

## Sustainable Real Estate Practices

AASHTO stands for American Association of State Highway and Transportation Officials, which is an organization that provides guidance on transportation and infrastructure development, including road construction and maintenance, which can impact real estate development and property values. Absolute Assignment is a type of assignment where the assignor transfers all rights and interests in a property to the assignee, who then becomes responsible for the property's mortgage and other obligations. Acceleration Clause is a provision in a loan agreement that requires the borrower to pay off the entire loan balance if they default on a payment or violate other terms of the agreement. Accessory Unit is a smaller dwelling unit that is located on the same property as a primary residence, often used as a rental unit or guest house. Accredited Investor is an individual or organization that meets certain financial thresholds and is considered qualified to invest in complex or high-risk investment vehicles, such as private equity funds or hedge funds. Acquisition Cost is the total cost of acquiring a property, including the purchase price, closing costs, and other expenses associated with the transaction. Active Solar System is a type of solar energy system that uses mechanical equipment, such as fans or pumps, to circulate heat or cooling throughout a building. Adaptive Reuse is the process of redeveloping an existing building or site for a new use, such as converting an old factory into loft apartments or office space. Adjusted Basis is the tax basis of a property, which is adjusted over time to reflect depreciation, improvements, or other changes to the property's value. Administrative Regulation is a rule or regulation adopted by a government agency to implement or interpret a law or policy, often used to guide real estate development and zoning decisions. Affordable Housing is housing that is affordable to low- or moderate-income households, often subsidized by government programs or incentives to encourage development of affordable units. Agency Disclosure is a document that discloses the role and responsibilities of a real estate agent or broker in a transaction, including their fiduciary duties to the client. Aggressive investment strategy is an investment approach that seeks to maximize returns through high-risk investments, such as private equity or hedge funds. Air Rights are the rights to use the air space above a property, often used for billboard advertising or cell tower installations. Allowance for vacancy is an adjustment made to rental income to account for vacant units or unrented space in a building. American Land Title Association (ALTA) is an organization that sets standards for the title insurance industry and provides guidance on title searches and insurance policies. Americans with Disabilities Act (ADA) is a federal law that requires buildings and public spaces to be accessible to people with disabilities, including wheelchair ramps and accessible bathrooms. Amortization is the process of gradually paying off a loan or debt through regular payments, often used to finance real estate purchases or improvements. Amortization Schedule is a table or schedule that shows the amount of each payment applied to interest and principal over the life of a loan. Anchor Tenant is a major tenant in a shopping center or office building, often used to attract other tenants or customers to the property. Annual Percentage Rate (APR) is the annual rate of interest charged on a loan or credit card, including fees and other charges. Appraisal is an independent assessment of a property's value, often used to determine the value of a property for lending or taxation purposes. Appraisal Report is a document that provides a detailed analysis of a property's value, including comparables, income statements, and other data.

Appreciation is the increase in value of a property over time, often due to inflation, improvements, or changes in market conditions. Arbitration is a process of resolving disputes through a neutral third-party arbitrator, often used to resolve contract disputes or lease agreements. Architectural Barrier is a physical barrier in a building that limits access or use by people with disabilities, such as steps or narrow doorways. Area of Influence is the geographic area surrounding a property that is affected by its use or development, such as a shopping center or office building. As-Is Condition is the current condition of a property, including any defects or needed repairs, often used to describe the condition of a property at the time of sale or lease. Assessed Value is the value of a property as determined by a government assessor for taxation purposes, often used to determine the amount of property taxes owed. Assessment Ratio is the ratio of assessed value to market value, often used to determine the uniformity of property tax assessments. Assignee is the party that receives an assignment of a contract or lease, often used to transfer rights and obligations to a new party. Assignment is the transfer of rights and obligations under a contract or lease to a new party, often used to assign a lease or contract to a new tenant or buyer. Assignment of leases is the transfer of rights and obligations under a lease to a new party, often used to assign a lease to a new tenant or buyer. Assignment of rents is the transfer of rights to receive rent payments under a lease to a new party, often used to assign rents to a new landlord or lender. Association of real estate license law officials (ARELLO) is an organization that provides guidance and resources for real estate regulators and licensees. Asymmetric information is a situation where one party has more or better information than another party in a transaction, often used to describe the imbalance of information between buyers and sellers in a real estate market. Attachment is the process of attaching a lien or encumbrance to a property, often used to secure a loan or debt. Attorney-in-Fact is a person authorized to act on behalf of another person or entity in a legal or financial matter, often used to represent a principal in a real estate transaction. Auction is a process of selling a property to the highest bidder, often used to sell properties at a foreclosure sale or estate sale. Auditor's report is a document that provides an independent assessment of a company's financial statements and accounting practices, often used to evaluate the financial health of a company. Automated valuation model (AVM) is a computer-based model that estimates the value of a property based on historical sales and other market factors, often used to evaluate the value of a property for lending or investment purposes. Average annual percentage yield is the average return on investment for a property or portfolio over a given period, often used to evaluate the performance of a real estate investment. Average daily rate is the average interest rate for a loan or credit card over a given period, often used to calculate the interest charged on a loan or credit card. Back title search is a search of public records to verify the ownership and encumbrances on a property, often used to identify any liens or encumbrances on a property. Balance sheet is a financial statement that shows the assets, liabilities, and equity of a company or individual at a given point in time, often used to evaluate the financial health of a company or individual. Balloon payment is a large payment due at the end of a loan or lease, often used to pay off the remaining balance of a loan or lease. Bankruptcy is a legal process where an individual or company is declared insolvent and their assets are distributed to creditors, often used to restructure or eliminate debt. Base rent is the minimum rent due under a lease, often used to calculate the total rent due under a lease. Base year value is the value of a property at a given point in time, often used as a baseline for measuring appreciation or depreciation. Basis point is a unit of measurement for interest rates, equal to 1/100th of 1%, often used to express changes in interest rates. Before-tax cash flow is the cash flow from a property or investment before taxes, often used to evaluate the financial performance of a property or investment. Beneficiary is the

