

American Eagle Title

Real Estate Dictionary

A

ABANDONMENT

A legal term for the willing renunciation of rights to an asset or relationship. So, in the real estate industry, abandonment relates to a property that the owner voluntarily relinquished his/her rights to.

ABATEMENT

A reduction, a decrease, or a diminution. In real estate an abatement refers to a tax break offered by a state or municipality offered on certain types of real estate or business opportunities. A real estate tax abatement may reduce a home's property taxes for a period of time or may grant tax breaks to businesses.

ABSENTEE LANDLORD

An individual, corporate, or state entity that owns and rents out real estate but does not occupy all or some the property.

ABSENTEE OWNER

An individual or corporation that legally owns a particular property without actually occupying it or actively managing it.

ABSTRACT

Also called an abstract of title, is a compilation of the recorded documents relating to a particular piece of land. It is an abbreviation or summary statement of the cardinal aspects of all recorded deeds, mortgages, leases, and other instruments affecting the title to the piece of land.

ABSTRACTING

The process of making and compiling an abstract from the records retained by the licensed and commissioned abstract plant.

ABSTRACT PLANT

Also known as a title plant, is a database records, indexed geographically. Abstract plants obtained and retained records that track and show all instruments connected to a tract of land, going back to Oklahoma statehood and prior. Generally included are references to deeds, mortgages, wills, probate records, court litigations, and tax sales.

ABTRACTOR

The person or company engaged in making abstracts. Oklahoma has rules and education requirements that are necessary to follow in order to obtain and retain an individual abstractors license.

ABSTRACTORS CERTIFICATE

A certificate contained within an abstract that will contain information including the period of time and scope of that particular abstractors search of the public records database.

ABUTTING

A person or entity's property being adjacent to the property of another.

ACCELERATION CLAUSE

A clause in your mortgage which allows the lender to demand payment of the outstanding loan balance for various reasons. the most common reasons for accelerating a loan are if the borrower defaults on the loan or transfers title to another individual without informing the lender.

ACCEPTANCE

Is both parties to the transaction coming to an agreement whereupon a sale is pending if all the conditions of the agreement are met and adhered to as agreed in the contract.

ACCESSIBLE HOUSING

Housing constructed or modified so that it can be entered and used by people with disabilities enabling independent living.

ACCESSORY BUILDINGS

A structure or building used for the benefit of the main building unit within a property, such as a detached garage, shed, barn or other like building

ACCESS RIGHT

The right of a property owner to have access to his/her property. An owner of a property is having a right to enter or exit his or her property.

ACCOMMODATOR

In an IRS section 1031 property exchange transaction an accommodator is a third party that takes an active role in a transaction that turn a sale and purchase into an exchange. Other names may include intermediaries or facilitators.

ACCOUNTS PAYABLE

Accounts payable (AP) is an account within the general ledger that represents a company's obligation to pay off a short-term debt to its creditors or suppliers.

ACCOUNTS RECEIVABLE

Accounts receivable (AR) is the balance of money due to a firm for goods or services delivered or used but not yet paid for by customers.

ACCRETION

A natural increase of land along the shores of a body of water.

ACCRUAL ACCOUNTING

One of two accounting methods; the other is cash accounting. accrual accounting measures a company's performance and position by recognizing economic events regardless of when cash transactions occur, whereas cash accounting only records transaction when payment occurs.

ACCRUED INTEREST

Accrued interest refers to the amount of interest that has been incurred, as of a specific date, on a loan or other financial obligation but has not yet been paid out.

ACKNOWLEDGMENT

Is a declaration or avowal of one's own act, used to authenticate legal instruments, which may give the instrument legal validity.

ACQUISITIONAL APPRAISAL

An appraisal to determine market value for a property acquired for public use by a government agency, usually through condemnation or negotiation. The purpose of an acquisition appraisal is to determine the amount the property owner will be compensated.

ACQUISITION COSTS

The cost of acquisition, is the total cost that a company recognizes on its books for property or equipment after adjusting for discounts, incentives, closing costs and other necessary expenditures, but before sales taxes.

ACRE

A unit of land are equal to 4,840 square yards 43,560 square feet.

ACREAGE

Most commonly refers to vacant land but may refer to any parcel that can be measured in acres.

ACT OF GOD

Property damage that is caused by nature such as floods or winds, something not caused by people or outside of human control.

ACTION TO QUIET TITLE

A lawsuit brought in a court having jurisdiction and authority over property disputes, in order to establish a party's title to real property, or personal property having a title, of against anyone and everyone, and thus "quiet" any challenges or claims to the title.

AD VALOREM

Latin for "according to value," is a tax whose amount is based on the value of a transaction or a property.

ADDENDUM

Is an addition required to be made to a document by its author subsequent to its printing or publication, also called an appendix.

ADJOINING

Being in contact at a particular point or line; located next to another; bordering; contiguous:

ADJUSTABLE-RATE MORTGAGE

Also called adjustable mortgage loan or flexible rate loan or variable rate loan. There are two types of conventional loans: the fixed-rate and the adjustable-rate mortgage. In an adjustable-rate mortgage, the interest rate can change over the course of the loan at five, seven, or ten-year intervals. For homeowners who plan to stay in their home for more than a few years, this is a risky loan as rates can suddenly skyrocket depending on market conditions.

ADJUSTED GROSS INCOME

Total income of property if fully rented, less an adjustment for estimating vacancies and uncollectible rent.

ADJUSTED SALES PRICE

In the appraisal process, the indicated price of a comparable property after adjustments have been made to account for differences between comparable and subject properties.

ADJUSTMENT DATE

The date the interest rate changes on an adjustable-rate mortgage (ARM).

ADJUSTMENT PERIOD

The period of time between interest rate changes in an adjustable-rate mortgage.

ADMINISTRATOR

A person given authority by a proper court to manage and distribute the estate of a deceased person when there is no will.

ADMINISTRATORS DEED

A conveyance instrument used by an administrator to transfer property from an estate.

ADVANCE FEE

A commission or partial payment from the seller, received by a broker in advance of completing the real estate service.

ADVERSE LAND USE

The use of a piece or parcel of land that would cause surrounding property(s) to lose value. An example would be an industrial development in an area that is predominantly used for residential properties.

ADVERSE POSSESSION

The unauthorized occupation of land belonging to another, by a person who does not have the consent of the owner. said occupier is said to hold possession adversely to the rights and interests of the owner. In most states, by operation of law, title to the land becomes vested in such occupier after a fixed number of years of peaceful occupancy.

AESTHETIC VALUE

The value of a property in regard to the beauty and/or pleasure of its improvements or surroundings.

AFFIANT

A person who makes and/or swears to a declaration of facts in an affidavit form.

AFFIDAVIT

A written statement of fact voluntarily made by an affiant or deponent under an oath or affirmation which is administered by a person who is authorized to do so by law.

AGENCY

The legal relationship between a principal and an agent. In real estate transactions, usually the seller is the principal, and the broker is the agent; however, a buyer represented by a broker i.e., buyer as principal is a growing trend. In an agency relationship, the principal delegates to the agent the right to act on his or her behalf in business transactions and to exercise professional discretion while so acting. The agent has a fiduciary relationship with the principal and owes to that principal the duties of accounting, care, loyalty, and obedience.

AGENT

A person authorized to act for and under the direction of another person when dealing with third parties. The person who appoints an agent is called the principal. An agent can enter into binding agreements on the principal's behalf and may even create liability for the principal if the agent causes harm while performing his or her duties.

AGRICULTURAL LIEN

An interest in farm products (such as wheat, corn, or soybeans or livestock) that secures payment or performance of an obligation for goods, services, or rental on real property that an individual or organization leases in connection with farming operations.

AGRICULTURAL PROPERTY

Agricultural property means any real property for which its present or post-remediation use is for growing agricultural crops for food or feed either as harvested crops, cover crops or as pasture.

AIR RIGHTS

Air rights are the property interest and use of the "space" above the earth's surface. In most cases owning, or renting, land or a building includes the right to use and develop the space above the land without interference by others.

ALLEY

A narrow passageway between or behind buildings or properties, either public or private generally used for access.

ALLOTMENT

In Oklahoma, a piece of land deeded by the government to a north American Indian, as part of the division of tribally held land.

ALL-INCLUSIVE RATE

This is a rate that includes the insurance premium, and at least some part of the cost of the title search, examination, and the cost of conducting the closing/settlement.

ALTA

American land title association, the national trade association for the title insurance industry. ALTA member companies include businesses that conduct your closing and issue you an owner's policy of title insurance.

ALTA SURVEY

The standard survey proposed by the American land title association.

AMENDMENT

A minor change or addition designed to improve a text, piece of legislation, etc., without changing the principal idea.

AMENITIES

Something considered to benefit a property and thereby increase its value but may not be necessary for its intended use. Examples would be a deck with a view or a swimming pool.

AMORTIZATION

This term has developed through French and old english from the Latin words "mors" or "mort" meaning death or dead. It is the killing off an existing debt by regular partial payments.

AMORTIZATION SCHEDULE

A table which shows how much of each payment will be applied toward principal and how much toward interest over the life of the loan. It also shows the gradual decrease of the loan balance until it reaches zero.

ANCHOR TENANT

Sometimes also called a prime tenant, a draw tenant, or a key tenant—is the leading, most reliable, featured, or big-name business that rents office space in any given development, complex, or neighborhood.

ANNEXATION

To permanently affix to real property. In most cases this is done to expand city boundaries, property becomes part of the city, and is no longer an unincorporated area.

ANNUAL MORTGAGE STATEMENT

An annual statement that provides the borrower with key information related to the loan, activity on the account, and the remaining balances owed or other financial obligations for which the borrower is responsible.

ANNUAL PERCENTAGE RATE (APR)

The yearly interest percentage of a loan as expressed by the actual rate of interest paid.

APPLICATION

The first step in the official loan approval process. Through the loan application, borrowers reveal key details about their finances to the lender. The loan application is crucial to determining whether the lender will grant the request for funds or credit.

APPRAISAL

An estimate of value of property from analysis of facts about the property; an opinion of value.

APPRAISAL FEE

The amount of money charged by an appraiser. There is no set amount since the work varies from all different scopes of properties that an appraisal may be used for.

APPRAISAL REPORT

A report detailing the estimation of the value of a property by a person licensed to do so. The report will contain factual data supporting the opinion to the property value and the reasons supporting the appraiser opinion.

APPRAISED VALUE

An opinion of a property's fair market value, based on an appraiser's knowledge, experience, and analysis of the property. Since an appraisal is based primarily on comparable sales, and the most recent sale is the one on the property in question, the appraisal usually comes out at the purchase price.

APPRAISER

One who is trained and educated in the methods of determining the value of property through analysis of numerous factors to determine that properties value.

APPRECIATION

An increase in value to real property due to positive changes or the elimination of negative elements in the surrounding area.

APPROPRIATION

The taking of private property for public use under the power of eminent domain. It is the power of the state to appropriate property for public use, upon payment of just compensation.

APPROVED ATTORNEY

An attorney approved by the title insurance company for whose opinion it will accept for the issuance of a title policy.

APPURTENANCE

A legal term denoting the attachment of a right or property to a more worthy principal. Appurtenance occurs when the attachment becomes part of the property such as a furnace or air conditioning unit.

APR

See annual percentage rate.

ARBITRATION CLAUSE

The section of a contract that deals with the parties' rights and options in the event of a legal dispute over the contract. In most arbitration clauses, the parties agree not to sue each other, and instead will resolve their disputes through arbitration.

ARM

See adjustable-rate mortgage.

ARMS LENGTH

In an arm's length market, parties have no relationship or contact with one another aside from a transaction at hand.

ARMS LENGTH TRANSACTION

This indicates a transaction between two independent parties in which both parties are acting in their own self-interest. The parties of a transaction are independent, possess equal bargaining power, and are not under pressure or duress.

ARREARS

Payments or money that is owed and should have been paid earlier.

ARTICLES OF INCORPORATION

A set of formal documents filed with a government body to legally document the creation of a corporation. Articles of incorporation generally contain pertinent information, such as the firm's name, street address, agent for service of process, and the amount and type of stock to be issued.

ASBESTOS CONTAINING MATERIALS

An environmental term referring to any material that contains more than one percent asbestos.

AS IS CONDITION

The term "as-is" in a real estate listing indicates that the buyer must be willing to accept the home exactly as it currently is, foregoing any opportunity to request that the seller make repairs or offer credits for problems with the property.

ASSESSED VALUE

This is how much a home is worth according to a public tax assessor who makes that determination to figure out how much city or state tax the owner owes.

ASSESSMENT

Home owners associations levy recurring assessments to each homeowner or sometimes call for a one-time special assessment to cover large expenses. Local municipalities or utilities can also assess a home for installation and capital expenses involved in bringing utilities

like sewer or roads to a property. An assessment is also the value assigned to a home by a government for purposes of determining property tax rates.

ASSESSOR

A local government official who determines the value of a property for local real estate taxation purposes. The figures assessors derive are used to calculate future property taxes. the assessor estimates the value of real property within a city or town's boundaries.

ASSET

Items of value owned by an individual. assets that can be quickly converted into cash are considered "liquid assets." These include bank accounts, stocks, bonds, mutual funds, and so on. Other assets include real estate, personal property, and debts owed to an individual by others.

ASSIGN

To transfer property or an interest in property.

ASSIGNEE

A person, company, or entity who receives the transfer of property, title, or rights from a contract. (2) A person or entity that receives an assignment.

ASSIGNMENT

When ownership of your mortgage is transferred from one company or individual to another, it is called an assignment. The term also encompasses all transfers of title.

ASSIGNMENT OF LEASE

Sometimes called assignment of leases, rents, and profits or simply assignment of rents, this is a document attached to a mortgage loan agreement which entitles the lender to any income (from leases, rents, etc.) Derived from the property once the owner defaults on the loan.

ASSIGNOR

A party or entity who transfers the rights of the contract they hold to another party (assignee). Assignor transfers the complete rights of ownership and benefits pertaining to the contract to the assignee. (2) A person or entity that makes an assignment.

ASSUMABLE MORTGAGE

A mortgage that can be assumed by the buyer when a home is sold. Usually, the borrower must "qualify" to assume the loan.

ASSUMPTION OF MORTGAGE

The agreement by the buyer to assume the liability under an existing note secured by a mortgage. This requires the lenders review and approval.

ATRIUM

An atrium is a large open air or skylight covered space surrounded by a building. Atria was a common feature in ancient roman dwellings, providing light and ventilation to the interior.

ATTORNEY-IN-FACT

A person who is authorized to act on behalf of another person, usually to perform business or other official transactions. The person represented usually designates someone as their attorney-in-fact by assigning power of attorney. An attorney-in-fact is not necessarily A lawyer.

ATTORNEY'S OPINION OF TITLE

the written statement of an attorney setting forth what he believes to be the condition of a real estate title.

AVULSION

A sudden loss of land, which results from the action of water. It differs from accretion, which describes a gradual addition to land resulting from the action of water.

B

BALLOON MORTGAGE

A mortgage loan that requires the remaining principal balance be paid at a specific point in time. For example, a loan may be amortized as if it would be paid over a thirty-year period but requires that at the end of the tenth year the entire remaining balance must be paid.

BALLOON NOTE

A long-term loan, often a mortgage, that has one large payment (the balloon payment) due upon maturity. A balloon note will often have the advantage of very low interest payments, thus requiring very little capital outlay during the life of the loan. Since most of the repayment is deferred until the end of the payment period, the borrower has substantial flexibility to utilize the available capital during the life of the loan. The major problem with such a loan is that the borrower needs to be self-disciplined in preparing for the large single payment, since interim payments are not being made.

BALLOON PAYMENT

The final lump sum payment that is due at the termination of a balloon mortgage.

BANKRUPTCY

A legal process through which people or other entities who cannot repay debts to creditors may seek relief from some or all of their debts. In most jurisdictions, bankruptcy is imposed by a court order, often initiated by the debtor.

BASE ABSTRACT

An abstract or abstract of title that contains the initial allotment or patent of that certain parcel or area of land. In some cases, and in populated areas, base abstracts are often retained indefinitely by an abstractor to "come from" on multiple future needs. Supplemental abstracts do not contain the base abstract information and time period.

BASE AND MERIDIAN

The baselines run east and west, and the meridian lines run north and south. Properties are described by reference to the principal meridian and the baseline that controls that area and/or state.

BASE LINE

Lines running east and west and crossing a principal meridian at a definite point; used by surveyors for reference in locating and describing land under the government survey system.

BASIC RATE

When referring to title insurance, the basic rate is the rate charged to a consumer who does not qualify for a reduced rate.

BENEFICIAL ESTATE

An estate, the right to possession of which has been postponed, such as a devise under a will. More commonly, an estate, the legal ownership of which has not yet vested, as under a land contract.

BENEFICIARY

A natural person or other legal entity who receives money or other benefits from a benefactor. For example, the beneficiary of a life insurance policy, trust, or will, is the person who receives the payment or possession after the death of the benefactor.

BETTERMENT

This refers to an improvement made to an asset that enhances its value. In real estate terms, betterments are improvements to a property or to surrounding infrastructure, such as roads or sewers, which boost the value of a property.

BILATERAL CONTRACT

A contract in which each party promises to perform an act in exchange for the other party's promise to perform. The usual real estate sales contract is an example of a bilateral contract in which the buyer and seller exchange reciprocal promises respectively to buy and sell the property.

BILL OF SALE

A document that transfers ownership of goods from one person to another. It is used in situations where the former owner transfers possession.

BINDER

A commitment to issue a title insurance policy.

BIWEEKLY MORTGAGE

A mortgage in which you make payments every two weeks instead of once a month. The basic result is that instead of making twelve monthly payments during the year, you make thirteen. The extra payment reduces the principal, substantially reducing the time it takes to pay off a thirty-year mortgage. **Note:** There are independent companies that encourage you to set up bi-weekly payment schedules with them on your thirty-year mortgage. They charge a set-up fee and a transfer fee for every payment. Your funds are deposited into a trust account from which your monthly payment is then made, and the excess funds then remain in the trust account until enough has accrued

to make the additional payment which will then be paid to reduce your principle. You could save money by doing the same thing yourself, plus you must have faith that once you transfer money to them that they will in turn transfer your funds to your lender.

BLANKET MORTGAGE

A blanket mortgage is a single mortgage that covers two or more pieces of real estate. The real estate is held together as collateral, but the individual properties may be sold without retiring the entire mortgage. Blanket mortgages are commonly used by developers, real estate investors, and flippers.

