

MOVING THROUGH ESCROW

*after an offer is written up, negotiated
and accepted what happens next?*



** items in green with asterisk do not apply to all cash transactions*

- » Escrow receives and reviews Purchase & Sale Agreement
- » Escrow closing team is assigned
- » Buyer's earnest money is deposited to escrow
- » Title insurance company updates the order with buyer's information
- » Escrow sends buyer a packet with information and documents -- the buyer should complete and return the documents as soon as possible (ID Affidavit may be requested)
- » Title company reviews preliminary title commitment
- » Copies of the preliminary title commitment are sent to buyer, seller and lender
- » Buyer's inspection period
- » Buyer notifies seller of inspection results
- * Appraisal ordered by lender
- * If not completed in the buyer information package, buyer should choose a fire and hazard insurer and request a fire insurance binder be sent to escrow
- » Buyer has the opportunity to review the title commitment at this time and call title or escrow with any questions
- * Appraisal completed and submitted to lender -- possible conditions
- * Lender may request additional verification of documentation prior to loan approval
- » Escrow requests pay-offs for all monetary encumbrances not assumed by buyer
- » Title works with appropriate parties to clear any unacceptable "clouds" on title (determine which if any title exceptions can be removed)
- * Escrow and lender work together to prepare Closing Disclosure to determine buyer's funds needed for closing
- * Lender provides buyer the Closing Disclosure 3 business days prior to signing appointment.
- * Escrow receives and reviews loan documents
- » Escrow prepares Settlement Statements for buyer and seller with escrow instructions, wire instructions, and pertinent documents, including the Deed. Buyer's statement will match the fees on Closing Disclosure
- » Escrow makes separate appointment to obtain signatures from seller, and also signatures and closing funds from Buyer
- » Buyer reviews and signs documents at this time. This is a great time to ask any questions
- » Buyer deposits funds into escrow, preferably via in-state cashier check, 24 hours before recording (due to Washington State 'Collected Funds' Law, cashier checks cannot be disbursed until the **next business day** after deposit into escrow account). In extraordinary situations, wire transfers can be accepted.
- * Escrow returns loan documents to lender
- » Escrow prepares recording instructions for title
- * Escrow receives lender loan funds.
- » Recording of new owner at County and title transfers from seller to buyer
- » Escrow calls agents, buyers and sellers with recording numbers
- » DISBURSE FUNDS (All bills and encumbrances paid and funds delivered to seller). At this point the transaction is closed—buyer takes possession of the property and receives keys per terms of Purchase & Sale Agreement
- TIME TO CELEBRATE!**
- » Escrow forwards final documents to sellers and buyers (final Settlement Statements)
- » Original recorded documents are sent to appropriate party directly from the County 8 to 12 weeks after closing.