

Briggs  
Freeman

Sotheby's  
INTERNATIONAL REALTY

BRIGGSFREEMAN.COM



# Home Buyer's Guide



THE LOCATION, THE STYLE, THE FEELING WHEN WALKING  
THROUGH THE DOOR — EVERY ASPECT, A REFLECTION OF YOU,  
WHERE YOU'VE BEEN AND THE LIFE YOU ASPIRE TO LIVE.

THE BEST LIFE BEGINS WITH A HOME THAT INSPIRES.

Briggs  
Freeman | Sotheby's  
INTERNATIONAL REALTY

# You're on your way.

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60

YEARS IN  
BUSINESS

6

CONSECUTIVE YEARS  
OF MULTI-BILLION SALES

180

TOP PRODUCING  
AGENTS

12

AVERAGE YEARS OF  
EXPERIENCE PER AGENT

9

STRATEGICALLY  
LOCATED OFFICES





# The brokerage like no other. The team behind you.

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Briggs Freeman Sotheby's International Realty is North Texas' leading luxury brokerage. Founded in 1960, today its award-winning expert agents serve clients from offices across North Texas, including Dallas, Fort Worth, Southlake, Lakewood, Uptown and The North. Independently owned and operated by president and CEO Robbie Briggs, Briggs Freeman Sotheby's International Realty specializes in the sale of significant homes, high-rises, ranches, land and commercial properties.

The company's connections, resources and strategies — as part of the powerful Sotheby's International Realty network of more than 20,000 sales associates in more than 70 countries and territories — bring the exceptional to you, on your journey to a new home. Its [briggsfreeman.com](http://briggsfreeman.com) website is a cutting-edge portal featuring properties, neighborhoods, schools, virtual tours, architecture guides, market data and much more.

No matter your definition of home, *you* couldn't be in better hands.









# What local expertise and global power mean to you.

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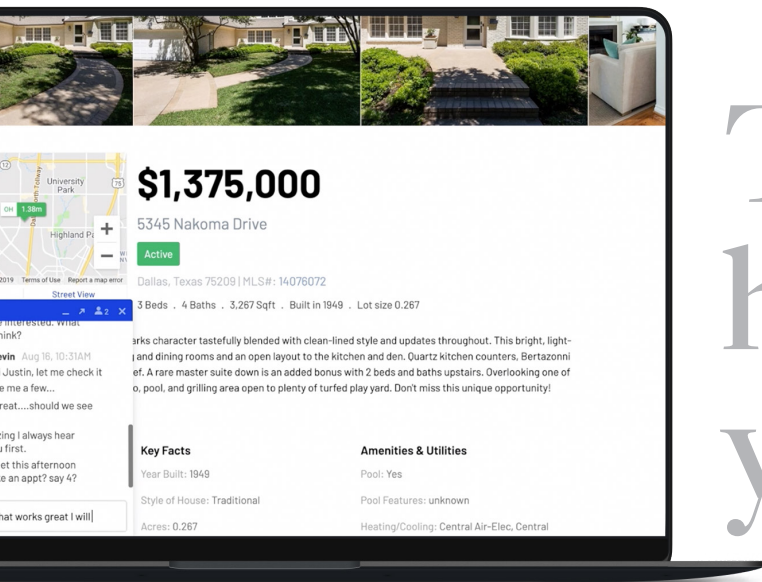
Auctioneers since 1744, with a fine tradition of marketing the world's most cherished possessions, Sotheby's is now an innovative global art business serving the most discerning clientele.

Established in 1976 as an extension of the world-famous Sotheby's auction house, Sotheby's International Realty has developed into the world's premier luxury real estate brokerage, offering tremendous advantages when it comes to buying your home.

Sotheby's International Realty benefits from tradition and innovation through equity in the Sotheby's name and in marketing collaboration. Sotheby's International Realty is a family of distinguished residential brokerages throughout the world — more than 20,000 skilled sales associates in more than 70 countries and territories.

Because of this, only Briggs Freeman Sotheby's International Realty gives you the tools and expertise you need to connect to the property that is perfect for you. Local since 1960. Global since 1744.





# Tech that can help you find your home.

## A Rechat app built for us, for you.

Every day, we use a special version of Rechat — the intuitive digital platform for customer relationship management (CRM), marketing and transactions — developed especially for Briggs Freeman Sotheby's International Realty. A proprietary app within Rechat allows us to search, save and share properties exclusively with our clients. We are also able to follow up in real time with our clients, via chat, so that all communication is timely — something especially important in a competitive market.

