

<b>Term</b>	<b>Definition</b>
habendum clause	The "to have and to hold" clause in a deed.
habitability defense	A residential tenant's pursuit of a legal remedy due to a landlord's failure to maintain habitable conditions on the rented premises.
habitable condition	The minimum acceptable level of safety, utility and sanitation permitted in a residential rental.
hard money mortgage	Real estate mortgages made by private lenders.
hardship letter	A statement detailing a distressed homeowner's financial situation, delivered to the lender to determine if the homeowner qualifies for a short sale. [See RPI Form 217-1]
hazard insurance provision	A trust deed provision granting the mortgage holder the option to retain and apply any insurance proceeds to the loan balance or release the proceeds to the owner of the building to reconstruct the damaged structure. [See RPI Form 450 Â§2.2]
hazardous waste	Any products, materials or substances which are toxic, corrosive, ignitable or reactive.
heir	One who inherits property on the death of the owner.
heirs, assigns and successors clause	A clause in a lease agreement which binds those who later take the position of landlord or tenant to the existing agreement. [See RPI Form 552 §23.3]
high-cost consumer mortgage (Section 32 mortgage)	A class of Regulation Z (Reg Z) consumer mortgage characterized by an annual percentage rate (APR) charge which exceeds the average prime offer rate for a comparable mortgage by various percentage spreads set by the mortgage's priority on title and principal balance, and subject to consumer protection rules.
highest and best use	An appraisal phrase addressing the use of a property which is most likely to produce the greatest net return on the land and/or buildings over a given period of time.
hip roof	The roof of a property that slopes on all four sides.
hit-and-run buyers	Flippers who purchase real estate with the intent to quickly resell it at a profit produced by market momentum, not fundamentals.
hold harmless clause	A provision in an agreement that shifts liability between parties.
hold period	A period in which investors hold onto their cash and property, which occurs twice during a real estate cycle: after a purchase in the buy phase and after a sale in the sell phase.
hold phase	A period in which investors hold onto their cash and property, which usually occurs twice during a real estate cycle: after a purchase in the buy phase and after a sale in the sell phase.
holder in due course	One who has taken a note, check or bill of exchange in due course.
holdover rent	Rent owed by a holdover tenant for the tenant's unlawful detainer of the rented premises as a tenant-at-sufferance. [See RPI Form 550 §3.3]
holdover rent provision	A rental or lease agreement provision which sets the rent rate during a tenant holdover period. [See RPI Form 550 §3.3 and 552 §2.3]
holdover tenant	A tenant who retains possession of the rented premises after their right of possession has been terminated, called a tenant-at-sufferance.
Home Affordable Foreclosure Alternatives	A government program aimed at assisting homeowners to avoid foreclosures by offering incentives for homeowners and lenders to complete short sales.
Home Affordable Modification Program	A government program aimed at assisting homeowners to receive a loan modification in lieu of foreclosure.

home energy score	A rating system established by the Department of Energy quantifying the energy performance of a home.
home equity conversion mortgage (HECM) program	The Federal Housing Administration (FHA)'s reverse mortgage program.
home equity line of credit (HELOC)	A mortgage loan enabling a homeowner to borrow against their home's wealth, as an ATM.
home equity mortgage	A junior mortgage encumbering the value in a home remaining after deducting the principal on the senior mortgage from the market value of the home.
Home Equity Sales Contract Act	An equity purchase scheme established to protect homeowners whose residence is in foreclosure from deception and unfair dealing by investors.
home inspection	A non-invasive examination of the mechanical, electrical and plumbing systems of a dwelling, as well as the components of the structure, such as the roof, ceiling, walls, floors and foundations.
home inspection report (HIR)	A report prepared by a home inspector disclosing defects in improvements on a property and used by the seller's agent to complete a TDS and assure prospective buyers about a property's condition.
home inspector	A professional employed by a home inspection company to inspect and advise on the physical condition of property improvements in a home inspection report for reliance by the seller, the seller's agents and the buyer as a warranty of the condition of improvements.
Home Mortgage Disclosure Act (HMDA)	A federal law mandating data collection on mortgage originations and applications of lenders who meet Home Mortgage Disclosure Act (HMDA) threshold requirements.
homeowner vacancy rate	The percentage of unoccupied homeowner housing units.
homeowners' association (HOA)	An organization made up of owners of units within a common interest development (CID) which manages and operates the project through enforcement of conditions, covenants and restrictions (CC&Rs).
homeownership gap	The portion of homeowners with a negative equity whose status is economically that of a tenant in possession due to the principal on their mortgage exceeding the property's value.
homestead	The dollar amount of equity in a homeowner's principal dwelling the homeowner qualifies to shield as exempt from creditor seizure. [See RPI Form 465]
homestead (exemption)	A statutory protection of real property used as a home from the claims of certain creditors and judgments up to a specified amount.
household formation	Individuals who acquire their own property, such as adult children leaving parents' households or singles leaving shared housing.
housing financial discrimination act of 1977 (holden act)	California Health and Safety Code Section 35800, et seq., designed primarily to eliminate discrimination in lending practices based upon the character of the neighborhood in which real property is located. (See Redlining.)
housing wage	The hourly wage needed for a worker to qualify for an average-priced residence.
hundred percent location	A city retail business location which is considered the best available for attracting business.
hybrid adjustable rate mortgage (ARM)	A type of adjustable rate mortgage (ARM) which features a fixed rate for an introductory period and thereafter a periodically adjusted interest rate based on a predetermined formula.
hypothecation	The pledging of something as security without the necessity of giving up possession to it. [See RPI Form 242]

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