

CONVEYANCING FACT SHEET 7 LEGAL WORDS EXPLAINED

We cannot avoid some legal words and phrases. Here are a few common ones with their meanings explained. If we use a word you do not understand, please tell us.

Completion - moving day! The purchase money is handed over in return for the keys and the deeds

Contract- the document you sign that sets out all the details of the deal

Covenant - an obligation that affects the property (see separate fact sheet)

Defective Title Indemnity Insurance - insurance that helps with problems in the deeds (see separate fact sheet)

Easement - a right that affects the property, eg a right of way (see separate fact sheet)

Exchange of contracts - the day you become legally bound to buy or sell

Land Registry - the government agency that keeps a record of who owns what land

Mortgage - the document that gives your lender the right to sell your house (and other rights) if you do not repay and follow your other obligations

Searches - we ask various bodies for information they have about the property eg the local council, the water supplier and environmental search companies

Statutory Declaration - a document that confirms information to be true under a special legal procedure

Stamp Duty Land Tax - the tax paid to the government by the buyer based on price paid

Transfer - the document you sign that transfers the ownership of the house

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