**HM Land Registry, title deeds and different types of property ownership**

This information sheet will help you understand the key parts of a title deed, an important document that proves property ownership. You’ll learn about the owner's details, any interest a mortgage company might have, whether the property is freehold or leasehold, and any covenants or rules that come with the property. By exploring these sections, you’ll gain a clearer understanding of how property ownership works, and the legal responsibilities involved.

You will also learn about HM Land Registry and its role in the property system of England and Wales.

**Key definitions**

**Charges:** If the property is mortgaged, this part records the financial institution (e.g. a bank or lender) that has a legal interest in the property. This means the property is used as security for a loan, and the lender holds certain rights until the mortgage is paid off.

**Covenants:** Legally binding agreements or restrictions attached to the property. These could include obligations to maintain certain parts of the property or restrictions on what changes can be made to the building or land.

**Freehold:** Owning both the property and the land it stands on outright, with no time limit on your ownership. A freeholder has full control over the property and land, allowing you to make decisions about maintenance, alterations or even selling the property. Freehold properties are typically houses, and the ownership lasts indefinitely, passing on to heirs or others when the owner sells or transfers the property. The freeholder is responsible for the upkeep of both the building and the land, and there are usually no ongoing fees associated with the land, unlike in leasehold properties. Houses are usually sold freehold (though some new developments can be sold leasehold).

**Ground rent:** A periodic payment that a leaseholder makes to the freeholder in exchange for the lease of the land. Ground rent is typically annual but may increase over time, as specified in the lease agreement. Leaseholders must ensure they keep up with payments, as failing to pay could result in legal consequences. The cost of ground rent can vary; it is often a nominal fee but could rise over time as per the lease agreement. Some leaseholders may also pay service charges and maintenance fees.

**HM Land Registry:** A government department responsible for the recording and ownership of land and property in England and Wales. It provides a central, reliable record of who owns property, helping to protect buyers, sellers and lenders. It ensures clarity in property transactions, reduces fraud and helps resolve disputes over ownership.

**Leasehold:** Owning the property for a fixed period, often several decades or centuries, but not the land it stands on. The land is owned by a freeholder, to whom ground rent and service charges may need to be paid. Leasehold properties are commonly flats or apartments, though some houses may also be leasehold. When the lease expires, ownership of the property returns to the freeholder unless the lease is extended or renewed. A leaseholder must adhere to the terms of the lease, which may include restrictions on making alterations to the property. Additionally, leaseholders often need to contribute to the maintenance and repairs of shared areas in the case of flats or apartment buildings. Flats are usually sold leasehold and shared ownership homes always are.

**Proprietorship:** The proprietorship section of the title deed contains the details of the current owner(s), also known as the proprietor(s), who hold the official legal title to the property. This section confirms who has the legal authority to make decisions regarding the property, such as selling or transferring ownership.