

Glossary

abstract of title. a summary or condensation of the essential parts of all recorded instruments which affect a particular piece of real estate, arranged in the order in which they were recorded.

acceleration clause. a clause in a contract by which the time for payment of a debt is advanced, usually making the obligation immediately due and payable, because of the breach of some condition, such as failure to pay an installment when due.

acceptance. an indication by an offeree of willingness to be bound by the terms of the offer.

acknowledgment. a declaration made by a person to a notary public, or other public official authorized to take acknowledgments, that the instrument was executed by the person and that it is a free and voluntary act.

acre foot. a term used in measuring the volume of water, equal to the quantity of water required to cover one acre one foot deep, or 43,560 cu. ft.

administrator. A person appointed by the court to administer the estate of a deceased person who died intestate (without leaving a will).

ad valorem. Latin meaning “according to value”; normally used to describe a tax based on the assessed value of real property.

adverse possession. the right of an occupant of land to acquire a superior title to the real estate against the record owner, where such possession has been actual, notorious, hostile, visible and continuous for the required statutory period (18 years in Colorado). Adverse possession promotes the productive use of land by giving title to the one putting the land to use.

affidavit. a written statement or declaration, sworn to or affirmed before some officer who has authority to administer an oath or affirmation.

agency. a legal relationship resulting from an agreement or contract, either expressed or implied, written or oral, whereby one person, the agent, is employed by another, called the principal, to do certain acts in dealing with a third party.

agent. any person, partnership, association, or corporation authorized or employed by another, called the principal, to act for, on behalf of, and subject to the control of the principal.

alienation. transfer of real property by one person to another.

amenities. in real estate, amenities are features such as location, outlook, or access to a park, lake, highway, view or the like which enhance the desirability of real estate and which contribute to the pleasure and enjoyment of the occupants.

amortization. liquidation or gradual retirement of a financial obligation by periodic installments.

appraisal. in real estate, an estimate of the quality or value of property; also refers to the report setting forth the estimate of value together with the basis for such conclusions.

appropriation. the act(s) involved in the taking and reducing to personal possession of water occurring in a stream or other body of water, and of applying such water to beneficial use.

appropriator. one who diverts and puts to beneficial use the water of a stream or other body of water, under a water right obtained through appropriation.

appurtenance. that which belongs to something else; something adapted to the use of the real property to which it is connected or belongs intended to be a permanent addition to the land. Appurtenances pass with the title to the land, e.g. a house, barn, garage, right-of-way, etc.

assessed valuation. an estimate of value by a unit of government for taxation purposes.

assessment. in real estate, the valuation of property in order to apportion a tax upon it.

assignee. the party to whom a legal right has been assigned or transferred.

assignment. transfer to another of a legal right.

assignor. the party who assigns or transfers a legal right.

attachment. a type of encumbrance, permitted only under special circumstances, which is placed against the real estate of a defendant in a pending law suit for money damages.

attorney's opinion. in real estate, the written opinion of an attorney-at-law regarding the marketability of title to real property based upon an examination of the abstract of title or the records in the county clerk and recorder's office.

animal unit (A.U.). the grazing capacity of land to properly sustain one animal and any offspring for one year.

balance sheet. a statement showing a company's financial position at the end of an accounting period by listing assets, liabilities and owner's equity.

balloon payment. a final lump-sum payment of an installment debt, much larger than all previous installments, and which pays the debt in full prior to its full amortization.

bargain and sale deed. any deed that recites consideration and purports to convey the real estate. A bargain and sale deed with a covenant against the grantor's acts warrants only that he or she has done nothing to harm or cloud the title.

beneficiary. the person who benefits from certain acts, e.g. a will; one receiving benefits, profits or advantage; one for whose benefit a trust is created.

bill of sale. a written instrument by which a person transfers right, title or interest in personal property to another.

blanket mortgage. a mortgage that covers more than one piece of property.