BLUEPRINT

A blueprint is defined as a copy of a building or engineering plan, reproduced with white lines on a blue background, or detailed plan of action. An example of a blueprint is a construction worker's diagram of building plans for a new home.

BOARD

A board of directors (B of D) is an elected group of individuals that represent shareholders. The board is a governing body that typically meets at regular intervals to set policies for corporate management and oversight. Every public company must have a board of directors.

BOILER PLATE

Refers to text, or a standardized document, method, or procedure. ... in the field of contract law, documents containing boilerplate language, or language that is considered generic or standard in contracts. This may include something contained in deeds, CC&R's and other documents and contracts, for example.

BONA FIDE

Bona fide signals honesty, the "real thing" and, in the case of a party claiming title as "bona fide" purchaser or holder, it indicates innocence or lack of knowledge of any fact that would cast doubt on the right to hold title.

BOND

(1) An insurance agreement by which one is insured against loss by acts or defaults of a third party. (2) Bonds can be in mutual funds or can be in private investing where a person would give a loan to a company or the government.

BOND MARKET

Usually refers to the daily buying and selling of thirty-year treasury bonds. Lenders follow this market intensely because as the yields of bonds go up and down, fixed rate mortgages do approximately the same thing. The same factors that affect the treasury bond market also affect mortgage rates at the same time. That is why rates change daily, and in a volatile market can and do change during the day as well.

BOUNDARY

Something that indicates a border or limit. A separation that marks the division of two contiguous properties.

BREACH OF CONTRACT

A legal cause of action and a type of civil wrong, in which a binding agreement or bargained-for exchange is not honored by one or more of the parties to the contract by non-performance or interference with the other party's performance.

BRIDGE LOAN

Not used much anymore, bridge loans are obtained by those who have not yet sold their previous property but must close on a purchase property. The bridge loan becomes the source of their funds for the down payment. One reason for their fall from favor is that there are more and more second mortgage lenders now that will lend at a high loan to value. In addition, sellers often prefer to accept offers from buyers who have already sold their property.

BROKER

One who acts as an agent for another in negotiating sales or purchases in return for a fee or commission.

BROKERAGE

A fee or commission paid to a broker.

BROKERAGE COMMISSION

Typically, the fee a seller pays a broker is 6 percent, but that can vary. That fee is for a full-service brokerage. ... agents generally are paid a percentage of the commission received by the brokerage from the sale, sometimes as little as 30-40 percent. Top agents receive more.

BUILDER

A person whose job is to construct or repair houses, or to contract for their construction and repair.

BUILDING CODE

A building code is a set of rules that specify the standards for constructed objects such as buildings and nonbuilding structures. Buildings must conform to the code to obtain planning permission, usually from a local council.

BUILDING LINE

A specified distance from the sides of a lot that denote where a building or structure cannot be placed. Building lines are often called setbacks, because a building must be "set back" a specified distance from the property line.

BUILDING PERMIT

A written permission granted by the county building department and required prior to beginning the construction of a new building or other improvement (including fences, fence walls, retaining walls and swimming pools).

BUNDLE OF RIGHTS

a framework designed to help understand the concept of liens, encumbrances, and rights in title to real estate, and how they are separate but interrelated.

BUFFALO HOME OWNERS POLICY

Oklahoma's most expanded and enhanced range of protection to the home owners title interest in their home and land. This policy is only available through American eagle title insurance company and its select companies and agents.

BUYDOWN

This usually refers to a fixed rate mortgage where the interest rate is "bought down" for a temporary period, usually one to three years. after that time and for the remainder of the term, the borrower's payment is calculated at the note rate. To buy down the initial rate for the temporary payment, a lump sum is paid and held in an account used to supplement the borrower's monthly payment, these funds usually come from the seller (or some other source) as a financial incentive to induce someone to buy their property. A "lender funded buydown" is when the lender pays the initial lump sum. They can accomplish this because the note rate on the loan (after the buydown adjustments) will be higher than the current market rate. One reason for doing this is because the borrower may get to "qualify" at the start rate and can qualify for a higher loan amount. Another reason is that a borrower may expect his earnings to go up substantially soon but wants a lower payment right now.

BUYER'S AGENT

This is the agent who represents the buyer in the home-buying process also sometimes called the "selling agent". On the other side is the "listing agent", who represents the seller.

BUYER AGENCY AGREEMENT

Also known as a buyer's representation agreement, is an agreement signed by a prospective buyer that authorizes a licensed brokerage firm, and usually a specific real estate agent at the brokerage firm, to represent the buyer in buying a home.

C

CAP

Adjustable-rate mortgages have fluctuating interest rates, but those fluctuations are usually limited to a certain amount. those limitations may apply to how much the loan may adjust over a six-month period, an annual period, and over the life of the loan, and are referred to as "caps." some arms, although they may have a life cap, allow the interest rate to fluctuate freely, but require a certain minimum payment which can change once a year. There is a limit on how much that payment can change each year, and that limit is also referred to as a cap.

CAPITAL

Relating to or being assets that add to the long-term net worth of a corporation.

CAPITAL ASSETS

Long-term assets either tangible or intangible (as land, buildings, patents, or franchises). For businesses, a capital asset is an asset with a useful life longer than a year that is not intended for sale in the regular course of the business's operation.

CAPITAL GAIN

A profit from the sale of property or an investment. A tax is imposed when individuals part with an asset and make capital gains on it

CAR PORT

A covered structure used to offer limited protection to vehicles, primarily cars, from rain and snow. The structure can either be free

standing or attached to a wall.

CARRYBACK LOAN

Carryback financing occurs when a real estate seller provides financing for the property buyer. Put simply, a seller agrees to carryback a note and deed of trust, usually in the form of a second mortgage. Instead of using financing from a traditional bank lender, the buyer uses financing from the seller.

CASH FLOW

The amount of cash or cash-equivalent which the company receives or gives out by the way of payment(s) to creditors.

CASH OUT REFINANCE

Cash out refinancing occurs when a loan is taken out on property already owned, and the loan amount is above and beyond the cost of transaction, payoff of existing liens, and related expenses.

CASH RESERVES

The cash reserves would be the money left over for the buyer after the down payment and the closing costs.

CAVEAT

A notice to a court or judicial officer to suspend a proceeding until the opposition can be heard a caveat entered in the probate court to stop the proving of the will.

CC&R'S

A written recorded declaration that set forth certain covenants, conditions, restrictions, rules, or regulations established by a subdivider or other landowner to create uniformity of buildings and use within tracts of land or groups of lots.

CERTIFICATE OF ELIGIBILITY

A document issued by the veteran's administration that certifies a veteran's eligibility for a VA loan.

CERTIFICATE OF OCCUPANCY

A document issued by a local government agency or building department certifying a building's compliance with applicable building codes and other laws and indicating it to be in a condition suitable for occupancy.

CERTIFICATE OF REASONABLE VALUE (CRV)

Once the appraisal has been performed on a property being bought with a VA loan, the veterans administration issues a CRV.

CERTIFICATE OF TITLE

In areas where attorneys examine abstracts or chains of title, a written opinion, executed by the examining attorney stating that title is vested as stated in the abstract.

CERTIFICATE OF VETERAN STATUS

An FHA form filled out by the VA to establish your eligibility for a VA loan. The form can be obtained through your local VA office by submitting form dd-214 (separation paper) with form 26-8261.

CERTIFIED CHECK

A form of check or cheque for which the bank verifies that sufficient funds exist in the account to cover the check, and so certifies, at the time the check is written.

CERTIFIED COPY

A copy (often a photocopy) of a primary document that has on it an endorsement or certificate that it is a true copy of the primary document.

CERTIFIED MORTGAGE BANKER (CMB)

The certified mortgage banker (CMB) designation is the industry standard of professional success. It symbolizes respect, credibility, ethics, and achievement within real estate finance.

CERTIFIED PROPERTY MANAGER (CPM)

A real estate professional designation awarded by the Institute of Real Estate Management (IREM) and recognized by the National Association of Realtors® (NAR). It is recognized as the premier property management certification world-wide.

CERTIFIED REAL ESTATE BROKERAGE MANAGER

The (CRB) designation is one of the oldest and most respected designations in the industry. Since 1968, the Real Estate Business Institute (REBI) has awarded this prestigious designation to Realtors® who have met specific requirements and completed advanced professional training. Only 3% of Realtors® have met the requirements which exemplify the highest level of professional achievement in real estate brokerage management.

CERTIFIED RESIDENTIAL SPECIALIST (CRS)

Certified residential specialist (CRS) is the highest credential awarded to residential sales agents, managers, and brokers. A certified residential specialist is a realtor® who has earned certification from the council of residential specialists by completing a rigorous course of advanced training and by meeting extensive experience requirements.

CFPB

The consumer financial protection bureau (CFPB) is an agency of the United States government responsible for consumer protection in the financial sector. CFPB's jurisdiction includes banks, credit unions, securities firms, payday lenders, mortgage-servicing operations, foreclosure relief services, debt collectors and other financial companies operating in the United States.

CHAIN OF TITLE

Beginning with a conveyance out of an original source of title such as a government, each succeeding deed, will or other medium which conveys and transfers the title to succeeding owners constitutes a link in the chain of title. The chain of title is the composite of all such links.

CHAIN AND LINKS

The chain is a unit of length equal to 66 feet (22 yards). The link is exactly $\frac{66}{100}$ of a us survey foot, or exactly 7.92 inches or approximately 20.12 cm.

CHANGE OF NAME

This generally refers to the legal act by a person of adopting a new name different from their current name. The procedures and ease of a name change vary between jurisdictions.

CHATTEL

Personal property.

CHATTEL MORTGAGE

A type of loan contract used in some states with legal systems derived from english law. Under a typical chattel mortgage, the purchaser borrows funds for the purchase of movable personal property from the lender.

CISTERN

A waterproof receptacle for holding liquids, usually water. Cisterns are often built to catch and store rainwater. cisterns are distinguished from wells by their waterproof linings.

CIVIL RIGHTS ACT OF 1964

A landmark civil rights and labor law in the United States that outlaws discrimination based on race, color, religion, sex, national origin, and later sexual orientation.

CLAIM

A right to assert, or the assertion of, a demand for payment of money due; or the surrender or delivery of possession of property or the recognition or some right.

CLEAR TITLE

A title that is free of liens or legal questions as to ownership of the property.

CLOSED END MORTGAGE

Also known as a closed mortgage is a restrictive type of mortgage that cannot be prepaid, renegotiated, or refinanced without paying breakage costs to the lender. This type of mortgage makes sense for homebuyers who are not planning to move anytime soon and will accept a longer-term commitment in exchange for a lower interest rate.

CLOSING

In some areas called a "settlement," the process of completing a real estate transaction during which deeds, mortgages, leases and other required instruments are signed and/or delivered, an accounting between the parties is made, the money is disbursed, the papers are recorded, and all other details such as payment of outstanding liens and transfer of hazard insurance policies are attended to.

CLOSING COST

Fees paid at the closing of a real estate transaction. This point in time called the closing is when the title to the property is conveyed to the buyer. closing costs are incurred by either the buyer or the seller.

CLOSING DISCLOSURE

The five-page closing disclosure must be provided to the consumer three business days before they close on the loan. The closing disclosure details all the costs associated with their mortgage transaction.

CLOSING STATEMENT

A summation, in the form of a balance sheet, made at a closing, showing the amounts of debits and credits to which each party to a real estate transaction is entitled.

CLOUD ON TITLE

An irregularity, possible claim, or encumbrance which, if valid, would affect or impair the title. These conditions are revealed by a title search to the real estate. Usually clouds on title cannot be removed except by deed, release, or court action.

CO-ADMINISTRATOR

One of several administrators, in general, they have, like executors, the power to act singly to the personal estate of the intestate.

CO-EXECUTOR

Co-executors are two or more people who are named as executors of a life will. Co-executors do not share partial authority over the estate; each person named as an executor has complete authority over the estate.

CO-OWNERSHIP

Co-ownership is a legal concept in a business where two or more co-owners share the legal ownership of property.

CO-TENANCY

When ownership is shared by more than one person; tenancy in common and joint tenancy are both co tenancy arrangements.

CO-TRUSTEE

When a trust is managed by more than one trustee who have equal rights and powers they are called co-trustees. Usually the co trustees form a collective trustee and exercise their powers jointly.

CODE

In communications and information processing, code is a system of rules to convert information.

CODE OF ETHICS

Ethical codes are adopted by organizations to assist members in understanding the difference between right and wrong and in applying that understanding to their decisions.

COINSURANCE

Co-insurance or coinsurance is the splitting or spreading of risk among multiple parties.

COLLATERAL

Something that is pledged as security for repayment of a loan, to be forfeited in the event of a default.

COMBINATION ADVANCE REVERSE MORTGAGE

A mortgage loan, usually secured by a residential property, that enables the borrower to access the unencumbered value of the property. The loans are typically promoted to older homeowners and typically do not require monthly mortgage payments.

COMMERCIAL BROKER

A real estate broker that specializes in assisting landlords and tenants with the lease of commercial real estate space, including establishing lease rates, finding qualified tenants, finding quality space, and negotiating lease terms for either party.

COMMERCIAL PROPERTY

Commercial real estate, investment or income property, is a real estate intended to generate a profit, either from capital gain or rental income.

COMMISSION

The amount due a real estate broker, mortgage loan broker or real estate professional for services performed in such capacity.

COMMITMENT

The title company's promise to issue a title insurance policy for the property after closing. The title commitment contains the same terms, conditions, and exclusions that will be in the actual insurance policy.

COMMITMENT FEE

This fee covers the work involved in retrieving documents evidencing events in the history of a piece of real property to determine relevant interests in and regulations concerning that property.

COMMON AREAS

Those portions of a building, land, and amenities owned (or managed) by a planned unit development (PUD) or condominium project's

homeowners' association (or a cooperative project's cooperative corporation) that are used by all of the unit owners, who share in the common expenses of their operation and maintenance. Common areas include swimming pools, tennis courts, and other recreational facilities, as well as common corridors of buildings, parking areas, means of ingress and egress, etc.

COMMON AREA ASSESSMENTS

In some areas they are called homeowners association fees. They are charges paid to the homeowner's association by the owners of the individual units in a condominium or planned unit development (PUD) and are generally used to maintain the property and common areas.

COMMON LAW

The body of law created by judges and similar quasi-judicial tribunals by virtue of being stated in written opinions. The defining characteristic of "common law" is that it arises as precedent.

COMMUNITY PROPERTY

A U.S. state-level legal distinction that designates a married individual's assets. Any income and any real or personal property acquired by either spouse during a marriage are considered community property, and thus, belong to both partners of the marriage.

COMPARABLES

"Comps" are used in valuations where a recently sold asset is used to determine the value of a similar asset. Comparables, often used in real estate to find the fair value of a home, are a list of recent asset sales, generally limited within the last year, that reflect the characteristics of the asset an owner is looking to sell.

COMPARATIVE MARKET ANALYSIS

The comparative market analysis (CMA) is a report on comparable homes in the area that is used to derive an accurate value for the home in question.

COMPETENT

Legally fit or having the necessary ability, knowledge, or skill to do something successfully.

CONCESSION

A concession agreement is a grant of rights, land or property by a government, local authority, corporation, individual or other legal entity. Public services such as water supply may be operated as a concession.

CONDEMNATION

The taking of private property for public use.

CONDITIONS

This refers to provisions in deeds and other real estate instruments that make a certain right contingent upon the occurrence of some future event.

CONDITIONAL OFFER

A conditional offer is an agreement between two parties that an offer will be made if a specific condition is met. Conditional offers are used in real estate transactions whereby a buyer's offer on a home is contingent on something getting done for the purchase to go through.

CONDITIONAL SALES CONTRACT

A conditional sales contract is an agreement that involves the sales of goods. The seller allows the purchaser to take delivery of the items outlined in the contract and pay for them later.

CONDITIONAL USE PERMIT

A conditional use permit is a zoning exception which allows the property owner use of his land in a way not otherwise permitted within the particular zoning district.

CONDOMINIUM

A type of ownership in real property where all the owners own the property, common areas and buildings together, except for the interior of the unit to which they have title. Often mistakenly referred to as a type of construction or development, it refers to the type of ownership.

CONSERVATION

Prevention of wasteful use of a resource. Special lands for buyers committed to being good stewards of them. These properties frequently feature unique forms of flora and fauna, compelling live water resources, and, often, stunning, one-of-a-kind views.

CONSTRUCTION LOAN

A short-term, interim loan for financing the cost of construction. The lender makes payments to the builder at periodic intervals as the work progresses.

CONSUMMATION

Consummation is not the same thing as closing or settlement. Consummation occurs when the consumer becomes contractually obligated to the creditor on the loan, not, for example, when the consumer becomes contractually obligated to a seller on a real estate transaction.

CONTIGUOUS

Things that are contiguous are near or next to but not actually touching and yet they are also defined as "touching, sharing a border." you can use this adjective to describe people or things related to and nearby others.

CONTINGENCIES

This term refers to conditions that must be met for the purchase of a home to be finalized. For example, there may be contingencies that the loan must be approved, or the appraised value must be near the final sale price.

CONTRACT

Same as "agreement," but usually more formal.

CONTRACT FOR DEED

A contract for the sale of real estate where the deed (title) of the property is transferred only after all the payments have been made. Also known as a land contract, agreement of sale, conditional sales contract, or installment contract. Buyers should be wary of this type of contract, since they can lose their entire investment if the owner declares bankruptcy before the deed has been transferred.

CONTRACT OF SALE

A contract of sale, sales contract, sales order, or contract for sale is a legal contract for the purchase of assets by a buyer from a seller for an agreed upon value in money. An obvious ancient practice of exchange, in many common law jurisdictions, it is now governed by statutory law. See commercial law.

CONTRIBUTION

The act of giving or supplying of something (such as money or time) as a part or share.

CONVENTIONAL MORTGAGE

Refers to home loans other than government loans (VA and FHA).

CONVERTIBLE ARM

An adjustable-rate mortgage that allows the borrower to change the arm to a fixed-rate mortgage within a specific time.

CONVEY

To transfer the title to (property).

CONVEYANCE

The act of transferring property from one party to another. The term is commonly used in real estate transactions when buyers and sellers transfer ownership of land, building, or home.

