

DECLARATION OF TRUST da

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Owner 1: <<joint owner's name>>

address>>

Owner 2: <<joint owner's name>>

address>>

Owner 3: <<joint owner's name>>

address>>

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

<<Address>>

<<Address>>

<<Address>>

Contents: The fixtures furniture

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1. DEFINITIONS

1.1 The following definitions

“Improvements”

ried out at or improvements made
reement between the Owners

<< >>;

“Owner 1’s Initial Contribution”

<< >> paid by Owner 1 towards

“Owner 2’s Initial Contribution”

<< >> paid by Owner 2 towards

“Owner 3’s Initial Contribution”

<< >> paid by Owner 3 towards

“Purchase Costs”

urchasing the Property as set out

“Relevant Expenditure”

the Owners in respect of

“Total Expenditure”

e following amounts:

Contribution;

Contribution;

Contribution; and

ure.

2. DECLARATION OF TRUST

2.1 In clause 2.2:

2.1.1 “C1” denote

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2.1.2 “C2” denote

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2.1.3 “C3” denote

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- 2.1.4 "R1" denotes expenditure towards Relevant Expenditure;
- 2.1.5 "R2" denotes expenditure towards Relevant Expenditure;
- 2.1.6 "R3" denotes expenditure towards Relevant Expenditure;
- 2.1.7 "T" denotes

2.2 The Owners declare that if of this deed they hold the Property on trust for themselves in the following shares:

2.2.1 Owner 1's proportion is determined by the formula

$$\frac{C1 + R1}{T}$$

2.2.2 Owner 2's proportion is determined by the formula

$$\frac{C2 + R2}{T}$$

2.2.3 Owner 3's proportion is determined by the formula

$$\frac{C3 + R3}{T}$$

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3. OWNERSHIP OF CONTENTS

- 3.1 Subject to clause 3.2, the contents of the Property are jointly owned by the Owners in the same proportions as the Property.
- 3.2 [Clause 3.1 does not apply to the following items which are owned as follows: the garden is owned by Owner 1, the garden furniture is owned 50% by Owner 2 and 50% by Owner 3>>.]

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4. EXPENDITURE

- 4.1 Subject to clauses 4.2 and 4.3, expenditure on the Property shall be divided between the Owners in the following proportions: <<insert details e.g. Owner 1 to pay 50%, Owner 2 to pay 30%, Owner 3 to pay 0%>> or such other proportions as may be agreed in writing from time to time.
- 4.2 [Clause 4.1 does not apply to the following items of expenditure which shall be paid for as follows: 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:
 - 4.3.1 any repairs to the Property caused as a result of the actions of a particular Owner shall be paid by that Owner;
 - 4.3.2 any alterations to the Property requested by a particular Owner for their sole use shall be paid by that Owner;
 - 4.3.3 any insurance premium which becomes payable as a result of the actions of a particular Owner (or their guests) shall be paid by that Owner.
- 4.4 Each Owner shall be liable for any Relevant Expenditure incurred by that Owner.

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5. OWNERS' COVENANTS

5.1 Each Owner agrees

5.1.1 To pay their share of the costs of insurance on the Property as set out in clause 4 and to contribute to the costs of Owners in respect of any non-payment.

5.1.2 When the Owner uses the Property to use the Property and the Contents in a negligent or negligent 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 the Owner.

a) any person who enters the Property set out in this Agreement by that person at the Property with their permission.

b) any person who enters 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.

6. SALE OF THE PROPERTY

6.1 The provisions of Section 196 shall apply if the Owners or any of them wish to sell the Property.

7. NOTICES

7.1 All notices given under this Agreement of service the provisions of the Law of Property Act 1925 shall apply.

8. INTERPRETATION

8.1 Any obligation on a person to do an act or thing includes an obligation on that person to do such act or thing.

8.2 The Owners do not intend that this Agreement should be enforceable by any person solely by virtue of the Contracts (Rights of Third Parties) Act 1999.

8.3 An obligation in this Agreement to pay Value Added Tax includes an obligation to pay Value Added Tax.

9. JURISDICTION

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

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

Signature of witness _____

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r Owners in respect of any non-

roperty to use the Property and the
ul manner and not allow them to

to the Property and the Contents

set out in this Agreement by that
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gence of that particular Owner or
th their permission.

e appearance structure exterior or
e unanimous agreement of the

RIGHTS

3 shall apply if the Owners or any
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t be in writing and for the purpose
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ed in this Agreement.

ement not to do an act or thing
r another person to do such act or

ent should be enforceable by any
nts of Third Parties) Act 1999.

ney includes an obligation to pay

England and Wales.

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 1 - Costs

Item

- Purchase price
- Stamp duty land tax
- Surveyor's fees
- Mortgage application fee
- Legal fees
- Land Registry fees
- Conveyancing search fees

TOTAL

Schedule 2 - Property

- If the Owners unanimously agree to sell the Property should be sold they will make arrangements for the Property to be sold on the open market.
- 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 3.
- If a departing Owner's share of the Property is to be sold to another Owner or Owners under paragraph 2 the share must be sold to the other party approved unanimously by the remaining Owners.
- If a departing Owner's share of the Property is to be sold to a third party under paragraph 3 the share must be sold on the open market.
- The terms of a sale on the open market must be agreed by a majority of the Owners.
- Following a sale of the Property the Owners shall pay the costs and expenses properly incurred in connection with the sale and the proceeds of sale.
- The balance of the proceeds of a sale shall be divided between the Owners in the same proportions as their shares.

Schedule 3 - Pre-emption

- Each Owner grants the other Owners a pre-emption right to buy their share of the Property in accordance with the provisions of this Schedule if an Owner wishes to sell their share.
- If an Owner wishes to sell their share of the Property that

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Owner must serve on the departing Owner an offer notice complying with paragraph 3.

3. An offer notice is a notice served on the departing Owner offering to sell that Owner's share of the Property to the other Owners in accordance with the provisions of this Schedule 6.

4. The departing Owner must serve the offer notice on the other Owners for a period of two months from the date of service of the offer notice unless all the other Owners have declined the offer notice.

5. If an Owner or Owners wish to accept the offer notice contained in the offer notice they must serve an acceptance notice (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 is formed between the departing Owner and all the accepting Owners for the sale of the departing Owner's share of the Property and the accepting Owners will split the share between them in the same proportions as their existing share of the Property (and will pay for it in those proportions).

8. The Owners will use all reasonable endeavours to agree the market value of the Property and of the departing Owner's share of the Property as soon as possible following service of an acceptance notice and if the value has not been agreed within four weeks the value will be determined by a surveyor appointed by the Owners from a list of Chartered Surveyors with at least ten years' experience of valuing property similar to the Property.

9. A surveyor appointed under paragraph 8 in default of agreement shall be a Fellow or Associate of the Royal Institution of Chartered Surveyors.

10. The surveyor will act as arbitrator and his decision shall be final and binding and his costs will be paid by the departing Owner.

11. Once the value of the departing Owner's share has been agreed or determined it will be recorded in writing and the purchase price will be paid to the departing Owner.

12. The transfer of the departing Owner's share of the Property to the acquiring Owner or Owners will be completed as soon as possible after the date of the acceptance notice(s) and in accordance with the provisions of the Act.

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