

## Transfer of Equity

A transfer of equity means the legal ownership of the property is changed without the property being sold. Equity is the value of the property after the mortgage and or loans if any have been repaid.

Transfers of equity can take place for different reasons, for example:

- when two people decide to live together in a property already owned by one of them;
- when a couple decide to marry or enter civil partnership they may want to put their partner's name on the title deeds;
- as a consequence of a couple deciding to separate;
- for tax or other reasons.

There are a number of factors to consider:

### **No mortgage**

If there is not a mortgage on the property it can be transferred straight away, however, you should consider; if transferring into joint names, whether your share in the property should be equal. Please take a look at our section on [joint ownership](#).

### **With mortgage**

If the property being transferred has a mortgage and you intend to continue with the same mortgage, it will be necessary for you to obtain your mortgage lenders' consent or permission. This applies whether you are proposing to add or remove someone's name from the title deeds.

However, some people take this opportunity to move to a new mortgage lender, in which case the new mortgage application needs to be made in the name/s that you want to be on the title deeds.

### **Removal of someone's name**

If someone's name is being removed from the title deeds they will sometimes receive a payment from the person whose name is to remain on the title deeds. However, if there is little or no equity in the property, then a payment may not be made and instead they may be released from the liability of paying the mortgage subject to the agreement of the mortgage lender.

### **What Next**

For further information please contact **Sara Hull** on **01376 321311**.