The Rechat app allows us to:

- / Quickly search for properties that fit your criteria
- / View photos of those properties
- / Share information with you via the app
- / Provide valuable market updates to you
- / Chat about properties in real time
- / Make special appointments to see properties

# Curate by Sotheby's International Realty.

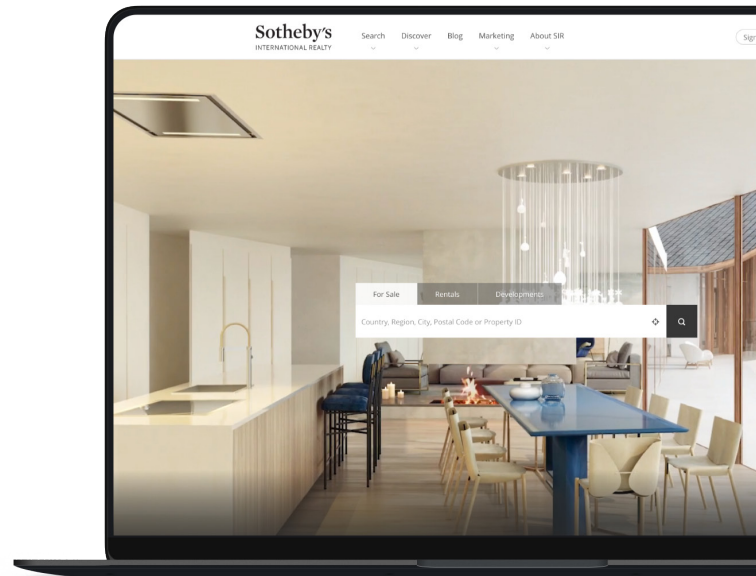
**CURATE**  
by Sotheby's International Realty™

Sotheby's International Realty is the first real estate brand to launch and implement a virtual-staging augmented-reality app. Curate by Sotheby's International Realty allows you to visualize a home as your own, before you buy. By simply walking through a home with your Sotheby's International Realty agent, you can digitally furnish rooms in the styles you love — all from your phone or tablet. Design your future rooms and shop for furnishings, using state-of-the-art technology that lets you see how furniture and décor will look, feel and fit. You can interact with the products you love — and you can tap to purchase them from retailers' websites.



# sothebysrealty.com

The world's #1 luxury real estate website — sothebysrealty.com — is at work for you. Not only is every Briggs Freeman Sotheby's International Realty listing beautifully presented, but there are exceptional homes to see around the country and around the world. Immerse yourself in vibrant photographs and, with select properties, in videos and 3D tours. Unique to Sotheby's International Realty is the ability to search for a home based on your lifestyle: city, country, farm, ranch, waterfront, beach, golf, ski and many more. What's more, you'll have access to the unique offerings of our Sotheby's International Realty affiliates. Only Briggs Freeman Sotheby's International Realty offers you this mix, this access, this excellence.



# Make it yours: How to buy your home.

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You are on your way — but no one has your unique financial, property and personal requirements. No one. That demands good advice and smart strategies from a real estate agent with specialized expertise. These also include instances when you wish to purchase:

- / Your first home
- / A vacation home
- / A ranch
- / Land
- / Secondary or multiple investment properties
- / A home that is dependent on the sale of another property
- / Property outside your country

Every agent at Briggs Freeman Sotheby's International Realty is a professional, with the expertise, integrity, tools and technology to help put you in the home of your dreams. In just seven steps, you are there.







# 1: Define your goals, needs and budget.

Prior to meeting with your real estate agent and any financial professionals, it is important to clarify your specific needs, your budget and your personal preferences — including any anticipated changes in your life. All of them will impact the purchase of your home.

As a starting point, complete this worksheet, then review it with your Briggs Freeman Sotheby's International Realty agent and any financial professionals.

