

Taking the next big step

So it's time to take the next big step with your partner. For some that means getting married, but for many you're just looking to move in together. It's an exciting time for anyone, but it's important to keep in mind that the old phrase 'what's mine is yours' can be enforced by law once you are deemed to have been in a relationship and 'lived together' for 3 years. Generally speaking 'Relationship Property' is split down the middle by the courts after the relationship has lasted 3 years. In broad terms, 'Relationship Property' is property that you own jointly or share together, that of course can include the relationship home even if the home was and is owned by just one of the parties. So it's important to think about these things now as you embark on your new status, rather than fight about it later. You will have heard that fighting in Courts over asset splits on separation is expensive – That's true!

First, think about your assets. Now think about your partner's assets. Are they roughly equal? Maybe if they are, and you're ready to share everything you own now and might earn in the future with your partner, then it's not too much of a worry. In other situations, you might be entering into the relationship with a few assets already built up in your own name and wish to keep these as separate property, or you might anticipate wanting to have a bit more independence from your partner financially. This is when you should consider seeing a lawyer for Relationship Property advice. Yes, it may be a bit awkward discussing the situation initially but times have changed and many couples now wish they'd had the 'What happens if we split up' discussion.

It's important to remember that everything you both own during the duration of your relationship could become part of the Relationship Property pool and subject to the 50/50 sharing rules. That can include both you and your partner's income, any inheritance or gifts you might receive over the years if you have intermingled those gifts with other shared assets that you have. Having a Relationship Property Agreement (which contracts out of the equal sharing provisions in the Property (Relationships) Act) isn't about making sure your partner gets nothing if you separate, it's about making sure everyone gets a fair deal if that does happen down the line. So you don't need to run around your house labelling everything 'yours' or 'mine', you just have to be practical about what you and your partner would each take out of the relationship should it come to an end.

It might not be a fun conversation to have, but maybe it's time to sit down with your partner, look them in the eyes, and say "Darling, I've been thinking....."