

Buying and selling a house

Jargon buster

Completion	The day that you pay the balance of the Purchase Price to the Seller (your solicitor will take care of that), and you become the legal owner of the property. It's also the day you get to collect the keys and move into the property.
Contract	The document the parties enter into to legally record the agreement for the sale and purchase of the property.
Deposit	Usually this is 10% of the full purchase price, but it can be less if agreed or required. You will need to have paid the Deposit to your solicitor before Exchanging Contract can take place.
Enquiries	A question and answer style process where the Buyer's solicitor can ask the Seller any questions they have about the property. These enquiries are dealt with between the solicitors. If you are buying the property and there is something you want to ask following your inspections or survey results, you should speak to your solicitor as soon as possible. If you are selling the property, you should give your solicitor as much information and paperwork about the property, any alterations you have made and certificates that you hold as soon as possible to help the process run smoothly and quickly.
Exchanging contracts	At this point, all the necessary Searches and Enquiries will have been carried out and any legal issues resolved to you and your lender's satisfaction. The next step is to enter into the contract between you as the Buyer and the Seller to make the purchase agreement legally binding. At this stage, a date for 'Completion' will be agreed.
Fittings and Fixtures Form	A list of items, made by the Seller, of what they will leave or remove from the property upon Completion. Items left will be included in the Purchase Price, unless stated otherwise on the form. Once the fixtures and fittings are agreed by all parties, the document will form part of the Contract.
Gifted Deposit	A sum of money a family member gifts to the Buyer which contributes to all or part of a deposit for the property. You need to tell your solicitor as soon as possible if you are going to have a gifted deposit to assist with your purchase of your property as there are extra checks which need to be undertaken in these circumstances.
Memorandum of Sale	The record of the agreement, the parties who are selling/buying the property have made, including the price, the parties' solicitors and any special terms. This is prepared by the selling agents and circulated to the Buyer, Seller and each of their solicitors.
Mortgage offer	The offer of lending you get from your chosen bank once you have gone through the mortgage application process and the bank have carried out a valuation of the property. This usually includes an agreement of how much they will lend you, the payment terms and other conditions you must meet.
Post Completion Requirements	Your solicitor will help you to prepare the tax return and arrange to pay the Stamp Duty Land Tax to HMRC (if necessary). After Completion, your solicitor will also prepare an application to register you as the owner of the property with the Land Registry and register your mortgage against the property (if you had one).

Property Questionnaire	A document which the Seller must complete, detailing information about the property, including matters such as boundary ownership, alterations that have been made to the Property, utilities accounts amongst other things that are of interest to the Buyer. Once complete, the form is sent to the Buyer's solicitor and will be relied upon by the Buyer as part of the pre-contract disclosure about the Property.
Purchase Price	The amount you as the Buyer have offered to buy the property for, which the Seller has also agreed.
Stamp Duty Land Tax (SDLT)	<p>A tax payable on completion of a purchase of a property to HMRC. The amount of the payment depends on the personal circumstances of the buyer, the type of property and the amount that is being paid.</p> <p>Actons will usually advise you of the amount you will have to pay at the time of your initial instructions to us.</p>
Searches	<p>A series of investigations that your solicitor will carry out for you to make sure you know as much as possible about the property you are buying.</p> <p>If your solicitor believes that any of the results are concerning, they will advise you on what to do next.</p> <p>Searches are submitted to various authorities, including:</p> <ul style="list-style-type: none"> • Local Councils • The Environment Agents • Coal Authority (if necessary) • Water provider <p>These are desktop searches and do not involve anyone going into the property. You should always have a Homebuyers survey carried out and get professionals to check the electrical supply, gas, heating systems and drains at the property you want to buy.</p> <p>Common things your solicitor may 'search' for:</p> <ul style="list-style-type: none"> • Local council's future plans for the area • Any past planning applications for the property • Flood risks • Ensuring the drainage and water supplies at the property are connected to the mains • That the person you are buying from is the person registered as owning the property at the Land Registry.
Surveys	<p>Surveys take place at the beginning of a house purchase to investigate any damages or defects the property may have. As the Seller is not required to disclose any defects, it's important that you're happy that the property is physically and structurally sound.</p> <p>If you are buying a property with a mortgage, the lender may carry out a survey. Usually this is just a valuation and you cannot rely on it.</p> <p>You will need to arrange for the survey to be done when you buy a property as your solicitor won't do it as part of the Searches or Enquiries stage of the legal process.</p>
Transfer Deed	The document that the Seller (and often the Buyer) sign to legally transfer the property from the Seller's name to the Buyer's name at Land Registry after Completion.

These notes are only to be used for reference and educational purposes and are not to be reproduced without our prior consent.

The notes should not be used as a substitute for nor do they constitute legal advice. They are provided for general information and educational purposes only. They are not comprehensive and are not advice on which you may rely. Accordingly all liability is excluded in respect of any loss or damage which may arise as a result of reliance upon these notes. You should always consult a qualified lawyer on any specific legal matter. Copyright reserved 2019 - Actons Solicitors ©

Actons is authorised and regulated by the Solicitors Regulation Authority No. 62882.

20 Regent Street, Nottingham, NG1 5BQ | 0115 9 100 200
enquiries@actons.co.uk | www.actons.co.uk

