



## ***WHAT DOES IT ALL MEAN***

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| <b>Abstract of Title</b>           | A document listing the documents of title which set out the history of ownership of a property you will come across this when the property is unregistered.   |
| <b>Adopted Highway</b>             | A road maintained by the local authority which is subject to public rights of way.  |
| <b>Assent</b>                      | A formal document required to transfer ownership of property to the beneficiary entitled to the property following the death of the owner. This is similar to a Transfer for the property.  |
| <b>Attorney</b>                    | Someone appointed formally to act on behalf of another either generally or for a specific purpose. This does not have to be a family member and can even be your Solicitor.   |
| <b>Bankruptcy Search</b>           | A search of the Land Charges Register to see if any bankruptcy proceedings are pending or established against a person. This is carried out prior to completion by Solicitors acting in Purchases or Re-mortgages.  |
| <b>Borrower</b>                    | A person who borrows money from a Lender and which needs to be repaid at some point.  |
| <b>Brine Search</b>                | A search to establish if a property might be affected as a result of salt workings near the property. Our Search Company can confirm whether the property lies within this area and whether a Search would be needed.   |
| <b>Building Regulation Consent</b> | Approval by the local authority on the design, structure and materials used in building work. This is not the same as planning permission. The Building Regulations Approval must then be signed off by the local authority and a Building Regulations Completion Certificate provided. |

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| <b>Chain</b>                       | Where a person selling a property is also buying another this is a chain of transactions and some chains can have many links.   |
| <b>Commons Registration Search</b> | A search at the local authority to check the property is not registered as common land or part of a village green.  |
| <b>Completion Statement</b>        | A written calculation of all the receipts and payments due in respect of a conveyancing transaction. This will be provided before completion for the client to approve.   |
| <b>Contaminated Land</b>           | Land affected by contamination which could arise from a past use of a property (e.g. land fill) or by things stored on the property in the past (e.g. oil tanks). The Environmental Search will confirm the position in relation to any contamination at the property.                              |
| <b>Contract</b>                    | The form of legal agreement prepared in duplicate for signature by the seller and buyer setting out all the legal rights and obligations agreed between them when a property changes hands. You will need to obtain legal advice on the contents of this document.                                  |
| <b>Conveyance</b>                  | In unregistered conveyancing a document transferring ownership of a property from one person to another.  |
| <b>Conveyancing</b>                | The legal work needed to buy, sell and grant mortgages over properties. This is carried out by Legal Professionals.   |
| <b>Covenants</b>                   | A promise contained in a deed. The most commonly found covenants are restrictive covenants which are obligations not to do certain acts at a property – e.g. not to make any structural alterations to the property without the original landowners consent.  |
| <b>Deed of Covenant</b>            | A document confirming an agreement to pay or do something. This is required when purchasing a Leasehold property as this is the agreement between the Landlord and the tenant to abide by the terms of the Lease. A fee will be charged by the Landlord in approving the same and registering this. |
| <b>Deeds</b>                       | The official documents confirming who owns a property which are in the  |

possession of the owner or mortgage lender if the property is mortgaged. The title deeds are now known as Official Copies and are mainly held electronically at the HM Land Registry.

**Deposit** The agreed amount to be paid on exchange of contracts usually ten percent of the purchase price and usually kept by the seller if the buyer fails to complete. The maximum deposit would be 10% of the price.

**Disbursements** Payments made on your behalf e.g. search fees and registration fees.

**Environmental Search** A search against a property to check whether the property is contaminated land or in an area subject to other environmental issues – see Contaminated Land set out above.

**Exchange of Contracts** The formal exchanging of the two parts of the contract when the seller and buyer become legally bound to complete their transaction on an agreed date. Exchange of Contracts occurs before completion.

**Fittings & Contents Form** A list completed by a seller of the items in the property which are to be left as part of the sale price and which is attached to and forms part of the contract.

**Flying Freehold** This arises when part of one property is built on top of part of another property and so the upper property owner does not own the building or land underneath the "flying" part. Consequently the lower property is known as the "creeping" part. The deeds to the property would need to contain rights of maintenance and entry in relation to this.

**Freehold** Ownership of land for an unrestricted period of time

**Freeholder** The person who owns the freehold title. This relates to Leasehold properties and is known as the Landlord.

**Full Title Guarantee** An assurance by the owner of unfettered ownership.

**Ground Rent** In leasehold property a sum of money paid regularly by a lessee to a

lessor. This can be a fixed rent or subject to a rental review.

**HM Land Registry** A government organisation responsible for maintenance of a register of properties and their ownership in England and Wales.

**Land Registry Fee** The fee payable to the Land Registry to register any change affecting the property including a change of ownership or a new mortgage. This fee is set by the Land Registry and is usually reviewed annually.

