

Full or Limited Title Guarantee Fact Sheet

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What is the difference between Full and Limited Title Guarantee?

FULL TITLE GUARANTEE

When you are selling your property, or someone is selling to you, with Full Title Guarantee the following is implied:-

1. That the person selling has the right to sell the property.
2. That the Seller will, at their own cost, do all that they reasonably can do to ensure the buyer will acquire a good title to the property.
3. If the property which is being sold is registered, then it is presumed that the whole of that property in the registered title is being disposed of.
4. If the property being sold is a leasehold property additional covenants are implied, which are, that the lease is still in existence and the Seller has complied with all the terms of the same.
5. If the property being sold is unregistered then it is presumed that the interest being sold is the freehold. If it is clear that the property being sold is leasehold then it is presumed that the interest being sold is the unexpired term of the lease.
6. The person is selling the property free from all mortgages and all other rights and interests which may be exercisable by a third party other than those which the seller does not and could not reasonably be expected to know about.

LIMITED TITLE GUARANTEE

This is used where the Seller of the property has no personal knowledge of the property. This is most often used in the case of a sale by an Attorney, the Executor of an Estate, where the property has been repossessed or by a Trustees or a Personal Representative.

The person selling cannot guarantee that the property is not subject to any financial charges, nor can they guarantee whether there are any rights over the property or give information on what rights there could be. They are unable to confirm whether there are any covenants which may affect the property.