

Abstract of Title – A list of all documents that prove title to land.

Banker's Draft - A cheque drawn directly from a bank's funds, and not from an individual's account.

Beneficial Owner - The person or people who are entitled to receive the proceeds of a sale.

Breach of Contract - Where one of the parties bound by a contract fails to keep to the contract's terms and conditions.

Certificate or Report On Title - A report confirming the validity of the title and highlighting any issues. Provided to a lender to satisfy them that the title to the property is sufficient to secure the mortgage.

Charge - A legal right over a property usually as security for a loan/mortgage

Client Account - A solicitor's bank account where a client's money is held.

Completion Date - The date that a contract takes effect and property ownership passes from seller to buyer.

Completion Statement - A list of all the financial aspects of a transaction. Produced by a solicitor, it sets the costs against the money being received and shows whether money needs to be paid to the client or whether a shortfall needs to be made up before completion.

Contract - A written and signed agreement between buyer and seller.

Covenant - An agreement contained within a contract or a deed that binds somebody to do something (or not to do something).

Deed - A formal document that is executed by a formally witnessed signature.

Deposit - The amount of money paid by the buyer on exchange of contracts, usually 10% of the purchase price.

Easement - A right granted over a property or land e.g. a right of way.

Exchange of Contracts - The point at which the signed contracts to buy and sell are exchanged along with your deposit, to legally commit the buyer and seller to the transaction, at the price agreed.

Fixtures and Fittings - Fixtures are items that have become part of a building or land and are therefore included in the sale. Fittings are not attached to the building or land and so are not included in the sale unless otherwise agreed. The seller will complete a fixtures and fittings form that will confirm what is included in the sale and what isn't included.

Freehold - When a property belongs entirely to the owner (subject to any mortgage or lease granted).

Ground Rent - The charge made by the freeholder to the leaseholder as a right to occupy a property.

Indemnity Insurance - Insurance against any aspect of a property transaction such as an adverse search result or breach of planning/building regulations. This will not solve any problems but it will provide compensation

Joint Tenants - Where a property is purchased under joint tenancy. Normally used for husband and wife purchases because if one of the owners dies then his/her share will automatically pass to the survivor. Also see tenants in common.

Land Registry - The Government department responsible for registering ownership of land.

Lease - For a leasehold property, this document sets out the terms of occupation between landlord and tenant.

Leasehold - Owning a property for a fixed term but not the land on which it stands.

Management company - Company formed to manage obligations of a lease such as insurance and repairs.

Managing agents - Firm employed by a landlord or management company to arrange practical maintenance and general management of a building.

Mortgage - A charge secured against a property in return for a loan.

Mortgagee - The mortgage lender e.g. a bank or building society.

Mortgagor - The mortgage borrower.

NHBC - National House Builder Council. The NHBC provide an insurance backed warranty on new homes built by their members.

Office Copy Entry - Certified copies of entries on a register title, provided by the Land Registry.

Planning Permission - Official consent/approval from a Local Authority for works undertaken on a property. For e.g. an extension.

Property Information Form - Also known as a Protocol Form the PIF is provided by the seller's solicitor and is completed by the seller. It forms part of the conveyancing process and covers such matters as boundaries, services, guarantees for work carried out and planning consents.

Redemption - When a mortgage is settled.

Conveyancing Jargon Buster

Service Charge - Amount paid by a leaseholder as a contribution to the cost of maintaining and repairing the structure of a building and its insurance. Can be paid to a landlord, managing agent or management company. Also known as maintenance charge.

Stamp Duty Land Tax (SDLT) - Tax payable to HM Revenue & Customs by the purchaser based on the price of the property.

Tenants in Common - Where a property is purchased jointly with equal or unequal shares. Upon death, the share in the property will pass to the beneficiaries of the deceased estate and not to the other tenants in common. Also see joint tenants.

Tenure - The type of ownership, either freehold, leasehold or commonhold.

Transfer Deed - Land Registry deed transferring ownership to a buyer. This will be prepared by the buyer's solicitor.

Tree Preservation Order - an order made by a Local Planning Authority which prevents particular trees from being cut down or lopped without permission.

Vendor - The seller.