## BUDGET RANGE

Target Budget: \_\_\_\_\_ Maximum Budget: \_\_\_\_\_

## PREFERRED PROPERTY TYPE

- Condo/Apartment
- Townhouse
- Single-Family Home
- Multiplex
- Vacation Home
- Other: \_\_\_\_\_

## PRIMARY PROPERTY USAGE

- Primary Family Home
- Vacation/Secondary Property
- Investment/Revenue Property
- Other: \_\_\_\_\_

## PROPERTY FEATURES

	Need	Want
How many bedrooms do you need?	_____	_____
How many bathrooms do you need?	_____	_____
Do you need space for a home office?	<input type="checkbox"/>	<input type="checkbox"/>
What kind of parking facilities do you need? For how many cars?	_____	_____
Do you require a garden/outdoor space?	<input type="checkbox"/>	<input type="checkbox"/>
Is a fireplace or swimming pool high on your list?	<input type="checkbox"/>	<input type="checkbox"/>
Do you want special features to save energy or enhance indoor air quality?	<input type="checkbox"/>	<input type="checkbox"/>





## LIFESTYLE AND LIFE STAGE

Most people aim to find a home and neighborhood that will meet their needs for the next five to ten years. Your real estate advisor can help you assess how your lifestyle and life stage needs may impact the property or neighborhood that is right for you.

How long do you plan on staying in this home? \_\_\_\_\_

\_\_\_\_\_

Will you need a home that can accommodate different stages of life? \_\_\_\_\_

\_\_\_\_\_

Do you have children or plan to have children? \_\_\_\_\_

\_\_\_\_\_

Do you have teenagers who will be moving away soon? \_\_\_\_\_

\_\_\_\_\_

Do you have family members with special needs? \_\_\_\_\_

\_\_\_\_\_

Are you close to retirement? \_\_\_\_\_

\_\_\_\_\_

Do you have an older relative who might come to live with you? \_\_\_\_\_

\_\_\_\_\_

# 2: Secure your financing.

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Before starting your home search, it is important to evaluate your financial situation, confirm your budget, familiarize yourself with mortgage options and secure preapproval from a lender. This will help you conduct your search with confidence and negotiate for your desired home successfully. Your Briggs Freeman Sotheby's International Realty agent can connect you to qualified professionals to get your loan handled efficiently and effectively.

## **ESTABLISH YOUR BUDGET**

As a general guideline, total monthly housing costs for your primary home — including mortgage payments, taxes, maintenance fees, insurance, interest charges and utilities — should not exceed about 25% of your gross monthly household income. Many financial advisors also suggest that total monthly debt, including mortgage payments, credit card payments and car payments, should not exceed about 35% of your gross monthly income. Always consult a financial professional for specifics, tips and tools. Those purchasing an investment property should also consult real estate and financial advisors, to understand tax and financial implications of their purchase.

## **CONFIRM YOUR DOWN PAYMENT**

If your down payment amount is less than 20 percent of the total purchase price, you will need to purchase mortgage loan insurance that guarantees the debt against default. In most cases, this will be added to the mortgage loan.

## **CHECK YOUR CREDIT RATING**

Your credit report plays an important role in your mortgage approval process and in determining the interest rate and other loan terms that a lender offers you. Before contacting a potential lender, you may wish to confirm your credit rating, so that you have time to resolve any issues.

The three credit bureaus are:

TransUnion: 800-616-8800, [transunion.com](http://transunion.com)

Equifax: 800-685-5000, [equifax.com](http://equifax.com)

Experian: 888-397-3742, [experian.com](http://experian.com)

## **UNDERSTAND YOUR FINANCING ESSENTIALS**

### **Interest Rates**

Mortgage interest rates are fixed, variable or adjustable.

- / Fixed: A locked-in interest rate that will not change for the term of the mortgage
- / Variable: An interest rate that fluctuates pending market conditions, though the mortgage payment itself remains unchanged
- / Adjustable: Both the interest rate and the mortgage payment change based on market conditions

FINANCING  
2  
SECURE YOUR



# 2: Secure your financing.

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## UNDERSTAND YOUR FINANCING ESSENTIALS (CONTINUED)

### Open and Closed Mortgages

**Closed mortgage:** A closed mortgage cannot be paid off, in whole or in part, before the end of its term. A closed mortgage is a good option if you prefer a fixed monthly payment and wish to predict your monthly expenses. However, because there are often penalties or restrictive conditions if you pay an additional amount, a closed mortgage may be a poor choice if you decide to move before the end of the term or if a decrease in interest rates is anticipated.

**Open mortgage:** An open mortgage is flexible. You can typically pay off part of it or the entire amount at any time without penalty. This may be a good option if you plan to sell your home in the near future or if you intend to pay off a large part of your mortgage loan. Most lenders allow open mortgages to be converted to closed mortgages at any time, often for a small fee.

