

ESCROW PROCESS

WHAT INFORMATION IS NEEDED?

Confidential Statement of Identity. Because many people have the same name, the statement of identity is used to identify the specific person in the transaction by determining date of birth, social security number, etc. The statement form is necessary and the information is kept confidential.

Provide Escrow Holder with the name, address and phone number of your lender as soon as possible after opening escrow.

Hazard/Fire information. If you are purchasing a single family, detached home, or in some cases, a town home, be sure to order your fire/hazard insurance once your loan has been approved. You should immediately begin looking for an insurance agent; not all companies can write fire hazard insurance. Call Escrow with the insurance agent's name and phone number so that he/she can make sure the policy complies with your lender's requirements. You must have your insurance in place before the lender will fund money to the title company.

WHAT IS CLOSE OF ESCROW?

The close of escrow signifies legal transfer of title from the seller to the buyer. Approximately three days before the scheduled close of escrow date, the loan documents are executed by the buyer. The new lender takes 24 to 72 hours to review the final executed documents and then wires the loan funds to the title company. Escrow collects the remainder of the buyer's down payment and closing costs. When loan funds are wired, the file is then set up to record (a legal transfer of title from the seller to the buyer). Escrow then handles all final accounting, issuance of official closing statements and disbursement of any remaining proceeds to all parties.

