

## Conveyancing Jargon Buster

### ***Adopted***

When a Local Authority (council) takes ownership and responsibility for maintenance of a road, drain or sewer. In general, if a road drain or sewer is on private land and not adopted, the land owner will be responsible for its upkeep.

### ***Apportionments***

This relates to the division of outgoing costs due at the Completion date. For example Service Charge, the buyer is responsible for reimbursing the seller for a portion of any charge paid in advance from the date of Completion.

### ***BACS Payment***

A method of payment through a bank which is free but takes up to 3 days.

### ***Bankruptcy Search***

A check on whether a person is, or is about to be Bankrupt.

### ***Caveat Emptor***

Literally means “Buyer Beware”. Refers to the general rule that sellers do not have to reveal defects which the buyer can discover from inspection of the property. It is the buyer and their Conveyancer who should investigate and establish this.

### ***Certificate of Title***

A document that is sent by a Conveyancer to a lender (Mortgage Company) which states that the property is a ‘good’ purchase and asks for the mortgage advance to be sent. The lender needs to know that all matters relating to the property are acceptable as it will be their security for the mortgage loan.

### ***Certified Copy***

Where an original document is copied, and a professional signs that copy to guarantee that it exactly matches the original. Often used where ID needs to be taken at the start of a property transaction to satisfy Money Laundering Checks.

### ***Chain***

Refers to a line of buyers and sellers that are all linked as they are each selling and buying a property from one another. A chain starts with someone who is just buying house, and ends with someone who is just selling a house. A chain can only advance as quickly as the slowest link.

### ***Chancel Repair Liability***

An ancient law which can force homeowners to pay for their local church's repairs. This liability is often covered by an Indemnity Policy to protect home owners.

### ***Charge***

A duty or obligation secured against a property so that in the event the duty or obligation is not fulfilled, a claim against the property can be made. Most common example is a mortgage charge.

### ***Completion***

The act of paying for a house if buying, or receiving the purchase money if selling. This is when ownership of the property is transferred and the keys are handed over. The date of Completion is decided when Exchange of Contracts occur.

This is the date you will moving out or into your property.

### ***Conservation Area***

An area of land which has been designated as being of environmental or historical importance and as such may not be developed or altered in certain ways.

### ***Contract Pack***

A bundle of documents which a seller's Conveyancer sends to the buyer's Conveyancer. Normally contains property deeds, electrical and gas certificates, planning permissions and other documents. This can then be examined so that the buyer's conveyancer can raise Enquiries.

### ***Conveyance***

A legal document which was previously used to transfer ownership of land. Have now been replaced by Transfers.

### ***Conveyancer***

The legal professional instructed to act for a client to buy or sell a house on their behalf.

### ***Covenant***

A legal promise to do, or not to do a certain act. These can stay with property, so that a new owner will be bound by an old owner's Covenant.

### ***Declaration of Solvency***

A short statement by someone which states that they are not bankrupt and are not in financial difficulty. Often asked for when giving a gift, as this helps to stop a gift being 'retracted' by a court if someone is made bankrupt at a later date.

### ***Declaration of Trust***

A legal document made between two or more people purchasing a house. May include terms setting out the shares of ownership, contributions to a mortgage or other responsibilities of the co-owners.

### ***Deeds***

In conveyancing, this generally refers to a range of documents which together prove a person's ownership of a Unregistered Land. Any modern transaction now results in old deeds being made electronic and stored on a register with the Land Registry.

### ***Deposit***

A sum of money (generally 10% of the purchase price) paid by the buyers to the sellers of a property. This is paid on Exchange of Contracts and may be kept by the seller if the buyer fail to complete the purchase.

### ***Disbursement***

A payment made by your Conveyancer on your behalf for a service or product, such as Searches or Official Copies.

### ***Drainage and Water Search***

A pack of information requested from a local Water Company which reveals information about sewers, drains and water supply which serve a property.

### ***Easement***

A right which grants specific uses of another person's land. For example, a right of way or right to lay cables.

### ***Enquiries***

Questions asked about a property to clarify or find out further information. Can also take the form of a request to do or remedy an issue.

### ***Epitome of Title***

A specific bundle of Deeds which together prove a person's ownership of a property and a history of that ownership.

### ***Exchange of Contracts***

Exchange of Contracts is when the buyer and seller become contractually obliged to purchase the property. Your Conveyancer will confirm exchange with the other party using a regulated procedure and send or receive the deposit. If either party pulls out after this, there are significant financial consequences.