### Amortization

Amortization is the length of time the entire mortgage debt will be repaid. Many mortgages are amortized over 25 years, but longer periods are available. The longer the amortization, the lower your scheduled mortgage payments, but the more interest you pay in the long run.

### Conventional vs. High-ratio Mortgages

**Conventional mortgage:** A conventional mortgage is a mortgage loan that is equal to or less than 80% of the lending value of the property. The lending value is the property's purchase price or market value, whichever is less. For a conventional mortgage, the down payment is at least 20% of the purchase price or market value.

**High-ratio mortgage:** If your down payment is less than 20% of the home price, you will typically need a high-ratio mortgage. A high-ratio mortgage usually requires mortgage loan insurance. Your lender may add the mortgage-loan insurance premium to your mortgage or ask you to pay it in full upon closing.

### Mortgage Term

The mortgage term is the length of time that the mortgage contract conditions — including interest rate — are fixed. The most popular mortgage term is 30 years, as it allows for lower payments than another common term, 15 years. There are generally several term options for a mortgage. It is important to weigh the benefits and costs of each. A longer term may allow you to plan ahead and protect you from interest-rate increases, but may not offer you flexibility, should interest rates fall.



### Optimizing your Mortgage

Work with your lender to optimize your mortgage-payment schedule for your unique situation. Many primary homeowners aim to pay off their mortgages as quickly as possible, which can be achieved with more frequent installments. Your mortgage may also be structured to allow an increase in payments as cash flow permits. There may also be opportunities for lump-sum payments each year that can be applied directly to the principal. If you are purchasing real estate solely for investment purposes, other considerations such as tax implications may come into play. Consult your real estate and financial advisors for assistance.

### Get Written Preapproval

In markets where there is a high demand for the type of home you wish to purchase, written preapproval is essential — and could give you the competitive edge. For example, in a scenario where a seller receives two similar offers — one accompanied by a letter that confirms financing preapproval, and one not — the former offer is often considered first.





# 3: Work with your agent.

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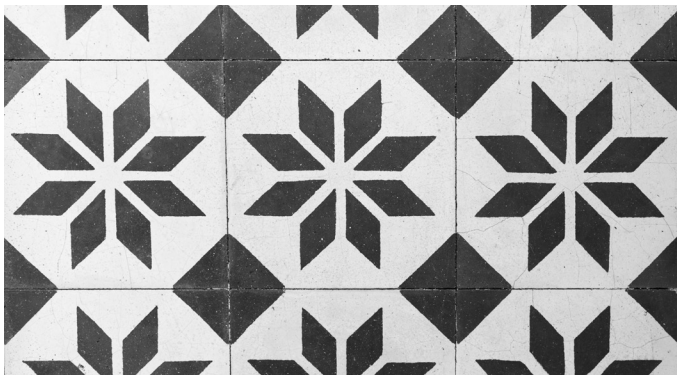
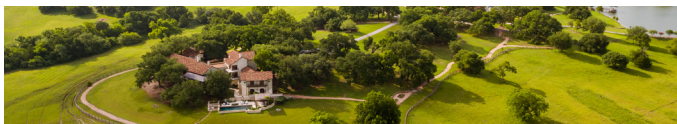
A real estate agent represents your interests when purchasing a home — one of the most significant financial investments you can make. For this reason, it is essential to select a real estate agent with in-depth knowledge of your local real estate market and specialized experience in the property type you are interested in.

## LOCAL EXPERTISE

The agents of Briggs Freeman Sotheby's International Realty offer unmatched, in-depth knowledge of your local real estate market — from advice on homes that are the best fit for your needs to neighborhoods that are the best fit for your lifestyle. No one knows homes, neighborhoods, ranches and land like the agents of Briggs Freeman Sotheby's International Realty.

## EXCLUSIVE ACCESS

In some areas, many homes are sold within hours or days of being put on the market, especially after going into a multiple listing service (MLS). And, many properties are marketed exclusively and privately within the Sotheby's International Realty network — without ever being made public. What's more, many properties are listed and sold by agents within Briggs Freeman Sotheby's International Realty itself. Such is the power of working with us. And, our connection to more than 20,000 Sotheby's International Realty colleagues worldwide gives you direct and priority access to real estate opportunities that may otherwise be unavailable in any other way.





