



## **FACULTY OF JURIDICAL SCIENCES**

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Subject Name- Drafting, Pleading and conveyancing

**COURSE NAME- BBA LLB, VII Sem**

**SUBJECT CODE-BBL-703**

# **LECTURE 26**



## **UNIT-III**

### **DEEDS [SALE DEED, GIFT DEED, MORTGAGE DEED, LEASE DEED]**

A legal document signed and sealed and delivered to effect a transfer of property and to show the legal right to possess it

#### **SALE DEED**

Sale Deed is a legal document that records the transfer of ownership from the seller to the buyer. While preparing a Sale Deed, all the clauses of the Transfer of Property Act should be carefully examined and drafted to lessen the risks involved. The clauses should be drafted after understanding your requirements and liabilities.

Everywhere we hear phrases like renting out an apartment to a tenant, mortgaging land for purposes of loan, leasing out shops, buying real estate, etc. This demonstrates the various ways with which transactions revolve around the land. For doing such transactions, individuals/ companies/ government authorities may engage in transactions of buying or selling land and come across a legal transaction called a Sale Deed. It holds substantial value to buyers as well as sellers. Before we move on to understand the contents of the sale deed, let us first discuss what a sale deed is.

#### **What is a Sale Deed?**

It is one of the most important legal documents required to be executed between the seller and the purchaser to complete the transaction at the time of purchasing a property. These parties are also referred to as the 'grantor' and 'grantee' in legal parlance. A sale deed indicates that the title of ownership has been transferred from the seller in favor of the buyer; or in simpler words, the ownership has been changed from the seller to the buyer.

So, a Sale Deed is essentially a document that there's proof of such a transfer. Not only does it describe the property in detail, but it also outlines the rights and obligations of each party.

The sale deed is made on a non-legal stamp paper of a value prescribed by the state government. Any person who is dealing with the property will come across a sale deed. Therefore, a precaution must be taken to not use a model or draft sale deed which is available at the first instance. This is because you may want certain clauses to be added, modified or deleted depending on the situation.

#### **GIFT DEED**

#### **What is a Gift Deed?**

A Gift Deed is a legal document that represents a transfer of gift from one person to another as per the provisions of the law. Gift Deed is a legally binding written document defined in Section 122 of the Transfer of Property Act, 1822, through which the donor can transfer an existing movable or immovable property to the donee voluntarily.

A Gift Deed is valid only if it is given out of love and affection, without any consideration in return by one family member/ friend to another. Also, under Section 17 of the Registration Act, 1908, it is mandatory to have a registered Gift Deed when you want to transfer immovable property.

#### **MCQs-**

- i. Gift Deed is a legally binding written document defined in ..... of the Transfer of Property Act, 1822.
  - a. sec 122
  - b. sec 123

- c.sec222
- d.sec 125

ii.in gift deed, the donor can transfer an existing..... to the donee voluntarily.

- a.movable or immovable property
- b.movable property
- c.immovable property
- d.all of the above

iii.is it mandatory to have a registered Gift Deed when you want to transfer immovable property?

- a.yes
- b.no
- c.partially yes
- d.partially no

iv.under Section .....of the Registration Act, 1908, it is mandatory to have a registered Gift Deed when you want to transfer immovable property.

- a.Section 17 of the Registration Act, 1908
- b. Section 16 of the Registration Act, 1908
- c. Section 15 of the Registration Act, 1908
- d. Section 1 of the Registration Act, 1908

v. \_\_\_\_\_ is a legal document that records the transfer of ownership from the seller to the buyer.

- a.gift deed
- b.contract deed
- c.leasedeed
- d.mortgage deed