### ***Faster Payment***

A same-day method of payment available for sums under £100,000 by which banks transfer money, normally free of charge.

### ***FENSA***

A membership scheme for the installers of replacement of windows, doors and roof lights which sets a high standard in line with building regulations.

### ***Fittings and Contents Form***

A industry standard form which a seller fills out to list exactly what items are included or excluded for a sale. Can also be used to offer for sale individual items within the house.

### ***Freehold***

A form of tenure under which land can be owned. Freehold means that you own the property permanently and have the freedom to dispose of it at will.

### ***Indemnity Policy***

A type of insurance which covers any costs arising out of a defined risk occurring.

### ***Joint Tenants***

A form of ownership by two or more persons of the same property. The individuals, who are called joint tenants, share equal ownership of the property and have the equal, undivided right to keep or dispose of the property.

### ***Land Registry***

A government department which records and oversees property in England and Wales.

### ***Land Registry Fees***

Fees charged by the Land Registry for a range of services. The most common being on Registration of a new owner following Completion.

### ***Leasehold***

A form of tenure under which land can be owned. Normally for a set term which is granted by virtue of a lease from a landlord. Ownership is restricted in the sense that the terms of any lease must be complied with.

### ***Local Search***

A search which obtains various bits of information from the Local Authority serving a property. Reveals past planning permissions, Tree Preservation Orders, public rights of way and a range of other issues.

### ***Mining Search***

A search which reveals any past or present mining activity in the area around a property.

### ***Money Laundering Checks***

Checks which Conveyancers are obliged to make to ensure that a transaction is not a money laundering scheme or involves 'black' money.

### ***NHBC***

A guarantee normally given for new build properties.

### ***Official Copies***

Documents from the Land Registry's records relating to a specific property. Would include a Title Plan of the property, and a Title Register which shows details such as the current owner, any Covenants affecting the land and any Charges over the property.

### ***Particulars of Sale***

A short summary of a transaction prepared by an Estate Agent.

### ***Property Information Form***

An industry standard form which contains questions which are filled out by a seller of a property. This is then provided to a buyer to give them basic information regarding the boiler, electrics, parking and previous building works etc. Usually used by a buyer's Conveyancer to raise Enquiries.

### ***Registration***

The process of officially notifying the Land Registry of a transaction following Completion.

### ***Searches***

Broadly refers to a standard set of enquiries submitted to various authorities which provide you with more information about the property you plan to purchase. A standard set would likely include enquiries sent to the Local Authority, Environmental Agency, Coal & Water authorities.

### ***Service Charge***

Relevant to Leasehold property. A sum of money paid regularly by a tenant to a landlord (or management company) for general upkeep, repairs or improvements to the Leasehold property or its communal areas.

### ***Source of Funds***

A form of Money Laundering Check which requires proof of where the money used in a transaction has come from.

### ***Stamp Duty Land Tax (SDLT)***

A tax levied against purchasers of property. Calculated against the purchase price of the property, with extra tax payable in some circumstances where the buyer already owns another property.

### ***Standard Conditions of Sale***

An industry standard of written terms produced by the Law Society to which residential sale contracts are normally subject.

### ***Survey***

An inspection of a property, carried out by a Chartered Surveyor or other professional to check the structural integrity of a property. Normally commissioned independently by a buyer without involvement from a Conveyancer.

### ***Telegraphic Transfer / CHAPS***

A method of same-day payment which incurs a small fee (normally around £30.00 + VAT).

### ***Tenants in Common***

When two or more persons purchase a property, this is where ownership is determined by defined shares. i.e. Purchaser 1 owns 75% and Purchaser 2 owns the other 25% of a property. A Declaration of Trust is often used in these circumstances.

### ***Transfer***

A Land Registry form which is used as the instrument to transfer land. Both the seller and the buyer will sign their respective Transfer form, which will have the date inserted on Completion.

### ***Tree Preservation Order***

A written order made by a Local Authority which protects a particular tree from being damaged or removed.

### ***Unregistered Land***

Land which has not previously been registered with the Land Registry. As the land is not registered, its ownership will be proven by a bundle of Deeds, and not Official Copies.

### ***Valuation Survey***

A survey of a property commissioned by a mortgage company. The purpose of this is to ensure that the property is value is high enough to cover the mortgage advance.

### ***Vendor***

The seller of a property.

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