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broker. a duly licensed person, firm, partnership, limited liability company, association, or corporation who, in consideration of compensation or with the intent of receiving such compensation, facilitates a real property transaction for another party. (See 12-61-101 C.R.S. for Colorado statutory definition – chapter 1 of this manual.)

building code. local government regulations specifying structural requirements of buildings.

buyer agent. a broker engaged by and representing the buyer in a real estate transaction.

capitalization rate. a percentage rate of change applied in the income approach to value.

cash basis accounting. recognizing revenue and expense when cash is received or disbursed rather than when earned or incurred. A service business not dealing in inventory has the option of using the cash or accrual basis of accounting. Individual taxpayers must use the accrual basis.

cash flow. cash receipts minus cash disbursements from an operation or asset. An annual cash flow statement shows total return after taxes.

caveat emptor. Latin phrase meaning “let the buyer beware.”, formerly imposing a duty on the buyer to examine the products or property accepting them “as is”.

certificate of reasonable value (CRV). Veterans Administration’s certified appraisal of value of real property.

certificate of taxes. a written guaranty of the condition of the taxes on a certain property made by the county treasurer wherein the property is located. Any loss resulting from an error in a tax certificate shall be paid by the county that such treasurer represents.

chapter 7. provision of the 1978 Bankruptcy Reform Act that covers liquidations under a court appointed trustee.

chapter 11. provision of the 1978 Bankruptcy Reform Act that covers reorganizations where the debtor remains in control of the business and its operations.

chattel. property other than real estate, i.e. personal property; an item of movable property.

check. synonym for quadrangle, a 24 mile square tract of land in the Governmental Survey System.

cloud on title. an outstanding claim or encumbrance that affects or impairs title to the property.

cognovit note. one containing a confession of judgment (waiver of due process) by the borrower.

collateral security. some security additional to the personal obligation of the borrower, as a chattel mortgage or trust deed.

Colorado Association of REALTORS[®] – (C.A.R). the state organization of real estate licensees whose goal is the professional advancement of the real estate industry and whose membership is comprised of local real estate associations or boards.

commingling. mixing money belonging to others with personal or business funds. Illegal commingling is using the money of one beneficiary for the benefit of another or failing to maintain such money in identified escrow accounts.

common interest community. real estate described in a declaration which obligates an individual unit owner to pay property tax, insurance premiums, maintenance or improvement on some declared real property owned in common. Ownership does not include a leasehold interest of less than forty years, measured from the date the initial term commences, including renewal options.

common-law. law evolving from usage, custom and judicial interpretation rather than legislated by statute. Common law originated in old English courts.

community property. property acquired by a husband and wife, or either, during marriage, by their industry and not by gift, belonging equally to husband and wife. Community property laws exist in only nine states: AZ, CA, ID, LA, NV, NM, OK, TX and WA.

condemnation. in real property law, the process by which property of a private owner is taken for public use, with compensation to the owner, under the governmental right of eminent domain.

condominium. a common interest community in which portions of the real estate are designated for separate ownership and the remainder of which is distributed for common ownership solely among separate owners. A common interest community is not a condominium unless the undivided interests in the common elements are vested in the unit owners.

consideration. a promise or an act of legal value bargained for and received in return for a promise; one of the essential elements of a contract.

construction mortgage. a short-term loan used to finance the building of a structure.

constructive (or legal) notice. the conclusive presumption that all persons have knowledge of the contents of a recorded instrument.

contract. an agreement, enforceable at law, between two or more competent persons, having a legal purpose, wherein the parties agree to act in a certain manner.

controller. the chief accounting executive of an organization responsible for (1) financial reporting, (2) tax administration, (3) management audits, (4) planning controls and (5) developing accounting systems and procedures.

conventional mortgage. a mortgage securing a loan made by private investors without governmental participation, i.e. not F.H.A.-insured or V.A.-guaranteed.

conversion. unauthorized appropriation of ownership rights over goods or property belonging to another; also altering one form of property to another such as changing a leasehold apartment building to freehold condominium ownership.

conveyance. an instrument in writing by which a person transfers some estate, interest, or title in real estate to another, such as a deed or lease.

