakings by the Owners
	This is a menu of items which could be included in this agreement, provided to
11.	Warranties and indemnities
	A simple indemnity.
12.	Confidentiality
	The owners need to know • • • • • • • • • • • • • • • • • • •
	••••••!
13.	Long stop termination date
	A long stop termination is advisable in case all else fails.
13.1	This provision can stand alone if

### 14. Termination and assignment

15.

A simple and fair exit strategy is essential.

Although it may be undesirable for a party wishing to leave the arrangement to be free to sell his share to any (awful!)
The difficulty for the draftsman here is in how best to reconcile the opposing interests that may arise on a proposed sale. If
. When you draft your version, we advise you to take
Ownership terminated by operation of law
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 to protect

#### 16. Miscellaneous matters

## **End of notes**