## GLOBAL CONNECTIONS

As part of a network of nearly 1,000 brokerages around the world, Briggs Freeman Sotheby's International Realty provides unparalleled access to the global real estate market. We have the experience and contacts to facilitate international real estate transactions and to assist clients who wish to buy real estate from abroad. Our associates provide service in more than a dozen languages, including English, French, Chinese, Spanish and German. We also offer professional translation services when needed.

## PROPERTY-TYPE SPECIALIZATION

We assist clients in the purchase of real estate in more than a dozen real estate categories: single-family homes, condos, townhomes and multiplexes, as well as properties that demand specialized knowledge such as waterfront real estate, luxury real estate, golf properties, ski resort properties, rural real estate, vineyards and islands.

## PROFESSIONAL SERVICE AND DISCRETION

We commit to providing you with confidential, knowledgeable and responsive service. We also guarantee discretion. We monitor and promptly deliver listings that meet your criteria, facilitate viewings and property tours according to your individual needs and schedule, and facilitate the negotiation and purchase of your home — all professionally and efficiently.

## SEAMLESS SALES AND MARKETING

If buying a home depends on the sale of your current one, we make the process efficient and seamless. Our real estate marketing program reaches the most targeted and qualified buyers through exclusive international, national and local publications, as well as online marketing that generates over 1 billion annual media impressions.



# 4: Find your new home.

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Once your Briggs Freeman Sotheby's International Realty agent has an understanding of your property needs and preferences, you can expect them to provide you with:

## **ADVANCE ACCESS**

In some neighborhoods, homes are sold within days, or even hours, of being put on the market. Others are marketed and sold within a real estate brokerage's network without ever being made available to the public. In many cases, your Briggs Freeman Sotheby's International Realty agent can arrange for advance access to properties that are represented within their exclusive professional and company networks.

## **QUICK ALERTS**

Aside from in-house and off-market opportunities, properties are put on the market via a multiple listing service (MLS), virtually every day. As soon as a property that meets your criteria is posted on the MLS, your Briggs Freeman Sotheby's International Realty agent will let you know of that listing — and, in many cases, private tours can be arranged.

## **PRIVATE TOURS**

Your Briggs Freeman Sotheby's International Realty agent can schedule walk-through tours of properties that match your preferences and needs. You may also tour houses anytime on [briggsfreeman.com](http://briggsfreeman.com) and [sothebysrealty.com](http://sothebysrealty.com). And, to see upcoming open houses, select that search option on [briggsfreeman.com](http://briggsfreeman.com). Your Briggs Freeman Sotheby's International Realty agent may be able to schedule a private tour ahead of the open house.

## **EVALUATION OF OPTIONS**

It can be challenging to determine the fair market value of a home and to assess whether it is a good value for its listed price and for your budget. Variables that impact the value of a home or property include its location, neighborhood, community plan, proximity to amenities, lot attributes, views, property size, interior and structural condition, construction type, age, unique features and the state of the local real estate market. Your Briggs Freeman Sotheby's International Realty agent is an expert on all the factors and will advise you, always, with your interests as the utmost priority. We're known for that — since 1960 and counting.



NEW HOME 4 FIND YOUR





OFFER  
& NOY  
5  
SUBMIT





# 5: Submit your offer.

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It is important that you meet with your Briggs Freeman Sotheby's International Realty agent (and, if needed, an attorney) to prepare your offer. Real estate laws vary widely from region to region, and it is essential that you protect your legal interests and account for any specific contractual contingencies that are unique to your area and desired property. Some general considerations include:

## **LEGAL AND CONTRACTUAL OBLIGATIONS**

An offer commits you to certain legal and contractual obligations as soon as the other party has accepted it. Prior to submitting an offer, ensure that you are clear on the legal obligations you are undertaking, should the offer be accepted.

## **VALUATION**

Prior to submitting your offer, your Briggs Freeman Sotheby's International Realty agent can provide you with information on recent area sales, local market information and background on whether there are competitive bids — all of which will help you determine your initial offer as well as your target price for a specific home.

## **BACKGROUND RESEARCH**

With some investigation, your Briggs Freeman Sotheby's International Realty agent may also be able to assess your seller's background and objectives for selling, which may assist you in formulating a competitive offer.