CONVEYANCE TAX

A tax imposed on the transfer of real property at the state, county, or municipal level. This tax is generally calculated as a percentage of the sale price.

CORPORATE RESOLUTION

A written document created by the board of directors of a company detailing a binding corporate action. A corporate resolution is the legal document that provides the rules and framework as to how the board can act under various circumstances.

COST APPROACH

In real estate appraisal, the cost approach is one of three basic valuation methods. the others are market approach, or sales comparison approach, and income approach. the cost approach is a real estate valuation method that estimates the price a buyer should pay for a piece of property is equal the cost to build an equivalent building.

COST OF REPAIRS

The cost involved in making repairs to a home so that it is fit and usable for a prospective new owner. A buyer and seller's real estate agent will be able to describe the laws in Oklahoma, but in general a seller is responsible for paying to fix severe water damage or mold issues, to replace missing or broken smoke detectors, and to remedy building code violations, among other things.

COUNSELOR

A person trained to give guidance on personal, social, or psychological problems. In real estate, a person providing advice or guidance which significantly affects real estate decisions, without personal bias and/or conflict of interest.

COUNSELOR OF REAL ESTATE (CRE)

Prominent real estate practitioners recognized for their expertise, experience, and ethics in providing advice that influences real estate decisions. CRE acknowledges a member's status as one of the most trusted professionals in the field of real estate.

COUNTY RECORDS

The county recorder is an office in the county clerk's office that keeps records of official documents. The county recorder records oaths of notaries public, as well as keeping records of notarized deeds of trust, mortgages and other instruments effecting real property.

COVENANT

A formal agreement or contract between two parties in which one party gives the other certain promises and assurances, such as covenants of warranty in a warranty deed.

COVENANTS, CONDITIONS, AND RESTRICTIONS - SEE CC&R'S

CREDIT BUREAU

A credit bureau is a data collection agency that gathers account information from various creditors and provides that information to a consumer reporting agency in the United States.

CREDIT BUREAU SCORE

A credit score is a numerical expression based on a level analysis of a person's credit files, to represent the creditworthiness of an individual. A credit score is primarily based on a credit report, information typically sourced from credit bureaus.

CREDIT HISTORY

Credit history is the record of a borrower's responsible repayment of debts.

CREDIT REPORT

A credit report is a record of the borrower's credit history from a number of sources, including banks, credit card companies, collection agencies, and governments.

CUSTOM BUILDER

Custom builders build homes on the client's land, and clients can either commission the builder to design the home or bring their own floor plan. Many custom builders manage both design and construction, while others only build homes, requiring the client to work with an architect to design the home.

D

DAMAGES

At common law, damages are a remedy in the form of a monetary award to be paid to a claimant as compensation for loss or injury. To warrant the award, the claimant must show that a breach of duty has caused foreseeable loss.

DATED DATE

The dated date is the date when interest starts to accrue on bonds and notes. An investor who purchases the bond pays the amount equal to the interest accrued from the dated date to the settlement date and is reimbursed for the additional interest when the issuer makes the first interest payment on the security.

dba

Doing business as, business names or aliases filed with the county.

DEBT SERVICE

Debt service is the cash that is required to cover the repayment of interest and principal on a debt for a particular period. If an individual is taking out a mortgage, the borrower needs to calculate the annual or monthly debt service required on that loan.

DEBTOR

A debtor is a legal entity that owes a debt to another entity. The entity may be an individual, a firm, a government, a company, or other legal person.

DEBT RATIO

Debt ratio is a financial ratio that indicates the percentage of a company's assets that are provided via debt. It is the ratio of total debt and total assets, or alternatively: For example, a company with \$2 million in total assets and \$500,000 in total liabilities would have a debt ratio of 25%.

DECENT

The transmission or devolution of an estate by inheritance usually in the descending line.

DECLARATION OF HOMESTEAD

A declaration of homestead is a way to protect your home from unsecured creditors. The declaration of homestead protects the equity or cash value in your home.

DECLARATION OF RESTRICTIONS

A document filed in the real estate records of the county where property is located and incorporated by reference into the deeds of every property located within the described area, setting out the rules and regulations pertaining to those properties. It is commonly used to spell out restrictive covenants in neighborhoods, such as minimum building size, setback lines, prohibitions against home-based businesses, and restrictions against boats or motor homes parked in view of the street.

DEED

A written document by which title to real estate is conveyed from one party to another.

DEED-IN-LIEU OF FORECLOSURE

This conveys title to the lender when the borrower is in default and wants to avoid foreclosure. The lender may or may not cease foreclosure activities if a borrower asks to provide a deed-in-lieu. Regardless of whether the lender accepts the deed-in-lieu, the avoidance and non-repayment of debt will most likely show on a credit history. What a deed-in-lieu may prevent is having the documents preparatory to a foreclosure being recorded and become a matter of public record.

DEED OF TRUST

Some states, like California, do not record mortgages. Instead, they record a deed of trust which is essentially the same thing.

DEED RESTRICTIONS

A restriction contained in a deed which limits the use or occupancy of the real estate or the type, size, purpose, and location of improvements to be constructed on it.

DEFAULT

Failure to perform a promised task or to pay an obligation when due.

DEFAULT JUDGMENT

If a defendant either makes or files an appearance, but fails to file an answer, then the plaintiff must follow rule 10.9 and: file a motion for default; and give at least a five-day notice of such motion and hearing.

DEFECT

A defective title is one that is irregular and faulty, a blemish, imperfection, or deficiency. A material defect is a specific issue with a system or component of a residential property that may have a significant, adverse impact on the value of the property, or that poses an unreasonable risk to people.

DEFECTIVE TITLE

In United States property law, a cloud on title or title defect is any irregularity in the chain of title of property that would give a reasonable person pause before accepting a conveyance of title.

DEFENDANT

An individual, company, or institution sued or accused in a court of law.

DEFICIENCY JUDGMENT

A deficiency judgment is an unsecured money judgment against a borrower whose mortgage foreclosure sale did not produce sufficient funds to pay the underlying promissory note, or loan, in full.

DELINQUENCY

Failure to make mortgage payments when mortgage payments are due. For most mortgages, payments are due on the first day of the month. Even though they may not charge a "late fee" for several days, the payment is still considered to be late and the loan delinquent. When a loan payment is more than 30 days late, most lenders report the late payment to one or more credit bureaus.

DEPARTMENT OF REAL ESTATE

In Oklahoma; the Oklahoma Real Estate Commission has been regulating the Oklahoma real estate industry since 1949.

DEPARTMENT OF VETERANS AFFAIRS

The department of veterans affairs runs programs benefiting veterans and members of their families.

DEPOSIT

A sum payable as a first installment on the purchase of something or as a pledge for a contract, the balance being payable later.

DEPRECIATION

Loss in value occasioned by ordinary wear and tear, destructive action of the elements, or functional or economic obsolescence.

DEVELOPER

Developers purchase a tract of land, determine the marketing of the property, develop the building program and design, obtain the necessary public approval and financing, build the structures, and rent out, manage, and ultimately sell it. Sometimes property developers will only undertake part of the process.

DEVELOPMENT

The process of developing or being developed. Altering the landscape in any number of ways such as: changing landforms from a natural or semi-natural state for a purpose such as agriculture or housing subdividing real estate.

DEVISE

To give property by will; a devisee is the beneficiary to whom the property is willed, and the *devisor* (more commonly called the *testator*) is the deceased person through whom the property is devised. A gift of real estate by a will.

DISBURSEMENTS

A disbursement is a form of payment from a public or dedicated fund. alternatively, it means a payment made on behalf of a client to a third party for which reimbursement is subsequently sought from the client.

DISCHARGE

To liberate or free; to terminate or extinguish, a discharge is the act or instrument by which a contract or agreement is ended. A mortgage is discharged if it has been carried out to the full extent originally contemplated or terminated prior to total execution.

DISCLOSURE

The making known of a fact that had previously been hidden; a revelation. For example, in many states you must disclose known major physical defects in a house you are selling, such as a leaky roof, non-functional outlets, or potential flooding problems.

DISCOUNT BROKER

A brokerage firm that charges a reduced commission on transactions but typically does not provide investment advice or other services.

DISCOUNT POINTS

In the mortgage industry, this term is usually used in only in reference to government loans, meaning FHA and VA loans. Discount points refer to any "points" paid in addition to the one percent loan origination fee. A "point" is one percent of the loan amount.

DISCRIMINATION

The act of making unjustified distinctions between human beings based on the groups, classes, or other categories to which they are perceived to belong. People may be discriminated based on race, gender, age, or sexual orientation, as well as other categories.

DIGITAL ABSTRACT

A digitally combined and certified format of the cardinal aspects of all recorded deeds, mortgages, leases, and other instruments affecting the title to a particular piece of land. A simple pdf copy of your abstract is not a professional example of a digital abstract.

DISTRESS SALE

A distress sale—also called a distressed sale—occurs when a property, stock, or other asset must be sold quickly. In most sold at a reduced price.

DIVIDED INTEREST

An interest in some portion of the bundle of rights in real estate, such as a leasehold interest or a remainder interest.

DOCUMENT PREPARATION FEE

This fee covers the cost of preparation of final legal papers, such as a mortgage, deed of trust, note or deed.

DOCUMENTARY TAX STAMPS

Documentary stamp tax attaches to an instrument at the time of conveyance to the purchaser but is not required to be paid and affixed to the deed, instrument, or other writing until the time of filing with the county clerk.

DOCUMENTARY TRANSFER TAX

In Oklahoma, the documentary stamps are \$0.75 per \$500 rounded up (or 0.15%) of the sales price of the property. For median value homes in Oklahoma worth \$123,700, the transfer tax would be \$186.00. The documentary stamps are affixed to the deed when it is recorded.

DOMINANT TENANT

This term is used when referring to easements to specify that property or estate that benefits from or has the advantage of an easement. In short the beneficiary of the easement is called a dominant tenement.

DOUBLE ESCROW

Double escrow is a set of real estate transactions involving two contracts of sale for the same property, to two different back-to-back buyers, at the same or two different prices, arranged to close on the same day.

DOWN PAYMENT

A down payment is a percentage of a home's purchase price that new owners pay up front when closing on their home loan. Lenders often look at the down payment amount as your investment in the home. It can influence the interest rate, how much the new owner can borrow, and private mortgage insurance requirements.

DRIVEWAY

A type of private road for local access to one or a small group of structures and is owned and maintained by an individual or group.

DURESS

Forcing action or inaction against a person's will or better judgment.

E

E & O INSURANCE

Errors & omissions insurance is a form of liability insurance which helps protect professional advice- and service-providing individuals and companies from bearing the full cost of defending against a negligence claim made by a client, and damages awarded in such a civil lawsuit. The coverage focuses on alleged failure to perform on the part of, financial loss caused by, and error or omission in the service or product sold by the policyholder.

E-CLOSING

A real estate and/or loan closing that is conducted through a web-based document signing portal or application using an electronic signature (e-signature) to sign some or all the closing documents. Some closing may be full e-signature, or some may be a hybrid closing where electronic and physical documents must be e-signed physically signed.

EARNEST MONEY

Down payment or a small part of the purchase price made by a purchaser as evidence of good faith.

EASEMENT

An easement is a nonpossessory right to use and/or enter onto the real property of another without possessing it. Easements are helpful for providing access across two pieces of property, allowing individuals to access other properties or a resource. The rights of an easement holder may vary substantially among jurisdictions.

EASEMENT APPURTENANT

An appurtenant easement benefits a specific parcel of land, known as the dominant estate. The parcel over which the easement runs is called the servient estate. An appurtenant easement is a type of easement that still applies to a property even if the owners change. It is sometimes referred to as "running with the land".

EASEMENT BY PRESCRIPTION

A right to use property, acquired by a long tradition of open and obvious use. For example, if hikers have been using a trail through your

backyard for ten years and you have never complained, they probably have an easement by prescription through your yard to the trail.

EASEMENT OF NECESSITY

An easement by necessity is an easement that is created when the owner of a landlocked parcel has no access to a public right of way such as a street or highway.

EGRESS

The right to a path or right-of-way over that a person may leave or go away from his own real estate.

EJECTMENT

Meaning eviction or dispossession; civil action to recover the possession of or title to land. A lawsuit to regain possession of real estate held by another.

EMBLEMENTS

Annual crops produced by cultivation. They are deemed to be personal property.

EMINENT DOMAIN

The right of a government to take privately owned property for public purposes under condemnation proceedings upon payment of its reasonable value.

ENCROACHMENT

The extension of a structure from the real estate to which it belongs across a boundary line and onto adjoining property.

ENCUMBRANCE

A claim, right or lien upon the title to real estate, held by someone other than the real estate owner.

ENDORSEMENT

Addition to or modification of a title insurance policy that expands or changes coverage of the policy, fulfilling specific requirements of the insured.

EQUITABLE OWNERSHIP

Describes the rights of a trust beneficiary in property, as opposed to the legal ownership resting in the name of the trustee. Equitable title holders cannot transfer legal title to real property, but they derive benefits from the property's appreciation in value.

EQUITY

Equity is ownership. In homeownership, equity refers to how much of your home you actually own—meaning how much of the principal you have paid off. The more equity you have, the more financial flexibility you have, as you can refinance against whatever equity you have built. To put another way, equity is the difference between the fair market value of the home and the unpaid balance of the mortgage.

EQUITY LINE OF CREDIT

A home equity line of credit, or HELOC, is a type of home equity loan that allows you to draw funds as you need them and repay the money with a variable interest rate. As with a credit card, your available funds will replenish as you pay off your balance.

EQUITY LOAN

A home equity loan is a loan that lets you borrow against the value of your home, with funds delivered as a lump sum.

ESCHEAT

The government's right to take property when someone dies with no will and no heirs.

ESCROW

Technically, this term strictly refers to a deed delivered to a third person to be held by him until the fulfillment or performance of some act or condition by the grantee. In the title industry, it means the depositing with an impartial third party (typically an escrow agent or title company) of anything pertaining to a real estate transaction including money and documents of all kinds. The money and documents are to be disbursed and delivered to the rightful parties by the escrow agent or title company when all conditions of the transaction have been met.

ESCROW ACCOUNT

Once you close your purchase transaction, you may have an escrow account or impound account with your lender. This means the amount you pay each month includes an amount above what would be required if you were only paying your principal and interest. The extra money is held in your impound account (escrow account) for the payment of items like property taxes and homeowner's insurance when they come due. The lender pays them with your money instead of you paying them yourself.

ESCROW AGREEMENT

A written agreement usually made between buyer, seller, and escrow agent, but sometimes only between one person and the escrow agent. It sets forth the conditions to be performed incident to the object deposited in escrow and gives the escrow agent instructions with respect to the disposition of the object so deposited.

ESCROW OFFICER

Is a highly trained and experienced employee of a title company, independent escrow company, or real estate broker. Escrow officers act as neutral third parties to accomplish the closing of a real estate transaction.

ESTATE

(1) A sizable piece of rural land usually with a large house and other pretentious improvements. (2) The whole of one's possessions, especially all the property, assets, debts, and liabilities left by a deceased or bankrupt person. (3) The nature and extent of an owner's rights in real estate.

ESTATE IN REMAINDERMAN

A remainderman is a property law term that refers to the person who inherits or is entitled to inherit property upon the termination of the life estate of the former owner. ... that person to whom ownership of the property is transferred is the remainderman.

ESTATE IN REVERSION

An interesting law in real estate. Once the lesser estate has expired or ended, the property will return to the original individual. While the estate has been conveyed to someone else, the owner does not enjoy possession or use of the property.

ESTATE TAX

Estate tax in the United States is a tax on the transfer of the estate of a deceased person. The tax applies to property that is transferred via a will or according to state laws of intestacy. Some states also have their own estate tax, Oklahoma does not.

ESTOPPEL

The principle which precludes a person from asserting something contrary to what is implied by a previous action or statement of that person or by a previous pertinent judicial determination. An estoppel certificate is a "signed statement by a party certifying for another's benefit that certain facts are correct, as that a lease exists, that there are no defaults, and that rent is paid to a certain date.

ET AL

This is a Latin phrase that is short for "et alia." It means "and others," and is commonly used in legal documents to reference the family or people involved. Legal documents must list every person involved by using their first and last names one time.

ET UX

Latin for "and wife." often appears in its abbreviated form, et ux. In older deeds and documents, the phrase was used to indicate that a property was owned by a couple, consisting of a named man and his unidentified wife.

ETHICS

Moral principles that govern a person's behavior or the conducting of an activity.

EVICITION

The removal of a tenant from rental property by the landlord. In some jurisdictions it may also involve the removal of persons from premises that were foreclosed by a mortgagee (often, the prior owners who defaulted on a mortgage).

EVIDENCE OF TITLE

This is the means by which the ownership of land is satisfactorily demonstrated within a given jurisdiction.

EXAMINATION

In title industry terms, to peruse and study the instruments in a chain of title and to determine their effect and condition to reach a conclusion as to the status of the title.

EXAMINER

Usually referred to, in title industry terms, as title examiner. One who examines and determines the condition and status of real estate titles.

EXCEPTIONS

Insurance policies include a list of items excluded from coverage. These items can be found in section two of schedule b of the policy.

EXCHANGE

In real estate, a 1031 exchange is a swap of one investment property for another that allows capital gains taxes to be deferred.

An exchange can only be made with like-kind properties and IRS rules limit use with vacation properties. There are also tax implications and time frames that need to be considered. **AEX Corp** is a "Qualified Intermediary" who can assist you with this service Call AEX Corp

today for assistance, (405) 232-6700, ask for Andy!

EXCHANGE PERIOD

The period of time during which the exchanger must complete the acquisition of the replacement property(ies) in his or her tax-deferred, like-kind exchange transaction.

EXCHANGOR

The taxpayer who is completing the tax-deferred, like-kind exchange transaction.

EXCLUSIVE LISTING

An exclusive listing is a real estate sale agreement in which a specified real estate agent stands to gain a commission if a property sells within a specified number of months. In most cases, the agent earns the commission no matter how a buyer is found.

EXCULPATORY CLAUSE

A provision in a lease that absolves the landlord from responsibility for all damages, injuries or losses occurring on the property, including those caused by the landlord's actions. Most states have laws that void exculpatory clauses in rental agreements, which means that a court will not enforce them.

EXECUTE

To carry out or put into effect (a plan, order, or course of action). To execute a document means to sign it.