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Colorado Coordinate System. a method of land description based on measurements from the intersection of statutorily defined north-south and east-west axes; applied only in Delta and Ute Counties.

covenant. a promise or agreement, usually in writing, to do or not do certain acts; also stipulations in a real estate conveyance document governing use of the property.

cubage. the product of multiplying width x height x depth (or length) of an object.

cubic foot per second. a unit of discharge for measurement of flowing liquid, equal to a flow of one cubic foot per second past a given section. Also called "second-foot".

cul-de-sac. a street which dead-ends in a semi-circle.

curtesy. a common-law life-estate in all of a wife's real property given to the husband upon her death, provided a child was born from their marriage; abolished in Colorado.

customer. a party to a real estate transaction with whom the broker has no brokerage relationship because such party has not engaged or employed a broker.

debenture. bonds issued without specific security and are secured only by the overall equity of the issuer.

declaration. a recorded instrument that defines boundaries and common elements of a condominium and establishes the basic rights and obligations of the owners. It also provides for the creation of an owners' association including a board of directors with authority to collect common expenses and otherwise act for the benefit of all owners.

dedication. transfer of land from private to public use, as streets in a platted subdivision.

deed. a legal instrument in writing, duly executed and delivered, whereby the owner (grantor) conveys to another (grantee) some right, title or interest in or to real estate.

deed restriction. a provision in a deed controlling or limiting the use of the land.

default. omission or failure to perform a legal duty; failure to meet an obligation when due.

defeasible fee (base- or qualified fee). a fee interest in land that is capable of being defeated or terminated upon the happening of a specified event.

deficiency judgment. a lien against borrower's remaining assets in an amount equal to the shortage between a foreclosure sale price less than the indebtedness owed.

depreciation. loss in value due to deterioration from ordinary wear and tear, action of the elements, functional or economic obsolescence.

designated broker. an employing or employed broker designated in writing by an employing broker to serve as a single agent or transaction-broker for a seller, landlord, buyer or tenant in a real estate transaction; does not include a real estate brokerage firm that consists of only one licensed natural person.

devise. a gift of real property by the last will and testament of a donor.

diversion. illegal or unauthorized use of entrusted funds.

documentary fee. a statutory Colorado tax of one cent per one hundred dollars (sale price x .0001) of consideration paid by a person recording an instrument of conveyance with a county clerk and recorder.

donee. receiver of a gift.

donor. giver of a gift.

dower. a common-law estate consisting of a one-third interest in a husband's real property given to his wife upon his death. abolished in Colorado.

due-on-sale clause. a provision in a mortgage or trust deed which allows the lender to call a promissory note due and payable in full immediately upon the sale or transfer of a secured property; allows a lender to raise the interest rate or force other changes in terms upon assumption of the loan.

duress. forcing action or inaction against a person's will.

earnest money. down payment made by a purchaser of real estate as evidence of good faith.

easement. a right or interest in the real property of another; the right to use another's land for a specific purpose, such as a right-of-way.

economic life. the period of time over which improved property may be profitably used.

equity. the amount of an owner's interest in real estate exceeding its encumbrances.

equity of redemption. see redemption.

eminent domain. a governmental right to take private property for public use through the process of condemnation, and with payment of just compensation.

employing broker. a license level qualifying a broker to employ other licensees, requiring two years of active licensed experience, a 24-hour "brokerage administration" course if licensed after December 31, 1996 and passage of the Colorado part of the broker licensing exam if upgrade to broker associate from salesperson was by means of the broker transition course.

encroachment. illegal intrusion of an improvement or other real property onto another's property.

encumbrance. a claim, lien, charge, or liability attached to and binding upon real property, such as a judgment, mortgage, mechanic's lien, lien for unpaid taxes, or right-of-way.

endorsement. signing one's name on a negotiable instrument with intent to transfer ownership; also an addition altering or clarifying coverage of an (title) insurance policy.

escheat. reversion of property to the state when an owner dies without leaving a will or legal heirs to whom the property may pass by lawful descent.

escrow. the state or condition of money or a deed held conditionally by a third party, called the escrow agent, pending the performance or fulfillment of some act or condition.

