

## Protection for unmarried couples who buy a home

Many couples commit to home ownership before committing to marriage. But there are some special considerations involved with buying a home for an unmarried couple, and couples should be aware of their rights should something go wrong.

Most importantly, it is essential to register the house in the names of both parties.

Furthermore, same or opposite sex couples buying a home together should conclude a Cohabitation or Joint Property Owner's Agreement that protects both parties in the event of a break-up.

This agreement can cover such aspects as:

- who should contribute to the maintenance and upkeep of the property;
- payment of rates and mortgage bond costs; and
- how to divide the property should the relationship come to an end.

Important terms in the agreement include:

- details about how much each partner will contribute to the deposit;
- what percentage of each person's income should be put toward the mortgage bond;
- who will pay for other expenses like repairs and renovations; and
- how these contributions will be adjusted should the relationship end.

It is advisable to discuss these issues at the outset, since this is when parties are more likely to be fair and considerate.

The written agreement should provide for a buy-sell clause that includes what will happen if one partner wants to remain in the house, and how they will determine the market value of their home in case they go their separate ways.

In the event of a deadlock, the agreement could compel the parties to sell the house to a third party, enabling them to split up the assets in a more equitable way.

**Note: It is crucial to consult an attorney who specialises in drafting contracts to assist you in drawing up a tailor-made agreement!**

