

## **Conveyancing Terms and Phrases**

<b>Additional Enquiries</b>	The buyer or the buyer's Solicitor might ask questions about the property or ask you to clarify information you have already provided
<b>Agreement/Contract</b>	The legal document that contains all the terms of the sale or purchase including the names and addresses of the parties involved, the property description and price. This document will in due course legally bind and commit you to proceed with the transaction
<b>Bankruptcy Search</b>	An enquiry made in a national register against your full name to find out whether you have had bankruptcy proceedings filed against you. Mortgage lenders insist that a borrower is made the subject of a bankruptcy search before they will release the money
<b>Certificate of/ Report on Title</b>	The document completed by the purchaser's Solicitor to confirm to the mortgage lender that all the terms and conditions of the mortgage offer have been satisfied, that all the search results are satisfactory and that the seller has the right to sell the property. It gives the date scheduled for the completion of the purchase/mortgage to enable the mortgage funds to be released in time
<b>Chancel Check Search</b>	Under Chancel Repairs Act 1832, if a property is situated in a parish where there is a medieval church, the owners of the property can be called upon to contribute towards the maintenance of that church. This can amount to thousands of pounds. The property can be located anywhere within the parish boundary and not just close to the church. A Chancel Check Search can be carried out to establish if a property is situated in a parish where there is a medieval church
<b>Charge/Legal Mortgage/ Mortgage</b>	Security given to your mortgage lender as a claim against your property that will only be released upon the repayment of the loan. It gives the mortgage lender a power to obtain vacant possession of the property and to sell it in order to pay off the mortgage debt
<b>Chattels</b>	Personal items which may be left or removed from the property such as washing machine, fridge, curtains, carpets, etc
<b>Completion</b>	The date by which or upon which the seller must vacate the property and the buyer must pay over the purchase monies in exchange for the keys and the property transfer documentation. It is usually the moving date, but a seller can choose to move out at any time before this date. The time for completion is normally 1.00pm – 2.00pm (although this often varies) to allow the money to be transferred from the buyer's Solicitor's bank to the seller's Solicitor's bank and for the keys to be made available to the buyer

<b>Completion Statement</b>	A document showing the financial breakdown of the transaction including all legal costs and other expenses
<b>Deed of Consent</b>	If a property is being purchased with the aid of a mortgage and there will be an adult living at the property who is not named on the mortgage, mortgage lenders will insist that the occupier signs this document to place on record that the occupier is aware of the mortgage over the property and that he/she acknowledges that any claim or interest he/she may have, either to a share in the property or to occupy it, ranks behind the rights of the mortgage lender. This is particularly important if the mortgage lender has to repossess the property if mortgage payments are not made
<b>Disbursements</b>	Charges made by third parties, such as the Land Registry and Local Authority for supplying documents and/or information usually from local or national registers. Also included are registration fees and stamp duty land tax
<b>Environmental Search</b>	An enquiry of various public registers to establish whether there are any environmental issues such as land contamination, flooding or mobile phone masts affecting or likely to affect the property
<b>Exchange of Contracts</b>	Both the seller and the buyer will sign identical prints of the contract. No party is legally bound to carry through the sale/purchase until the contracts have been formally 'exchanged' by the Solicitors. This usually takes place over the telephone. Both parties are then legally obliged to complete the transaction. The buyer is liable to pay 10% of the purchase price as a deposit on exchange of contracts, however it is common for a lesser sum to be agreed. If either the buyer or seller decides to withdraw after exchange of contracts, they are in breach of contract and liable to pay a financial penalty. A buyer can also apply to the Court for an Order that the sales goes through
<b>Freehold Ownership</b>	Outright ownership of land and any buildings on it
<b>Ground Rent</b>	Paid to a Landlord by a 'Tenant' in the case of leasehold properties only, usually paid once or twice a year and of a modest amount for the actual use of the land itself
<b>Landlord</b>	Someone who is an outright property owner who rents it to others
<b>Land Registry</b>	A Government department which keeps records of land ownership. Land Registry fees are payable for registering a change of ownership of land or other dealings with it. If a property has not been sold since before 1986 it may well not be registered and the buyers Solicitors will have to register the property for the first time following completion of the purchase
<b>Land Registry Search</b>	An enquiry of the Land Registry to check the seller's registration and that nothing is recorded which would affect the seller's ability to deal with the property
<b>Lease</b>	A written agreement in which the owner of property allows use of the property for a specified period of time (term) for specific periodic payments (rent) and other terms and conditions

<b>Leasehold Ownership</b>	A Tenant's ownership of a property under the terms of a Lease whereby the Tenant is given exclusive occupation of the property for a stated period
<b>Local Search</b>	An enquiry of the Local Council records for information which could affect the property
<b>Management Company</b>	A company set up to comply with Landlords obligations under a Lease such as arranging the insurance, maintaining the property and carrying out repairs
<b>Mortgage</b>	A loan made usually by a bank or building society towards meeting the purchase price of a property which is secured by the completion of the Mortgage Deed which is then registered at the Land Registry following the completion of the purchase
<b>Mortgage Deed</b>	The legal document which is signed by a borrower to give a mortgage lender prior claim over the property against the owner
<b>Mortgage Offer</b>	A document setting out the lenders terms and conditions of the loan subject to which it agrees to make available a specific sum towards a purchase price
<b>National Conveyancing Protocol</b>	A national standardised procedure designed to improve the efficiency of the formal home buying and selling process once a sale has been negotiated. It involves completing standard forms established by the Law Society, such as the Sellers Property Information Form and Fixtures Fittings and Contents Form
<b>Official Copies</b>	Copies of the registers held by the Land Registry showing details of the property including a plan, its ownership and any charges or other similar entries
<b>Redemption Statement</b>	A statement showing the amount of money owing under a mortgage which will have to be paid to release the property from the Charge/Legal Charge/Mortgage
<b>Registered Land</b>	Land, the ownership of which is registered at the Land Registry. The register is open to public inspection
<b>Service Charge</b>	Payment made to a Landlord/Management Company as a contribution towards the cost of insuring, maintaining and repairing leased property (usually with others within the same development)
<b>Stamp Duty Land Tax</b>	A Government Tax mainly on the purchase price of properties currently levied at 1% of the full price above £125,000, 3% above £250,000 and 4% above £500,000. The Inland Revenue will issue a certificate that the tax has been paid which is necessary before the purchase can be registered at the Land Registry. These rates do vary from time to time. Higher rate SDLT is also payable in certain instances
<b>Telegraphic/CHAPS Transfer</b>	Means of transferring money electronically from one bank account to another and thus avoiding delay in clearing a cheque

<b>Tenant</b>	A person who pays money to rent land and/or buildings from another
<b>Title</b>	Documentary history/evidence of the ownership of property
<b>Transfer Deed</b>	The document that effects the change in legal ownership of the property. It is dated at completion of the purchase and has to be sent to the Land Registry to record the change in ownership within the registers. The Transfer is ineffective until it has been registered
<b>Undertaking</b>	A Solicitors written commitment to do a particular act, for example pay off the seller's mortgage from the proceeds of the sale on completion
<b>Unregistered Land</b>	Land which has not yet been registered at the Land Registry. Any dealing with such land carries with it a legal obligation on the part of the buyer to apply for registration at his own cost

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