EXECUTOR

An executor (or executrix) of an estate is an individual appointed to administer the estate of a deceased person. The executor's main duty is to carry out the instructions to manage the affairs and wishes of the deceased person's estate.

EXECUTOR'S DEED

A deed used to transfer real property from the estate of a deceased person to an heir pursuant to the terms of a will. It is similar to an administrative deed, which is used when a person dies without a will.

EXTENDED COVERAGE

Extended coverage in title insurance, such as the Buffalo Policy exclusively offered by American Eagle Title Insurance Company, is additional coverages in conjunction of the transfer of ownership of your property, more information can be accessed by contacting info@ameagletitle.com . Extended coverage is also a term used in the property insurance business. All insurance policies have exclusions for specific causes of loss that are not covered by the insurance company. An extended coverage endorsement was a common extension of property insurance beyond coverage for fire and lightning.

F

FACILITATOR

A facilitator is a person who helps a group of people to work together better, understand their common objectives, and plan how to achieve these objectives, during meetings or discussions. In doing so, the facilitator remains "neutral", meaning they do not take a particular position in the discussion.

FAIR CREDIT REPORTING ACT

A federal law that regulates the collection of consumers' credit information and access to their credit reports. It was passed in 1970 to address the fairness, accuracy, and privacy of the personal information contained in the files of the credit reporting agencies.

FAIR MARKET VALUE

The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

FANNIE MAE (FNMA)

The federal national mortgage association, which is a congressionally chartered, shareholder-owned company that is the nation's largest supplier of home mortgage funds, for a discussion of the roles of FANNIE MAE, FREDDIE MAC (FHLMC), and GINNIE MAE (GNMA), see the library.

FARMER HOME ADMINISTRATION (FMHA)

A former U.S. government agency which was established in august 1946 to replace the farm security administration. It superseded the

resettlement administration during the great depression and operated until 2006. It was created to finance and insure loans for rural families and farmers. The FMHA provided credit and technical assistance through housing, utility, business, and community development programs.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC)

This is one of two agencies that provide deposit insurance to depositors in U.S. depository institutions, the other being the national credit union administration, which regulates and insures credit unions.

FEDERAL HOUSING ADMINISTRATION (FHA)

An agency of the U.S. department of housing and urban development (HUD). Its main activity is the insuring of residential mortgage loans made by private lenders. The FHA sets standards for construction and underwriting but does not lend money or plan or construct housing.

FEDERAL RESERVE

The central banking system of the United States of America. It was created on December 23, 1913, with the enactment of the federal reserve act, after a series of financial panics led to the desire for central control of the monetary system in order to alleviate financial crises.

FEDERAL TAX LIEN

The government's legal claim against your property when you neglect or fail to pay a tax debt. The lien protects the government's interest in all your property, including real estate, personal property and financial assets.

FEE SIMPLE

The highest degree of ownership that a person can have in real estate. An interest in real estate that gives the owner unqualified ownership and full power of disposition.

FEE SIMPLE ESTATE

An unconditional, unlimited estate of inheritance that represents the greatest estate and most extensive interest in land that can be enjoyed. It is of perpetual duration. when the real estate is in a condominium project, the unit owner is the exclusive owner only of the air space within his or her portion of the building (the unit) and is an owner in common with respect to the land and other common portions of the property.

FEDERAL HOUSING ADMINISTRATION — see FHA

FHA MORTGAGE

A mortgage that is insured by the federal housing administration (FHA). Along with VA loans, an FHA loan will often be referred to as a government loan.

FHLMC (FREDDIE MAC)

Federal home loan mortgage corporation, known as **FREDDIE MAC**, is a public government-sponsored enterprise, headquartered in Tysons Corner, Virginia. **FREDDIE mac** is ranked no. 56 on the 2022 fortune 500 list of the largest united states corporations by total revenue.

FICTITIOUS INSTRUMENT

An instrument (usually a mortgage or deed of trust) which is recorded not on specific property but to be incorporated by reference into future mortgages or deeds of trust.

FIDUCIARY

The relationship of trust, honesty and confidence between agent and principal; the faithful relationship owed by an agent to the principal.

FINAL DECREE

The court's formal order granting a termination of a marriage. If the case goes to trial and the judge issues a judgment, the judgment is confirmed when the decree is signed and dated by the judge and court clerk.

FINANCING STATEMENT

A ucc-1 financing statement is a legal form that a creditor files to give notice that it has or may have an interest in the personal property of a debtor.

FIRST MORTGAGE

A mortgage having priority as a lien over any other mortgage or lien on the same property.

FIRST REFUSAL RIGHT

Right of first refusal is a contractual right that gives its holder the option to enter a business transaction with the owner of something, according to specified terms, before the owner is entitled to enter into that transaction with a third party.

FISBO — see for sale by owner

FIXED RATE MORTGAGE

There are two types of conventional loans: The fixed-rate and the adjustable-rate mortgage. In a fixed-rate mortgage, the interest rate stays the same throughout the life of the loan.

FIXTURE

Personal property that becomes real property when attached in a permanent manner to real estate.

FLOOD CERTIFICATION

Sometimes called a flood cert in real estate, is a document that states the flood zone status of real property. Federal emergency management agency (FEMA) flood maps are examined using the address or geographic coordinates of the property.

FLOOD INSURANCE

Denotes the specific insurance coverage against property loss from flooding. To determine risk factors for specific properties, insurers will often refer to topographical maps that denote lowlands, floodplains and floodways that are susceptible to flooding.

FLOOR PLAN

In architecture and building engineering, a floor plan is a drawing to scale, showing a view from above, of the relationships between rooms, spaces, traffic patterns, and other physical features at one level of a structure. Dimensions are usually drawn between the walls to specify room sizes and wall lengths.

FLOWAGE EASEMENT

Privately owned lands on which the united states government acquired a perpetual right to flood the property in connection with the operation of the lake, to prohibit construction or maintenance of any structure for human habitation, and to approve all structures constructed on the said easement property.

FNMA

The federal national mortgage association (FNMA), commonly known as FANNIE MAE, is a united states government-sponsored enterprise (GSE) and, since 1968, a publicly traded company.

FOR SALE BY OWNER

For sale by owner, or FSB0, is the process of selling real estate without the representation of a broker or agent. Homeowners may employ the services of marketing or online listing companies or market their own property.

FORCED SALE

When owners of jointly owned property can't agree on the sale of the entire property, a partition lawsuit to force its sale may be filed. In a partition lawsuit, the court can order the sale of the entire property and divide proceeds among its owners.

FORECLOSURE

A legal proceeding for the collection of real estate mortgages and other types of liens on real estate, which results in cutting off the right to redeem the mortgaged property and usually involves a judicial sale of the property to pay the mortgage debt.

FORFEITURE

The loss of property or a privilege due to breaking a law. For example, a landlord may forfeit his or her property to the federal or state government if the landlord knows it is a drug-dealing site but fails to stop the illegal activity. Likewise, a homeowner may lose his house to satisfy IRS debts or if the government suspects the home was bought with money derived from criminal acts. The government may seize and sell the property at auction, often far below its fair market value, before the homeowner has been allowed the due process of a trial. If the homeowner is found not guilty, the government is only required to pay back the amount received at auction, and not the market value.

FORGERY

A crime that generally refers to the false making or material alteration of a legal instrument with the specific intent to defraud anyone.

FOUNDATION INSPECTION

This typically involves meeting with a contractor, having them check your foundation elevations and perform a visual evaluation of your home. they entail looking for foundation cracks, damaged walls and floors, and other signs of trouble.

FRAUD

A misstatement of a material fact made with intent to deceive or made with reckless disregard of the truth, and which actually does deceive.

FREEDOM OF INFORMATION ACT

A federal freedom of information law that requires the full or partial disclosure of previously unreleased information and documents controlled by the United States government upon request. The basic function of the freedom of information act is to ensure informed citizens, vital to the functioning of a democratic society.

FREEHOLD

A freehold is the common ownership of real property, or land, and all immovable structures attached to such land.

FRONTAGE

The boundary between a plot of land or a building and the road onto which the plot or building fronts. Frontage may also refer to the full length of this boundary.

FRONTAGE ROAD

A local road running parallel to a higher-speed, limited-access road. A frontage road is often used to provide access to private driveways, shops, houses, industries, or farms. Where parallel high-speed roads are provided as part of a major highway, these are also known as local-express lanes.

FULL DISCLOSURE

In the U.S. securities and exchange commission's (sec) requirement that publicly traded companies release and provide for the free exchange of all material facts that are relevant to their ongoing business operations.

FUNCTIONAL OBSOLESCENCE

The impairment of functional capacity of a property according to market tastes and standards." in simpler terms, essentially there is a reduction in the property's desirability, typically because of an outdated feature that cannot easily be altered or changed.

FUTURE ADVANCE CLAUSE

A future advance is a clause in a mortgage that provides for additional availability of funds under the loan contract. Future advance clauses may or may not have certain contingencies that make the borrower eligible for future advances.

G

GAP SEARCH

The gap is the period in time between the "thru date" or "effective date" of the title report and/or commitment and the date of the real estate closing. It is done to search all records for any additional information that would have been filed between that period of time.

GARNISHMENT

Garnishment is a legal process for collecting a monetary judgment on behalf of a plaintiff from a defendant. Garnishment allows the plaintiff to take the money or property of the debtor from the person or institution that holds that property.

GENERAL CONTRACTOR

A general contractor is responsible for providing all the material, labor, equipment (such as engineering vehicles and tools) and services necessary for the construction of the project. A general contractor often hires specialized subcontractors to perform all or portions of the construction work.

GENERAL LIEN

A lien on all property, this is both the real property and personal property an individual owns, not just one specific real property (like in the case of a foreclosure). for instance, a general lien can stem from an IRS tax lien pursuant to income taxes owned by a taxpayer to the federal government.

GENERAL WARRANTY DEED

A warranty provision in a deed or mortgage or other real estate instrument containing all the common law items of warranty. Also known as a full warranty.

GINNIE MAE (GNMA)

The government national mortgage association, or GINNIE MAE, is a government-owned corporation of the us federal government within the department of housing and urban development. For 50 years, GINNIE MAE has provided liquidity and stability, serving as the principal

financing arm for government mortgage loans and ensuring that mortgage lenders have the necessary funds to provide loans to customers.

GOOD FAITH ESTIMATE

A written estimate of closing costs which a lender must provide you within three days of submitting an application.

GOOD WILL

An intangible asset that is associated with the purchase of one company by another. Specifically, goodwill is the portion of the purchase price that is higher than the sum of the net fair value of all of the assets purchased in the acquisition and the liabilities assumed in the process.

GOVERNMENT LOTS

A subdivision of a section, which is normally described by a lot number — For example, lot 5, a government lot may be regular or irregular in shape and its acreage varies from that of regular section subdivisions. Typically, government lots are located along meandering bodies of water.

GOVERNMENT LOAN (MORTGAGE)

A mortgage that is insured by the federal housing administration (FHA) or guaranteed by the department of veterans affairs (VA) or the rural housing service (RHS). Mortgages that are not government loans are classified as conventional loans.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GINNIE MAE)

A government-owned corporation within the U.S. department of housing and urban development (HUD). Created by congress on September 1, 1968, GNMA performs the same role as Fannie Mae and Freddie Mac in providing funds to lenders for making home loans. GINNIE MAE provides funds for government loans (FHA and VA).

GRANTEE

The person to whom an interest in real property is conveyed.

GRANTOR

The person conveying an interest in real property.

GROSS INCOME

For qualifying purposes, the income of the borrower before taxes or expenses are deducted.

GUARANTOR

A person or organization that provides a guarantee. A financial term describing an individual who promises to pay a borrower's debt in the event that the borrower defaults on his or her loan obligation. guarantors pledge their own assets as collateral against the loans.

GUARANTY

Also spelled guarantee is a legal term more comprehensive and of higher import than either warranty or "security". It most commonly designates a private transaction by means of which one person or entity, to obtain some trust, confidence or credit for another.

GUARDIAN

A guardian is a person who has the legal authority to care for the personal and property interests of another person, called a ward.

H

HACIENDA

A ranch, large estate, or plantation with a dwelling house.

HARD MONEY MORTGAGE

A specific type of asset-based loan financing through which a borrower receives funds secured by real property. Private investors or companies typically issue hard money loans.

HAZARD INSURANCE

Real estate insurance protecting against fire, some natural causes, vandalism, etc., depending upon the policy. The buyer often adds liability insurance and extended coverage for personal property.

HEAT PUMP

A device that transfers heat energy from a source of heat to what is called a thermal reservoir. Heat pumps move thermal energy in the opposite direction of spontaneous heat transfer, by absorbing heat from a cold space and releasing it to a warmer one.

HEIR

A person who inherits or who is entitled to inherit real estate by provisions of law or under the provisions of a will.

HEIRS AND ASSIGNS

A term for the persons to whom property is bequeathed in a will (the heirs) and the persons to whom they may in turn give, sell or bequeath the same property (the assigns).

HIGHEST AND BEST USE

The reasonably probable and legal use of property, that is physically possible, appropriately supported, and financially feasible, and that results in the highest value. And if it can be continued, the existing industrial use could be the highest and best use.

HIGHWAY FRONTAGE

The boundary between a plot of land or a building and any public or private road or other public way on land.

HOLD HARMLESS AGREEMENT

A statement or agreement in a legal contract that absolves one or both parties in a contract of legal liability for any injuries or damage suffered by the party signing the contract.

HOME EQUITY LINE OF CREDIT

A mortgage loan, usually in second position, that allows the borrower to obtain cash drawn against the equity of his home, up to a predetermined amount.

HOME INSPECTION

A limited, non-invasive examination of the condition of a home, often in connection with the sale of that home. Home inspections are usually conducted by a home inspector who has the training and certifications to perform such inspections.

HOMEOWNERS' ASSOCIATION (HOA)

A nonprofit association that manages the common areas of a planned unit development (PUD) or condominium project. In a condominium project, it has no ownership interest in the common elements. In a PUD project, it holds title to the common elements.

HOMEOWNER'S INSURANCE

An insurance policy that combines personal liability insurance and hazard insurance coverage for a dwelling and its contents.

HOMEOWNER'S WARRANTY

A type of insurance often purchased by homebuyers that will cover repairs to certain items, such as heating or air conditioning, should they break down within the coverage period. The buyer often requests the seller to pay for this coverage as a condition of the sale, but either party can pay.

HOMESTEAD

The house in which a family lives, plus any adjoining land and other buildings on that land. (2) Land, and the improvements thereon, designated by the owner as his homestead and, therefore, protected by state law from forced sale by certain creditors of the owner. Homestead protection will not stop foreclosures for delinquent mortgages, taxes, or mandatory homeowner's association dues. (3) Land acquired out of the public lands of the United States. The term "homesteaders" refers to people who got their land by settling it and making it productive, rather than purchasing it outright.

HOME WARRANTY

This warranty protects from future problems to things such as plumbing and heating, which can be extremely expensive to fix.

HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (HUD)

The U.S. department of housing and urban development. this is the agency responsible for enforcing the federal fair housing act.

HUDI STATEMENT

A document showing all charges and credits to the buyer and seller in a real estate settlement, or in a mortgage refinance. If you applied for a mortgage on or before October 3, 2015, or if you engaged in a real estate escrow transaction, you received a HUD-1 statement. The closing disclosure or "CD" replaced the HUD-1 statement as the required means of loan and escrow disclosures to the consumer.

HUD MEDIAN INCOME

median family income for a particular county or metropolitan statistical area (MSA), as estimated by the department of housing and urban development (HUD).

I

IMPOUND ACCOUNT

Also called an escrow account, is simply an account maintained by the mortgage company to collect insurance and tax payments that are necessary for you to keep your home, but are not technically part of the mortgage.

IMPROVEMENTS

The right valuable additions made to property, amounting to more than repairs, costing labor and capital and intended to enhance the value of the property. Improvements of land would include grading, sidewalks, sewers, streets, utilities, buildings, fences, etc..

IN PERPETUITY

This term essentially means "forever" or "for an indefinitely long period of time."

IN PERSONAM

A Latin phrase meaning "against a particular person". In a lawsuit in which the case is against a specific individual, that person must be served with a summons and complaint to give the court jurisdiction to try the case, and the judgment applies to that person and is called an "in personam judgment".

INCHOATE INSTRUMENT

An unregistered, unrecorded instrument that becomes effective to third parties only when the instrument is recorded. For instance, a deed which is valid between parties to the deed will become effective as against the world, only when it is recorded.

INCOMPETENT

Not having or showing the necessary skills to do something successfully, especially to testify or stand trial.

INCUMBRANCE (ENCUMBRANCE)

A general term for any claim or lien on a parcel of real property. These include: mortgages, deeds, recorded judgments, unpaid real property taxes, tax liens, mechanic's liens, easements, and water or timber rights.

INDEMNITY AGREEMENT

Is a contract that 'holds a business or company harmless' for any burden, loss, or damage. An indemnity agreement also ensures proper compensation is available for such loss or damage.

INDEPENDENT CONTRACTOR

A person or entity contracted to perform work for—or provide services to—another entity as a nonemployee. As a result, independent contractors must pay their own Social Security and Medicare Taxes.

INDEX

A number, usually a percentage, upon which future interest rates for adjustable rate mortgages are based.

INDORSEMENT — see endorsement

INFRASTRUCTURE

Is the set of fundamental facilities and systems serving a country, city, or other area, including the services and facilities necessary for its economy to function in a society or enterprise.

INGRESS AND EGRESS

The right or permission to enter; also, the means or place of entry such as a right-of-way across adjoining land.

INHERITANCE

The practice of passing on private property, titles, debts, rights, and obligations upon the death of an individual.

INJUNCTION

A legal and equitable remedy in the form of a special court order that compels a party to do or refrain from specific acts. When a court employs the extraordinary remedy of injunction, it directs the conduct of a party, and does so with the backing of its full coercive powers.

INSOLVENCY

A state of financial distress in which a business or person is unable to pay their bills. It can lead to insolvency proceedings, in which legal action will be taken against the insolvent person or entity, and assets may be liquidated to pay off outstanding debts.

INSPECTION

Home inspections are required once a potential buyer makes an offer. Typically, they cost a few hundred dollars, the purpose is to check

that the house's plumbing, foundation, appliances, and other features are up to code. Issues that turn up during an inspection may factor into the negotiation on a final price. Failing to do an inspection may result in surprise costly repairs down the road for the home buyer.

