



# THE LIFE OF AN ESCROW

## THE BUYER(S)

Mutual acceptance - Buyer and Seller mutually agree on the terms and Earnest Money.

Loan pre-approval (when applicable) - Applies for new loan and completing all required forms.

Review title report, and any property disclosure or inspection reports called for by the Purchase Contract.

Complete a Statement of Information if required by the title company.

Signing - signs loan documents and fulfills conditions contained in the Purchase Contract, lender's instructions and/or the escrow instructions to complete the transaction.

Deposit funds necessary to close the escrow.

## THE LENDER

WHEN APPLICABLE

Accepts the new loan application and other related documents from the Buyer(s) and begins the qualification process.

Sends the Loan Estimate disclosing loan repayment terms and approximate closing costs to buyer.

Orders and reviews the property appraisal, credit report, verification of employment, verification of income and assets, preliminary title report and other related information.

Submits the entire package to the loan underwriter for approval. When approved, loan conditions and title insurance requirements are established.

Informs Buyer(s) of loan approval, conditions, lock expiration date and provides a Closing Disclosure 3 days prior to Signing.

Deposits the new loan documents and instructions with the Escrow Officer for Buyer's approval and signature.

Reviews and approves the executed loan package and coordinates the loan funding with the Escrow Officer.

## THE ESCROW OFFICER

Receives a fully executed copy of the Purchase Contract.

Orders the title search and examination on the subject property.

Acts as the neutral third party in a fiduciary capacity, for all documents and monies required to complete the transaction per written instructions of the principals.

Reviews documents received in the escrow: preliminary report, payoff, new loan package and other related instruments. Reviews the conditions in the lender's instructions.

Escrow Officer prepares the escrow instructions and required documents in accordance with the terms of the Purchase Contract.

Delivers Seller's Closing Disclosure, when required.

Signing - presents the documents, loan package(s), Settlement Statement and other related documents to the parties for signature, and requests the balance of the buyer's funds.

Escrow Officer reviews the signed instructions and documents, returns the loan package and requests funding.

Receives the funds of the loan(s) from the lender(s).

Releases to the Title Officer the Deed, Deed of Trust and all other signed documents required to complete the transaction.

Closes the escrow by preparing the final Settlement Statement, disbursing the funds to the Seller, paying off the existing encumbrances and other obligations. Then deliver the appropriate statements, funds the loan as well as distributing all remaining documents to all parties including brokers and/or lenders.

## THE SELLER(S)

Accepts Buyer's Offer to purchase accompanied by a good faith deposit to open escrow.

Submits information to the Escrow Officer such as: payoff, utilities, leased equipment, homeowner's association, rental agreements, etc.

Fulfills any remaining conditions specified in the purchase and sale agreement.

Complete a Statement of Information if required by the title company.

Signs the escrow instructions, deed and other related documents required to complete the transaction.

## TITLE OFFICER

Receives a request for title report.

Examines the title to the real property and issues a title report.

Submits a title report to all parties.

Determines the requirements and documents needed to complete the transaction and advises the Escrow Officer.

Upon receipt of the Deed, Deed of Trust and other signed documents, title officer will record the signed documents with the County Recorder's office.

Issues the title insurance policies.

## THE REAL ESTATE BROKER

Provides to Escrow Officer a fully executed copy of the Purchase Contract with complete property address including zip code and property profile (if available).

All Amendments, Counter Offers, and any Addendums.