

DECLARATION OF TRUST

What is a Declaration of Trust?

A Declaration of Trust is an important document in which 'trustees' are appointed to hold property for 'beneficiaries'.

What does a Declaration of Trust do?

A Declaration of Trust confirms the true ownership of a property in the proportions contributed by each party regardless of the title entries at the Land Registry. The existence of the Declaration of Trust can be noted at the Land Registry, alerting future purchasers that the registered owner is not alone in owning the property.

When is the true ownership of property not registered?

If two people buy a property together, but are providing different contributions to the purchase price, then a Declaration of Trust can be very useful to reflect their respective contributions; e.g. if it is not an equal split. The Declaration of Trust records each person's contribution and therefore the proportions of the property they own.

Steps to take when making a Declaration of Trust

Be certain of the decision that you are making to share the ownership of a property. The Trust Deed modifies the legal ownership. It can (and should) be protected at the Land Registry and can be enforced in court.

It is important to calculate the proportions in which you will own the property as these are the proportions that will be used to distribute the sale proceeds when the property is sold (or possibly the amounts that each party has to pay for the property to be sold if the property loses value).

To register your interest, the Declaration of Trust should be sent to the Land Registry as if it is not registered, future purchasers will not be aware that someone else may have an interest in the property.

How can GL Law help you?

We have specialist lawyers who will take time to get to know you in order to provide you with advice tailored to your specific needs and wishes.

Full and transparent information about our fees structure will be provided at the outset, and the basis of our charging agreed before we begin work.

For more information or to speak to a solicitor please contact us by calling 0117 906 9400 or email hello@gl.law

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