INSTALLMENT CONTRACT

A purchase agreement in which the buyer agrees to make a series of payments on specified dates in exchange for goods or services. Failure to make payments opens the buyer to penalties or legal action by the seller or service provider.

INSTITUTIONAL PROPERTY

Institutional property means property developed as governmental, educational, health, cultural and recreational centers, places of worship, and cemeteries. They may include government owned and operated facilities or be privately owned and operated.

INSTRUMENT

A formal legal document such as a contract, deed, will, lease, or mortgage agreement that stipulates the rights, duties, and commitments of those involved. It is a formal notice of an agreement and is evidential in nature.

INSURABLE TITLE

Means that there are known defects in the chain of title. However, with an insurable title, the title insurance company has agreed to provide insurance coverage against those defects so as to not affect the ownership or value of the property.

INSURABLE VALUE

The cost of total replacement of destructible improvements to a property; May be based on replacement cost rather than market value.

INSURANCE

A means of protection from monetary loss. It is a form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss. An entity which provides insurance is known as an insurer, insurance company, insurance carrier or underwriter.

INSURANCE BINDER

A temporary document issued by an authorized insurance representative that serves as proof of insurance for your home insurance, property or car. Your binder of insurance will outline the basic conditions, coverages, deductibles and named insureds that will appear in your insurance contract.

INSURED

A person or organization covered by insurance.

INSURED MORTGAGE

A mortgage that is protected by an insurance policy which would compensate lenders or investors for losses due to the default of a mortgage loan.

INTANGIBLE PROPERTY

Also known as incorporeal property, describes something which a person or corporation can have ownership of and can transfer ownership to another person or corporation, but has no physical substance, for example brand identity or knowledge/intellectual property.

INTER VIVOS

A legal term referring to a transfer or gift made during one's lifetime, as opposed to a testamentary transfer under the subject of trust.

INTERVIVOS TRUST

A fiduciary relationship used in estate planning created during the lifetime of the trustor. The opposite of an inter-vivos trust is a testamentary trust, which goes into effect upon the death of the trustor. This is also known as a living trust.

INTEREST

This is the cost of borrowing money for a home. Interest is combined with principal to determine monthly mortgage payments. The longer a mortgage is, the more you will pay in interest when you have finally paid off the loan.

INTEREST ONLY MORTGAGE

A loan in which the borrower pays only the interest for some or all of the term, with the principal balance unchanged during the interest-only period.

INTERIM FINANCING

A way of obtaining funding on a short term basis for a project. It can also be called gap financing or bridge financing. People or companies elect for this kind of financing for a specific purpose. They may be seeking to get funding so that a project can be finished and start creating revenues.

INTERMEDIARY

A third party that offers intermediation services. This involves the handling of all escrows between properties in a property exchange transaction. Using a qualified intermediary, one can sell one's property and purchase a similar or "like-kind" property while deferring capital gains. AEX, Corp, a subsidiary company of American Eagle Title Insurance Company, is a qualified intermediary and can assist with section 1031 exchanges. Call AEX Corp today for assistance. (405) 232-6700, ask for Andy!

INTESTATE

A person who has dies without leaving a legal will.

INTRINSIC VALUE

Is a properties replacement cost. intrinsic value can be estimated by determining the cost of building an equivalent structure on an equivalent block of land. In financing it is a measure of what an asset is worth. This measure is arrived at by means of an objective calculation or complex financial model, rather than using the currently trading market price of that asset.

INVESTMENT PROPERTY

A real estate property purchased with the intention of earning a return on the investment either through rental income, the future resale of the property, or both. An investment property can be a long-term endeavor or a short-term investment.

INVOLUNTARY CONVEYANCE

An involuntary transfer of real property without the consent of the owner, such as by a divorce decree, condemnation, etc.

INVOLUNTARY LIEN

A non-consensual claim to the property of another as collateral to ensure the repayment of a debt, an involuntary lien may be imposed by a court, often for non-payment of taxes. The involuntary lien gives the tax authority (or other body) the right to confiscate one's property if the debt is not settled. An involuntary lien contrasts with a voluntary lien, to which the debtor consents, like a mortgage.

IRREVOCABLE

This means something that is not able to be changed, reversed, or recovered: Final.

J

JOINDER

A joinder is the joining of two or more legal issues together. Procedurally, a joinder allows multiple issues to be heard in one hearing or trial and is done when the issues or parties involved overlap sufficiently to make the process more efficient or fair.

JOINT ADVENTURE

A business entity created by two or more parties, generally characterized by shared ownership, shared returns and risks, and shared governance.

JOINT ESTATE

Property owned by two or more people at the same time, under the same title, with the same interest, and with the same right of possession. Although **joint estate** is sometimes used interchangeably with **joint tenancy**, the two terms are not synonymous.

JOINT NOTE

A promise by two or more parties to pay a debt. If the debt is not paid, the creditor may not single out any one debtor. that is, the creditor must sue all debtors or none.

JOINT OWNERSHIP

Ownership of a property or a business that is shared by two or more people or organizations.

JOINT TENANTS

Two or more persons who hold title to real estate jointly, with equal rights to share in its enjoyment during their respective lives with the provision that upon the death of a joint tenant, his share in the property passes to the surviving tenants, and so on, until the full title is vested in the last survivor. A joint tenant cannot legally sell or encumber his interest without the consent or joinder of all the other joint tenants.

JOINT VENTURE

A joint venture is a business entity created by two or more parties, characterized by shared ownership, shared returns and risks, and shared governance.

JUDGMENT CREDITOR

A party to which a debt is owed that has proved the debt in a legal proceeding and that is entitled to use judicial process to collect the debt.

JUDGMENT DEBTOR

A person against whom a judgment ordering him to pay a sum of money has been obtained and remains unsatisfied.

JUDGMENT

A conclusion or determination by a court of law usually awarding the payment of money or relief of some kind to one of the parties to a lawsuit or .

JUDGMENT LIEN

A court ruling that gives a creditor the right to take possession of a debtor's property if the debtor fails to fulfill his or her contractual obligations. Judgment liens are nonconsensual because they are attached to property without the owner's consent or agreement.

JUDICIAL FORECLOSURE

A type of foreclosure proceeding used in some states that is handled as a civil lawsuit and conducted entirely under the auspices of a court. In Oklahoma, the judicial process of foreclosure involves filing a lawsuit to obtain a court order to foreclose it is used when no power of sale is present in the mortgage or deed of trust. Generally, after the court declares a foreclosure, the home will be auctioned off to the highest bidder. Non-Oklahoma states may use non-judicial foreclosure.

JUMBO LOAN

A loan that exceeds FANNIE MAE'S and FREDDIE MAC'S loan limits, currently at \$510,400. Also called a nonconforming loan. FREDDIE MAC and FANNIE MAE loans are referred to as conforming loans.

JUMBO VA LOAN

a VA loan is considered a VA jumbo loan when the loan amount exceeds the county-specific VA loan limit. The VA loan limit for most counties in 2020 is \$510,400.

JURISDICTION

The practical authority granted to a legal body to administer justice, as defined by the kind of case, and the location of the issue. In federations like the United States, areas of jurisdiction apply to local, state, and federal levels.

K

KICK BACK

When someone is paid for an undisclosed service. This payment is a common strategy to incentivize real estate agents for business or to sweeten a buyer into purchasing a property. These under the table payments raise the question and can have legal implications. section 8 of RESPA specifically addresses prohibitions on kickbacks and unearned fees given or accepted in connection with a settlement service for a federally related mortgage loan (loans covered by RESPA). ... RESPA prohibits unearned fees for services not actually performed, including fee splitting.

L

LAND CONTRACT

This is a contract between the buyer and seller of real property in which the seller provides the buyer financing in the purchase, and the buyer repays the resulting loan in installments.

LAND LOCKED PARCEL

A piece of property that is inaccessible via public thoroughfare, except through an adjacent lot. A vacant lot that is located behind a strip mall and can only be reached by walking through the mall qualifies as this type of lot. Landlocked property is locked up, meaning it is

surrounded by other property.

LANDLORD

The owner of any real estate, such as a house, apartment building or land, that is leased or rented to another person, called the tenant.

LANDMARK

An object or feature of a landscape or town that is easily seen and recognized from a distance, especially one that enables someone to establish their location.

LEASE

An agreement granting the use or occupancy of land during a specified period in exchange for rent.

LEASEHOLD ESTATE

A way of holding title to a property wherein the mortgagor does not actually own the property but rather has a recorded long-term lease on it.

LEASE OPTION

An alternative financing option that allows home buyers to lease a home with an option to buy. Each month's rent payment may consist of not only the rent, but an additional amount which can be applied toward the down payment on an already specified price.

LEGAL DESCRIPTION

A property description, recognized by law, that is sufficient to locate and identify the property without oral testimony.

LEGAL NOTICE

The legal concept describing a requirement that a party be aware of legal process affecting their rights, obligations or duties.

LEGAL TITLE

Legal title is the ownership of property that is enforceable in a court of law, or one that is complete and perfect in apparent right of ownership and possession, but that, unlike equitable title, carries no 'beneficial interest' in the property.

LENDER

A term which can refer to the institution making the loan or to the individual representing the firm. For example, loan officers are often referred to as "lenders."

LENDER TITLE INSURANCE POLICY

This insurance policy protects your lender against problems with the title to your property. This policy does not protect the owner. An "owners policy" is issued for owner's title protection and coverage.

LESSEE

The tenant leasing property.

LESSOR

One who leases property to a tenant.

LETTER OF CREDIT

Also known as a documentary credit or bankers' commercial credit, or letter of undertaking, is a payment mechanism used in international trade to provide an economic guarantee from a creditworthy bank to an exporter of goods.

LETTER OF INTENT

A document outlining the understanding between two or more parties which understanding they intend to formalize in a legally binding agreement.

LEVY

To impose, require, or collect by legal authority.

LIABILITY INSURANCE

This refers to an insurance product that provides an insured party with protection against claims resulting from injuries and damage to other people or property. Liability insurance policies cover any legal costs and payouts an insured party is responsible for if they are found legally liable.

LICENSEE

A person licensed by a state real estate commission to engage in real estate brokerage, either as a broker or as a salesman.

LIEN

The liability of real estate as security for payment of a debt. Such liability may be created by contract, such as a mortgage, or by operation of law, such as a mechanics lien.

LIEN WAIVER

A document from a contractor, subcontractor, materials supplier, equipment lessor or other party to the construction project stating they have received payment and waive any future lien rights to the property for the amount paid.

LIFE CAP

For an adjustable-rate mortgage (arm), a limit on the amount that the interest rate can increase or decrease over the life of the mortgage.

LIFE ESTATE

An interest in property only for the duration of someone's life.

LIKE KIND PROPERTY

This describes property of the same nature, character or class. Quality or grade is not a factor.

LIMITATION OF ACTION

This refers to a law which sets the maximum period which one can wait before filing a lawsuit, depending on the type of case or claim.

LIMITED PARTNERSHIP

This is a partnership consisting of a general partner, who manages the business and has unlimited personal liability for the debts and obligations of the limited partnership, and a limited partner, who has limited liability but cannot participate in management.

LINE OF CREDIT

An agreement by a commercial bank or other financial institution to extend credit up to a certain amount for a certain time to a specified borrower.

LINOLEUM

Commonly abbreviated to Lino, is a floor covering made from materials such as solidified linseed oil, pine resin, ground cork dust, sawdust, and mineral fillers such as calcium carbonate, most commonly on a burlap or canvas backing.

LIQUID ASSET

A cash asset or an asset that is easily converted into cash.

LIS PENDENS

A pending lawsuit. A Lis pendens notice is legal notice to the world that a lawsuit is pending.

LISTING

A listing is essentially a home that is for sale. The term gets its name from the fact that these homes are often "listed" on a website or in a publication.

LISTING AGENT

This is the agent who represents the seller in the home-buying process. On the other side is the buyer's agent, who represents the buyer.

LITTORAL

Relating to or situated on the shore of the sea or a lake.

LITTORAL RIGHTS

Rights concerning properties that abut static water like an ocean, bay, delta, sea or lake, rather than a flowing river or stream.

LIVING TRUST

A revocable living trust, is a legal document that places your assets—investments, bank accounts, real estate, vehicles and valuable personal property—in trust for your benefit during your lifetime, and spells out where you'd like these things to go upon your death.

LOAN

A thing that is borrowed, especially a sum of money that is expected to be paid back with interest.

LOAN APPLICATION

This is used by borrowers to apply for a loan. Through the loan application, borrowers reveal key details about their finances to the lender, the loan application is crucial to determining whether the lender will grant the request for funds or credit.

LOAN ESTIMATE

A three-page loan estimate must be provided to the consumers no later than three business days after they submit a loan application for most mortgages. The loan estimate provides information about key features, costs, and risks of the mortgage loan for which the consumer is applying.

LOAN MODIFICATION

Is a change made to the terms of an existing loan by a lender. It may involve a reduction in the interest rate, an extension of the length of time for repayment, a different type of loan, or any combination of the three.

LOAN ORIGATION FEE

This is what the lender charges the borrower for making the mortgage loan. The origination fee may include processing the application, underwriting and funding the loan, and other administrative services.

LOAN PACKAGE

This is the pertinent set of documents that need to be signed by the consumer and returned to the lender in order to secure the loan with your lender. Some parts of this package may be required to be scanned and sent to the lender immediately after signing in order to receive the loan funds. Many of the documents will also require notarization.

LOAN POLICY

A policy of title insurance issued to the mortgage lender insuring against loss by defects in, liens against, or unmarketability of title.

LOAN SERVICING

After you obtain a loan, the company you make the payments to is "servicing" your loan. They process payments, send statements, manage the escrow/impound account, provide collection efforts on delinquent loans, ensure that insurance and property taxes are made on the property, handle pay-offs and assumptions, and provide a variety of other services.

LOAN-TO-VALUE (LTV)

The percentage relationship between the amount of the loan and the appraised value or sales price (whichever is lower).

LOCK-IN

A lock-in or rate lock on a mortgage loan means that your interest rate won't change between the offer and closing, as long as you close within the specified time frame and there are no changes to your application. In economics, vendor lock-in, also known as proprietary lock-in or customer lock-in, makes a customer dependent on a vendor for products and services, unable to use another vendor without substantial switching costs. Lock-in costs that create barriers to market entry may result in antitrust action against a monopoly.

LONG TERM CAPITAL

A long-term capital gain or loss is the gain or loss stemming from the sale of a qualifying investment that has been owned for longer than 12 months at the time of sale. This may be contrasted with short-term gains or losses on investments that are disposed of in less than 12 months' time.

LONGITUDE

A geographic coordinate that specifies the east–west position of a point on the earth's surface, or the surface of a celestial body. It is an angular measurement, usually expressed in degrees and denoted by the Greek letter lambda. Meridians connect points with the same longitude.

LONGITUDINAL

A term relating to longitude; measured from east to west.

LOSS MITIGATION

This is what the mortgage-servicing industry calls the process where borrowers and their loan servicer work together to avoid a foreclosure. The term "loss mitigation" refers to a loan servicer's duty to mitigate or lessen the loss to the investor (the loan owner) resulting from a borrower's default.

LOSS OF ACCESS

The loss of an access right to a parcel of property through another property owner's property. This could materially affect the value of the property denied access.

LOT

The lot and block survey system is a common U.S. method used to locate and identify land, particularly for lots in densely populated metropolitan areas, suburban areas and exurbs. It is sometimes referred to as the recorded plat survey system or the recorded map survey system. In most cases there are several "lots" subdivided and identified within each "block" of a platted subdivision.

LOT LINE

The boundary (perimeter) line of a lot or parcel of land. Lot lines or property lines are typically lines plotted on a map, plat, or survey.

MANUFACTURED HOME

A structure built in a factory, which is later shipped to, and placed on, the homesite. The term can apply to both mobile homes and pre-fab homes.

MARKET VALUE

An average between the highest price that a buyer, willing but not compelled to buy, would pay and the lowest price a seller, willing, but not compelled to sell, would accept.

MARKETABLE TITLE

A title that a court of equity considers to be so free of material defects and liens that it will force the title's acceptance by questioning purchaser. Also known as a merchantable title.

MASTER PLAN

The plan describing both through narrative and maps the overall land use of a designated urban area. Private developers can develop a master plan to guide their overall development plans. Governments create master plans to help guide the development of property zoning use designations.

MASTER POLICY

Master policies can include properties owned by multiple investors and/or accommodate differing legal ownership structures. Master policies are especially useful to active investors, in that they allow for easy addition or removal of a property from coverage every time a property is bought or sold.

MATERIALMAN

Any corporation, firm, partnership, joint venture, or individual, other than employees of the contractor, who or which contracts with the contractor or any subcontractor, to fabricate or deliver, or who actually fabricates or delivers, plant, materials or equipment to be incorporated in the work.

MEANDER LINES

Artificial lines drawn by surveyors for mapping and surveying a body of water. The lines are drawn around the lake or pond for the purpose of measuring property that abuts the water which means that they are usually irregular and dynamic in nature so as to account for the outline of a body of water.

MECHANIC'S LIEN

A lien on real estate, created by operation of law, which secures the payment of debts due to persons who perform labor or services or furnish materials incident to the construction of buildings and improvements on the real estate.

MERGER OF TITLE

Forming two or more parcels of property under one title. Normally, the smaller parcel(s) are added to the title of the larger parcel. The merger of title often occurs in an estate settlement where adjoining parcels of property are merged under one title.

MERIDIAN

A circle of constant longitude passing through a given place on the earth's surface and the terrestrial poles.

METES AND BOUNDS

Describing boundaries by using courses, directions, distances, and monuments.

MINERAL RIGHTS

Rights to subsurface land and profits. Normally, when real property is conveyed, the grantee receives all right and title to the land including everything above and below the surface, unless excepted by the grantor.

MINERALS

A crystalline substance that is naturally occurring, inorganic, and has a unique or limited range of chemical compositions. Minerals are homogeneous, having a definite atomic structure. Rocks are composed of minerals, except for rare exceptions like coal, which is a rock but not a mineral because of its organic origin. Minerals are distinguished from one another by careful observation or measurement of physical properties such as density, crystal form, cleavage (tendency to break along specific surfaces because of atomic structure), fracture (appearance of broken surfaces), hardness, luster and color.

