



What happens during an escrow closing?

The final procedure is the escrow closing. The escrow officer will make sure that all of the documents have been properly executed and recorded. An escrow officer is a neutral third party that works between the seller and the buyer, or between the borrower and the lender to facilitate a smooth transaction. This includes the handling of documents and the distributing of funds according to written instructions from all parties to a transaction. The escrow officer also handles the adjustments and prorating of the taxes, obtaining of the insurance binders for home and fire insurance, and will calculate rent and interest when required. Escrow officers then distribute all of the monies among the applicable parties.

What is title insurance?

Title insurance protects the insured against losses that may arise due to defects to the title to a described real estate. A title insurance policy reflects the title as it appears on the public records, which includes a legal description of the land and identifies the owner or owners of the specifically described property.

The commitment for title insurance shows the actual status of the title to the land you wish to purchase and the conditions that are necessary to complete the transaction. Unlike most insurance policies, the premium for title insurance is paid only once when the policy is issued.