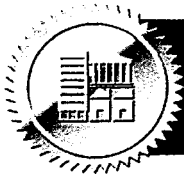


TITLE FEES

COST	CHARGED BY	DESCRIPTION
Lender's Title Policy	Title	Title policy issued to lender to cover the amount of the loan. Based on the loan amount unless it is a negative amortization loan.
Document Transfer Tax	County	Fee charged on all properties that transfer title-based on sales price.
Electronic Recording (Shipping & Handling)	County	Charged to file for electronically recording documents.
Federal Express	Federal Express	Charged to file for delivery of all time sensitive documents/monies.
Lenders Endorsement	Title	Charged for endorsements required by lender to cover "outside the normal" risk circumstances.
Messenger	Messenger Service	Charged to file to Special Messenger documents during the course of escrow. Fee varies with distance
Owners Title Policy	Title	Fee to issue a title policy. Calculated using the sales price. May be reduced if home was purchased or refinanced in the last 5 years. Insures that the title is free and clear at the time of transfer.
Record Grant Deed	County	Charged to file for recording the Grant Deed.
Record Release/Reconveyance	County	Charged to file for recording the release/reconveyance.
Record Trust Deed	County	Charged to file for recording Trust Deeds.
Sub-Escrow Fee	Title; split between buyer and seller	Fee to administer the pay-off of loans or property taxes of the seller and collection of funds from the new lender.
Title/Wire Fee	Banking Institution	Charged to file for wiring funds to escrow, seller, lenders, etc.

ESCROW FEES

COST	CHARGED BY	DESCRIPTION
Demand Fee	Escrow to Seller	Charged for requesting a statement and processing involved in getting a pay-off figure to escrow on the outstanding amount of the current loan. One demand fee per loan.
Document Fee	Escrow	Cover the expense for drawing legal documents for official records.
Escrow Fee	Escrow; to Buyer and Seller	Covers liability assumed as well as standard processing costs.
Process HOA Documents & Transfer Fee	Escrow; to Buyer and Seller	Fee for processing required to assign membership for HOA and copying all governing documents.



ESCROW is a service which provides the public with means of protection in the handling of funds and documents. Escrow enables the buyer and seller to transact business with each other through a neutral party, thereby minimizing their risk.

An escrow is created when money and/or documents are deposited by two or more persons with a third party which are to be delivered upon the happening of certain conditions. The third party is known as the escrow agent or escrow holder.

The escrow process protects all parties involved by retaining money and documents until the mutual instructions are met.

The statutory definition of escrow is found in Section 17003 of the California Financial Code and reads as follows:

‘Escrow’ means any transaction wherein one person for the purpose of effecting the sale, transfer, encumbering, or leasing of real or personal property to another person, delivers any written instrument, money, evidence of title to real or personal property, or other thing of value to a third person to be held by such third person until the happening of a specified event or the performance or a prescribed condition, when it is then to be delivered by such third person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee, bailor, or any agent or employee of any of the later.

The authority given to an escrow holder is strictly limited by instructions provided by the parties involved. Consequently, an escrow holder acts on mutual instructions deposited into escrow and *DOES NOT* represent any party. The escrow officer is authorized by instructions to allocate funds for items during the escrow period, such as real estate commissions, title insurance, liens, recording fees and other costs. Instructions also specify the method of collecting funds, proration issues, time limitations and all the terms of the transaction.



Broker: This is the person who represents the buyer/seller during a real property transaction. When buying or selling real estate in California through a broker, you are protected by dealing with a party who is operating under state license.

Escrow: This means to deposit money and documents with an escrow agent, usually in the form of a corporation, to be used as specifically described in the written instructions of the parties.

Escrow Officer: This person writes the written instructions of the parties for the escrow agent. These instructions govern the use of money and documents given by the parties involved.

Preliminary Report: This report shows preliminary ownership and encumbrance information. It is given to the escrow officer after the escrow is opened.

Taxes: The prorating of county, city, and irrigation district taxes and the calculation of bonds and special assessments requires skillful handling.

Insurance: At the time of closing, all premiums must be adjusted and all policies transferred. All changes must be made and the insurance companies must be notified.

Prorate: The division of proportionate shares of rent, insurance, taxes, etc. between the parties involved. This is usually calculated by an escrow officer.

Revenue Stamps: These are put on deeds to show that taxes have been paid at a transfer rate of .11% based on the sale price. The escrow officer uses these when appropriate.

Deed: This is a document that is used to transfer the ownership of land from one person to another. The form of the deed may vary.

Title: The right by which the owner of the land has possession of the property. Publicly recording a deed is a common way to establish a title.

Title Insurance: A policy which protects your rights as owner of a property, and will reimburse for any problems with the title to the property. Your real estate professional can provide free information about title insurance.

