

DECLARATION OF TRUST dated

>> 20 << >>

Owners: <<joint owner's name>> (<< address>> (<< >>% share of Property)

<<joint owner's name>> (<< address>> (<< >>% share of Property)

<<joint owner's name>> (<< address>> (<< >>% share of Property)

Property: The [house] [flat] [apartment]

<<Address>>

<<Address>>

<<Address>>

Mortgage: The mortgage dated >> 20 << >> made between (1) the Owners and (2) >>

Contents: The fixtures furniture and fittings of the Property

1. DECLARATION OF TRUST

1.1 The Owners declare that from the date of this deed they hold the Property, subject to the Mortgage, as tenants in common in the shares set out above.

2. OWNERSHIP OF CONTENTS

2.1 Subject to clause 2.2 the Property is jointly owned by the Owners in the same proportions as set out above.

2.2 [Clause 2.1 does not apply to the following items which are owned as follows: <<insert details e.g. the garden furniture is owned 50% by Y and 50% by X>>]

3. MORTGAGE

3.1 Each Owner agrees to pay the Mortgage [in the same proportions as their shares in the Property] OR [in the following proportions: <<insert details e.g. I will pay 50%>>] and to indemnify the other Owners in respect of the same.

4. EXPENDITURE

4.1 Subject to clauses 4.2 and 4.3 the costs on the Property shall be divided between the Owners as their shares in the Property.

4.2 [Clause 4.1 does not apply to the following items of expenditure which shall be paid for as follows: <<insert details e.g. utility bills will be split according to the Owners' use of the Property>>]

4.3 Clause 4.1 does not apply to the following types of expenditure which shall be paid for as follows: <<insert details e.g. the cost of the garden furniture is owned 50% by Y and 50% by X>>]

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- 4.3.1 any repairs to the Property caused as a result of the actions of a particular Owner;
- 4.3.2 any alterations to the Property requested by a particular Owner for their sole use or the use of that Owner;
- 4.3.3 any insurance which results in insurance premium which becomes payable by a particular Owner (or their guests) as a result of the actions of a particular Owner (or their guests).

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5. OWNERS' COVENANTS

- 5.1 Each Owner agrees to:
 - 5.1.1 To pay their share of the costs of insurance on the Property as set out in clause 4 and to indemnify the other Owners in respect of any non-payment.
 - 5.1.2 When the Owner occupies the Property to use the Property and the Contents in a proper and careful manner and not allow them to deteriorate.
 - 5.1.3 To make good any damage to the Property and the Contents which is caused by:
 - a) any breach of the obligations set out in this Agreement by that Owner or any person at the Property with their permission;
 - b) any negligence of that particular Owner or any person at the Property with their permission.
 - 5.1.4 Not to alter the appearance structure exterior or interior of the Property without the unanimous agreement of the Owners.

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6. SALE OF THE PROPERTY AND PRE-EMPTION RIGHTS

- 6.1 The provisions of Section 2 shall apply if the Owners or any of them wish to sell the Property.

7. NOTICES

- 7.1 All notices given under this Agreement shall be in writing and for the purpose of service the provisions of the Law of Property Act 1925 shall apply to the notices contained in Section 196 of the Law of Property Act 1925 as amended in this Agreement.

8. INTERPRETATION

- 8.1 Any obligation on a person to do an act or thing includes an obligation to ensure that another person to do such act or thing.
- 8.2 The Owners do not intend that this Agreement should be enforceable by any person (other than the Owners and Third Parties) Act 1999.
- 8.3 An obligation in this Agreement to pay includes an obligation to pay Value Added Tax in respect of the payment.

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9. JURISDICTION

This Agreement shall be governed by the law of England and Wales.

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Signed as a deed by
<<Owner's Name>>
in the presence of

Signature of witness _____

Name (in BLOCK CAPITALS) _____

Address _____

Signed as a deed by
<<Owner's Name>>
in the presence of

Signature of witness _____

Name (in BLOCK CAPITALS) _____

Address _____

Signed as a deed by
<<Owner's Name>>
in the presence of

Signature of witness _____

Name (in BLOCK CAPITALS) _____

Address _____

[Add further execution clauses as

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Schedule 2 – Disposal of Property

1. If the Owners unanimously agree that the Property should be sold they will make arrangements for the Property to be sold on the open market.
2. If an Owner wishes to sell their share of the Property that Owner must first offer to sell their share to the other Owners in accordance with Schedule 2.
3. If a departing Owner's share is offered to another Owner or Owners under paragraph 2 the share may be sold to that party approved unanimously by the remaining Owners.
4. If a departing Owner's share is not offered to the other Owners under paragraph 3 the share may be sold to a third party under paragraph 3 the share may be sold on the open market.
5. The terms of a sale on the open market shall be agreed by a majority of the Owners.
6. Following a sale of the Property the sums and expenses properly incurred in connection with the sale shall be paid from the proceeds of sale and the balance shall, subject to the terms of the contract, be divided between the Owners in the same proportions as their shares.
7. Following a sale of the Property the departing Owner shall be discharged from the sums due to each Owner pursuant to the terms of the contract in the proportions set out in clause 3.

Schedule 3 – Pre-emption Rights

1. Each Owner grants the other Owners the right of pre-emption to buy their share of the Property in accordance with the provisions of this Schedule if an Owner wishes to sell their share.
2. If an Owner wishes to sell their share of the Property that Owner must serve on the other Owners an offer notice complying with paragraph 3.
3. An offer notice is a notice from a departing Owner offering to sell that Owner's share of the Property to the other Owners in accordance with the provisions of this Schedule.
4. The departing Owner must serve the offer notice for a period of two months. If the other Owners have declined the offer notice the departing Owner may sell their share of the Property to a third party.
5. If an Owner or Owners wish to exercise their pre-emption rights they must serve notice to this effect on the departing Owner (an acceptance notice) within two months of service of the offer notice.
6. If one Owner serves an acceptance notice a contract is formed between that Owner and the departing Owner for the sale of the departing Owner's share of the Property.
7. If more than one Owner serves an acceptance notice within two months of service of the offer notice a contract shall be formed between the departing Owner and all the accepting Owners for the sale of the departing Owner's share of the Property to be divided between the accepting Owners in the same proportions as their shares.

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agreement or determination

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