## **OFFER DETAILS**

The details of an offer typically include your legal name and that of the vendor; the address of the property; the price you are offering to pay; inclusions (items in or around the home that you think are included in the sale should be specifically stated in your offer, such as appliances, light fixtures or window coverings); amount of your deposit; dates you take legal and physical possession of the home; legal subjects or conditions upon which the contract becomes final (such as a satisfactory home-inspection report or financing approval); and the date that the offer expires. Your offer is a legally binding document and should be prepared by a real estate professional or attorney.

## **PROFESSIONAL INSPECTION**

Your Briggs Freeman Sotheby's International Realty agent can advise you as to whether a professional inspection should be conducted prior to or after submitting an offer. This will depend on the property age and type, and whether competitive bids are anticipated.

## **TIMEFRAME**

Ensure that any timeframes indicated in your contract are realistic, particularly if your offer is still subject to securing a mortgage loan, a situation best avoided securing preapproval in advance. Increases in market activity as well as increased vigilance by lenders may mean that mortgage approval requires more time. Consult your Briggs Freeman Sotheby's International Realty agent and lender for the latest information.

# 6: Negotiate successfully.

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## PREPARATION

After submitting an offer, you should be prepared to negotiate, not just on the initial price, but on all key factors impacting the sale of the home, including deposit, inclusions, dates for completion and possession, and deadlines for subject removals. Ensure that you know your budget and purchase requirements prior to submitting your offer, so that you don't commit to additional costs in what can be an exciting, emotional or heated process.

## MULTIPLE OFFERS

In high-demand, low-inventory areas, you may find yourself bidding against other buyers. Some sellers in high-demand niche markets may also intentionally list their home at a low price, hoping to stimulate multiple offers. This doesn't necessarily mean that the price will be bid up significantly over the asking price, but it does mean that due diligence is required on your part and the part of your agent to ensure that your offers are strategic, competitive and reflective of what are ultimately willing to pay for the property. Whether you are anticipating competition or not, you should be preapproved for your mortgage prior to your home search, well in advance of submitting an offer. In a multiple-offer situation, this will impact your ability to negotiate successfully, particularly if others making an offer are already preapproved. It also lets you know the maximum you can afford in what may be a stressful situation.



## POTENTIAL RESPONSES

You can expect one of three responses to your offer:

- / Accepted: The deal is complete and, once signed by the seller, the offer becomes a binding legal contract.
- / Counteroffer: The seller may make changes to your offer, such as adjustments to the price, closing date or conditions. You may accept the counteroffer and close the deal by signing the document. Or, you may make another counteroffer back to the seller.
- / Rejected: The seller may choose to reject the offer and the sale will not go through.

## OFFER ACCEPTANCE

Once both parties come to an agreement, negotiations conclude, and you move on to the next steps in the buying process. You will have a set period of time in which to satisfy the legal conditions agreed to in your contract, such as completing a satisfactory home-inspection report or securing financing. Only after your conditions are removed do you have a legally binding document.



# 7: Close the deal.

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The closing or completion day is the day you take legal possession of your new property.

## PREPARATION

After submitting an offer, you should be prepared to negotiate, not just on the initial price, but on all key factors impacting the sale of the home, including deposit, inclusions, dates for completion and possession, and deadlines for subject removals. Ensure that you know your budget and purchase requirements prior to submitting your offer, so that you don't commit to additional costs in what can be an exciting, emotional or heated process.

## CLOSING DAY

On the closing day itself, legal property ownership is transferred to your name. The mortgage amount is provided to the title company or your attorney by your lender. A title company makes sure that the title to a piece of real estate is legitimate and then issues title insurance for that property. Title insurance protects the lender and/or owner against lawsuits or claims against the property that result from disputes over the title. You will receive documentation with costs payable, including balance owing, legal fees, property-transfer taxes and other completion costs. The title company will pay the seller, complete any necessary documents and register your home in your name.

On your closing day, your lender provides the mortgage money to the title company and you provide the down payment (minus your deposit) to your title company or attorney, as well as remaining closing costs.

Title companies also often maintain escrow accounts — these contain the funds needed to close on the home — to ensure that this money is used only for settlement and closing costs, and may conduct the formal closing on the home. At the closing, a settlement agent from the title company will bring all the necessary documentation, explain it to the parties, collect closing costs and distribute monies. Finally, the title company will ensure that the new titles, deeds and other documents are filed with the appropriate entities.





