

Co-Ownning a Home

Legal, Financial and Lifestyle Tips for Co-Ownership

Rising home prices have inspired many people to pool resources and buy property together. Whether it's siblings, adult children and parents or longtime friends, co-buying can make homeownership more affordable — but it also comes with complex decisions and long-term commitments.

PLAN LIKE BUSINESS PARTNERS

Before buying, have open and honest conversations about money, responsibilities and future plans. Who will live in the home? Who is paying how much, and how will mortgage, taxes and repairs be split?

Create a written co-ownership agreement that covers: Percentage of ownership for each party, how costs and profits are shared, what happens if someone wants to sell, move out or misses payments, and rules for using and maintaining the property.

Without a formal plan, misunderstandings can strain even the closest relationships.

Next, talk to a lender. Not all lenders offer co-borrowing options for non-married buyers, and everyone involved will need to meet credit and

income requirements. Keep in mind that all parties are legally responsible for the full mortgage, even if one person moves out or stops paying.

TITLE, TAXES AND EXIT STRATEGIES

Co-buyers must decide how to hold title. Options like joint

tenancy or tenants in common affect what happens if one owner passes away or wants to sell their share. A real estate attorney can help explain the pros and cons.

Taxes can also get complicated. Each owner may be eligible for deductions, but income from rent or sale

could be taxable. Consider consulting an accountant to ensure everyone understands the implications.

Plan for the future. Life changes — marriage, children, job transfers — can affect how the home is used or whether one party wants to cash out. Include exit strategies in your

agreement so you're prepared if things change.

Buying a home with friends or family can offer financial relief and shared joy — but only with clear expectations, mutual respect and solid legal groundwork. Done right, it's a team effort that can pay off for years to come.



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REAL ESTATE 101



HOMEWISE GLOSSARY

Decide How You'll Hold Title

There are different ways to share ownership of a home, such as joint tenancy or tenants in common. Each has implications for inheritance, taxes and decision-making — consult an attorney to choose the right one.

Co-Ownership Agreement: A co-ownership agreement is a legal contract between people who jointly purchase a property. It outlines each person's rights, financial responsibilities and the process for selling or exiting the arrangement.

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