

# Glossary

Agreement	The agreement (also known as the contract) between the buyer and seller including the purchase price, terms, and conditions necessary to both parties to convey the title to the buyer. You will be asked to sign this and return it to your Solicitor (lawyer)
Acting for the Lender	This phrase simply refers to the solicitors (lawyers) who are speaking on behalf of the mortgage provider or lender in any transaction, whether a sale or purchase.
Bankruptcy search	This search is legally required to be carried out to ensure that the purchaser is not/has not been bankrupt.
Breach of contract	On exchange of contracts if either party does not complete the conveyancing transaction they are deemed to be breaking the contract and the non-defaulting party may legally seek compensation
Brine search	This search, carried out through the LA or personal search company, shows if the property is affected by disused workings.
Caveat Emptor	Translated means “let the buyer beware”
Chain	Where a purchase is dependent on the sale and purchase of another property by a different owner.
Chancel Search	This search is normally carried out to find out whether the property is bound with chancel repair obligations to the Church.
Chattels	Items of personal property left over at a property which have been agreed to be included in the purchase price.
Client Care Letter	Issued by the solicitor and once signed this enables your solicitor to act on your behalf. Solicitors are required to be compliant and it should include a complete breakdown of costs and your solicitors’ complaints procedure.
Completion Date	The point at which full payment is made for the purchase of a property and the title deeds transfer. This is when you get keys and access to the property.
Completion Statement	This financial breakdown of a property purchase including your solicitors costs.
Contract	A legal document which sets out the full details regarding the property purchase. It is issued by the sellers’ solicitors to the buyers’ solicitors.
Conveyancing	The legal and administrative process of transferring property title from one owner to another. Usually carried out by solicitors or licensed conveyancers

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Conveyancer	The solicitors or licensed conveyancing company who are undertaking the conveyancing process.
Council for Licensed Conveyancers (CLC)	The governing body who licenses and regulates licensed conveyancers. The Solicitors Regulatory Authority is the governing body who licenses and regulates Solicitors.
CQS (Conveyancing Quality Scheme)	A quality standard that Solicitors can attain. Many mortgage lenders insist on a solicitor having this quality standard when acting for both you and them.
Deed of Covenants	These are legally binding promises made in the title deeds. For example a covenant may impose conditions, duties or restrictions on the use of land. Some covenants apply to that land regardless of the owner.
Deed of Postponement	A Deed of Postponement is an agreement between two lenders to agree to change or regulate the distribution of profits of enforcement of security granted by the debtor in their favour.
Disbursements	Standard costs paid on your behalf by your solicitor or licensed conveyancer as part of the conveyancing process. Example : land registry fees
Drainage search	This search indicates that the property being purchased is connected to mains water
Enquiries	Before a buyer signs a contract, their Solicitor will usually put together a collection of detailed questions about the property – and these will need to be answered by the other side. They are also known as preliminary (or initial) enquiries.
Equity	Usually expressed as a percentage the difference between the amounts owed to a mortgage lender and the value of the property.
Environmental search	This search surveys past uses of the land to see whether there's a chance that Contaminated Land may be an issue.
Exchange of Contracts	Usually carried out verbally between solicitors or licensed conveyancers. This is the point when contracts are signed and exchanged and the purchase of the property becomes legally binding.
Fixtures, Fittings and Contents Form	This form is completed by the seller and states what items are included in the sale. Example carpets and curtains