MISREPRESENTATION

A false statement that affects someone's decision to enter into a contract. The three types of misrepresentation are:

Fraudulent misrepresentation— When you purposely provide misleading information. **Negligent misrepresentation**— When you don't perform your due diligence in providing information, or you provide information without taking reasonable care to determine

that it's true. **Innocent misrepresentation**— When you have reasonable grounds to believe what you say is true.

MOBILE HOME

A type of manufactured home, which is transported to the home site using wheels attached to the structure. Mobile homes come in various widths and lengths, and maybe composed of one to three pieces. A one-piece home is called a "single-wide," while a house that is joined together from two halves is called a "double-wide." Recently, "triple-wides" have appeared, and become as the largest mobile homes available. Most sections are between 14 and 16 feet wide, and 54 to 80 feet in length. Mobile homes do not require any foundation or substructure. They sit up off the ground, with skirting used around the base to hide the under structures. While it is possible to tie down a mobile home to a piece of land, using straps and screw-in anchors, the structures can be susceptible to high winds and tornados.

MODEL HOME

A show house, also called a model home or display home, is a term for a "display" version of manufactured homes, or houses in a subdivision. They are used on newly built developments to show the living space and features of homes available.

MODIFICATION

A home modification is any alteration made to a home to meet the needs of people who have different physical abilities, often to specifications outlined by the Americans with disabilities act (ADA). These alternations are made so that disabled or differently abled people can live independently and safely.

MONUMENT

A fixed object or point, either natural or man-made, used in making a survey.

MORTGAGE

A temporary conditional pledge of property to a creditor as security for the payment of a debt that may be cancelled by payment.

MORTGAGE BANKER

A company, individual, or institution that specializes in originating and/or servicing mortgage loans. In the us, a mortgage bank is a state-licensed banking entity that makes mortgage loans directly to consumers.

MORTGAGE BROKER

The broker is an individual or company that is responsible for taking care of all aspects of the deal between borrowers and lenders, whether that be originating the loan or placing it with a funding source such as a bank. Mortgage bankers use their own funds, or funds borrowed from a warehouse lender to fund mortgages. Most mortgage bankers do not retain the mortgage in a portfolio.

MORTGAGE COMPANY

A mortgage company is engaged in the business of originating and/or funding mortgages for residential or commercial property.

MORTGAGE INSURANCE (MI)

Insurance that covers the lender against some of the losses incurred because of a default on a home loan. It is often mistakenly referred to as PMI, which is the name of one of the larger mortgage insurers. Mortgage insurance is usually required in one form or another on all loans that have a loan-to-value higher than eighty percent. Mortgages above 80% LTV that call themselves "no MI" are usually a made at a higher interest rate. Instead of the borrower paying the mortgage insurance premiums directly, they pay a higher interest rate to the lender, which then pays the mortgage insurance themselves. Also, FHA loans and certain first-time homebuyer programs require mortgage insurance regardless of the loan-to-value.

MORTGAGE MODIFICATION

Mortgage modification is a process where the terms of a mortgage are modified outside the original terms of the contract agreed to by the lender and borrower. In general, any loan can be modified, and the process is referred to as loan modification or debt rescheduling.

MORTGAGE POLICY

A mortgage title insurance policy protects the lender's interest in your property until your loan is paid off or refinanced. On the other hand, an owner's policy of title insurance insures your ownership rights to the property. A mortgage insurance policy protects a mortgage lender or titleholder if the borrower defaults on payments, passes away, or is otherwise unable to meet the contractual obligations of the mortgage.

MORTGAGE BACKED SECURITIES

This is an investment similar to a bond that is made up of a bundle of home loans bought from the banks that issued them. Investors in MBS receive periodic payments similar to bond coupon payments.

MORTGAGEE

The lender in a mortgage agreement.

MORTGAGOR

The borrower in a mortgage loan transaction.

MORTGAGE INSPECTION CERTIFICATE (MIC)

A report prepared for an individual or firm, it is not a land or boundary survey plat, and it is not to be relied upon for the establishment of fence, building or other future improvement lines. It accompanies a sketch of a true representation of the conditions that were found at the time of the inspection. These are typically relied upon for "survey coverage" on a lenders title policy and cannot be relied upon for an owner's title policy.

MORTGAGE INSURANCE PREMIUM (MIP)

The amount paid by a mortgagor for mortgage insurance, either to a government agency such as the federal housing administration (FHA) or to a private mortgage insurance (MI) company.

MULTIFAMILY AFFORDABLE HOUSING - TARGETED AFFORDABLE HOUSING

Multifamily affordable housing eligible properties are those that participate in the low income housing tax credit (LIHTC) program, are encumbered by a housing assistance payment (HAP) contract or participate in the section 8 program (either through vouchers or direct payments). Targeted affordable housing properties are those that receive federal, state, or municipal government subsidies to pay for a portion of development or operating costs.

MULTIFAMILY DWELLING

Multi-family residential is a classification of housing where multiple separate housing units (5 or more) for residential inhabitants are contained within one building or several buildings within one complex. Units can be next to each other or stacked on top of each other. A common form is an apartment building.

N

NAME CHANGE

Generally refers to the legal act by a person of adopting a new name different from their current name. the procedures and ease of a name change vary between jurisdictions. In general, common law jurisdictions have loose procedures for a name change while civil law jurisdictions are more restrictive. A legal name change may result from marriage, divorce, adoption or simply a desire to have another name. Generally, you cannot change your name for a fraudulent purpose, such as avoiding debts. When a minor is involved, the court looks to the best interest of the minor.

NAR — NATIONAL ASSOCIATION OF REALTORS®

The national association of realtors, whose member brokers are known as realtors, is a north American trade association for those who work in the real estate industry. It is America's largest trade association, representing 1.4 million members. NAR functions as a self-regulatory organization for real estate brokerage. The organization is headquartered in Chicago. The NAR organization was formed in 1908.

NEGATIVE AMORTIZATION

Some adjustable-rate mortgages allow the interest rate to fluctuate independently of a required minimum payment. if a borrower makes the minimum payment, it may not cover all the interest that would normally be due at the current interest rate. In essence, the borrower is deferring the interest payment, which is why this is called "deferred interest." The deferred interest is added to the balance of the loan and the loan balance grows larger instead of smaller, which is called negative amortization.

NET INCOME

In business and accounting, net income is an entity's income minus cost of goods sold, expenses, depreciation and amortization, interest, and taxes for an accounting period.

NET LISTING

in a net listing, an owner sets a minimum amount that he or she wants to receive from the sale of the property and lets the broker have a commission any amount above the set minimum. While in this type of situation the seller is getting what he or she wants for the sale, it creates a conflict of interest for the broker by violating the broker's fiduciary responsibility of putting the client's interests above his or

her own. For this reason, net listings are generally viewed as unprofessional and are illegal in many states.

NET PROFIT

The actual profit after working expenses not included in the calculation of gross profit have been paid.

NET WORTH

Is the value of the assets a person or corporation owns, minus the liabilities they owe. It is an important metric to gauge a company's health, providing a snapshot of its current financial position.

NO CASH-OUT REFINANCE

A refinance transaction which isn't intended to put cash in the hand of the borrower. Instead, the new balance is calculated to cover the balance due on the current loan plus costs associated with obtaining the new mortgage. Often referred to as a "rate and term refinance."

NOTARY PUBLIC

A public officer constituted by law to serve the public in non-contentious matters usually concerned with estates, deeds, powers-of-attorney, and foreign and international business.

NOTE

A legal document that obligates a borrower to repay a mortgage loan at a stated interest rate during a specified period of time.

NOTICE OF ACTION

The term that is used when a person is made aware that they are to be involved in a law suit.

NOTICE OF DEFAULT

A formal written notice to a borrower that a default has occurred, and that legal action may be taken.

NUISANCE

Something that interferes with the use of property by being irritating, offensive, obstructive, or dangerous. Nuisances include a wide range of conditions, everything from a chemical plant's noxious odors to a neighbor's dog barking. The former would be a "public nuisance," one affecting many people, while the other would be a "private nuisance," limited to making your life difficult, unless the dog was bothering others. Lawsuits may be brought to abate (remove or reduce) a nuisance. See quiet enjoyment, attractive nuisance.

NUNC PRO TUNC

A Latin expression in common legal use in the United States, the united kingdom, and other countries. In general, a ruling nunc pro tunc applies retroactively to correct an earlier ruling. examples: (1) A court clerk fails to file an answer when he/she received it, and a nunc pro tunc date of filing is needed to meet the legal deadline (statute of limitations); (2) A final divorce judgment is misdirected and, therefore, not signed and dated until the day after the re-marriage of one of the parties-the nunc pro tunc order will prevent the appearance or actuality of a bigamous marriage.

O

OBSCOLESCENCE

Obsolescence is the state of being which occurs when an object, service, or practice is no longer maintained or degraded even though it may still be in good working order.

OCCUPANCY RATE

The ratio of rented or used space to the total amount of available space. Analysts use occupancy rates when discussing senior housing, hospitals, bed-and-breakfasts, hotels, and rental units, among other categories.

OFFER

This is the initial price offered by a prospective buyer to the seller. A seller may accept the offer, reject it, or counter with a different offer.

OIL AND GAS LEASE

A contract between mineral owner, otherwise known as the lessor and a company or working interest owner, otherwise known as the lessee in which the lessor grants the lessee the right to explore, drill and produce oil, gas and other minerals for a specified primary term and as long thereafter as oil, gas or other minerals are being produced in paying quantities. This lease gives the lessee a working interest.

The oil and gas lease is granted in exchange for royalty payments to the lessor.

OPEN END MORTGAGE

A type of mortgage that allows the borrower to increase the amount of the mortgage principal outstanding at a later time. Open-end mortgages permit the borrower to go back to the lender and borrow more money. There is usually a set dollar limit on the additional amount that can be borrowed.

OPEN HOUSE

A scheduled period of time in which a house or other dwelling is designated to be open for viewing by potential buyers.

OPEN LISTING

An open listing lets owners sell their homes themselves as "for sale by owner" properties. It's a non-exclusive listing agreement, allowing an owner to execute open listings with more than one real estate broker and pay only the broker who brings an able buyer to the table whose offer is accepted by the owner.

OPEN MORTGAGE

A mortgage that can be fully paid off, refinanced or re-negotiated at any time without penalties. Open mortgages tend to have higher interest rates compared to closed mortgages due to the pre-payment flexibility. As a result, open mortgages are not as popular as closed mortgages.

OPINION OF TITLE

In title industry terms, referred to as title opinion. The conclusion and judgment of a skilled person as to the status of a title, based upon a title examination.

OPTION

The right to purchase property within a definite time at a specified price. There is no obligation to purchase, but the seller is obligated to sell if the option holder exercises the right to purchase. For the option to be valid, it must include consideration.

ORDER CONFIRMING SALE

Confirmation of court ordered sale through the approval of the terms, price, and conditions. The court appoints a representative, either an administrator or executor in the event of an estate sale, a conservator or guardian in the case of an incapacitated individual, or commissioner in a foreclosure, to complete the sale.

ORDINANCE

A law adopted by a town or city council, county board of supervisors or other municipal governing board. Typically, local governments issue ordinances establishing zoning and parking rules and regulating noise, garbage removal, and the operation of parks and other areas that affect people who live or do business within the locality's borders.

ORIGINATION FEE

The finance fee charged by a lender for placing a mortgage, which covers initial costs such as preparation of documents and credit, inspection, and appraisal fees.

OWNER FINANCING

A property purchase transaction in which the property seller provides all or part of the financing.

OWNER OF RECORD

An individual or business whose name appears on a valid recorded deed to residential real property as an owner of the property.

OWNER'S POLICY

This policy is purchased for a one-time fee and protects a homeowner's investment in a property for as long as they or their heirs have an interest in the property. Only an owner's policy protects the buyer should a covered title problem arise with the title that was not found during the title search. Possible hidden title problems can include errors or omissions in deeds, mistakes in examining records, forgery, and undisclosed heirs.

PARCEL

Means any quantity of land capable of being described with such definiteness that its locations and boundaries may be established and which is designated by its owner or developer as land to be used or developed as a unit or which has been used or developed as a unit.

PARTIAL WALL

Walls that provide a visual transition from one part of a space to another, such as a living room combined with a dining room, without sacrificing an open feel. These walls, also called half walls or knee walls, can also help organize a big space, providing a transition from one use to another.

PARTNERSHIP

An arrangement where parties, known as business partners, agree to cooperate to advance their mutual interests. The partners in a partnership may be individuals, businesses, interest-based organizations, schools, governments, or combinations.

PARTY WALL

Wall erected on line between adjoining properties for the use of both properties. Party walls are most commonly found in apartments, condominiums, hotels, and office complexes, where different tenants will share a common structure.

PATENT

A government authority or license conferring a right or title for a set period, especially the sole right to exclude others from making, using, or selling an invention.

PENALTY

A punishment imposed for breaking a law, rule, or contract. Penalty clauses in a real estate contract usually impose penalties on the mortgage lender or borrower if they violate certain terms. In most cases they are imposed by the mortgage lender upon the borrower, though this may change depending on the contract terms.

PER DIEM

For each day (used in financial contexts).

PERPETUITY

A perpetuity is an annuity in which the periodic payments begin on a fixed date and continue indefinitely. It is sometimes referred to as a perpetual annuity. Fixed coupon payments on permanently invested (irredeemable) sums of money are prime examples of perpetuities. Also described as a restriction making an estate inalienable perpetually or for a period beyond certain limits fixed by law.

PERSONAL PROPERTY

Any things which are tangible and moveable; Property which is not classified as real property; Chattels.

PI – PRINCIPAL AND INTEREST

The principal and interest on a loan. The borrower must pay the principal and interest according to the agreed-upon schedule.

PLANNED UNIT DEVELOPMENT (PUD)

A type of ownership where individuals actually own the building or unit they live in, but common areas are owned jointly with the other members of the development or association. Contrast with condominium, where an individual actually owns the airspace of his unit, but the buildings and common areas are owned jointly with the others in the development or association.

PLANNING COMMISSION

The planning commission is a permanent committee made up of five or more individuals who have been appointed by the governing body (city council or board of supervisors) to review and act on matters related to planning and development.

PLAT - PLAT MAP

In the United States, a plat is a cadastral map, drawn to scale, showing the divisions of a piece of land. United States general land office surveyors drafted township plats of public lands surveys to show the distance and bearing between section corners, sometimes including topographic or vegetation information.

PLAT BOOK

A record of recorded subdivisions of land.

POINT OF BEGINNING – POB

It is also referred to as the point of commencement (POC). From the point of beginning, the border of the property is described until the point of beginning is reached again.

POLICE POWER

The authority of a government to adopt and enforce law governing the use of real estate based on the need to promote public safety, health, and general welfare.

POLICY

On a mortgage loan when buying or refinancing a property, the lender will require a loan policy of title insurance. This protects the lender's interest in your property until the loan is paid off or refinanced. On the other hand, an owner's policy of title insurance insures the owner's ownership rights to the property now and anytime following the sale of that property.

POSSESSION

Possession of real property generally means being on the property. Possession consists primarily of actual occupancy and may be held irrespective of ownership or title. A mortgagee does not have ownership, but may have possession and the holder of a future interest has a form of ownership, but does not have possession.

POSSESSORY LIEN

A possessory lien grants a creditor the right to remain in possession of a property under the lien until the debtor has satisfied his or her debt. A lien is the legal claim that one person has over the property of another as security for the payment of a debt.

POWER OF ATTORNEY

A legal document that authorizes another person to act on one's behalf. A power of attorney can grant complete authority or can be limited to certain acts and/or certain periods of time.

POWER OF SALE

A power of sale is a clause written into a mortgage note authorizing the mortgagee to sell the property in the event of default to repay the mortgage debt. Power of sale is permitted in many states as part of a lender's rights to seek a foreclosure.

PRE-APPROVAL LETTER

Before buying a home, a buyer can obtain a pre-approval letter from a bank, which provides an estimate on how much the bank will lend that person. This letter will help determine what the buyer can afford.

PRE-QUALIFYING

Pre-qualification is a process whereby a loan officer takes information from a borrower and makes a tentative assessment of how much the lending institution is willing to lend them.

PREFABRICATED HOUSE

Specialist dwelling types of prefabricated building, which are manufactured off-site in advance, usually in standard sections that can be easily shipped and assembled.

PRELIMINARY TITLE REPORT

A report prepared prior to issuing a title insurance policy that shows the ownership of a specific parcel of land. It includes information about liens and encumbrances that will not be covered under a title insurance policy.

PRELIMINARY TITLE SEARCH

Shows all ownership on a specific parcel of land, "together with the liens and encumbrances" that would not be covered under a subsequent title insurance policy.

PREMIUM

The amount payable for an insurance policy.

PREPAID INTEREST

Charges due at closing for any daily interest that accrues on your loan between the date you close on your mortgage loan and the period covered by your first monthly mortgage payment. These charges may change between the time you receive your loan estimate and the closing disclosure.

PREPAYMENT PENALTY

A fee that some lenders charge if you pay off all or part of your mortgage early. Prepayment penalties do not normally apply if you pay extra principal on your mortgage in small chunks at a time—but it's always a good idea to double check with the lender.

PRESCRIPTIVE EASEMENT

This allows someone other than the original property owner to gain the rights to use a property. Prescriptive easements often arise on rural land when landowners fail to realize part of their land is being used, perhaps by a neighbor.

PRIME TENANT

A tenant who subleases an apartment is called the prime tenant and the person temporarily renting the premises is the subtenant.

PRINCIPAL

The principal is the amount of money borrowed to purchase a home. Paying off the principal allows a buyer to build equity in a home. principal is combined with interest to determine the monthly mortgage payment.

PRINCIPAL RESIDENCE

The primary location that a person inhabits, also referred to as primary residence or main residence. It does not matter whether it is a house, apartment, trailer, or boat, as long as it is where an individual, couple, or family household lives most of the time.

PRIORITY

Any lien recorded against a property has a certain "priority," meaning that one lien is more important than the other.

PRIVATE MORTGAGE INSURANCE - PMI

Private Mortgage Insurance (PMI) is an insurance premium that the buyer pays to the lender to protect the lender from default on a mortgage. These insurance payments typically end once the buyer builds up 20% equity in a home.

PRIVATE PROPERTY

A legal designation for the ownership of property by non-governmental legal entities. It is distinguishable from public property which is owned by a state entity and from collective or cooperative property which is owned by a group of non-governmental entities.

