

## **Glossary of Conveyancing Terms**

A brief explanation of some legal and other terms used in residential property Conveyancing transactions.

### **Abstract or Epitome of Title**

A summary or list of relevant title deeds proving the history of ownership of a property

### **Adopted Highway**

A road (and ancillary paths and sometimes verges) maintained by the local authority at public expense

### **Advance**

The original amount of the loan from a Bank or Building Society

### **Assent**

The name given to a transfer document by which the representatives of a deceased owner transfer the property to the person entitled

### **Assured Shorthold Tenancy**

A form of tenancy agreement which permits the landlord to secure possession of the property at the end of the agreed tenancy period

### **Attorney**

A person appointed to act on behalf of another person and sign documents on their behalf

### **Base Rate**

The rate of interest set by the Bank of England upon which most other interest rates are based

### **Brine Search**

A search to find out if a property might be affected by old brine (salt) workings near the property

### **Building Regulation Consent**

Approval by the local authority to the method of construction and materials used in building work

### **Cashback**

A sum of money (paid by cheque) by the Lender on completion of a mortgage (but only if this arrangement formed part of the mortgage offer)

### **Chain**

A position in which Seller 1 sells to Buyer 1 and Buyer 1 sells to Buyer 2 etc thus creating a chain of connected transactions

### **Commons Registration Search**

A search to ensure the property is not registered as common land or part of a village green. If it is, then other people may have rights over the land concerned.

### **Completion**

Final completion of the transaction when the Seller receives the money and the Buyer receives the keys.

**Contract**

The written legal agreement prepared in duplicate for respective signature by the Seller and the Buyer setting out all the legal rights and obligations agreed between them

**Conveyance**

A document or deed used to transfer ownership of an unregistered property from the Seller to the Buyer

**Conveyancing**

The legal process used to buy and sell land and property

**Covenants**

Legal promises or obligations

**Deed of Covenant**

A document or deed containing an agreement to pay or do something

**Deed of Gift**

A document or deed used to transfer ownership of property from one person to another without any payment being made

**Deed of Guarantee**

A document used where one person agrees to be responsible for someone else's debt or mortgage obligations should that person fail to carry out his/her own obligations

**Deed of Postponement or Priority**

Where a Lender agrees that its mortgage will rank or take effect in priority after another lender's mortgage

**Deeds**

Documents which establish ownership and confirm the Owner's title to the property

**Deposit**

An agreed amount to be paid on exchange of contracts by the Buyer to the Seller as security for the performance of the Contract by the Buyer

**Disbursements**

Payments made by ourselves on your behalf but for which you will be responsible

**Environmental Search**

A search to see whether there is any indication that the property may be affected by contamination, flooding etc

**Equity**

When talking of property and mortgages this normally means the difference between the value of a property and the amount owed on mortgage(s)

**Exchange of Contracts**

The formal exchange of the two identical copies of the Contract when the Seller and Buyer become legally bound to complete the transaction on an agreed date

**Fixtures, Fittings and Contents Form**

A standard form in which the Seller specifies items in or affixed to the property which are included in the sale at the agreed price

**Flying Freehold**

If at least a part of one property is built on top of part of another property (and the upper property owner does not own the whole building or land underneath the "flying" part) and the legal structure of the block is not leasehold, then a flying freehold will arise. This can prove to be a problem.

**Freehold**

Absolute title

**Freeholder**

The person who owns the freehold

**Full Title Guarantee**

The standard guarantee given by an absolute owner to the Buyer

**Further Advance**

An additional amount loaned to an Owner after completion on broadly the terms of the original mortgage

**Ground Rent**

This is the rent paid by a lessee to a lessor where a property is leasehold. It is often paid yearly

**High Loan to Value Fee**

This may be charged by a Lender where a borrower borrows more than a certain (normally over 75 percent or higher) percentage of the value of a property. It is used to insure the Lender only against possible loss arising if the property is sold by the Lender after default on the mortgage by the borrower.

**Index Map Search**

A search at the Land Registry to see if a property is registered or unregistered.

**Land Charges Search**

A search against a person's name at the Land Registry to see if that person has been the subject of any bankruptcy proceedings and (if the property is unregistered) to see if there are any mortgages or other adverse interests registered against the property

**Land Registry**

An organisation controlled by central government which maintains a register of properties and their ownership in England and Wales. It now covers approximately 90 – 95 percent of residential dwellings

**Land Registry Fee**

The fee payable to the Land Registry to register any change in the property details including a change of ownership

**Land Registry Search**

A search at the Land Registry to check that nothing new has been registered against the property since the date the registers were last inspected

**Landlord / Lessor**

Usually (but not necessarily) the Freeholder but certainly the person entitled to receive the ground rent from the Lessee or Tenant

**Lease**

A document setting out the rights and obligations of the Landlord and Tenant (Lessor and Lessee) in the leasehold arrangements

