

# Understanding the Duties and Responsibilities of Escrow



**The escrow process** can be a complicated and often technical necessity of buying and selling real estate. Understanding the various duties and functions of the escrow can assist all parties in ensuring a successful and timely transaction.

Additional escrow officer duties and responsibilities:

- Receive and hold buyer's funds in a non interest paying trust account during escrow.
- Read and comply with all agreements as detailed in the Purchase Contract and Joint Escrow Instructions.
- Follow mutually signed, written instructions agreed upon by buyer and seller during escrow.
- Prepare Escrow Instructions, Grant Deed, Estimated Closing Statement and any documents required to clear title or required by the lender.
- In some cases the escrow officer will obtain reports as required by the purchase contract and provide to the buyer for review.
- Make sure escrow is in receipt of buyer and seller signatures required documents.
- Receive loan documents from the buyer's lender (IF APPLICABLE). Prepare amendments and estimated closing statements.
- Order the evidence of insurance from the buyer insurance agent.
- Send signed loan documents and all lender required items to the lender for funding.
- Send original recordable documents and any releases required to clear title to the title company for recording at the close of escrow.
- Make sure escrow is in receipt of all funds necessary to pay the seller proceeds during escrow.
- Make sure the seller has sufficient equity in the property to cover all costs during escrow.
- Make sure that all the proper paperwork is in escrow to provide the buyer with clear title to the property.
- Make sure all conditions agreed upon by the buyer and seller on the purchase agreement have been satisfied prior to closing escrow.