

**David J Brown and Associates in Titirangi – Advice:**

**CONTRACTING OUT AGREEMENTS - Protecting assets of yours prior to a new relationship**

1. Clients must protect assets prior to a new relationship commencing – or within three years.
2. Such documents used to be called “Prenups”  
The new expression is neutral language “Contracting Out” Agreement under the provisions of the Property Relationships Act 1976 (“the Act”)
3. If a client owns a home which is to become or is already the family home for the client and client’s partner/spouse-to be/partner-to be then the client should protect that asset by having a Contracting Out Agreement signed.
4. If the client doesn’t do that, then after three years the family home is 50/50 between the client and the spouse/partner.
5. Each person of course needs independent advice and to have the Agreement signed off with their own lawyer under the Act.
6. It is necessary usually to include some information as to valuation (QV) and mortgage balance of the primary asset i.e. the family home in the Agreement. A title search is obtained to check the current position.
7. Cost: with David J Brown and Associates drafting the Agreement the cost is generally \$800 plus GST plus some small disbursements.
8. The above cost is the minimum involved. If there are issues arising from the other independent lawyer for the spouse/partner then we reserve the right to charge for those extra attendances for matters arising. Quite often no issues arise and the above cost is what it is (the other partner/spouse will have their own costs with their own lawyer).

**David J Brown**  
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**March 2014**