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escrow account. any checking, demand, passbook or statement account insured by an agency of the United States government maintained in a Colorado depository for money that belongs to others.

escrow agreement. a written agreement whereby a grantor, promissor or obligor delivers certain instruments or property to an escrow agent, to be held until the happening of a contingency or performance of a condition, and then to be delivered to the grantee, promisee or obligee.

estate. the degree, quantity, nature and extent of a person's interest in real property; such as a fee simple absolute estate, or an estate for years.

estate (tenancy) at sufferance. an estate in land arising when the tenant wrongfully holds over after the expiration of the tenant's term; the landlord has the choice of evicting the tenant as a trespasser or accepting such tenant for a similar term and under the conditions of the tenant's previous holding.

estate (tenancy) at will. an interest in land terminable at the will of either the tenant or landlord.

estate (tenancy) for years. an interest in land for a fixed period of time, e.g. one day or 99 years.

estate from period-to-period (periodic tenancy). An interest in land with no contract date of termination. The rental period (week, month or year, etc.) renews by payment of the contract rent.

et al. Latin abbreviation for "et allus", meaning "and others".

et ux. Latin abbreviation for "et uxor", meaning "and wife".

eviction. dispossession by process of law; the act of depriving a person of the possession of land pursuant to a court judgment.

exclusive agency listing. a listing whereby the owner engages a real estate brokerage as sole broker for a specified period of time, while retaining the right to sell the property to a buyer that the owner finds without paying the broker a commission.

exclusive right-to-sell listing. a listing whereby the owner engages one real estate brokerage as sole broker for a specified period of time, entitling the broker to a commission regardless of who sells the property, including the owner.

execution. a writ issued by a court to the sheriff directing seizure and sale of a property to satisfy a debt; the act of signing a contract; completion of the terms of a contract.

executor. the person named in a will to carry out its provisions.

"fannie mae". The pronunciation of "FNMA" (Federal National Mortgage Association). provides a market for government secured mortgages held by primary lenders and provides them with a ready market so as to permit a greater turnover of money for loans.

fee simple absolute (fee or fee simple). the most comprehensive ownership of real property under law; the largest bundle of ownership rights possible.

fee tail. an estate in land which cannot be conveyed but which must descend to the heirs of the holder; abolished in Colorado.

F.H.A.-insured mortgage. a mortgage under which the Federal Housing Administration insures approved lenders against loan default.

fiduciary. a person in a position of trust relative to another party; confidential, as in a fiduciary relationship between an agent and the principal.

fixture. an article of personal property installed in or attached to land or an improvement in a permanent manner, so that it is considered a part of the real estate.

foreclosure. termination of property rights due to some default by the borrower; a judicial or public trustee process whereby secured property is sold to satisfy a debt.

grantee. a person to whom real estate is conveyed; the buyer.

grantor. a person who conveys real estate; the seller.

grazing district. an administrative subdivision of the range lands under the jurisdiction of the Bureau of Land Management, established pursuant to section 3 of the Taylor Grazing Act to facilitate management of BLM forage resources.

grazing lease section 15. a lease authorizing the use of public lands outside of grazing districts (Taylor Grazing Act) for the grazing of livestock for a specified period of time.

grazing licenses. a permit for the grazing of a set number and class of livestock on a designated area of grazing district lands for a specified time, usually less than one year.

grazing permit. a permit to graze a certain number and class of livestock on a designated area of grazing district lands during specified seasons each year for a period of usually 10 years.

grazing preference. a request to graze certain numbers and classes of livestock upon a national forest for a specified time and subject to rules and regulations adopted by the Forest Service.

gross income multiplier. a number used in the income approach to value used to compare potential desirability of income properties, and calculated by dividing sales price by gross annual income.

ground water. a pervious formation with sides and bottom of relatively impervious material, in which ground water is held or retained; also called subsurface water basin.

holdover tenant. one who fails to vacate leased property after the lease has expired.

homestead exemption. a/k/a “homestead” or “homestead right”; a fixed, statutory sum exempt from execution by creditors, and intended to protect a family home from foreclosure or sale for debts.

indemnify. to insure; to secure against loss.

