

# Real Estate News

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## ABCs of Crystal Coast real estate

**A**ppraisal is a valuation of property by the estimate of an authorized person.

**B**uyer's agent is a real estate agent who represents only the buyer of a property in a real estate transaction. Considerations for an agent working under this type of agreement include negotiating the best sale price for the property, researching the surrounding neighborhood and schools, ensuring the property is inspected and performing necessary due diligence.

**C**losing Disclosure (CD) is a five-page form that provides final details about the mortgage loan you have selected. It includes the loan terms, your projected monthly payments and how much you will pay in fees and other costs to get your mortgage (closing costs). The CD is a new form.

**D**ue-diligence period is defined as a buyer's obligation to thoroughly investigate a property within a specified time to determine whether the buyer remains satisfied with the property before finalizing the purchase. If the buyer finds defects with the property, the buyer may negotiate a solution with the seller with an addendum to the real estate contract or cancel the purchase, according to the terms of the real estate contract.

**E**quity is the interest or value that an owner has in property over and above the indebtedness.

**F**lood zones are geographic areas that FEMA has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area.

**G**eneral lien is the right of a creditor to have all of a debtor's property, both real and personal, sold to satisfy a debt.

**H**omeowner's association (HOA) is an organization in a subdivision, planned community or condominium that makes and enforces rules for the properties within its jurisdiction.

**I**nspection (home) is a non-invasive visual examination of a residential dwelling, performed for a fee, which is designed to identify observed material defects within specific components of said dwelling.

**J**umbo mortgage is a home loan for an amount that exceeds conforming loan limits established by regulation. The jumbo loan limit is \$417,000 in most of the United States. The limit on jumbo loans is \$625,500 in the highest-cost areas.

**K**ickback is an illegal fee or rebate paid to someone in order to gain that person's decision or recommendation for the award of business. Under the Real Estate Settlement and Procedure Act (RESPA), federal law prohibits kickbacks to real estate agents from mortgage companies.

**L**ender is an entity that advances cash to a borrower for a stated period and for a fixed or variable rate of interest, with or without a security other than the borrower's signatures.

**M**ultiple Listing Service (MLS) is a service used by a group of real estate brokers. They band together to create an MLS that allows each of them to see one another's listings of properties for sale.

**N**onconforming use is a use of property that was allowed under the zoning regulations at the time the use was established but which, because of subsequent changes in those regulations, is no longer a permitted use.

**O**pen house is an event hosted by a listing agent or broker to showcase a home to other real estate agents or potential buyers.

**P**ersonal property can include any asset other than real estate. The distinguishing factor between personal property and real estate is that personal property is movable; that is, the asset is not fixed permanently to one location as with real property, such as land or buildings.

**Q**uitclaim deed is a legal instrument which is used to transfer interest in real property.

The entity transferring its interest is called the grantor, and when the quitclaim deed is properly completed and executed, it transfers any interest the grantor has in the property to a recipient, called the grantee.

**REALTOR** has one, and only one, meaning: REALTOR is a federally registered collective membership mark which identifies a real estate professional who is a member of the National Association of Realtors and subscribes to its strict Code of Ethics.

**S**eller disclosure is a document provided by a home seller to a home buyer that outlines known issues with a property and other historical details. A seller disclosure often includes details about defective appliances or systems, known repair issues or history of leaks or environmental contamination.

**TRID** stands for TILA RESPA Integrated Disclosures and replaces what we used to call the HUD or Settlement Statement.

**U**nderwriter: When an individual or business entity seeks funding for a real estate project or purchase, the loan request is scrutinized by an underwriter to determine how much risk the lender is willing to accept. Real estate underwriters take into consideration both the land and the borrower.

**V**A loan is a mortgage loan program established by the United States Department of Veterans Affairs to help veterans and their families obtain home financing.

**W**ood Destroying Insect Report (WDIR) is generated during a home inspection while looking for wood destroying insects such as termites, carpenter bees, carpenter ants, and powder post beetles. A WDIR is required with certain types of loans when buying a new home.

**X** flood zone is the area determined to be outside the 500-year flood and protected by levee from 100-year flood (as defined by FEMA).

**Y**ield spread premium (YSP) is the money or rebate paid to a mortgage broker for giving a borrower a higher interest rate on a loan in exchange for lower up-front costs, generally paid in origination fees, broker fees or discount points.

**Z**illow is an online real estate database company founded in 2006. While it may be rated as the #1 real estate site, unfortunately its information isn't always accurate. The most accurate website for real estate is realtor.com. Do not rely on any website to provide you with a market analysis of your property. Always call your favorite realtor. No one knows the market better than a local.



**WE NEED YOUR HELP!**  
Our neighborhood parks are in need of a makeover!

The Parks and Recreation Committee is raising funds to transform our parks into places at which children want to play!

Current playground equipment is sadly in need of repair and updates.

With new equipment the parks will be areas that children and grandchildren will enjoy.

Please contact **Ann Sanders** with any questions or to make a donation today.  
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