

Common Escrow Questions

- 1. BUYER & SELLER:** "The amount of paperwork we received is overwhelming. When should we return it to escrow?" Answer: Completed paperwork should be returned to escrow as soon as possible. According to Section 3N2 of the California Residential Purchase Agreement and Joint Escrow Instructions, Buyers and Sellers have 5 calendar days from receipt of documents to return them to escrow. Delays in returning necessary information can often cause delays in closing. Important items include vesting for the Buyer, fire insurance information, new lender information, and for the Seller, Homeowner's Association contact information, information to payoff existing loans, and the notarized grant deed.
- 2. BUYER & SELLER:** "Our contract specifies a closing time frame of 45 days. Can we rely on this deadline?" Answer: While our Company is dedicated to ensuring a timely closing, numerous factors may impact the completion date. Lender approval, appraisals, receipt of Homeowner's Association Information and/or seller loan payoff information, unforeseen issues with the title, changes to the contract terms, receipt and funding of loan documents are all factors that may affect the original close of escrow date.
- 3. BUYER & SELLER:** "What type of advice can escrow provide?" Answer: As a neutral third party, escrow is not authorized to provide advice, particularly legal advice. Our role is to ensure that all terms and conditions related to the Escrow Instructions are met before the title is transferred and funds are disbursed. While we cannot offer advice, we are happy to facilitate communication and direct parties to appropriate resources to obtain necessary information.
- 4. BUYER:** "When do we need to deposit our funds with escrow?" Answer: To avoid delays, please ensure that your funds are deposited in an account that can wire the funds to escrow within 48 hours prior to the close of escrow. If using funds from a 401k or investment account, please ensure that the company can wire the funds to escrow in the form of a bank wire, not ACH transfers. If using gift funds, signed third party escrow instructions and new lender approval are required. Closing funds must come from an account verified and sourced by the new lender.
- 5. BUYER:** "What are my closing costs?" Answer: An estimated closing statement will be provided to you prior to the close of escrow. Several estimated closing statements may be created during the escrow process to facilitate finalization of the Buyer's loan. Escrow will inform the Buyer of the final amount of funds required, which will include the balance of the down payment and total closing costs.



Escrows For You, Inc.

SECURITY | NEUTRALITY | ASSURANCE
FAMILY