independent broker. a license level qualifying a broker to work without the supervision of an employing broker, requiring two years of active licensed experience, and if upgrade to broker associate was by means of the broker transition course, passage of the Colorado part of the broker licensing exam.

installment land contract (ILC), also land contract, or installment contract; an agreement for the purchase of real estate on an installment basis, whereby the deed is withheld until all or a specified portion of the purchase price is paid.

inter alia. Latin meaning “among other things”.

intestate. Dying without leaving a valid will.

joint tenancy. a type of co-ownership of real property featuring a right of survivorship and four unities (time, title, interest and possession).

judgment. final declaration of the rights of the parties by a court.

land. real property; all below the surface, the surface and the airspace above it, and that which is affixed to it permanently; synonymous with “real property”, “realty”, and “real estate”; often used to mean only the unimproved surface of the earth.

land economics. the production, distribution and consumption of wealth deriving from land classification and use.

landlord. an owner who has leased an estate-in-land to a tenant.

landlord agent. a broker engaged by and representing a landlord as an agent in a leasing transaction.

lease. an agreement under which a tenant receives possession and use of real property for a certain period of time and the landlord receives the payment of rent and/or the performance of other conditions.

leasehold. an estate or right in real property held under a lease.

legal description. a description recognized by law that is sufficient to locate and identify a property without oral testimony.

lessee. party who possesses an estate in realty under a lease; commonly referred to as tenant.

lessor. party who conveys a right or estate in realty to a lessee under a lease; commonly referred to as landlord.

lien. a right given by law to a creditor to have a debt or charge satisfied out of the value of real or personal property belonging to the debtor.

life estate. an estate or interest in real property held for the duration of the life of some certain person.

limited agent. an agent whose duties and obligations to a principal are only those set forth in C.R.S. 12-61-804 or 12-61-805, with any additional duties and obligations agreed to pursuant to section 12-61-803 (5).

lis pendens. a filing against specific property, giving public notice that an action at law is pending that may affect the title to the land.

listing. an agreement or contract of employment, either oral or written, whereby the owner authorizes the real estate broker to sell, exchange or lease real estate.

marketable (merchantable) title. a title free from reasonable doubt of defect; which can be readily sold or mortgaged to a reasonably prudent person; a title free from material defects or grave doubts and reasonably free from potential litigation.

market value. the price which a ready and able buyer, not forced to buy, would pay and which a ready and willing seller, not forced to sell, would accept, assuming that both parties are fully informed, act reasonably, and have sufficient time to consider the transaction with due care.

mechanic's lien. a lien created by statute which exists against real property in favor of persons who have performed work or furnished materials for the improvement of the real estate.

metes and bounds. a method of describing or locating real property; metes are measures of length and bounds are boundaries. This method starts from a well-marked point of beginning and follows the boundaries of the land until it returns once more to the point of beginning.

mill. one-tenth of a cent; a tax rate of one mill on the dollar or one-tenth of one percent of the assessed value of a property. (assessed value x .001)

mortgage. a conditional conveyance of property as security for the payment of a debt or the fulfillment of some obligation. Upon payment of the debt or performance of the obligation, a mortgage automatically becomes void.

mortgagee. the party (lender) to whom property is conveyed under a mortgage as security for the repayment of a loan or fulfillment of some obligation.

mortgagor. the party who gives a mortgage (borrower) conveying interest in the property to the lender as security for the obligation to repay a loan or fulfill some obligation.

multiple listing service (MLS). a marketing arrangement among real estate brokers whereby a seller authorizes the listing broker to share information and a pre-determined portion of a commission to any broker cooperating in the sale of the property.

mutual assent (meeting of the minds). agreement of the parties to the contract, mutually consenting to be bound by its exact terms; an essential contract element.

National Association of REALTORS[®], (N.A.R.). a national association of real estate personnel whose goal is the professional advancement of the real estate industry and whose membership is comprised of state and local real estate associations or boards.

national forest. a forest or watershed reservation administered by the Forest Service, United States Department of Agriculture.

negotiable instrument. a written instrument containing a promise of payment, which can be endorsed from one person to another.

