

USEFUL GLOSSARY OF TERMS

Arbitration

A formal process of appointing an independent person who is suitably qualified to consider the merits of each parties claim. The arbitrator will determine matters of fact and make an order dependent on the circumstances

Commercial Property Standard Enquiries

This is a list of standard conveyancing enquiries relating to the property being sold or let

Completion Date

This is the latest date on which the seller must move out of the property. Please note that the conveyancing contract will normally also specify a latest time to leave provision as well

Deposit

This is typically 10% of the purchase price but may be varied by agreement between the parties

Draft Contract

This is a legal document which sets out the matters agreed between the seller and buyer

Dilapidations

This is a list of items of disrepair in the property

Exchange of Contracts

Once all parties are ready to commit to the conveyancing transaction, we will be able to make the contract legally binding. The completion date will be fixed at this stage

Final Accounts

We will prepare a final account to enable you to see the financial transaction on your conveyancing matter. If there is any shortfall, we will require cleared funds, prior to completion. Any surplus is returned to you after completion

Final Searches

This will typically involve carrying out bankruptcy searches and securing priority for the lender for registration purposes

Fixtures and Fittings List

This is a list of items which will either be left with the property or removed

Going Concern

Where the buyer intends to carry on the same business as the seller, then usually no VAT is payable on the sale price

Indemnity Insurance

This is an insurance policy which provides protection if problems occur in relation to the insured risk, for example, missing conveyance or other legal document

Inventory

This is a list of items being left at the property

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Landlord's consent to the assignment

In almost every instance, the written permission of your landlord will be required prior to any lease being transferred

Land Registry

Government body which maintains records of most property ownership in the country

Leasehold

If you live in a flat, you are more than likely to be occupying under the terms of a lease. The lease sets out the relationship between you and your landlord

Legal Charge

This is the security which the lender has over the property and will need to be repaid on completion

Legal Report

This is a summary of the key matters relating to the property

Lender

This is typically a bank or building society providing the funds to enable you to purchase the property

Licence to Assign

This is a legal document which permits the current tenant to transfer the lease to a third party

Licensed

Where you are acquiring licensed premises, you will need to ensure that it has the benefit of a premises licence. In addition to this, you must hold a personal licence

Local Authority Search

This is a search which we carry out with the local authority. It reveals matters such as whether the road fronting the property is maintained at public or private expense, whether any planning applications affect the property etc

Mediation

The process whereby parties to a dispute appoint an independent person to see if they can negotiate a settlement

Mortgage Advance

This is the amount you have agreed to borrow from your lender

Mortgage Deed

This document enables the lender to register its interest in the property and acts as security for any borrowings

Mortgage Offer

This is a formal offer from your lender that they are prepared to lend money to you

Mortgage Repayment Figure

This is the amount required to repay your existing mortgage in full

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Necessary Searches

Depending on where the property is situated, we may need to carry out additional conveyancing searches, for example, we may need to carry out checks relating to mining, drainage and environmental matters

Official Copies

If your property is registered, the land registry will be able to provide evidence of ownership of property

Pre-contract Package (commercial)

This will typically consist of the draft contract, official copies of the title and possibly replies to any standard enquiries

Pre-contract Package (residential)

This will normally include the draft contract, official copies of the seller's title, a complete seller's property information form and fixtures & fittings list

Registered

All land transactions will need to be registered at the Land Registry

Searches

This usually consists of at least a local authority search. In certain instances, we may be required to carry out additional searches for matters such as mining, drainage, environment etc

Seller's Property Information Form

This is a list of standard questions about the property being sold

Special Instructions

This is a list of instructions from the lender specific to your case

Stamp Duty

This is the amount of tax payable to the Inland Revenue based on the purchase price paid to the seller

Stamp Duty Land Transaction Return

In most cases, we will be required to complete this form to enable the Inland Revenue to collect Stamp Duty on the purchase of the property

Title Deeds

These are documents which verify that you own the property

Transfer Deed

This is a legal document which enables the ownership of the property to be transferred (or conveyed) from the seller to the buyer

Transfer of Equity

The process of transferring ownership between co-owners of property