

**- Jargon Buster -**

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|------------------------------|---|
| <b>Advice Fee</b>            | A fee you may be charged if you use a financial advisor   |
| <b>APR</b>                   | Annual Percentage Rate  |
| <b>Arrears</b>               | You've missed at least one payment at anytime (loan, mortgage, credit card, etc)  |
| <b>Booking Fee</b>           | An upfront charge made by some lenders  |
| <b>Capital</b>               | Amount borrowed to buy the property   |
| <b>CHAPS Fee</b>             | Covers lender's costs when your mortgage is sent to your solicitor  |
| <b>Chattel</b>               | Moveable objects in the property  |
| <b>Completion</b>            | When you take possession of the new property  |
| <b>Conveyancing</b>          | Legal process involved in buying / selling your property  |
| <b>Disbursements</b>         | Expenses paid on the buyer's behalf   |
| <b>Equity</b>                | Value of your property over and above your mortgage   |
| <b>ERC</b>                   | Early Repayment Charge  |
| <b>Exchange</b>              | The buyer and seller agree to buy and sell the property; deal is legally binding. New owner should have insurance in place at this point. |
| <b>Freehold</b>              | You own the property and the land it is on  |
| <b>Ground Rent</b>           | Fee paid by the leaseholder to the freeholder   |
| <b>Homebuyers Report</b>     | Highlights any problems and advice on resolving them  |
| <b>Interest Only</b>         | Pay the interest of the mortgage only during term of the loan   |
| <b>Leasehold</b>             | Right to live in property but do not own the building or the land it sits on  |
| <b>Legal Fees</b>            | Fee paid to solicitor, includes Stamp Duty and search fees  |
| <b>Mortgage Deed</b>         | Legal document which formalises the mortgage agreement  |
| <b>Mortgage in Principle</b> | Lender statement showing how much they may be prepared to lend  |
| <b>Mortgage Offer</b>        | Formal document confirming the mortgage loan  |
| <b>Mortgage Valuation</b>    | Basic survey to check the property is adequate security for the loan  |
| <b>Negative Equity</b>       | Amount you owe is greater than the value of the property  |
| <b>Porting</b>               | Moving a mortgage from one property to another  |
| <b>Product Fee</b>           | The fee the lender charges for a particular mortgage product  |
| <b>Remortgage</b>            | A new mortgage and lender on your existing property where the old mortgage is paid off  |
| <b>Repayment Mortgage</b>    | Pay off the interest and a portion of the capital   |
| <b>Searches</b>              | Local authority, water drainage and environmental   |
| <b>Shared Ownership</b>      | You part own and part rent your property  |
| <b>Title Deeds</b>           | Documents that show ownership history of the property   |
| <b>TOB</b>                   | Terms of Business   |
| <b>Valuation Fee</b>         | Fee paid for the lender's survey upon mortgage application  |
| <b>Vendor</b>                | Person / Owner whom is selling a property   |