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net listing. a listing contract whereby the owner is to receive a certain net price, with the broker receiving any excess over and above the net price as commission.

note. a written instrument acknowledging a debt and promising payment.

obsolescence. impairment of desirability and usefulness of the property resulting from economic, functional, physical, fashion, or other changes.

offer. to present for sale; or a proposal presented for acceptance or rejection which, if accepted, will form a binding contract.

offeree. one to whom an offer is made.

offeror. one who makes an offer.

open listing. a non-exclusive employment agreement in which an owner retains the right to list the property with other brokers.

option. a temporary right for a specified time, and for which a consideration is paid, during which an optionee may purchase or lease property at a set price.

optionee. one who requests, receives or stands to benefit from an option.

optionor. one who grants an option to another, usually the land owner.

party wall. a wall erected on a line between adjoining properties for the use of both properties.

patent. an instrument of conveyance of government-owned land to an individual.

percentage lease. A commercial lease of property in which the rent is based upon a percentage of the sales volume derived from the leased premises.

percolation (perc) test. determines if soil will take sufficient water seepage for use of a septic tank.

periodic tenancy. see estate from period-to-period.

personal property. all that is not real property; items of a temporary or movable nature.

personalty. synonym for personal property.

plat. a parcel or plot of land; also a method of land description referring to a recorded map (plat) of a subdivision or town which lays out boundaries, streets, easements etc.

police power. governmental right to enact legislation deemed necessary to protect and promote the health, safety and general welfare of the public. (License law is supported by this legal theory.)

power of attorney. a legal instrument authorizing another person to act in place of the person drawing the instrument.

principal. a person, partnership, association or corporation who authorizes or employs another, called the agent, to do certain acts on behalf of the principal.

principal note. a promissory note secured by the mortgage or trust deed.

property. anything which may be owned and its bundle of ownership rights; the right to use, possess, enjoy, and dispose of a thing in every legal way and to exclude everyone else from interfering with these rights; generally classified into two groups; personal and real.

public trustee. a county official to whom borrowers convey title to real property by trust deed for the benefit of the beneficiary (lender).

purchase money mortgage. a mortgage given by the purchaser to secure a loan for part or all of the purchase price. Such a mortgage becomes a lien on the property simultaneously with the passing of title, and if immediately recorded becomes prior to any lien against the purchaser.

quadrangle, (check). a square tract of land in the U.S. Governmental Survey System measuring 24 miles on each side.

quiet-title suit. an action in court to remove a defect, cloud or suspicion regarding the owner's legal rights to a parcel of real estate.

quitclaim deed. a deed in which the grantor warrants nothing, conveying only the grantor's present interest in the real estate, if any.

range. a six-mile wide strip of land that runs in a north-south direction. Ranges are determined by government survey and are numbered in numerical order east or west of a principal meridian.

real estate. real property, realty, land.

real property. land; the surface of the earth and whatever is erected, growing upon, or affixed to the land; including that which is below it and the airspace above it. synonymous with "land", "realty", and "real estate".

REALTOR[®]. a registered trade name exclusive to members of the National Association of REALTORS[®].

realty. real property, land, real estate.

receiver. a court-appointed custodian who holds property pending final disposition of the matter before the court.

recording. entering an instrument in a book of public record in the office of the county clerk and recorder. recording constitutes "constructive" notice to all persons of the rights or claims contained in the instrument.

Rectangular Survey System. see U.S. Government Survey System.

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redemption. the right of an owner to redeem or reclaim real estate by paying the debt or charge (such as mortgage or tax lien) after default, together with interest and costs. Specifically, **equity of redemption** is the right to redeem the property after default but before foreclosure. **Statutory right-of-redemption** refers to the right to redeem the property after foreclosure, or other enforcement action, within a certain time specified by statute. In Colorado, a mortgagor has a statutory right to redeem property any time within 75 days (residential) or six months (agricultural)) after foreclosure or three years after a tax sale.

release. the relinquishment or surrender of a right, claim, or interest.

release of lien. the discharge or release of specific property from the charge or lien of a judgment, mortgage or other claim.

restrictive covenant. a clause in a deed limiting the use of a property.