**Leasehold**

Where the ownership of property is for a limited period only. For example 99 years or 999 years. It will normally involve payment of an annual ground rent

**Legal Charge**

See Mortgage

**Lender**

A Bank, Building Society or other person or company who lends money to an Owner

**Lessee**

The present owner of the leasehold property. This contrasts with the freeholder or landlord whose interest is subject to the lessee's rights under the lease until the lease term has come to an end

**Lessor**

Another word for "Landlord"

**Limited Title Guarantee**

A title guarantee given by a Seller who has limited knowledge of the property and cannot give a full title guarantee such as someone selling on behalf of a deceased owner

**Local Search**

A search submitted by us to the local authority to ask a considerable number of questions about the property including (by example) information on planning permission(s) and whether the adjoining roadway is maintainable at public expense

**Mining Search**

A search to check whether the property may be affected by past or present coal mining and, in particular, the risk of subsidence

**Mortgage Deed**

A document used when a Lender lends money to a Buyer or existing Owner. The document is registered against the property at the Land Registry and secures repayment to the Lender

**Mortgage Offer**

This specifies the terms upon which the Lender is prepared to make the loan including the specific financial details and period of repayment

**Mortgage Term**

The length of time agreed for the repayment of the loan

**Mortgagee**

The Lender person or Company who benefits from the Mortgage security (e.g. Bank or Building Society)

**Mortgagor**

The Property Owner (i.e. the Borrower) who enters into a mortgage deed in favour of a Lender

**Occupier's Consent**

Any person who lives at the property who is not an owner (and so will not be signing the mortgage deed) will be asked to consent to the mortgage being taken out and agree to move out if the mortgagee lender takes possession by reason of default of the owner

**Party Wall**

A wall owned jointly with a neighbour and repairable at joint (and normally equal) expense

**Planning Permission**

Approval by the planning authority to the construction (and extension/alteration) of a property or a change of its use

**Power of Attorney**

A document by which someone appoints another person, to act as their attorney

**Private Road**

A road which is not an adopted highway and accordingly not maintained at public expense. Property owners need to have particular (and preferably documented) rights over it as it is not necessarily a road which offers public access

**Property Information Form**

A standard questionnaire completed by a Seller to give information about the property to the Buyer (e.g. who maintains boundaries and whether there have been any disputes)

**Radon Gas Search**

A search to see if the property is affected by naturally occurring radioactive gas which may if above certain safety levels, require preventative action to be taken (e.g. more ventilation in a property)

**Redemption**

The repayment of an existing mortgage or loan

**Redemption Penalty**

A penalty payment charged by a Lender if a loan is repaid within a period specified in the mortgage offer (some loan products only)

**Registered Land**

Property which has been registered at Land Registry

**Remortgage**

Paying off one mortgage loan and taking out another with a different lender

**Rentcharge**

Some freehold properties are required to pay a modest rent (despite being freeholds). It is sometimes created simply for profit but may be used as a legal device to ensure estate covenants are enforceable.

**Reservation Fee**

An initial payment to a Builder / Developer (or its agent) to reserve a new property

**Service Charge**

A payment required by a Landlord (or managing agent) to cover the costs of insuring and/or maintaining a development or block of which the property forms part

**Stamp Duty Land Tax**

A government tax payable on completion of the purchase of a property over a certain value

**Subsidence**

Where a property moves due to poor construction or ground movement for geological reasons

**Tenant**

For most purposes this is the same as "Lessee" (See above)

**Tin Search**

A search to see if the property may be affected by past or present tin mining

**Title**

An owner's actual right of ownership (whether or not the owner is in occupation)

**Transaction**

A dealing with property (e.g. sale or purchase or remortgage)

**Transfer**

A document which actually transfers ownership of a property from one person to another (as opposed to a Contract which may include an obligation to effect a transfer at a later date)

**Transfer of Equity**

A document transferring ownership of a part share or interest in a property from one person to another

**Tree Preservation Order**

An order made by the planning authority specifying a tree or group of trees as protected and requiring that authority's permission to cut branches or fell them

**Unregistered Title**

A title to a property which has not been registered at the Land Registry. The title will consist of old style conveyances and other documents

**Vacant Possession**

A Seller required to give vacant possession must (on completion) leave the property (including the garden and outhouses) empty of people, possessions and rubbish

**Valuation**

A very simple form of survey designed to establish what the property is worth and nothing more

**Vendor**

An older word for Seller

**Wayleave Agreement**

A written agreement entered into with an owner to give a service provider (e.g. Electricity or Telephone company) a right for their cables to pass under or over their property

**Beware: The word meanings in this glossary are necessarily basic and are subject to exceptions. They are not nor are intended to be legal definitions of these words. If you encounter these words within documentation in the course of a transaction and are not wholly certain of their meaning or effect then you must ask us for appropriate advice.**