

The Life of a Purchase

The Escrow Process

Your escrow is created shortly after you execute the purchase agreement to purchase your home. It cannot be successfully completed until all escrow instructions have been carried out and all parties have signed escrow documents. The length of escrow can range from a few days to several months, depending on the terms of the purchase agreement. On average, an escrow closes within 45 days.

Opening the Escrow

Judi Hartwell your REALTOR® will open the escrow for you as soon as you execute the sales agreement, placing your initial deposit into the escrow account. The escrow officer will draw up escrow instructions that define all the conditions that must occur before the transaction can be finalized. Very soon after the opening of the escrow, you will be asked to sign escrow instructions and provide identification information such as your birth date, social security number and other information that pertains to you. This information will remain confidential. The escrow will forward a copy of the sales contract and the escrow instructions to the lender for their review and approval.

The Loan Process

Unless you paying all cash, the next step will be for you to select a lender and apply for a mortgage loan. Judi Hartwell your REALTOR® can explain current financing options and help you select a lender. Some transactions may require a loan pre-approval.

Once you have decided on a lender, you will complete a loan application, providing personal and financial information. As part of the qualification process, the lender will verify this information and appraise the value of the property you are purchasing.

The lender will require you to obtain hazard/fire insurance if you are purchasing a detached home. If you are buying a condominium, there may already be a master hazard insurance policy in place. Check with your REALTOR®. Also check with your insurance agent about additional coverage for your personal property.

The lender will also require that you obtain title insurance. Title companies usually handle title insurance.

When your loan is approved, the loan documents are sent to the escrow officer. The escrow officer will then schedule an appointment with you to come into the office so that you may review and sign all the documents required by the lender for the loan and any other documents necessary for closing the escrow. The escrow officer will also provide you with an estimate of funds needed to close the escrow. This process is called "closing process."