

## **Glossary of Conveyancing Terms**

### **Advance**

The amount of money lent by a mortgage lender to the buyer to fund the purchase of a property.

### **Adverse Possession**

Acquisition of legal title to land by occupying it without the owner's permission for a statutory period.

### **AP1 Form**

The form used to register a change at HM Land Registry following completion.

### **Assignment**

The legal transfer of a lease from one party to another.

### **Beneficial Interest**

An individual's right to benefit from property even if legal title is held by another.

### **Building Insurance**

Covers the cost of repairing or rebuilding the structure of the property in case of damage.

### **Certificate of Title**

A document produced by a solicitor confirming the buyer has good title, often required by lenders.

### **Charge**

A registered interest over land to secure the payment of a debt, typically a mortgage.

### **Chattels**

Movable items not fixed to the property and typically not included in the sale unless agreed.

### **Client Account**

A separate account where solicitors hold client money.

### **Collective Enfranchisement**

The right of leaseholders to collectively purchase the freehold of their block.

### **Completion**

The point in a transaction when ownership legally passes to the buyer.

### **Completion Statement**

A document summarising all financial elements of a property transaction.

**Conditions of Sale**

Standardised terms included in the property sale contract.

**Contract**

A binding agreement between buyer and seller outlining the terms of the sale.

**Conveyance**

A deed transferring legal title in unregistered land.

**Covenants**

Obligations or restrictions on the use of land or property.

**Declaration of Trust**

A legal document stating how a jointly owned property is shared between owners.

**Deed of Covenant**

A separate document containing a tenant's promises to the landlord.

**Deed of Variation**

A document altering the terms of an existing lease.

**Demised Premises**

The part of a property leased to a tenant.

**Deposit**

A sum paid on exchange of contracts, typically 10% of the purchase price.

**Disbursements**

Fees and charges paid by solicitors on behalf of clients, such as search and Land Registry fees.

**Drainage and Water Search**

Reveals connection to public drains and water supply.

**Easements**

Legal rights enjoyed over another's land, such as a right of way.

**Engrossment**

The final version of a legal document prepared for execution.

**Enquiries Before Contract**

Questions raised by a buyer to clarify aspects of the property.

**Environmental Search**

Identifies environmental risks like flooding or contamination.

**Equity of Redemption**

A borrower's right to repay the mortgage and reclaim unencumbered ownership.

**Exclusive Possession**

The right to occupy and exclude others from a property, including the landlord.

**Exchange of Contracts**

When the buyer and seller become legally bound to complete the transaction.

**Fixtures and Fittings**

Items attached to the property that may or may not be included in the sale.

**Flying Freehold**

Part of a freehold property that overhangs or is situated above another freehold.

**Forfeiture Clause**

A lease clause allowing the landlord to terminate the lease upon breach.

**Freeholder**

The person who owns the property outright and may grant leases.

**Good Leasehold Title**

Registered title where the lease is proven, but the landlord's title is not.

**Ground Rent**

A rent payable to the landlord under the terms of a lease.

**Head Lease**

A lease granted by the freeholder to an intermediate landlord.

**HM Land Registry**

The government body maintaining records of land ownership in England and Wales.

**Indemnity Covenant**

A promise to compensate for losses arising from a breach of covenant.

**Indemnity Insurance**

Policy protecting against defects in title or known legal risks.

**Joint Tenancy**

A form of co-ownership where property passes automatically to the surviving owner(s).

**Land Charges Register**

Register for interests affecting unregistered land.

**Land Transaction Return**

A form submitted to HMRC for SDLT purposes.

**Landlord (Lessor)**

The party granting a lease.

**Lease Extension**

A statutory or negotiated right to extend the lease term.

**Lease Term (Residue)**

The number of years remaining on a lease.

**Leasehold Property**

A property held under a lease agreement rather than owned outright.

**Legal Charge**

Another term for a mortgage registered over the property.

**Legal Title**

Ownership recognised and recorded by HM Land Registry.

**Licence to Assign**

Landlord's consent to transfer a lease to another party.

**LPE1 Form**

Form used to obtain information from the landlord or managing agent.

**Management Company**

Company responsible for managing communal areas and services.

**Managing Agent**

Professional firm appointed to manage the day-to-day running of a property.

**Mortgage Lender**

An institution that lends money for the purchase of a property.

**Official Copy of Register of Title**

A certified copy of the title register from HM Land Registry.

**Overriding Interests**

Unregistered interests that can bind a purchaser.

**Possessory Title**

A title granted by HM Land Registry when full documentary evidence is unavailable.

**Qualified Title**

A title that may be subject to defects or reservations noted by HM Land Registry.

**Redemption**

The repayment of a mortgage in full.

**Rent Review Clause**

Clause allowing the landlord to increase rent during the lease term.

### **Report on Title**

A solicitor's written summary of legal issues affecting the property.

### **Restrictive Covenant**

A promise limiting the use of the land in a particular way.

### **Right of First Refusal**

The right of leaseholders to purchase the freehold before it's offered elsewhere.

### **Right to Manage**

Statutory right for leaseholders to take over management of their block.

### **Searches**

Enquiries made of authorities to identify issues affecting the property.

### **Section 20 Notice**

Notice required when leaseholders are charged over £250 for major works.

### **Service Charges**

Payments made by leaseholders towards upkeep of communal areas.

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

Tax payable on property transactions in England and Northern Ireland.

### **Standard Conditions of Sale**

Standard terms for conveyancing contracts, currently in their 5th edition.

### **Sublease**

A lease granted by a tenant to a subtenant.

### **TA Forms**

Standard property information forms used in conveyancing, including TA6, TA7, TA10, and TA13.

### **Tenant (Lessee)**

The party granted rights to occupy property under a lease.

### **Title Plan**

A Land Registry plan showing the boundaries of a registered title.

### **Transfer (TR1) Form**

The Land Registry form used to transfer registered land.