party that receives the benefits of a trust or estate, often used to describe the recipient of a gift or inheritance. Betterment is an improvement made to a property that increases its value or usefulness, often used to describe the installation of new plumbing or electrical systems. Billboard is a large outdoor advertisement, often used to advertise a product or service to a wide audience. Binders are documents that outline the terms of a transaction, often used to secure a deal or agreement. Blanket lien is a lien that encumbers multiple properties or assets, often used to secure a loan or debt. Blind pool is a type of investment vehicle where investors pool their funds without knowing the specific investments that will be made, often used to invest in real estate or other assets. Block buster is a property or development that is expected to have a significant impact on the surrounding area, often used to describe a large retail or entertainment complex. Blue ribbon committee is a committee formed to investigate or address a specific issue or problem, often used to study and recommend solutions to a complex issue. Bona fide purchase is a purchase made in good faith, without knowledge of any defects or encumbrances on the property, often used to describe a legitimate purchase made without fraud or deceit. Book value is the value of a property or asset as recorded on the balance sheet, often used to evaluate the financial health of a company or individual. Boot is property or other consideration received in a tax-deferred exchange, often used to describe the receipt of cash or other property in a 1031 exchange. Breach of contract is a failure to perform under the terms of a contract, often used to describe a party's failure to meet their obligations under a contract. Breach of warranty is a failure to comply with the terms of a warranty, often used to describe a party's failure to meet their obligations under a warranty. Bridge loan is a short-term loan used to finance a property or project until permanent financing can be obtained, often used to cover gaps in financing. Broker is a licensed professional who represents buyers or sellers in a real estate transaction, often used to assist with negotiations and contract preparation. Brokerage is a company or firm that employs brokers to represent buyers and sellers in real estate transactions, often used to facilitate buy and sell transactions. Brownfield is a property that has been contaminated with hazardous substances, often used to describe a site that requires remediation before redevelopment. Bubble is a rapid increase in prices for a particular type of asset, often used to describe a speculative market where prices are inflated beyond their fundamental value. Building code is a set of regulations that govern the design, construction, and occupancy of buildings, often used to ensure safety and accessibility. Building inspection is a visual examination of a building to identify any defects or needed repairs, often used to evaluate the condition of a building before purchase or lease. Building permit is a document issued by a government agency that authorizes the construction or renovation of a building, often used to ensure compliance with building codes and regulations. Bulk transfer is the transfer of a large quantity of goods or assets at one time, often used to describe the sale of a portfolio of properties or securities. Bundle of rights is the set of rights and interests associated with ownership of a property, often used to describe the bundle of rights that come with fee simple ownership. Business improvement district is a geographic area where businesses and property owners contribute to a fund for improvements and services, often used to enhance the appeal and viability of a commercial area. Business park is a development that consists of office and industrial spaces, often used to provide a convenient and attractive location for businesses. Buy- sell agreement is a contract that outlines the terms of a purchase and sale of a property or business, often used to facilitate the transfer of ownership. Buyer's agent is a licensed professional who represents the buyer in a real estate transaction, often used to assist with negotiations and contract preparation. Buyer's market is a market where buyers have more power and influence than sellers, often used to describe a market with an oversupply of

properties for sale. By- right development is development that is permitted by right, without the need for special permits or approvals, often used to describe development that is allowed under existing zoning regulations. Call option is a contract that gives the holder the right, but not the obligation, to purchase a property or security at a specified price, often used to provide a way to speculate on price movements. Cap rate is the maximum interest rate that can be charged on a loan or credit card, often used to protect borrowers from excessive interest rates. Capital asset is a long-term asset that is not expected to be converted into cash within a year, often used to describe property, equipment, or other long-term assets. Capital expenditure is a payment made to acquire or improve a capital asset, often used to describe the cost of purchasing or improving a property. Capital gain is the profit made from the sale of a capital asset, often used to describe the gain from the sale of a property or security. Capital improvement is an improvement made to a property that increases its value or usefulness, often used to describe the installation of new plumbing or electrical systems. Capitalization rate is the rate used to convert income into value, often used to evaluate the value of a property or investment. Capitalization of income approach is a method of valuing a property by converting its income into value, often used to evaluate the value of a property or investment. Cash equivalent is an investment that is liquid and has a very low risk of loss, often used to describe investments such as commercial paper or treasury bills. Cash flow is the inflow and outflow of cash from a property or investment, often used to evaluate the financial performance of a property or investment. Cash on cash return is the rate of return on a cash investment, often used to evaluate the performance of a real estate investment. Cash outlay is the amount of cash expended on a property or investment, often used to describe the initial investment in a property or project. Caveat emptor is a doctrine that requires buyers to exercise due diligence when purchasing a property, often used to caution buyers to be aware of any defects or problems with a property. Certificate of occupancy is a document issued by a government agency that certifies a building is safe for occupancy, often used to ensure compliance with building codes and regulations. Certificate of title is a document that certifies the owner of a property and describes any encumbrances or liens on the property, often used to verify ownership and clear title. Certified commercial investment member (CCIM) is a professional designation for commercial real estate practitioners, often used to indicate expertise in commercial real estate transactions.