

# The Co-Ownership Arrangement Checklist

So, is a real estate co-ownership arrangement right for you, your friends and your family? Contact a DUCA Mortgage Specialist to help walk you through the mortgage process. Here's a checklist to prepare you for taking the next step:



## STEP 1: Decide what kind of home you want

- Have you identified the neighbourhood(s) where you want to live?
- Have you identified the friends or family members you'd like to own a home with?



## STEP 2: How much you can afford

- Do you have a down payment, and do you know how much you and your friends or family have for the down payment collectively?
- Have you calculated the mortgage payment you can afford each month?
- Have you estimated the other monthly costs you'll be responsible for as a homeowner (maintenance and repairs, property insurance, taxes, etc.)?
- Have you considered legal advice and a co-ownership agreement, which sets out the ownership rights of all parties, and provides for an equitable distribution of the property if the relationship ends or the property needs to be disposed of for any reason. Basically, this agreement ensures that the investment of all buyers is protected.



## STEP 3: Co-ownership considerations

- Do you know everyone's "co-ownership interest" in the property? For example, split equally? This split can impact decisions such as how the property is sold and how the proceeds are divided.
- Have you contacted a lawyer to look after your legal interests and review any contracts, including a co-ownership agreement?
- Did you arrange for an appraisal and home inspection for the property you're thinking about buying?
- Have you formalized possible dispute resolutions if problems arise?



## STEP 4: Get the help and advice you need

- Have you and the other owners found a realtor to help you find a home?
- Have you and the other owners contacted DUCA for advice and a mortgage pre-approval? (this will also help you understand how much you can afford for your home)
- Did you arrange for an appraisal and home inspection for the property you're thinking about buying?
- Have you made arrangements to get property insurance after you purchase your home?