

Health and Safety Code (Section 35800 through 35833);

(a) "Agency" means the Business, Transportation and Housing Agency.

(b) "Fair market value" means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. The use of this definition of fair market value by a financial institution in an appraisal made at any time on or after July 1, 1986, does not violate the provisions of this part.

(c) "Financial institution" includes any bank, savings and loan association, or other institution in this state, including a public agency, that regularly makes, arranges, or purchases loans for the purchase, construction, rehabilitation, improvement, or refinancing of housing accommodations.

(d) "Housing accommodation" includes any improved or unimproved real property, or portion thereof, that (1) is used or is intended to be used as a residence, and (2) is or will be occupied by the owner, and (3) contains not more than four dwelling units. "Housing accommodation" shall also include any residential dwelling containing not more than four dwelling units where the owner thereof, whether or not the owner will occupy the property, applies or has applied for a secured home improvement loan from a financial institution, the proceeds of which loan will be used to improve the security property.

(e) "Secretary" means the Secretary of the Business, Transportation and Housing Agency.

California Code of Regulations (Section 7114)

(a) "Commitment" as used in these regulations means a promise by a financial institution as part of a contractual agreement to purchase loans which are originated, financed, and closed in accordance with criteria established by said financial institution.

(b) "Mortgage banker" means a person, partnership, corporation or other business entity engaged in the business of mortgage banking.

(c) "Mortgage banking" is the originating, financing, and closing of loans on real property and the selling of the loans to permanent institutional investors.

(d) "Permanent institutional investors" means a person, partnership, corporation or other business entity which purchases loans for investment and not for resale.