Conveyancing terms
Some common terms used in conveyancing are listed below. You can print this list and add other conveyancing terms that you encounter to the printed document.

Abstract of Title
An Abstract of Title is a document that records the history of all the transactions relating to a property.

Auction
An auction is a public sale of property where individuals can make bids.

Caveat
A caveat is the Latin word for warning. A person with a legal or equitable interest in real property may register a caveat with the Titles Office. Any person considering acquiring an interest in that property will, upon conducting a Titles search, be put on notice of any interest a third party may claim to have in relation to that property. For example, a bank may register a caveat when a mortgage is taken over a property and there is to be a delay in the registration of the mortgage. This will note the bank’s interests until the mortgage is registered. The applicable legislation prohibits the Titles Office from registering an interest in property the subject of a caveat without first notifying the caveator.

Caveator
The caveator is the person who has lodged a caveat.

Certificate of Title
A Certificate of Title is the title deed of a property. This document records the legal description of the owners and the land.

Chattel
A chattel is a movable article of property. In terms of a property sale any chattels that are included in the sale will be documented individually.

Contract Note
A Contract Note is a simplified form of a Contract of Sale used by real estate agents. The Note lists details of the property and the conditions of sale. This is usually the first document signed upon the purchase of a property. Once the Contract Note has been signed by the vendor and purchaser, it is a binding contract (subject to the cooling off period).

Contract of Sale
A Contract of Sale is a document that details the arrangements made between a vendor (the seller) and the purchaser (the buyer) with regards to the purchase of a property. A Contract Note is often made subject to a Contract of Sale. A Contract of Sale is, however, optional. As the Contract of Sale is more comprehensive than a Contract Note, the parties to the Transfer may choose to use a Contract of Sale as well as a Contract Note.

Consideration
The consideration is the money paid by the purchaser in return for the promise of the sale of a property.
**Controlling Party**
The Controlling Party is the party that has control over documents or dealings.

**Conveyance**
A conveyance is used to register the change of ownership of a property. It is equivalent to a Transfer of Land document under the Transfer of Land Act.

**Conveyancing**
Conveyancing is the area of law dealing with the transfer of property.

**Cooling off period**
A cooling off period is a specified period of time in which a signatory to a document can choose to terminate the contract. For example, property buyers have a cooling off period in which they can choose to terminate the contract. The cooling off period will be detailed in the “Buyer’s Cooling-off Rights” section of the Contract of Sale.

**Covenant**
A covenant is a restriction placed on the use of land to provide benefits to a particular neighbourhood. For example, some neighbourhoods may have restrictions regarding the size of houses or whether tin garages are allowed. Covenants are determined by local councils and will vary depending on the neighbourhood.

**Dealing**
A dealing is a document such as a mortgage or Transfer of Land affecting a Certificate of Title.

**Dealing Number**
When a document is registered at the Titles Office it receives a number called a Dealing Number.

**Debenture**
A debenture is a legal document issued by a company or a public body as security for a loan. A Debenture provides a bank with the Power of Attorney over the assets of the company or public body. A debenture is more commonly called a Registered Mortgage Debenture (RMD).

**Discharge of Mortgage**
A Discharge of Mortgage is a document that passes the land from the mortgagee back to the mortgagor following the repayment of monies owing.

**Easement**
An easement is a right which someone other than the owner has to use land for a specific purpose. For example, an easement may consist of the right of a Water Authority to access a drain, which borders someone else’s property.

**Encumbrance**
An encumbrance is a claim or burden on a property. An encumbrance restricts or limits the owner’s freedom to use or dispose of their property. There are several different types of encumbrances including: easements, mortgages, caveats, covenants, leases.
**Fee simple**
Fee simple is the most complete form of ownership that someone can have in a property.

**Freehold Mortgage**
A Freehold Mortgage is a mortgage over land and is the most common type of mortgage.

**Guarantee**
A guarantee is a promise made in writing by one party to be answerable for the payment of a debt by another party. The person giving the guarantee is known as the guarantor or surety. The person with the debt is known as the principal or principal debtor. Guarantees are commonly required when the borrower does not have sufficient security to cover the debt or when the customer applying for the loan and the registered owner of the proposed security for the loans are not the same person.

**Guarantor**
A guarantor is a person who gives a guarantee. They are also known as a surety.

**Lease**
A lease is an agreement between the owner of a property and another party that allows the other party to use the property for a stated period. A lease can only be noted on the Certificate of Title, if the lease is for more than three years. However, in practice, terms of considerably more than this period are registered usually by the lessee’s solicitor.