C L O S E  
T H E  
D E A L  
7  
A L



# Know the lingo: Buying terms made easy.

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<b>ADJUSTABLE-RATE MORTGAGE (ARM)</b>	interest rates on this type of mortgage are periodically adjusted up or down depending on a specified financial index
<b>AMORTIZATION</b>	a method of equalizing the monthly mortgage payments over the life of the loan, even though the proportion of principal to interest changes over time. In the early part of the loan, the principal repayment is very low, while the interest payment is very high. At the end of the loan, the relationship is reversed
<b>ANNUAL PERCENTAGE RATE</b>	the actual finance charge for a loan, including points and fees, in addition to the stated interest rate
<b>APPRAISAL</b>	an expert opinion of the value or worth of a property
<b>ASSESSED VALUE</b>	the value placed on a property by a municipality for purposes of levying taxes. It may differ widely from appraised or market value
<b>BALLOON PAYMENT</b>	a large principal payment due all at once at the end of some loan terms
<b>CAP</b>	a limit on how much the interest rate can change in an adjustable-rate mortgage
<b>CERTIFICATE OF TITLE</b>	a document, signed by a title examiner, stating that a seller has an insurable title to the property
<b>CLOSING</b>	the deed to a property is legally transferred from seller to buyer, and documents are recorded
<b>CLOSING COSTS</b>	see "settlement" or refer to "Settlement and Closing" in this guide
<b>COMMISSION</b>	a fee (usually a percentage of the total transaction) paid to an agent or broker for services performed
<b>COMPARATIVE MARKET ANALYSIS (CMA)</b>	a survey of the attributes and selling prices of comparable homes on the market or recently sold; used to help determine a correct pricing strategy for a seller's property
<b>CONTINGENCY</b>	a condition in a contract that must be met for the contract to be binding
<b>CONTRACT</b>	a binding legal agreement between two or more parties that outlines the conditions for the exchange of value (for example: money exchanged for title to property)
<b>DEED</b>	a legal document that formally conveys ownership of a property from seller to buyer
<b>DOWN PAYMENT</b>	a percentage of the purchase price that the buyer must pay in cash and may not borrow from the lender
<b>EQUITY</b>	the value of the property actually owned by the homeowner: purchase price, plus appreciation, plus improvements, less mortgages and liens
<b>ESCROW</b>	a fund or account held by a third-party custodian until conditions of a contract are met

<b>FIXED-RATE MORTGAGE</b>	interest rates on this type of mortgage remain the same over the life of the loan. Compare to “adjustable-rate mortgage”
<b>FIXTURE</b>	a recognizable entity (such as a kitchen cabinet, drape or light fixture) that is permanently attached to a property and belongs to the property when it is sold
<b>HAZARD INSURANCE</b>	compensates for property damage from specified hazards such as fire and wind
<b>INTEREST</b>	the cost of borrowing money, usually expressed as a percentage rate
<b>LIEN</b>	a security claim on a property until a debt is satisfied
<b>LISTING CONTRACT</b>	an agreement whereby an owner engages a real estate company for a specified period of time to sell a property, for which, upon the sale, the agent receives a commission
<b>MARKET PRICE</b>	the actual price at which a property sold
<b>MARKET VALUE</b>	the price that is established by present economic conditions, location and general trends
<b>MORTGAGE</b>	security claim by a lender against a property until the debt is paid
<b>MULTIPLE LISTING SERVICE (MLS)</b>	a system that provides to its members detailed information about properties for sale
<b>ORIGINATION FEE</b>	an application fee(s) for processing a proposed mortgage loan
<b>PITI</b>	principal, interest, taxes and insurance, forming the basis for monthly mortgage payments
<b>POINT</b>	one percent of the loan principal. It’s charged in addition to interest and fees
<b>PREPAYMENT PENALTY</b>	a fee paid by a borrower who pays off the loan before it is due
<b>PRINCIPAL</b>	one of the parties to a contract; or the amount of money borrowed, for which interest is charged
<b>PRORATE</b>	divide or assess proportionately
<b>PURCHASE &amp; SALE AGREEMENT</b>	a contract between buyer and seller that outlines the details of the property transfer; or refer to “Purchase and Sale Agreement” in this guide
<b>SETTLEMENT</b>	all financial transactions required to make the contract final. See “Settlement and Closing” in this guide.
<b>TITLE</b>	a document that indicates ownership of a specific property
<b>TITLE SEARCH</b>	detailed examination of the entire document history of a property title to make sure there are no legal encumbrances

**LOVE WHERE YOU LIVE.**

Briggs  
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INTERNATIONAL REALTY