

Life of an Escrow

The escrow company is a neutral third party in the escrow transaction. They work closely with your realtor and your lender to fit together all the "jigsaw" pieces of the transaction, assuring that the escrow instructions are adhered to within the specified time frame. Your Escrow Officer carries out the following procedures and responsibilities:

PREPARE AN ADDENDUM TO THE CONTRACT: As directed and reviewed by the Real Estate Agents.

ORDER PRELIMINARY TITLE REPORT: The preliminary title report is ordered from the title insurance company for the property you are buying or selling. This report reveals liens of public record and is the guideline escrow uses to assure that title is conveyed with only the liens and matters the buyer has agreed to accept.

ORDER PAYOFF STATEMENTS (DEMANDS): Order demands from the lender of record the current mortgage(s) on the property, the homeowner's association statement and documents, and any other lien information, which affects the title to the property.

PREPARE ESTIMATED CLOSING STATEMENT: As soon as loan documents are delivered to us, we will estimate the closing costs and call the buyer to arrange for an appointment to sign the loan documents and bring the closing funds.

ORDER INSURANCE: Upon receipt of the loan documents and signing of the lenders instructions, escrow will order the insurance policy from the buyer's insurance agent, per the requirements of buyer's new lender.

SET UP FUNDING: When the buyer has signed all loan documents, they are then sent to the lender with a request that the loan funds be released ("funding"). Your escrow has not yet closed at this point; "recording" of the grant deed is the trigger. Lenders have different time schedules. Some fund their loans locally and need only one days notice, while others will need up to two full days to review the loan package and fund. When the lender verifies that they are in a position to release the loan funds, the Escrow Officer calls the title company to "set-up" the recording. Insured documents in San Diego County record at 8:00am. The title company rechecks public county records prior to having the documents recorded, to assure that no liens have been recorded. Occasionally, a new lien will appear and the recording is "pulled" until a clearance of the new lien is obtained.

Between 10:30 am and 12:00 pm, the title company will call to "confirm" that all documents have been recorded and give escrow the final title and payoff of existing lender costs. Escrow will then balance your file, type closing statements and disburse funds.

NOW YOUR ESCROW IS CLOSED!