



# National Family Mediation

# Case Study

Emma and Joe have been in a 20 year relationship with two children aged 10 and 8.

The family home was purchased in Joe's sole name after he had received an inheritance from his aunt 15 years ago.

The purchase price was £112,000 with a £88,000 mortgage and £24,000 from the inheritance. Emma contributed little over the years towards the mortgage or the outgoings. She was and is a full time mother.

Joe has been promoted at work and is now earning £45,000 per annum with a contributory pension scheme.

The property is now worth £400,000 less a mortgage of £160,000. The equity is therefore approximately £220,000 (after sale costs).

Emma and Joe have agreed that the children should spend an equal amount of time with them both.

## If Emma and Joe were married:

- Emma is likely to receive spousal maintenance until she can find work
- She could have a share of Joe's pension
- and a share of the equity dependent upon her housing needs (but at least 50%).

But.....

Emma and Joe cohabited.

Emma needs to show an intention that Joe would share the property with her under strict property law. This is difficult to do as she has made little contribution.

She would therefore have:

- no right for support in her own right,
- no right to a share of Joe's pension and,
- is unlikely to get anything from the property.

In mediation Joe and Emma reached an agreement that provided for Emma's needs.

Joe wanted to be fair to Emma and recognised that she was the mother of his children. He proposed that he pay half the equity to Emma less his original deposit ie £98,000.

The proposals written up as a Memorandum of Understanding after the mediation was taken to Emma's solicitor and made legally binding by a Deed of Separation signed by them both.