

Jargon Buster



Term	Definition
Acceptance	This is a document that is signed when you are accepting a lender's mortgage offer
Appraisal	Usually conducted by an estate agent when selling your property to determine the estimated current value. They will take professional colour photos, identify the bestselling features and measure up your home. It also allows you the chance to choose the right agent for you.
APR	A figure that is used to compare different mortgages. Defined by law, it includes repayments on the loan plus any fees such as booking, arrangement or redemption fees. It shows the true cost of borrowing and should appear on all mortgage illustrations and quotes.
Capital	The amount of money either put into buying a property or the deposit placed on a property. Also known as equity or LTV (loan to value)
Chain	The situation that occurs when a buyer is reliant upon completion of the sale of their existing property, in order to complete on the purchase of the new property.
Conditions of Sale	These details determine the rights and duties of the buyer and seller. These could be imposed by the Law Society or specifically devised by your solicitors.
Conveyancing	Establishes the legal boundaries of the property, any local planning applications or developments that may affect the future value and checks the seller is the rightful owner.
Covenants	Rules and regulations governing the property contained in its title deeds or lease.
Deeds	These are legal title documents that are used to prove property ownership. Deeds are usually held by the mortgage lender.
EPC	Energy Performance Certificate, measures the energy efficiency of a property using a scale of A-G. It is a legal requirement to have a valid EPC commissioned before a property can be marketed.
Engrossment	The formal and final version of a document prepared by a solicitor ready for signing and sealing following agreement of the final draft between the parties.
Gazumping	A term denoting a situation where the vendor has accepted an offer but subsequently accepts a higher offer from another purchaser
Gazundering	A term used to denote a situation where the purchaser lowers their offer prior to the exchange of contracts.
Kerb Appeal	If a house has kerb appeal, it looks attractive from the outside, so that people want to buy it
Memorandum of Sale	The document that records the fact that both the buyer and the seller have agreed the transaction
Preliminary Enquiries	When a sale is agreed, the buyers conveyancer will send the sellers conveyancer a standard list of questions about the property.
Searches	These are requested by your solicitor to check if there is anything that might affect the current or future value of the property. It is compulsory to have a local authority search before exchanging contracts.
Sole Agent	When a seller only chooses one agent to sell their home.
Stamp Duty	This is the tax placed on the transfer of assets or property.
Structural Survey	A report constructed by the surveyor detailing firstly, whether the house is structurally sound and secondly, listing the major/minor defects (including necessary work to be done).
Subject to Contract (STC)	The homeowner has accepted an offer from a buyer but the paperwork is not yet complete
Under Offer	The seller has accepted an offer from a buyer but not yet exchanged contracts
Valuation	The process of evaluating a property to determine its market value. In some cases there may be a cost for this service by a professional; this cost is referred to as a valuation fee.
Vendor	Term in legal documents; another word for the seller of the property