PROBATE

A legal procedure in which the validity and probity of a document, such as a will, is proven.

PROBATE COURT

A segment of the judicial system that primarily handles such matters as wills, estates, conservatorships, and guardianships, as well as the commitment of mentally ill persons to institutions designed to help them.

PROCEEDS

Means the cash proceeds resulting from a complete sale, after deducting all of the expenses and costs incurred in connection with it.

PROMISEE

A person to whom a promise is made.

PROMISOR

A person who makes a promise.

PROMISSORY NOTE

A written promise to pay or repay a specified sum of money at a stated time, or on demand, to a named person. In addition to the payment of principal, a promissory note usually provides for the payment of interest.

PROPERTY LINE

The boundary line between two pieces of property. Border, borderline, boundary line, delimitation, mete - A line that indicates a boundary.

PROPERTY MANAGEMENT

Property management is the operation, control, maintenance, and oversight of real estate and physical property. This can include residential, commercial, and land real estate.

PROPERTY OWNERS ASSOCIATION — HOMEOWNERS ASSOCIATION

A homeowner association is a private association often formed by a real estate developer for the purpose of marketing, managing, and selling homes and lots in a residential subdivision

PROPERTY TAXES

Taxes that are paid yearly on real property. property taxes are ad valorem, based on the assessed value of the real property.

PRORATION

Proration refers to an agreement between buyer and seller to divide a cost or expense involved in the purchase of property.

PROSPECTUS

A disclosure document that describes a financial security for potential buyers.

PUBLIC HOUSING

A form of housing tenure in which a government authority usually owns the property, either central or local.

PUBLIC LAND

in all modern states, a portion of land is held by central or local governments. This is called public land, state land, or crown land. the system of tenure of public land, and the terminology used, varies between countries.

PUBLIC RECORDS

The transcriptions in a recorder's office of instruments that have been recorded, including the indexes pertaining to them.

PUBLIC SALE

A publicly held sale at which property or goods are sold to the highest bidder.

PRE-CONSTRUCTION INSPECTION

Pre-construction inspections provide inspection of the property condition and neighboring areas before the construction begins.

PURCHASE AGREEMENT

A written contract signed by the buyer and seller stating the terms and conditions under which a property will be sold.

PURCHASE AND SALE AGREEMENT

An agreement between a buyer and a seller of real estate property, company stock, or other assets.

PURCHASE MONEY MORTGAGE

A mortgage issued to the borrower by the seller of a home as part of the purchase transaction. Also known as a seller or owner financing. This is usually done in situations where the buyer cannot qualify for a mortgage through traditional lending channels.

Q

QUALIFIED INTERMEDIARY

A person that acts as an intermediary qualified under certain sections of the U.S. internal revenue code to undertake specified activities.

QUARTER SECTION

A quarter of a square mile of land; 160 acres.

QUIET TITLE SUIT

A lawsuit brought by an owner of real estate for the purpose of cancelling, wiping out, and putting a quietus upon supposedly immaterial, inconsequential, and unenforceable claims and interests that cloud the owner's title.

QUIT CLAIM DEED

A deed that does not imply the grantor holds title, but which surrenders and gives to the grantee any possible interest or rights that the grantor may have in the property.

R

RANCH STYLE HOUSE

A domestic architectural style originating in the United States. The ranch-style house is noted for its long, close-to-the-ground profile, and wide-open layout.

RANGE

A six-mile wide strip of land that runs in a north-south direction. Ranges are determined by government survey and are numbered in numerical order east or west of a principal meridian.

RATE CAP

A rate cap is a type of interest rate derivative in which the buyer receives payments at the end of each period in which the interest rate exceeds the agreed strike price.

RATE LOCK

A rate lock on a mortgage loan means that an interest rate won't change between the offer and closing, as long as it's closed within the specified time frame and there are no changes to the consumers application. A rate lock may lock a consumer out of a lower

interest rate if rates fall after they get the initial loan offer.

RAW LAND

A property in its most natural state. The land has not been cultivated for any sort of crop or livestock. There are no improvements such as walking paths, homes, or fences.

REAL ESTATE

Property consisting of land and the buildings on it, along with its natural resources such as crops, minerals or water; immovable property of this nature; an interest vested in this an item of real property, buildings or housing in general.

REAL ESTATE AGENT

A person licensed to negotiate and transact the sale of real estate.

REAL ESTATE BOARD

Directing members of a trade group made up of agents and brokers that can provide trainings, lobby the government, produce market research, and operate an MLS for the benefit of its members.

REAL ESTATE BROKER

A real estate agent or realtor is a person who represents sellers or buyers of real estate or real property. While a broker may work independently, an agent usually works under a licensed broker to represent clients.

REAL ESTATE COMMISSION

The Oklahoma Real Estate Commission is composed of seven members appointed by the governor with the advice and consent of the senate to serve a term of four years. Five members are licensed real estate brokers who have had at least five years active experience as a real estate broker prior to their appointment, one member is a lay person not in the real estate business, and one member is a representative of an approved real estate school located within the state of Oklahoma. No more than two members may be appointed from the same congressional district according to the latest congressional redistricting act.

REAL ESTATE LICENSE

Authorizations issued by state governments that give agents and brokers the legal ability to represent a home seller or buyer in the process of buying or selling real estate.

REAL ESTATE OWNED (REO)

A term used in the united states to describe a class of property owned by a lender—typically a bank, government agency, or government loan insurer—after an unsuccessful sale at a foreclosure auction.

REAL PROPERTY

Land and appurtenances, including anything of a permanent nature such as structures, trees, minerals, and the interest, benefits, and inherent rights thereof.

REALTOR ®

A copyrighted trade name that can be legally used only by those belonging to the National Association of Realtors®.

RECEIVER

A court-appointed custodian who holds property for the court, pending final disposition of the matter before the court.

RECONVEYANCE

Reconveyance is the transfer of a title to the borrower after a mortgage debt has been fully paid. The lender must surrender the promissory note to the trustee who cancels it and then reconveys title to the borrower and records the reconveyance (release).

RECORD OWNER

A person who, according to the public records is the owner of a particular property is the record owner.

RECORD TITLE

The aspects of a title that appear in the public records as distinguished from unrecorded title aspects and interests.

RECORDATION

The act or process of recording of documents.

RECORDED PLAT

A subdivision map filed in the county recorder's office that shows the location and boundaries of parcels of land.

RECORDER'S OFFICE

A government office tasked with maintaining public records and documents, especially records relating to real estate ownership that provide persons other than the owner of a property with real rights over that property.

RECORDING

The noting in the registrar's office of the details of a properly executed legal document, such as a deed, a mortgage note, a satisfaction of mortgage, or an extension of mortgage, thereby making it a part of the public record.

RECORDING FEE

Is an expense charged by a government agency for registering or recording the purchase or sale of a piece of real estate. Recording fees are generally charged by the county where the transaction takes place since it maintains records of all property purchases and sales.

RECTANGULAR SURVEY SYSTEM

A method of surveying designed to divide the real property into specified plots. It is considered as one of the most significant subdividing of the united states' mainland.

REFERRAL

An act of referring someone or something for consultation, review, or further action.

REFINANCE

Refinancing is the replacement of an existing debt obligation with another debt obligation under different terms.

REFINANCE RATE

When referring to title insurance, the refinance rate is the reduced rate for a loan policy issued on the new loan in a refinance transaction, in which the original loan was previously insured within some period of years.

REGISTRAR OF DEEDS

Recorder of deeds or deeds registry is a government office tasked with maintaining public records and documents, especially records relating to real estate ownership that provide persons other than the owner of a property with real rights over that property.

REGULATION Z

Is the federal reserve board regulation that implemented the truth in lending act of 1968. It prohibits certain practices relating to payments made to compensate mortgage brokers and other loan originators. The goal of the amendments is to protect consumers in the mortgage market from unfair practices involving compensation paid to loan originators.

REINSTATEMENT

The restoration of a person or thing to a former position. Regarding insurance, reinstatement allows a previously terminated policy to resume effective coverage.

REINSURANCE

This is insurance that an insurance company purchases from another insurance company to insulate itself from the risk of a major claims event. With reinsurance, the company passes on some part of its own insurance liabilities to the other insurance company.

REISSUE RATE

When referring to title insurance, the reissue rate is the reduced rate for an owner's policy of title insurance issued on a property that was previously insured within some period of years. In some states, the term is also used for a refinance rate.

RELEASE

A legal release is a legal instrument that acts to terminate any legal liability between the releasor and the releasee(s), signed by the releasor. A release may also be made orally in some circumstances. A general release may release any claims known or unknown that the releasor may have against the releasee. A satisfaction of mortgage, sometimes called a release of mortgage, is a document that acknowledges that the terms of a mortgage agreement have been satisfied, meaning that a borrower has repaid their mortgage loan to the lender. It is done to relinquish an interest or claim to a piece of property.

REMAINDER

A remainder interest is a future interest a person has in an asset.

REMAINDERMAN

A person who inherits or is entitled to inherit property upon the termination of the life estate of the former owner.

REMOTE ONLINE NOTARY (RON)

The remote online notarization, or RON, is the use of audio/visual technology to complete a notarial act when the principal is not in the same physical location as the notary public.

REQUEST FOR RECONVEYANCE

A request by a beneficiary under a deed of trust to the trustee, requesting the trustee to reconvey the property (release the lien) to the trustor, usually upon payment in full.

RESCIND

To revoke, cancel, or repeal (a law, order, or agreement).

RESCISSION — RESCISSION OF CONTRACT

Rescission is the unwinding of a transaction. This is done to bring the parties, as far as possible, back to the position in which they were before they entered into a contract.

RESERVATION

A right reserved by a grantor in the sale or lease of a property. In a sale, the title of all property passes to the grantee, but the use may be reserved for the grantor. Contrast with exception.

RESIDENTIAL PROPERTY

Property that is zoned specifically for living or dwelling for individuals or households; it may include standalone single-family dwellings to large, multi-unit apartment buildings.

RESPA

Real Estate Settlement Procedures Act is a federal law which deals with the procedures to be followed in a real estate closing and is intended to make borrowers more knowledgeable about possible costs and charges.

RESTRICTIONS

Limitations on the use or occupancy of real estate contained in a deed or in local ordinances pertaining to land use.

RESTRICTIVE COVENANT

A covenant imposing a restriction on the use of land so that the value and enjoyment of adjoining land will be preserved.

RESUBDIVISION

This means the changing of any existing lot or lots, street rights-of-way or easements of a subdivision plat previously recorded with the county clerk and recorder.

REVENUE STAMPS

A stamp showing that a government tax has been paid.

REVERSE MORTGAGE

A reverse mortgage is a mortgage loan, usually secured by a residential property, that enables the borrower to access the unencumbered value of the property. The loans are typically promoted to older homeowners and typically do not require monthly mortgage payments.

RIGHT OF FIRST REFUSAL

A provision in an agreement that requires the owner of a property to give another party the first opportunity to purchase or lease the property before he or she offers it for sale or lease to others.

RIGHT OF INGRESS AND EGRESS

The right to enter or leave designated premises.

RIGHT OF RESCISSION

The right of a consumer to cancel certain types of loans. If you are refinancing a mortgage, and you want to rescind (cancel) your mortgage contract.

RIGHT OF SURVIVORSHIP

In joint tenancy, the right of survivors to acquire the interest of a deceased joint tenant.

RIGHT OF WAY

(1) The right to pass over property owned by another, usually based upon an easement. (2) A path or thoroughfare over which passage is made. (3) A strip of land over which facilities such as highways, railroads, or power lines are built.

RIPARIAN OWNER

Owns the land in which the water sits. Where a watercourse runs along the boundary of the property, you are assumed to own the land up to the center of the watercourse.

RIPARIAN RIGHTS

The many rights of a person in, to, and over the banks, bed, shallows, shore, and water of a stream or body of water upon which his land borders.

RISK RATE

When referring to title insurance, the risk rate is a rate that does not include the cost of researching the title or the cost of conducting the closing.

RUNNING WITH THE LAND

A phrase used in property law to describe a right or duty that remains with a piece of property no matter who owns it. For example, the duty to allow a public beach access path across waterfront property would most likely pass from one owner of the property to the next.

RURAL

In general, a rural area or countryside is a geographic area that is located outside towns and cities.

S

SALES CONTRACT

A written agreement stating the terms of the sale agreed to by both buyer and seller.

SALES ASSOCIATE

A real estate sales associate is a sales agent who focuses on the buying process of properties and homes. In this role, you prepare and show a house to potential buyers and negotiate sales agreements between the property owner and the buyer.

SATISFACTION

The discharge of an obligation by paying a party what is due—as on a mortgage, lien, or contract—or by paying what is awarded to a person by the judgment of a court or otherwise.

SEARCH

A careful exploration and inspection of the public records in effort to find all recorded instruments relating to a particular chain of title.

SECOND MORTGAGE

A mortgage ranking in priority immediately below a first mortgage.

SECONDARY MORTGAGE MARKET

The market for the sale of securities or bonds collateralized by the value of mortgage loans.

SECTION

A section is an area nominally one square mile (2.6 square kilometers), containing 640 acres (260 hectares), with 36 sections making up one survey township on a rectangular grid.

SECTION 8 HOUSING

Section 8 of the housing act of 1937, often called section 8, as repeatedly amended, authorizes the payment of rental housing assistance to private landlords on behalf of low-income households in the United States.

SECTION 1031

Under section 1031 of the United States Internal Revenue Code, a taxpayer may defer recognition of capital gains and related federal income tax liability on the exchange of certain types of property, a process known as a 1031 exchange. AEX, Corp, a subsidiary company of American Eagle Title Insurance Company, is a qualified intermediary and can assist with section 1031 exchanges. Call AEX Corp today for assistance, (405) 232-6700, ask for Andy!

SECURITY

The property that will be pledged as collateral for a loan.

SECURITY INSTRUMENT

A legal document giving the bank a security interest in the property. It can be a mortgage, giving the lender a lien on the property, or a deed of trust, whereby a trustee holds the deed for the lender until you finish paying off the loan.

SELLER'S MARKET

An economic situation in which goods are scarce and sellers can keep prices high.

SELLING AGENT

Represents the buyer in a home sale. Prior to a contract being signed, the agent representing the buyer is often called the buyer's agent. After the two parties agree to terms and the house is under contract, the buyer's agent is then referred to as a selling agent.

SEPTIC SYSTEM

Septic systems are underground wastewater treatment structures, commonly used in rural areas without centralized sewer systems. They use a combination of nature and proven technology to treat wastewater from household bathrooms, kitchen drains, and laundry.

SERVICE ROAD

A local road running parallel to a higher-speed, limited-access road often used to provide access to private driveways, shops, houses, industries or farms.

SERVICING

The collection of mortgage payments from borrowers and related responsibilities of a loan servicer.

SERVIENT TENANT

Property that is subject to use by another for a specific purpose. For example, a beachfront house that has a public walkway to the beach on its premises would be a servient tenement.

SETBACK ORDINANCE

Property laws governing property lines and boundaries. A setback is the minimum distance from a property line that a building can be built. ... also, setback ordinances may also govern access to ventilation and light.

SETBACK LINE

The distance a building must be set back from the property lines in accordance with local zoning ordinances or deed restrictions.

SETTLEMENT

In some areas called a "closing," the process of completing a real estate transaction during which deeds, mortgages, leases and other required instruments are signed and/or delivered, an accounting between the parties is made, the money is disbursed, the papers are recorded, and all other details such as payment of outstanding liens and transfer of hazard insurance policies are attended to.

SHERIFF'S DEED

A document giving ownership rights in property to a buyer at a sheriff's sale (a sale held by a sheriff to pay a court judgment against the owner of the property). A deed given at a sheriff's sale in foreclosure of a mortgage. The giving of deed begins a statutory redemption period.

SHERIFF'S SALE

A public auction at which property that he been defaulted on is repossessed. The proceeds from the sale are used to pay mortgage lenders, banks, tax collectors, and other litigants who have lost money on the property.

SHORT SALE

A sale of a house in which the proceeds fall short of what the owner still owes on the mortgage. Many lenders will agree to accept the proceeds of a short sale and forgive the rest of what is owed on the mortgage when the owner cannot make the mortgage payments. By accepting a short sale, the lender can avoid a lengthy and costly foreclosure, and the owner is able to pay off the loan for less than what he owes. See also deed in lieu (or foreclosure).

SIMULTANEOUS ISSUE RATE

When referring to title insurance, the simultaneous issue rate is the reduced rate for a loan policy or owner's policy issued on the same property or loan at the same time as another policy. The term usually refers to a loan policy issued at the same time as an owner's policy when a property is purchased.

SINGLE FAMILY HOME

A free-standing, residential structure, designed to accommodate one family. Single-family homes include traditional houses, as well as patio homes.

SITE DEVELOPMENT

The implementation of the improvements that are needed to prepare a construction site or underly a structure or development before construction can begin.

SLANDER OF TITLE

Slander of title is normally a claim involving real estate in which one entity publishes a false statement that disparages or clouds another entity's title to property, causing a financial loss.

SPECIAL ASSESSMENT

The term used in the united states to designate a unique charge that government units can assess against real estate parcels for certain public projects. This charge is levied in a specific geographic area known as a special assessment district.

SPECIAL USE PERMIT

A special use permit authorizes land uses that are allowed and encouraged by the ordinance and declared harmonious with the applicable zoning district.

SPECIAL WARRANTY DEED

A deed that warrants the title only with respect to acts of the seller and the interests of anyone claiming by, through, or under him.

SPLIT LEVEL HOME

A style of house in which the floor levels are staggered. There are typically two short sets of stairs, one running upward to a bedroom level, and one going downward toward a basement area.

SPOUSE

A husband or wife considered in relation to their partner.

SQUARE FOOT COST

This is a common metric in real estate; many buyers use it to assess a home's value. The 2022 construction cost survey by the national association of home builders (NAHB) found that the average cost per square foot to build a single-family home came out to around \$153. (Based on \$392,241) ...however, construction and material quality, as well as interior finishes, tend to have a significantly higher impact.

SQUATTER

Squatting is the action of occupying an abandoned or unoccupied area of land or a building, usually residential, that the squatter does not own, rent or otherwise have lawful permission to use.

SQUATTER'S RIGHTS

Adverse possession, sometimes colloquially described as "squatter's rights", is a legal principle under which a person who does not have legal title to a piece of property — usually land — acquires legal ownership based on continuous possession or occupation of the property without the permission of its legal owner.