**Leasehold Mortgage**
A Leasehold Mortgage is a mortgage over a leasehold interest.

**Memorial**
A memorial summarises the details of a legal document. Under the Property Law Act every document that is to be registered must have a related memorial. The memorial is retained by the Registrar General’s Office and is indexed in the Memorial Book.

**Mortgage**
A mortgage is a deed that sets out the details of the agreement between the mortgagor and the mortgagee to lend money to purchase a property. A mortgage contains the conditions relating to both the loan agreement and the use of the asset by both parties.

**Mortgagee**
The mortgagee is the party that lends the money. The mortgagee provides funds to the mortgagor in exchange for security for the loan and interest repayments.

**Mortgagor (mortgager)**
The mortgagor is the party that borrows the money.

**Property Law Act**
The Property Law Act covers property that is registered under General Law by the Registrar General’s Office. This Act provides the conditions under which the Registrar General will allow dealings with the property. Property includes assets such as land, stock and crops. Under General Law any dealing on the land requires a separate deed (or document) which forms part of the Chain of Title.
Rate notice
A rate notice is used to set out the charges that a property owner must pay for services such as sewerage and garbage collection.

Reconveyance
Under reconveyance the mortgagee, as registered proprietor of the land, re-conveys the land to the mortgagor or the mortgagor’s legal representative.

Registrar General’s Office
The Registrar General’s Office registers all documents that fall under the Property Law Act. Details of the documents are recorded in Register Books.

Registered Number
When a document is registered at the Titles Office it is given a number called a Registered Number. The Registered Number is recorded on the Certificate of Title.

Settlement
Settlement is a transaction that completes a purchase or sale of real estate. It occurs when the representatives of a vendor, purchaser and lender come together to exchange money for documents, such as a Certificate of Title, Transfer of Land and Discharge of Mortgage. There are two types of settlement: a Receiving Deeds Settlement and a Surrendering Deeds Settlement. A Receiving Deeds Settlement completes a contract for a purchase or the refinancing of a loan. It involves a bank handing over money to another party in exchange for documents that act as security for the loan. A Surrendering Deeds Settlement involves surrendering documents to another party to complete a Contract of Sale or the refinancing of a loan. As security the bank has held the documents. In exchange for the documents, money is received which clears the debt to the bank.

Stamps Act
The Stamps Act outlines all of the requirements relating to the payment of stamp duty for the State of Victoria.

Stamp duty
Stamp duty is a tax levied by the State Government on real estate purchases.

Stamps Office (also known as the State Revenue Office)
The Stamps Office assesses the stamp duty to be paid on Transfer of Land documents.

Subdivision Act
The Subdivision Act replaced the Stratum Titles Act, the Strata titles Act and the Cluster Titles Act. The Subdivision Act gives a detailed outline of the requirements for the division of land.

Tenancy Law
Tenancy Law deals with issues relating to the occupancy by one party of a property owned by another party.
**Titles Office**
The Titles Office holds a register that records the owners of land under the Transfer of Land Act. It also holds the originals of all Transfer of Land Act documents.

The Titles Office processes dealings lodged for registration under the Transfer of Land Act. A dealing is a document such as a mortgage or Transfer of Land affecting a Certificate of Title. When a document is lodged to be registered, it receives a number called the Dealing Number. When the document is registered, the Dealing Number becomes a permanent number called the Registered Number. This number is recorded on the Certificate of Title.

**Transfer of Land**
The Transfer of Land is the document that actually transfers the ownership of property from the vendor to the purchaser. It is registered at the Titles Office and its registered number is noted on the back of the Certificate of Title with the name of the registered owner. It is equivalent to a conveyance.

**Transfer of Land Act**
The Transfer of Land Act allows for one document (Transfer of Land) to replace the cumbersome Chain of Titles. The Act is based on the Torrens system. The original Certificate of Title is retained by the Titles Office and each time the property changes hands, the new proprietor is registered on the Title. A copy of the amended Title is issued to the new proprietor.

**Transfer of Land (Conversion) Act**
The Transfer of Land (Conversion) Act allows the proprietor of any General Law land to apply to have their Chain of Title converted to a Torrens title. After conversion of the property from General Law to the Torrens system, the proprietor is issued with a Certificate of Title which replaces the Chain of Title.

**Title particulars**
The title particulars are the terms used to describe a property. Examples include lot number and strata plan number.