

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 and fittings in the Property

1. DEFINITIONS

1.1 The following definitions apply:

“Improvements” means improvements carried out at or improvements made to the Property in accordance with an agreement between the Owners << >>;

“Owner 1’s Initial Contribution” means the sum of << >> paid by Owner 1 towards the purchase of the Property;

“Owner 2’s Initial Contribution” means the sum of << >> paid by Owner 2 towards the purchase of the Property;

“Owner 3’s Initial Contribution” means the sum of << >> paid by Owner 3 towards the purchase of the Property;

“Purchase Costs” means the costs incurred in purchasing the Property as set out in clause 2.2;

“Relevant Expenditure” means the expenditure incurred by the Owners in respect of the Property;

“Total Expenditure” means the sum of the following amounts:
Owner 1’s Initial Contribution;
Owner 2’s Initial Contribution;
Owner 3’s Initial Contribution; and
Relevant Expenditure.

2. DECLARATION OF TRUST

2.1 In clause 2.2:

2.1.1 “C1” denotes the sum of Owner 1’s Initial Contribution;

2.1.2 “C2” denotes the sum of Owner 2’s Initial Contribution;

2.1.3 “C3” denotes the sum of Owner 3’s Initial Contribution;



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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 from the date 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 their shares in the Property.
- 3.2 [Clause 3.1 does not apply to the following items which are owned as follows: the kitchen is owned by Owner 1, the garden is owned by Owner 2 and the furniture is owned 50% by Owner 3.]

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4. EXPENDITURE

- 4.1 Subject to clauses 4.2 and 4.3, the costs of repairs 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: the Owners' use of the Property. Utility bills will be split according to the number of Owners occupying 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 make good any damage to the Property in respect of any non-payment.

5.1.2 When the Owner uses 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 the Owner or any person acting on their behalf.

a) any person who is permitted to enter the Property set out in this Agreement by that person at the Property with their permission.

b) any person who is permitted to enter 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 of the Law of Property Act 1925 shall apply to the Property is sold.

7. NOTICES

7.1 All notices given under this Agreement shall be in writing and for the purpose of service the provisions of Section 196 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 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 in accordance with the provisions of the Value Added Tax Act 1994.

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 _____

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

Item

Purchase price

Stamp duty land tax

Surveyor's fees

Mortgage application fee

Legal fees

Land Registry fees

Conveyancing search fees

TOTAL

Schedule 2

1. Following a sale of the Property, the net proceeds of sale, after payment of the costs and expenses properly incurred in connection with the sale, shall be distributed to the Owners in the following order of priority:
 - (a) To the Owners who are not entitled to a share of the proceeds of sale in proportion to their share of the Property, to the extent of the proceeds of sale available for distribution to them, to satisfy their claims against the proceeds of sale.
 - (b) To the Owners who are entitled to a share of the proceeds of sale in proportion to their share of the Property, in the same proportions as their share of the Property.
2. The balance of the proceeds of sale, after payment of the costs and expenses properly incurred in connection with the sale, shall be distributed to the Owners in the following order of priority:
 - (a) To the Owners who are not entitled to a share of the proceeds of sale in proportion to their share of the Property, to the extent of the proceeds of sale available for distribution to them, to satisfy their claims against the proceeds of sale.
 - (b) To the Owners who are entitled to a share of the proceeds of sale in proportion to their share of the Property, in the same proportions as their share of the Property.