

<b>Term</b>	<b>Definition</b>
take-out loan	The loan arranged by the owner or builder developer for a buyer. The construction loan made for construction of the improvements is usually paid in full from the proceeds of this more permanent mortgage loan.
targeted transaction	A transaction type subject to the rules of a particular legal code or regulation.
tax	Enforced charge exacted of persons, corporations and organizations by the government to be used to support government services and programs.
tax deductions	Expenses related to real estate ownership that may be deducted from income for purposes of income tax reporting.
tax deed	The deed given to a purchaser at a public sale of land held for nonpayment of taxes. It conveys to the purchaser only such title as the defaulting taxpayer had.
tax foreclosure sale	The sale of a property by the County Tax Collector to pay unpaid property taxes.
tax sale	Sale of property after a period of nonpayment of taxes.
tax-free exchange	The trade or exchange of one real property for another without the need to pay income taxes on the gain at the time of trade.
teaser rate	A temporary, low introductory interest rate found in some adjustable rate mortgages.
temporary qualified mortgage	A transitional qualified mortgage (QM) under Regulation Z (Reg Z) for lenders originating mortgages insured or guaranteed by the federal government or sold to Fannie Mae or Freddie Mac.
tenancy-at-sufferance	A leasehold condition created when a tenant retains possession of the rented premises after the tenancy has terminated. [See RPI Form 550 §3.3]
tenancy-at-will	A leasehold interest granted to a tenant, with no fixed duration or rent owed. A tenancy-at-will can be terminated at any time by an advance notice from either party.
tenant	The party who has legal possession and use of real property belonging to another.
Tenant Estoppel Certificate (TEC)	A statement which summarizes the monetary and possessory terms of a lease agreement, and whether the landlord and tenant have fully performed their obligations. [See RPI Form 598]
tenant improvements	Improvements made to a leased property to meet the needs of the occupying tenant. [See RPI Form 552 §11]
tenant improvements and alterations clause	A clause in a nonresidential lease agreement which specifies the tenant's right to make alterations or further improve the premises during the tenancy. [See RPI Form 552 §11]
tenant lease worksheet	A document the leasing agent uses to analyze the tenant's current financial condition and needs for leased space. [See RPI Form 555]
tenant-initiated recovery procedure	The recovery process initiated by a tenant to retrieve personal property from a landlord within 18 days after vacating rental property. [See RPI Form 582]
tenant-mitigation provision	A provision in a nonresidential lease agreement allowing the landlord to leave the tenant's leasehold and the lease agreement intact on the tenant's breach, and then recover rent from the tenant for the life of the lease without the landlord first taking steps to mitigate losses. [See RPI Form 552 §21.1]
tenants by the entirety	Under certain state laws, ownership of property acquired by a husband and wife during marriage, which property is jointly and equally owned. Upon death of one spouse it becomes the property of the survivor.
tenants in common (TIC)	Co-ownership of real estate by two or more persons who each hold equal or unequal undivided interest, without the right of survivorship.

tenants-by-foreclosure	Former homeowners who were forced out of their homes by foreclosure in the wake of the 2008 recession, now employed but in need of housing and forced to rent.
tender	To make an offer.
tenement	A freehold interest in land and things immovable located on the land.
tentative map	The Subdivision Map Act requires subdividers to submit initially a tentative map of their tract to the local planning commission for study. The approval or disapproval of the planning commission is noted on the map. Thereafter, a final map of the tract embodying any changes requested by the planning commission is required to be filed with the planning commission.
tenure in land	The mode or manner by which an estate in lands is held. All rights and title rest with owner.
tenure payment	A home equity conversion mortgage (HECM) payment option in which the homeowner receives equal monthly payments until they die or sell the property.
term payment	A home equity conversion mortgage (HECM) payment option in which the homeowner receives equal monthly payments for a fixed period of time.
termination	The cancellation of a transaction before escrow has closed or a lease has ended.
termination-of-agency clause	A provision in an exclusive listing agreement which calls for a broker fee to be earned and payable when the client cancels the employment without cause. [See RPI Form 102 §3.1(c), 103 §4.1(b) and 110 §3.1(c)]
termite shield	A shield, usually of noncorrodible metal, placed on top of the foundation wall or around pipes to prevent passage of termites.
termites	Ant-like insects which feed on wood and are highly destructive to wooden structures.
testator	One who makes a will.
The Civil Rights Acts of 1866 and 1870	Federal prohibitions against racial discrimination on all types of real estate.
The Federal Reserve Bank (the Fed)	The central bank in control of regulating the U.S. financial and monetary system.
third party	Persons who are not parties to a contract which affects an interest they have in the object of the contract.
third party beneficiary	A person for whose benefit two other persons place a provision in an agreement, such as a provision for payment of broker fees.
three Cs of underwriting	The three major components of a mortgage applicant reviewed by an underwriter: credit, capacity and collateral.
threshold	A strip of wood or metal beveled on each edge and used above the finished floor under outside doors.
threshold broker	A private lender in the business of making mortgages, or a mortgage broker who annually negotiates services an aggregate dollar amount of mortgages above a statutory threshold.
tidelands	Lands that are covered and uncovered by the ebb and flow of the tide.
time-essence provision	A purchase agreement provision declaring that dates for performance of any activity or occurrence of an event are to be strictly enforced as essential to the continuation of the transaction.
time-share estate	A right of occupancy in a time-share project (subdivision) which is coupled with an estate in the real property.
time-share project	A form of subdivision of real property into rights to the recurrent, exclusive use or occupancy of a lot, parcel, unit, or segment of real property, on an annual or some other periodic basis, for a specified period of time.