STANDARD COVERAGE POLICY

A standard policy insures primarily against defects in title which are discoverable through an examination of the public record. This includes defects in title or recorded liens or encumbrances, such as unpaid taxes or assessments, and defects due to lack of access to an open street.

STARTER

A starter home or starter house is a house that is usually the first which a person or family can afford to purchase.... in the real estate industry the term commonly denotes small one- or two-bedroom houses, often older homes but sometimes low-cost new developments.

STATUTE

A written law passed by a legislative body, also a rule of an organization or institution.

STATUTE OF LIMITATIONS

These are time limits imposed by state law for initiating a lawsuit or some other type of civil action.

STATUTORY

Action required, permitted, or enacted by a statute.

STATUTORY DEDICATION

The granting of public rights in roads, parks, or other improvements by virtue of recording a subdivision plat on which the developer indicates those areas dedicated to the public use.

STATUTORY LIEN

A charge or claim upon property that arises by virtue of specific statutes that address the relationship between the property owner and the party given the ability to place the lien.

STICK BUILT HOME

A stick-built home is a wooden house constructed entirely or largely on-site; that is, built on the site which it is intended to occupy upon its completion rather than in a factory or similar facility.

STUCCO

A fine plaster used for coating wall surfaces or molding into architectural decorations.

SUBCONTRACTOR

An individual or a business that signs a contract to perform part or all of the obligations of another's contract. A subcontractor is a company or person whom a general contractor hires to perform a specific task as part of an overall project and normally pays for services

provided to the project.

SUBDIVISION

An area of land divided into lots, blocks and building sites, and in which public facilities are laid out, such as streets, alleys, parks, and easements for public utilities.

SUBLEASE

The renting of property by a tenant to a third party for a portion of the tenant's existing lease contract.

SUBORDINATE

Lower in rank or position.

SUBORDINATION AGREEMENT

A legal document used to make the claim of one party junior to a claim in favor of another. It is generally used to grant first lien status to a lienholder who would otherwise be secondary to another party, with the approval of the party that would otherwise have first lien.

SUBPOENA

A legal process ordering a witness to appear and give testimony or to present documents under penalty of law.

SUBROGATION

The assumption by a third party of another party's legal right to collect a debt or damages. It is a legal doctrine whereby one person is entitled to enforce the subsisting or revived rights of another for one's own benefit.

SUBSURFACE EASEMENT

Owner of land allowing another to use space under the ground, such as to install a sewer or gas line.

SUBSURFACE RIGHTS

Subsurface right refers to a landowner's right over minerals and other substances found below a property. A person acquires a subsurface right through purchase from a landowner.

SUCCESSION

The passing of property or legal rights after death. The word commonly refers to the distribution of property under a state's intestate succession laws, which determine who inherits property when someone dies without a valid will. When used in connection with real estate, the word refers to the passing of property by will or inheritance, as opposed to gift, grant, or purchase.

SUPPLEMENTAL ABSTRACT

An extension or supplement of a complete abstract containing only documents recorded from a specific date range. This can be used to exam when there is prior work to commence from; A complete abstract, prior title insurance file or an examining attorney who has previously examined title and has a complete opinion.

SURETY

The guarantee of the debts of one party by another. A surety is an organization or person that assumes the responsibility of paying the debt in case the debtor policy defaults or is unable to make the payments.

SURFACE RIGHTS

The rights to the surface area of a piece of land. This includes any structures on the property, as well as the rights to farm the land or exploit aboveground resources such as trees, plants, or water according to local laws and ordinances.

SURVEY

The map or plat drawn by a surveyor which represents the property surveyed and shows the results of a survey. Shows the location, boundaries, area, or the elevations of land and structures upon the earth's surface by means of courses in relation to the north pole, and the measuring of angles and distances by using techniques of geometry and trigonometry.

SURVIVORSHIP

A right depending on survival, especially the right of a survivor of people with a joint interest to take the whole on the death of the others.

SWEAT EQUITY

The unpaid labor employees and cash-strapped entrepreneurs put into a project. Homeowners and real estate investors can use sweat equity to do repairs and maintenance on their own rather than pay for traditional labor.

TAX AND INSURANCE ESCROW

This helps homeowners set money aside each month to cover insurance premiums and property taxes. When the bills for these come in each year, the mortgage lender uses money in the escrow account to cover the payments. Homeowners avoid making large payments in one shot each year.

TAX DEED

A legal document granting ownership of a property to a government body when the owner fails to pay any associated property taxes. A tax deed gives the government agency the authority to sell the property to collect the delinquent taxes.

TAX FREE EXCHANGE

An exchange of like-kind properties in the United States. A property being sold is not subject to capital gains tax until it is eventually sold without reinvestment of the proceeds. This allows not for the avoidance, but the deference of any taxable gains on the property that is first sold.

TAX LIEN

The lien that is imposed upon real estate by operation of law that secures the payment of real estate taxes.

TAX ROLL

An official record of property subject to property tax within a given jurisdiction.

TAX SALE

The forced sale of property by a governmental entity for unpaid taxes by the property's owner.

TAX STAMPS

Real estate transfer tax. It's sometimes called a "stamp tax" because years ago an actual embossed stamp had to be placed on the document to show that the tax had been paid.

TENANCY

A holding of an estate or a mode of holding an estate specifically. The temporary possession or occupancy of something (such as a house) that belongs to another. Also used to explain the period of a tenant's occupancy or possession.

TENANCY BY ENTIRETIES

An estate or interest in real estate predicated upon the legal fiction that a husband and wife are one person. A conveyance or devise to them (unless contrary intent is expressed) vests title in them as one person. Upon the death of either husband or wife, full title passes to the survivor.

TENANT

One who has the occupation or temporary possession of lands or tenements of another. One who holds or possesses real estate or sometimes personal property (such as a security) by any kind of right.

TENANTS IN COMMON

Two or more persons in whom title to a single piece of real estate is vested in such a manner that they have a common or equal right to possession and enjoyment of the property, but each holds a separate individual interest or estate in the property. Each owner may sell or encumber his respective interest or dispose of it by will, and if he dies without leaving a will, his heirs inherit his undivided interest.

TENANT IN SEVERALTY

When real estate is owned by a single person or legal entity, providing the owner with the most complete control of the land. The name is derived from the fact that the owner is "severed" from other owners.

TENEMENT

Everything that may be occupied under a lease by a tenant.

TENEMENTS

A type of building shared by multiple dwellings, typically with flats or apartments on each floor and with shared entrance stairway access.

TERMITE INSPECTION

A visual inspection of the readily accessible areas of a home for evidence of wood-destroying insects. The inspector will visually inspect the entire interior of a home (including accessing and entering any sub-space such as basements and crawlspaces) and exterior of the property.

TESTATE

Means that a valid will exists for an estate at the time of a person's death, "intestate" means that a person died without a will.

THIRD PARTY

A term usually applied to persons who are not principal parties to a contract or other instrument, but who have some right, interest, or duty that such contract or instrument affects. For example, where a sale contract between buyer and seller of real estate provides that the money and documents involved in the transaction will be deposited with a title company pending the closing of the deal, the title company becomes a third party to the transaction.

TITLE

(1) A combination of all the elements that constitute the highest legal right to own, possess, use, control, enjoy, and dispose of real estate or an inheritable right or interest therein. (2) The rights of ownership recognized and protected by the law.

TITLE COMMITMENT

An offer to issue a title insurance policy. the title commitment will describe the various conditions, exclusions and exceptions that apply to that policy.

TITLE COMPANY

A company that specializes in examining and insuring titles to real estate.

TITLE COVENANTS

Covenants ordinarily inserted in conveyances and in transfers of title to real estate to giving protection to the purchaser against insufficiency of title received. Common law covenants includes: (a) Covenants against encumbrances; (b) Covenant for further assurance (in other words, to do whatever is necessary to rectify title deficiencies); (c) Covenant of good right and authority to convey; (d) Covenant of quiet enjoyment; (e) Covenant of seisin; (f) Covenant of warranty.

TITLE DEFECT

(1) Any possible or patent claim or right outstanding in a chain of title that is adverse to the claim of ownership. (2) Any material irregularity in the execution or effect of an instrument in the chain of title.

TITLE EXAMINATION

To peruse and study the instruments in a chain of title and to determine their effect and condition to reach a conclusion as to the status of the title.

TITLE INSURANCE

Is insurance that protects purchasers of real estate and mortgages against loss from defective titles, liens, and encumbrances.

TITLE INSURANCE COMPANY

The role of a title company is to verify that the title to the real estate is legitimately given to the home buyer by making sure that a seller has the rights to sell the property to a buyer. Title insurance protects the lender and/or owner against lawsuits or claims against the property that result from disputes over the title. The title insurance company also may be responsible for conducting the closing.

TITLE ORDER

A lender or loan office orders title work, and the title company cannot begin work until that order is received. A real estate contract will also serve as an order for title. This will be specified as such within the fully executed real estate contract.

TITLE PLANT

Also known in Oklahoma as an abstract plant, is a geographically filed assemblage of title information which is to help in expediting title examinations, such as copies of previous attorneys' opinions, abstracts, tax searches, and copies or take-offs of the public records.

TITLE REPORT

A document that outlines the legal status of a property and related information on its ownership. This includes information on the county, zoning laws, property value, and current tax information. Title reports will also feature a full, legal description of the property.

TITLE SEARCH

A search and perusal of the public records for recorded instruments that affect the title to a particular piece of land. (See also abstract and examination.)

TITLE SEARCHER

One who searches the titles of land tracts.

TOPOGRAPHICAL MAP

A detailed record of a land area, giving geographic positions and elevations for both natural and man-made features. they show the shape of the land the mountains, valleys, and plains by means of brown contour lines (lines of equal elevation above sea level).

TOWNHOUSE

A dwelling unit usually with two, three or four floors, and shared structural walls. It can be individually owned, a condominium, a cooperative, a planned unit development or a rental property.

TOWNSHIP

A survey township is simply a geographic reference used to define property location for deeds and grants as surveyed and platted by the general land office (glo). ... A survey township is nominally six by six miles square, or 23,040 acres.

TOWNSHIP LINES

The east to west lines which mark township boundaries. principal meridian: The reference or beginning point for measuring east or west ranges.

TRACT

The term "tract" when used in reference to land has no specific legal meaning. Tract of land can be used exactly like piece of land or parcel of land.

TRANSFER

The act of transferring property from one party to another. This is done using an instrument of conveyance—A legal document such as a contract, lease, title, or a deed.

TRANSFER TAX

A tax on the passing of title to property from one person to another. A transfer tax is a transaction fee imposed on the transfer of title to property from one entity to another.

TRUST

A trust is a fiduciary relationship in which a trustor gives another party, known as the trustee, the right to hold title to property or assets for the benefit of a third party.

TRUST ACCOUNT

A type of financial account that is opened by an individual and managed by a designated trustee for the benefit of a third party in accordance with agreed-upon terms.

TRUST AGREEMENT

A legal agreement that allows you (the trustor) to transfer property and assets for the benefit of someone else (the beneficiaries). ... Beneficiaries can be individuals, businesses, or charitable organizations.

TRUST DEED

the most common method of financing real estate purchases in California (most other states use mortgages). The trust deed transfers the title to the property to a trustee—often a title company-- who holds it as security for a loan. when the loan is paid off, the title is transferred to the borrower. The trustee doesn't become involved unless the borrower defaults on the loan. At that point, the trustee can sell the property and pay the lender from the proceeds. In some states, it is more commonly referred to as a deed of trust.

TRUSTEE

A fiduciary who holds or controls property for the benefit of another.

TRUSTEES DEED

Sometimes called a deed of trust or a trust deed—is a legal document created when someone purchases real estate in a trust deed state, such as California. A trust deed is used in place of a mortgage.

TRUTH IN LENDING – TIL

The truth in lending act of 1968 is a united states federal law designed to promote the informed use of consumer credit, by requiring disclosures about its terms and cost to standardize the manner in which costs associated with borrowing are calculated and disclosed.

TURN KEY

A turnkey property is a fully renovated home or apartment building that an investor can purchase and immediately rent out.

U

UNDERWRITER

An insurance company that issues insurance policies either to the public or to another insurer.

UNDERWRITING

The process of verifying data and approving a loan or title policy.

UNENCUMBERED

This refers to an asset or property that is free and clear of any encumbrances, such as creditor claims or liens.

UNIFORM COMMERCIAL CODE (UCC)

UCC is a comprehensive set of laws governing all commercial transactions in the United States.

UNIMPROVED LAND

Unimproved land is defined by its lack of services and utilities such as electricity, water, telephone or even street access.

UNINSURABLE TITLE

Means a property may have known title defect or defects that are substantial enough that a title insurance company will not provide insurance against the defects that may affect ownership or value.

UNIT

Any type of residence such as a house, apartment, mobile home, or may also be a single unit in a group of rooms. Essentially, a housing unit is deemed to be a separate living quarter where the occupants live and eat separately from other residents of the structure or building.

UNIT COST

Unit cost is determined by combining the variable costs and fixed costs and dividing by the total number of units produced.

UNMARKETABLE TITLE

A piece of land is considered unmarketable if there are encumbrances on the land, such as mortgages, unless the buyer waives them. Title is also unmarketable if the land was obtained through adverse possession, or if the land violates any zoning laws.

UNSECURED

Not backed by collateral. One might consider an unsecured note for perhaps a friend or a non-disqualified relative, but it is a higher risk—and sometimes reward—than a secured note.

USURY

Charging more than the rate of interest allowed by law.

V**VA MORTGAGE**

A mortgage that is guaranteed by the department of Veterans Affairs (VA).

VACATE

To vacate the premises means to give up possession of the property and leave the area totally devoid of contents. To vacate a court order or judgment means to cancel it or render it null and void.

VARIABLE INTEREST RATE

An interest rate that changes periodically in relation to an index. Payments may increase or decrease accordingly.

VARIABLE RATE MORTGAGE

A mortgage loan with the interest rate on the note periodically adjusted based on an index which reflects the cost to the lender of borrowing on the credit markets.

VARIANCE

An exception to a zoning ordinance, usually granted by a local government. For example, if you own an oddly shaped lot that could not accommodate a home in accordance with your city's setback requirement, you could apply at the appropriate office for a variance allowing you to build closer to a boundary line.

VERIFICATION OF DEPOSIT

A specific form a lender may ask a bank to complete. It shows the lender pertinent information about a consumer's bank account which helps them make an underwriting decision.

VERIFICATION OF EMPLOYMENT

A process used by banks and mortgage lenders in the United States to review the employment history of a borrower, to determine the borrower's job stability and cross-reference income history with that stated on the uniform residential loan application.

VETERANS ADMINISTRATION (VA)

An agency of the federal government that guarantees residential mortgages made to eligible veterans of the military services. The guarantee protects the lender against loss and thus encourages lenders to make mortgages to veterans.

VETERANS ADMINISTRATION LOAN (VA LOAN)

A mortgage loan in the United States guaranteed by the United States Department of Veterans Affairs.

VESTING

How ownership of title is taken. Common methods of holding title include sole ownership (such as a single man or woman) or co-ownership (such as community property, community property with right of survivorship, joint tenancy, or tenancy in common). How title is vested has important legal consequences and tax consequences. The tax consequences may be different for same-sex legally related couples. You may wish to consult an attorney or tax advisor to determine the most advantageous form of ownership for your situation.

VOLUNTARY LIEN

A claim that one person has over the property of another as security for the payment of a debt. ... A voluntary lien is contractual or consensual, meaning that the lien is created by an action taken by the debtor, such as a mortgage loan to buy real estate.

W

WAIVE

To decide that you will not ask for something, although you have a right to do so, or that a rule will be ignored.

WAIVER

A waiver removes a real or potential liability for the other party in the agreement. For example, in a settlement between two parties, one party might, by means of a waiver, relinquish its right to pursue any further legal action once the settlement is finalized.

WALK THROUGH INSPECTION

A final walk-through used to inspect and make sure the home is still in the same, acceptable condition as when you last saw it, and to take a final look to make sure all repairs were completed, if needed.

WAREHOUSING

The packaging of a number of mortgage loans for sale in the secondary mortgage market by a financial institution or mortgage banker who has originated the loans.

WARRANT

A derivative that confers the right, but not the obligation, to buy or sell a security — normally an equity — at a certain price before expiration.

WARRANTY

A guaranty by the seller, covering the title as well as the physical condition of the property.

WARRANTY DEED

A deed containing one or more title covenants. (see title covenants.)

WATER RIGHTS

Water right in water law refers to the right of a user to use water from a water source, e.g., a river, stream, pond, or source of groundwater. In areas with plentiful water and few users, such systems are generally not complicated or contentious.

WATER TABLE

The upper surface of the zone of saturation. The zone of saturation is where the pores and fractures of the ground are saturated with water. The water table is the surface where the water pressure head is equal to the atmospheric pressure.

WATERFRONT

Land or a dock area that is located directly on a body of water such as a river, lake or ocean. Beachfront property is always waterfront, but waterfront property may have a beach or it may have a coast with rocks, a cliff or even a pier.

WIRE TRANSFER

A method of electronic funds transfer from one person or entity to another. A wire transfer can be made from one bank account to another bank account, or through a transfer of cash at a cash office.

WITNESS

In law a witness is someone who, either voluntarily or under compulsion, provides testimonial evidence, either oral or written, of what he or she knows or claims to know.

WRIT OF EXECUTION

A court order which authorizes and directs the proper officer of the court (usually the sheriff) to carry into effect the judgment or decree of the court.

Y

Y

YIELD

Yield refers to the annual income from the investment, expressed as a percentage of the investment's total cost (or some cases its estimated current value). yield is another name for the rate of return.

Z

ZERO LOT LINE

A term generally used to describe the positioning of a structure on a lot so that one side rests directly on the lot's boundary line (no set back). Where allowed by zoning and/or deed restrictions, it is used for patio homes.

ZONING

Exercise of police power of city in regulating and controlling the character or use of property. zoning laws divide cities into different areas according to use, from single-family residences to industrial plants. Zoning ordinances control the size, location, and use of buildings within these different areas.

ZONING MAP

This map shows how the community is divided into different use districts or zones. Zoning districts common to most ordinances include residential, commercial, industrial, and agricultural.

ZONING ORDINANCE

A rule that defines how property in specific geographic zones can be used. ... zoning ordinances may also regulate lot size, placement, density, and the height of structures.

