

REAL ESTATE TERMS EVERY APPRAISER SHOULD KNOW!

- AD VALOREM** -----Standard tax term means 'according to value'.
- CONTRACT**-----A written, dated and signed agreement between two parties. It is used to purchase real property. The acceptance of an 'offer to purchase'.
- ENCROACHMENT** -----An unauthorized invasion or intrusion of an improvement or other real property onto another's property.
- ENCUMBRANCE**-----Any claim, lien, charge or liability attached to and binding on real property that may lessen its value or impair the use of a property but not necessarily prevent transfer of title. A right or interesting a property held by one who is not the legal owner.
- FEE SIMPLE**-----Maximum possible estate one can possess in real property. *Fee, Fee Simple, Fee Absolute* are all the synonymous and interchangeable.
- GRANTEE**-----A person to whom property is transferred by deed....the buyer
- GRANTOR** -----A person who transfers property by deed.... the seller
- GROSS LIVING AREA**-----The heated area of a structure above grade that does not include attics, basements or garages. Single-family homes are measured on the outside; while condominiums are measured from within.
- LEASED FEE ESTATE**-----Ownership interest of the owner or landlord
- LEASEHOLD ESTATE** -----Ownership interest of the tenant
- LIFE ESTATE** -----A partial ownership interest with the right to use property based on the owner's own life or the lifetime of another.
- LISTING AGENT**-----The agent who lists a property for sale and represents the seller
- MARKET VALUE** -----The most probable price a property should bring in a competitive and open market under all conditions requisite to a fair sale.
- MORTGAGEE** -----The party who advances the funds for a mortgage....the lender
- MORTGAGOR**-----One who gives a mortgage as security for a loan...the borrower
- OFFER TO PURCHASE**-----An offer made by a buyer to purchase property
- REAL ESTATE** -----The physical land at, above and below the earth's surface with all appurtenances, including any improvements.
- REAL PROPERTY**-----The physical land at, above and below the earth's surface with all appurtenances, including any improvements. The term real property includes the interests, benefits, and rights inherent in the ownership of real estate. That which is not real property is personal property.
- SELLING AGENT** -----The agent who writes an offer on a property for sale and represents the buyer
- TESTATOR** -----A person who makes a last will and testament.
- TITLE** -----The right to or ownership of land. Title to property encompasses all that bundle of rights an owner possesses.
- VARIANCE** -----A legal exception to zoning that does not conform to present zoning