right of survivorship. a characteristic of joint-tenancy whereupon the death of one tenant triggers an automatic and immediate transfer of the decedent's property rights equally among the surviving tenant(s).

right-of-way. an easement or right to pass over another's land; also the strip of land used as roadbed by a railroad or used for a public purpose by other public utilities.

salesperson. an inactive license status in Colorado; in other jurisdictions, a license level authorized to perform real estate activity on behalf of a licensed real estate broker.

seisin. actual possession of real estate by a freehold estate owner; a typical warranty deed covenant.

seller agent. a broker engaged by and representing the seller in a real estate transaction.

single agent. a broker engaged by and representing only one party, i.e. buyer, seller, tenant or landlord in a real estate transaction.

special assessment. a tax against real property made by a unit of government to cover the proportionate cost of an improvement, such as a street or sewer.

special warranty deed. a deed in which the grantor warrants title only against defects arising during the grantor's ownership.

specific performance. a remedy compelling a party to perform or carry out the terms of a valid, existing contract.

state lease. an agreement between the state of Colorado and other parties for the use of lands under the jurisdiction of the State Board of Land Commissioners for grazing, agriculture and other lawful purposes.

statutory right of redemption. see redemption.

subordination clause. a clause in a mortgage or lease stating that the rights of the holder shall be secondary to a subsequent encumbrance or right of another person.

surrender. in leases, the cancellation of a lease by mutual consent of lessor and lessee.

survey. the measurement of a parcel of land and its characteristics.

Taylor Grazing Act. see grazing district.

tenancy at sufferance. see estate at sufferance.

tenancy at will. see estate at will.

tenancy-in-common. a type of co-ownership of an estate in land entitling each tenant to full possession of the property (unity of possession) regardless of proportionate share owned; tenancy-in-common contains no right of survivorship.

tenant agent. a broker engaged by and representing the tenant in a leasing transaction.

testate. a condition of death characterized by the decedent having left a valid will.

time-share. an interval interest in real estate which limits ownership or occupancy rights to specified time periods. Ownership may be either fee simple (deeded) or “right-to-use” (contractual or membership). In Colorado, time-share sales are subject to license law.

title. in real property, the right, or evidence of the right, to ownership.

title insurance. indemnification of a policyholder from loss due to a title defect, provided the loss does not result from a defect excluded by the policy provisions.

Torrens system. a system by which the registrar of Torrens (i.e. clerk and recorder) keeps and maintains title records pertaining to real property located in the county.

tort. a negligent or intentional wrong done to another for which the law will grant money damages in a civil action.

transaction-broker. a broker who assists one or more parties throughout a contemplated real estate transaction with communication, interposition, advisement, negotiation, contract terms, and the closing without being an agent or advocate for the interests of any party.

treasurer. a county official responsible for property tax administration; a chief executive in a firm responsible for (1) obtaining operating capital, (2) investor relations, (3) short-term financing, (4) banking policies, (5) asset custody, (6) credit and collections, (7) investment analysis, and (8) risk management.

treasurer’s deed. a deed for property sold at public sale by the county for non-payment of taxes by the owner.

trust deed. a loan security instrument by which a borrower conveys title to a (usually public) trustee, to be held for the protection of a lender as security for the repayment of the debt. Upon payment of the debt a trust deed must be specifically released by the trustee.

United States Government (or Rectangular) Survey System (GSS). a land description method based on reference to governmental surveys.

usury. charging more than the legal rate of interest for the use of money.

V.A.-guaranteed mortgage. a mortgage backed by a Veterans Administration guarantee to the lender for a percentage of the loan amount.

Glossary

vendee. buyer.

vendor. seller.

vicarious liability. a principal's liability for an agent's acts performed within the scope of the agency; specifically excluded by Colorado statute from a principal's liability unless the act or omission was approved, directed or ratified.

waiver. abandonment of some claim or right.

warranty deed, (general warranty deed). a deed in which the grantor warrants or guarantees the title to real property against defects during the grantor's ownership and as far back as a chain-of-title can be established.

writ of execution. a court order directing an officer of the court, usually the sheriff, to carry out the judgment or decree of the court.

