

KEEPING YOU UPDATED & INFORMED



REAL ESTATE

Terminology COMPLETE TERMS TO KNOW WHEN BUYING OR SELLING



AGENT

- AN AGENT REPRESENTS YOU IN ALL NEGOTIATIONS AND TRANSACTIONS REGARDING THE SALE OR PURCHASE OF A HOME.

APPRAISAL

- THE APPRAISAL IS THE ESTIMATED MARKET VALUE AS CURRENTLY STIPULATED FOR ANY PIECE OF PROPERTY. TYPICALLY, AN "APPRAISER" DETERMINES THIS VALUE THROUGH COMPARABLES IN YOUR COMMUNITY.

ASSESSED VALUE

- ASSESSORS CAN DETAIL A PARTICULAR VALUE OF REAL ESTATE PROPERTY, WHICH IS REFERRED TO AS THE ASSESSED VALUE. ASSESSORS TYPICALLY WORK FOR THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

CLOSING

- WHEN YOU'RE IN THE "CLOSING," THAT MEANS THE TRANSACTION IS ALMOST COMPLETE. THE DEED IS DELIVERED, DOCUMENTS ARE SIGNED, AND PAYMENT HAS BEEN SENT

CLOSING COST

- THESE ARE EXPENSES BEYOND THAT THE ACTUAL PRICE OF THE HOME. THEY CAN INCLUDE AGENT FEES, TAXES, AND OTHER EXPENDITURES, AND BOTH THE BUYER AND SELLER CAN CONTRIBUTE TO THOSE COSTS TO ENSURE THE COMPLETION OF THE SALE.

COMMISSION

- THIS IS WHAT IS PAID TO A BROKER OR AGENT UPON SALE OF THE HOUSE.

CONTINGENCY

- IF THERE ARE CERTAIN REQUIREMENTS YOU EXPECT FROM A BUYER BEFORE A TRANSACTION IS COMPLETED AND A CONTRACT IS BOUND, THAT WOULD RESULT IN WHAT'S CALLED A "CONTINGENCY" OFFER. IT CAN GO BOTH WAYS, BUYER OR SELLER.

COUNTEROFFER

- A COUNTEROFFER MEANS THE ORIGINAL OFFER WAS REJECTED AND REPLACED WITH ANOTHER ONE. THE COUNTEROFFER GIVES THE ORIGINAL OFFERER THREE OPTIONS: ACCEPT THE COUNTEROFFER, REJECT IT, OR MAKE ANOTHER OFFER.

DISCLOSURE

- A LEGALLY BINDING DOCUMENT IN WHICH THE SELLER COMES CLEAN ABOUT ANY POTENTIAL FLAWS AND ISSUES THE BUYER NEEDS TO KNOW ABOUT.

DOWN PAYMENT

- WHEN A BUYER PUTS MONEY UPFRONT TO THE PURCHASE OF THE HOME, THAT'S TYPICALLY REFERRED TO AS A "DOWN PAYMENT."

DUAL AGENT

- WHEN A REAL ESTATE AGENT REPRESENTS BOTH THE BUYER AND SELLER IN A TRANSACTION.

EARNEST MONEY

- WHEN A BUYER OFFERS MONEY IN "GOOD FAITH" THE MOMENT AN OFFER IS MADE, IT'S HELD IN A TRUST ACCOUNT UNTIL CLOSING COMMENCES.

ESCROW AGENT

- A LEGAL ARRANGEMENT IN WHICH A THIRD PARTY TEMPORARILY HOLDS LARGE SUMS OF MONEY OR PROPERTY UNTIL A PARTICULAR CONDITION HAS BEEN MET

EXCLUSIVE RIGHT TO SELL

- YOUR AGENT WOULD BE DESIGNATED AS THE ONLY ONE ALLOWED TO SELL YOUR PROPERTY.

MARKET VALUE

- THE “ASSESSED” VALUE, WHICH IS A DETERMINATION BY THE LOCAL AUTHORITY, AND THE “APPRAISED” VALUE

MLS

- WHEN MULTIPLE BROKERS “SHARE” A LISTING, THAT’S WHAT THE MLS IS.

NET LISTING

- A LISTING CONTRACT BETWEEN THE SELLER AND THE SELLER’S BROKER SETS A BASELINE PRICE FOR A PROPERTY; THE BROKER NETS ANY FUNDS ABOVE THAT PRICE WHEN IT SELLS.

OPEN LISTING

- WHEN A BROKER AGREES WITH A SELLER TO FIND A BUYER, THAT BROKER WON’T GET PAID UNTIL A BUYER IS FOUND AND PURCHASES THE PROPERTY THROUGH CLOSING

TITLE SEARCH

- IF YOU’RE NOT CERTAIN THAT YOU OWN YOUR PROPERTY, YOU CAN EXAMINE THIS TO INVESTIGATE WHO OWNS IT.

UNDER CONTRACT

- WHEN YOU STIPULATE THIS IN A LISTING, YOU ENSURE THAT A BUYER HAS THE EXCLUSIVE DIBS ON A CONTRACT FOR THE PURCHASE OF THE HOUSE. NO BUYER CAN MAKE A BETTER OFFER IN THE HOPES OF STEALING THE BID. A BUYER MAY ASK THAT YOU STIPULATE THIS ON A CONTRACT.