

# Home Buyer's Vocabulary

<b>Addendum</b>	-A form that adds to or changes a contract.
<b>Assessment</b>	-The value of a property for the purpose of charging taxes.
<b>Closing</b>	-The final stage of a real estate transaction, the signing.
<b>Closing Costs</b>	-The fees charged in a real estate transaction, including lender and title fees
<b>Comps</b>	-Comparable properties used to determine market value.
<b>Contingent</b>	-A property that is under contract but needs to meet certain conditions.
<b>Convey</b>	-To sell, items that are sold with the home convey.
<b>Deed</b>	-The title of real property.
<b>Earnest money</b>	-Money given from buyer to seller to bind a contract and show sincerity.
<b>Easement</b>	-The right to use someone else's property for a specific purpose.
<b>Encroachment</b>	-Something that goes beyond the property line.
<b>Equity</b>	-The value of a property that is above what is owed.
<b>Escrow</b>	-The use of a third party to fulfill certain conditions.
<b>FHA</b>	-Federal Housing Administration.
<b>Fixed Rate</b>	-An interest rate that is locked for the entire term.
<b>Fixtures</b>	-Something attached to a home.
<b>HOA</b>	-Home Owners Association.
<b>HUD</b>	-Department of House and Urban Development.
<b>Lien</b>	-The legal claim on a property to secure payment of a debt.
<b>Market Value</b>	-The value a home could be sold for in the current open market.
<b>MLS</b>	-Multiple Listing Service.
<b>Pending</b>	-Property under contract and is waiting to close.
<b>PMI</b>	-Private Mortgage Insurance.
<b>POF</b>	-Proof of Funds, needed when purchasing a property with Cash.
<b>Preapproved</b>	-Being approved to obtain a loan based on credit and income requirements.
<b>Prepayment</b>	-Paying off a mortgage before the term, some lenders charge a penalty.
<b>Variable Rate</b>	-An interest rate that is adjusted periodically according to the market.