

REAL ESTATE GLOSSARY

Preapproval

- A letter from a lender stating how much a home shopper can afford to spend.
- Not the same as a "pre-qualification," which is a quick calculation based on a borrower's stated income, assets and debts.
- A process that involves verifying a borrower's financial details. The lender also needs to check a borrower's credit history, which requires the borrower's permission.
- A clearance that generally comes with a time limit, perhaps 30 to 60 days.
- A step that can improve the attractiveness of a would-be buyer's offer for a property.
- A step that can save borrowers the trouble of looking at houses they aren't qualified to buy.
- Not a guarantee that a borrower will get a loan. Final approval depends on market conditions as well as the appraised value of the specific property.

Vacation Home Trends

About 12 percent of homes sold in 2007 were vacation homes, compared with 14 percent in 2006, according to a survey last month by the National Association of Realtors. A few other points about last year's vacation home market:

- » The typical vacation home buyer in 2007 was 46 years old, had a median household income of \$99,100 and purchased a property that was a median of 287 miles from his primary residence.
- » The median price of a vacation home was \$195,000 in 2007, down 2.5 percent from 2006.
- » 65 percent of vacation home buyers purchased existing homes.
- » 59 percent of vacation homes bought in 2007 were detached, single-family houses; 29 percent were condos; 7 percent were townhouses and 5 percent were other. In 2006, single-family homes accounted for 67 percent of vacation home sales, while condos were 21 percent.
- » 84 percent of buyers said they wanted to use the home for vacation or as a family retreat; 30 percent to use as a primary residence in the future; 26 percent to diversify investments; 25 percent to rent to others; 16 percent for the tax benefits; 14 percent for use by a family member, friend or relative; and 6 percent because they had extra money to spend.
- » 30 percent of vacation homes were purchased in rural areas, 20 percent in resorts, 20 percent in a suburb and 14 percent in an urban area or central city.
- » Vacation home buyers plan to keep their property for a median of 10 years.
- » 44 percent of vacation home buyers said they were likely to purchase another property within two years.
- » 28 percent of vacation home buyers paid cash.

SOURCE: National Association of Realtors

Do You

By MARY ELLEN SLAYTER
Washington Post Staff Writer

For families with children, the quality of local schools is often a key factor in deciding which house to buy. Buyers trying to determine if the schools in a neighborhood will meet their needs can find plenty of data on the Internet about standardized tests, but they shouldn't neglect the value of visits to the schools and the old-fashioned word of mouth, real estate and education experts say.

If you're working with an agent, don't let him judge the schools for you.

"When my clients begin to ask questions about the quality of the school system, I'm careful with labeling schools as 'good' or 'bad' that could be construed as code words to discourage certain groups of people from buying a home in a particular neighborhood, which is a violation of the Fair Housing Act," said Thomas Minetree, a real estate agent with Weichert's Gainesville office.

Instead, Minetree, who works primarily in Fairfax and Prince William counties, refers clients to Weichert's Web site, which includes links to basic information about schools. Other brokerages' Web sites provide similar information.

Andi Fleming, an agent with Long & Brookland office in the District, also directs home shoppers to the Web for more information, including the Web site for the District's public schools (www.k12.dc.us), the District's charter school system (www.dcpublicschools.com/home/index.html), and the Archdiocese of Washington, for Catholic schools (www.adw.org/education/edu_schools.asp). Many school districts throughout the Washington area have similar Web sites.

Individual schools also often have Web sites, but their claims should be taken with a grain of salt, education experts say. "You never hear a school that says they have a rotten math department," said Georgia K. Irvin, an educational consultant in Chevy Chase and former principal of admissions at Sidwell Friends, a private school in the District.

Besides, whether a school is "good" is not more than test results, she said. One important factor is "appropriateness for your own child," said Irvin, author of "Georgia K. Irvin's Guide to Schools: Metropolitan Washington, Independent and Public/Pre-K-12." That includes the availability of nonacademic programs. "Some children need adequate outdoor space for a range of athletic options. Some need a relatively well-developed arts program. Some need small classes."