

# LIFE OF AN ESCROW

## 1. **Opening the Escrow**- Items needed to open escrow

- Fully executed Purchase Contract
- Earnest money deposit
- Copy of listing
- New lender information
- Existing loan payoff information

## 2. **Processing the Escrow**

- Escrow deposits earnest money funds
- Escrow orders preliminary title Report from title department
- Escrow requests payoff or assumption information, homeowner's association information, etc.

## 3. **Title Examination**

- Property and parties are researched by the Title Examiner
- Preliminary Title Report is typed and sent to Escrow Officer, Agents, Sellers & Buyer

## 4. **Escrow Closing Preparation**

- Preliminary Title Report received by Escrow Officer and is reviewed for any *surprises*, i.e. tax liens, judgments, unknown liens of record, discrepancies in legal description, delinquent taxes, access problems, etc.
- Escrow advises Agents if additional information is needed to clear any *surprises* revealed by the Preliminary Title Report
- Escrow follows-up on receipt of the following if needed, per Purchase Contract:
  - Termite Report
  - Buyer's Hazard Insurance
  - Payoff Information
  - Home Protection Plan
  - New Loan Package
  - Repair Bills
  - Warranties
- Loan documents are received and the Escrow Officer 'works' the file to reflect closing and advises Agents of funds that are needed for closing.
- Closing appointment times are set for Seller and Buyer with Escrow Officer.
- Advise all parties executing documents to bring a valid government issued picture I.D. (drivers license, passport, etc).
- Advise Buyer to bring in a cashier's check or wired funds for closing.

## 5. **Execution of Documents**

- Buyer & Seller meet with Escrow Officer and execute all documents

## 6. **Lenders Funds**

- After all parties have executed the necessary documents, escrow returns the loan package to new lender for review and funding
- Lender funds the loan and lenders check or wired funds are sent to escrow for processing

## 7. **Recordation**

- After escrow receives all funds needed and have ascertained that conditions are met, original documents are recorded.
- Once documents are recorded, escrow notifies Agents.
- Agents will make arrangements for you to receive your keys.

## 8. **Disbursement of Funds**

- All Disbursements are made in accordance with the settlement statement

## 9. **Policies Issued**

- Purchaser receives Owner's Title Insurance Policy from Magnus Title Agency
- New Lender receives ALTA Loan Policy from Magnus Title Agency