time-share use	A license or contractual or membership right of occupancy in a timeshare project which is not coupled with an estate in the real property.
title	Indicates fee position of lawful ownership and right to property. Bundle of Rights possessed by an owner. Combination of all elements constituting proof of ownership.
title conditions	Encumbrances such as liens, conditions, covenants and restrictions and easements which affect title to property.
title insurance	A form of indemnity insurance by which a title insurance company holds harmless a person who acquires an interest in real estate against a monetary loss caused by an encumbrance on title that is not listed in the policy and the insured was unaware of when the policy was issued.
title report	A report which discloses the condition of the title, made by a title company preliminary as a revocable offer to issue title insurance policy.
title theory	Mortgage arrangement whereby title to mortgaged real property vests in the lender. Some states give greater protection to mortgage lenders and assume lenders have title interest. Distinguished from Lien Theory States.
tolerance	Acceptable ranges of deviation for changes to fees and amounts disclosed on a Loan Estimate, set by type of charge.
topography	Nature of the surface of land; topography may be level, rolling, mountainous. Variation in earth's surface.
torrens title	System of title records provided by state law (no longer used in California).
tort	Any wrongful act (not involving a breach of contract) for which a civil action will lie for the person wronged.
townhouse	One of a row of houses usually of the same or similar design with common side walls or with a very narrow space between adjacent side walls.
township	In the survey of public lands of the United States, a territorial subdivision six miles long, six miles wide and containing 36 sections, each one mile square, located between two range lines and two township lines.
trade fixture	A fixture used to render services or make products for the trade or business of a tenant.
trade or business income	Income, profits and losses from the taxpayer's trade or owner-operated business, resale inventory and real estate used in the trade or business.
trade-in	An increasingly popular method of guaranteeing an owner a minimum amount of cash on sale of owner's present property to permit owner to purchase another. If the property is not sold within a specified time at the listed price, the broker agrees to arrange financing to personally purchase the property at an agreed upon discount.
tranches	Bonds issued by investment pools divided into various levels of risk, reward and rate of maturity.
transaction agent (TA)	The term lenders use to identify the buyer's agent in a sales transaction.
transaction coordinator	A licensed or unlicensed individual hired to assist an agent or broker to process documents, contracts and disclosures in a real estate file.
transfer	Any assignment, sublease or further encumbrance of the leasehold by the tenant. [See RPI Form 552 §9]
Transfer Disclosure Statement (TDS)	A condition of property report prepared by a seller and voluntarily delivered to prospective buyers which lists property defects known or suspected to exist by the seller and the seller's agent. [See RPI Form 304]
transfer fee	A charge made by a lending institution holding or collecting on a real estate mortgage to change its records to reflect a different ownership.
transient occupancy	The occupancy of a vacation property, hotel, motel, inn, boarding house, lodging house, tourist home or similar sleeping accommodation for a period of 30 days or less. [See RPI Form 593]

transitional license	A provisional mortgage loan originator (MLO) license which allows an MLO moving to another state to perform MLO services for a short period of time while they fulfill requirements to obtain an MLO license in the new state.
transmutation	The transfer of property between separate property and community property or between the separate property interests owned by spouses.
Treasury Bills (T-Bills)	Government securitized debt instruments. T-bills are sold to the public, member banks and other financial institutions.
treble damages	A usury penalty computed at three times the total interest paid by the borrower during the one year period immediately preceding their filing of an action on a nonexempt private lender mortgage.
trespass	Any wrongful and unauthorized entry onto real estate in the possession of another.
trespasser	A person who occupies a property without the owner's transfer of the right to occupy.
trial courts	Courts which hear and decide the facts of a case and apply the proper rules of law to resolve the dispute.
trickle-down economics	The economic theory suggesting that an increase in the strength of the wealthy leads to an increase in the well-being of lower classes.
triggering terms	Words and phrases in consumer mortgage advertisements which trigger the need for additional disclosures.
triple net lease	A commercial lease which passes the responsibility for all costs and maintenance of the property to the tenant. [See RPI Form 552-2 and 552-3]
trust account	An account separate and apart and physically segregated from a broker's own funds, in which the broker is required by law to deposit all funds received for clients.
trust deed	A security device which attaches a money obligation as an encumbrance on a marketable interest in real estate. [See RPI Form 450]
trust funds	Items which have or evidence monetary value held by a broker for a client when acting in a real estate transaction.
trustee	One who holds naked title to real estate in trust for the benefit of another.
trustee (on a mortgage)	A party to a mortgage who, as a legal fiction, holds title to property as security for the performance of an obligation with the authority to sell the property or reconvey the trust deed on instructions from the mortgage holder.
trustee's sale guarantee	A policy issued by a title insurance company to a trustee before or at the time the notice of default (NOD) is recorded providing coverage for the trustee should they fail to serve notices on any party of record due to an omission in the guarantee.
trustor	One who borrows money secured by a trust deed and authorizes a trustee to either release the trust deed lien from title when the obligations under the trust deed have been fully performed, or sell the property to satisfy the trust deed obligations on declaration of a default by the trust deed holder.
trustor's offset statement	Statement by owner of property or owner of lien against property setting forth the present status of liens against said property.
Truth in Lending Act (TILA)	A federal consumer mortgage law which controls the terms of a consumer mortgage and requires lenders to disclose mortgage rates and charges.
turnover rate	The percentage of households relocating each year, whether from rentals or ownership.
two-year right of rescission (equity purchase)	A seller-in-foreclosure's right to rescind a closed equity purchase transaction when the equity purchase investor exploits an unconscionable advantage during negotiations to acquire the property.
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