**Landlord** The owner of the Freehold land and receive a ground rent from the tenants.

**Lease** Where a property is leasehold this is the document giving the lessee the rights to possession of the property for the lease term and setting out all the rights and obligations of landlord, tenant and sometimes management company and the Landlord.

**Leasehold** Where the ownership of property is for a limited period only. For example 99 years or sometimes 999 years.

**Lender** Any Financial Institution who agrees to lend property in a property by way of a secured loan registered against the property.

**Lessee** In leasehold property ownership the lessee is the person who owns the property for a limited period of time and may be required to pay rent to the owner of the superior title

**Limited Title Guarantee** This is the title guarantee given by a seller where because of their limited knowledge of the property (e.g. a personal representative of a deceased owner or a mortgagee in possession).

**Local Search** A search carried out at the local authority to check whether there have been any notices registered affecting the use of the property, any planning breaches or breaches of the building regulations or any proposals for the neighbourhood which may directly affect the property.

**Mining Search** A search to check whether the property may be affected by coal mining

activity which may result in subsidence. A post code check will confirm if this search is required.

**Mortgage** A loan to buy a house or flat where the mortgagee lends the mortgagor money in return for a legal charge being registered against the property to ensure that the loan must be repaid before the property can be sold. This can also be a Mortgage by a private individual.

**Mortgage Deed** The legal document signed by the borrower to create a legal charge which can registered at the land registry.

**Mortgage Offer** The details of the terms upon which the mortgagee is prepared to make the mortgage loan and the interest rates you have agreed to borrow.

**Mortgage Term** The length of time agreed for the repayment of the loan. Each Lender will have minimum term and a maximum term.

**Mortgaged** Where a property has been charged by the owner.

**Occupier's Consent** Any person over the age of 17 years who lives at the property but 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 takes possession due to the default of the mortgagor. Many lenders will require the occupier to take independent legal advice on signing the form of consent.

**Party structure** A wall or fence or other boundary marker owned jointly with a neighbour and repairable at shared expense. The title deeds will clarify the ownership of the title deeds.

**Planning Permission** Approval by the local authority to the demolition, building or change of use of a property or extension or other building works carried out to an existing property. This is stored at the Local Authority Planning Department.

**Lasting Power of Attorney** The document to be signed by somebody to appoint somebody else to act as their attorney this can be in either property or financial matters.

**Sellers Property Information** A document completed by a seller to give information about the

**Form** property to the buyer. This document will also confirm the existence of any Guarantees or Certificates for the property.

**Radon Gas** A naturally occurring radioactive gas which may if above certain safety levels require preventative action to be taken (e.g. more ventilation in a property). This Environmental Search will confirm whether this affects the property and what further action should be taken.

**Redemption** The repayment of an existing mortgage or mortgages

**Registered Land** Property which has already been registered at the Land Registry and guaranteed by the Land Registry.

**Remortgage** Changing a mortgage from one mortgagee to another and having a new charge secured against the property.

**Rentcharge** An annual payment that must be made by the owners of some freehold properties similar to rent on a leasehold property. This is not a rent as in a rent payable with you have a Leasehold property.

**Service Charge** In connection with leasehold properties or some freehold properties on-going payments required by a lessor or managing agent to cover the costs of maintaining and running a development and insurance of the estate or in relation to the Freehold the maintenance of the open spaces.

**Stamp Duty Land Tax** A tax paid to the government on the purchase of a property over a certain value.

**Subsidence** Where a property moves due to inadequate foundations or severe change to the underlying ground resulting in an instability in the structure of a building often evidenced by cracks in walls. This must be reported to Lenders if you are having a Mortgage. This could also cause problems with Buildings Insurance required.

**Survey** An inspection and report on the property by a surveyor as to the state of the property and value and to advise you as to any repairs required.

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| <b>Title Deeds</b>             | Deeds to the property which confirm the ownership of the property.   |
| <b>Transfer</b>                | A Legal document which transfers ownership of a property from one person to another. You will need to obtain legal advice in relation to this.   |
| <b>Transfer of Equity</b>      | A document transferring ownership of a share or interest in a property from one person to another. You will need to obtain legal advice in relation to this.   |
| <b>Tree Preservation Order</b> | An order made by the local authority designating a tree or group of trees as protected and requiring the local authority's permission to lop, top or fell them. A copy of this can be obtained from the Local Authority for a fee. |
| <b>Unregistered Title</b>      | Where the title to a property has not previously been registered at the Land Registry and ownership is proved by the production of a complete chain of title documents showing successive ownership.                               |
| <b>Vacant Possession</b>       | Possession of a property free of the presence of any people, possessions or rubbish. This will also include any lofts or garages at the property.  |
| <b>Valuation</b>               | A very simple form of survey designed to establish the market value of the property carried out by a mortgage lender.  |



**Hope that helps!!  
 If not give us a call  
 01423 538111 or email :**