

## Selling or Buying a Residential Property - The Jargon Explained

### **Disbursements**

Payments a solicitor will make on their clients behalf to a third party i.e. Court fees, search fees and investigation fees

### **Completion**

The point in a property transaction at which the legal transfer of a property from the seller to the buyer is finalised. The buyer can take possession of the property from the completion date

### **Freehold**

An owner's interest in land where both the property and the land on which it stands belong to their owner indefinitely ie the outright ownership of a property

### **Land Registry**

This is the government department responsible for maintaining the Land Register of England and Wales. The department registers title to land in England and Wales and records dealings, such as sales and mortgages, with registered land

### **Leasehold**

The right to occupy a portion of a building or plot of land for a given length of time

### **Service charge**

The amount a tenant pays for services the landlord provides such as insurance

### **Advance**

Loan to purchase a property usually known as a mortgage

### **Assent**

Formal document required to transfer ownership of property to a person entitled to the property following the death of the owner

## **Bridging loan**

A short term loan enabling the borrower to bridge the gap between the purchase of a new house and the sale of the old one

## **Chain**

When a property seller is also buying another property then this will result in a chain of transactions (there can be a number of linked sales like this)

## **Contract**

The agreement between the buyer and the seller. It sets out the main terms of what has been agreed such as the property to be bought and sold, the price and the names of the parties, and any special terms

## **Conveyancing**

The legal work needed to buy and sell a property

## **Deeds**

Official documents confirming who owns a property.

## **Deed of Gift**

Document transferring the ownership of property from one person to another without any payment being made for it

## **Equity**

The difference between the value of the property and the amounts of any loans secured against it

## **Exchange of Contracts**

After contracts have been exchanged, each party is legally committed to the transaction and risk regarding the property passes to the buyer

## **Fixtures, Fittings and Contents Form**

List of the items at the property stating whether they are included or excluded from the agreed price

## **Gazumping**

This occurs when a seller agrees to sell to one buyer but then either sells to another buyer or raises the price when two or more buyers show interest

## **Gazundering**

This is when the buyer lowers their offer on the property after agreeing a price, often on the day contracts are due to be exchanged

## **Homebuyers report**

A surveyors report on a property.

## **Joint Tenant**

Is when you jointly own property with another person in undefined shares, (Also see with Tenants in Common)

## **Local Search**

Search carried out at the local authority to check whether there have been any notices registered affecting the use of the property

## **Mortgage**

Loan for a fixed period of time to help purchase the house. The mortgage is 'attached' to your title deeds, and means that you cannot sell the property without paying it off at the same time.

## **Mortgagee**

Person (or organisation, usually a bank or building society) lending the mortgage advance

## **Planning Permission**

Approval by the local authority to the building or change of use of a property or extension to an existing property

## **Property Information Form**

This is a questionnaire about the property completed by the sellers. It covers such items as guarantees, disputes and boundaries

## **Subject to contract**

Wording of any agreement before exchange of contracts which allows either party to withdraw without incurring any penalty

## **Survey**

Report carried out by a surveyor on the physical condition of the property being purchased

## **Tenants in Common**

This is when you have a defined share of a property held jointly with another person (compare with Joint Tenant)

## **Unregistered Title**

When 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 documents showing successive ownership

## **Vendor**

Another name for the seller of a property