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Freehold	If the property is freehold, you have the full legal ownership of the building and the land it stands on. It also means you have full responsibility for the maintenance and repairs to the property.
Gazumping	Where the seller increases the price at the later stages before exchange, or if gazumped accepts a higher offer.
Gazundering	Where the buyer submits a lower offer at the later stages prior to exchange.
Ground Rent	This is a regular payment by the leaseholder to the landlord or freeholder under the terms of a lease. If you do not pay the Ground Rent then you can be taken to court by your landlord.
HM Land Registry	Government body responsible for the recording of the ownership of property and land in England and Wales.
Identification	A check against national records to confirm that the client exists. Not to be confused with the money laundering ID requirements and other checks carried out by your lawyer. Your lawyer will also ask you to provide certified copies of ID documentation (Passport/driving licence) and proof of your current address (utility bill/bank statement).
Land Registry Charge	The fee payable to HM Land Registry for the registration of the change of ownership of the property. A sliding scale of fees applies depending on the property value.
Land Registry Search	This is a search for the title deeds to a property carried out at the Land Registry. It is often carried out by the buyer's lawyer before completion to check that nothing has changed with regard to the title of the property
Landlord	A landlord is the person who owns the freehold on a property and collects ground rent from tenants.
Law Society	The representative body for Solicitors in England and Wales
Leasehold	Where a property is owned subject to a lease provided by the freeholder. Rent is payable by the leaseholder to the owner of the freehold. Most flats and apartments are leasehold.
Legal Fees	The professional fees and charges to be paid to the lawyer for legal services provided by them.

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Lender	The company providing the mortgage / money to make the purchase possible, usually a bank or building society.
LEXCEL	A superior quality standard which solicitors can be awarded.
Local Authority Searches	These searches are carried out by the local authority and show the legal boundaries of a property in addition to any plans which may directly affect the property. The same search can be carried out by a personal search provider.
Memorandum of Sale	A non-legally binding letter setting out the terms of the sale/purchase including the details of the legal firms acting for each party.
Mining Search	This is a search that's often required in areas where coal mining used to take place. It can also tell you if there's any current mining activity or any plan for coal mining in the future which is likely to affect your property.
Negative Equity	Where the amount of money owed on a property to a mortgage lender exceeds the value of the property.
Occupier's Consent	Consent is asked through completion of a form when a person 17 years or older will be living at the property but will not be on the mortgage.
Office Copy Entries	This search is undertaken at the Land Registry and shows whether a property is registered with the Land Registry or has not yet been registered.
Power of Attorney	Document which exists which allows a person who does not own the property to make legal decisions on their behalf. Often drawn up as part of a will or where the owner is ill or elderly.
Probate	Probate is the legal process of administering an Estate by valuing and selling the deceased's assets, paying any debts and transferring the remaining money and possessions to the beneficiaries in accordance with the Will.
Property Information Form	The seller will complete this standard form which includes details of the property including boundaries, relationships with neighbours etc.
Redemption Statement	A financial statement issued by the existing mortgage lender showing how much is owed on the property should the mortgage be paid off and includes any charges made by the mortgage lender.

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Retention	Monies held back by a mortgage lender until specified work is carried out on the property.
Solicitors Regulation Authority (SRA)	The regulatory body for Solicitors in England and Wales.
Stamp Duty	Tiered charges based on the value of the property, payable on residential properties over £125,000. Different rules apply to first-time buyers and non-residential property purchases.
Stamp Duty Exemption	Certain areas of England and Wales are excluded from Stamp Duty as they are deemed as degeneration areas.
Subsidence	Property which is moving due to instability of the underlying land
Telegraphic Transfer	A telegraphic transfer (TT) is an electronic means of transferring funds. If you are purchasing your funds will be transferred by telegraphic transfer to the seller's solicitor or if you are selling a telegraphic transfer will be used to transfer funds to clear your mortgage.
Tenants in Common	Where two or more people buy a house and each owns a fixed share of the property.  Unlike joint tenants, the tenant in common is also free to dispose of his/her share without restrictions. Also, tenancy in common has no right of survivorship. This means that the property does not automatically transfer to the other tenant in common if one tenant dies. The property goes to the deceased's heirs in line with their Will.
Title Deeds	Proof of ownership of a property.
Transfer of Equity	Legal process of adding, or removing a person to the ownership of a property
Unregistered Title	Any land in England and Wales not recorded at Land Registry is considered 'unregistered'. It is now compulsory to register any land or property which changes ownership or has a mortgage taken out against it for the first time.