



## ESCROW DELAYS CAN BE AVOIDED

*There are many factors that can delay the closing of escrow. Below are some common delays that can hold up a closing and can be avoided if they are recognized in the early stages of the transaction.*

### STATEMENT OF IDENTITY

**SELLER:** Be sure to complete and return the Statement of Identity to Escrow within 7 days of opening escrow; the title company requires this in order to check for any undisclosed liens or judgements.

**BUYER:** ONLY if this is required by the title company.

### HOMEOWNER'S INSURANCE

Be sure to have your insurance in place prior to signing. Contact your insurance company and follow up with your Escrow Officer to make sure evidence of insurance has been received.

### ESCROW TERMS

Real Estate Agent should provide a completed TERMS SHEET to the Escrow Officer as soon as the escrow is opened. The TERMS SHEET includes items such as payoff information so they can be ordered in a timely manner.

### OPENING NEW CREDIT

Do not let anyone run your credit..... If they do, the Lender will be notified and the loan will most likely be placed on hold. If a new account has been opened, the Lender will have to document the debt and count the payment against you. The new credit card or new loan could affect your FICO score as well as debt-to-income ratio thus affecting your ability to obtain the home loan. Hold off on any purchase until the escrow is closed.

### LEAVING TOWN

If the Buyer or Seller is leaving town without establishing a Power of Attorney (POA), it can cause major delays particularly if the Buyer has not provided a copy of the POA to his Lender and Title for approval.

### COMMON WAYS OF HOLDING TITLE

The title company can provide you with the information on the different ways of holding title. Please consult with your legal counsels or attorney on the different vesting options and decide on the one that best fits your situation. If you would like to take title in your trust, please provide your Certificate of Trust to the Escrow Officer as this will be required by the Lender.

### EMPLOYMENT VERIFICATION

Most Lenders do verify employment sometime before funding. Please ensure all information you have provided to your Loan Officer is correct, including the phone number and the name of the Human Resources representative in your company.

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### HOMEOWNER'S ASSOCIATION (HOA) CERTIFICATION

This certificate is required for all Condominiums and Planned Unit Developments. The title company will have to request this certificate from the Homeowner's Association board, which in most cases, requires a fee to process the request. It can take two weeks or more to receive the certificate, so get started on this early to avoid any possible delays.

### PURCHASE CONTRACT CHANGES

If changes are made during the course of the escrow, be sure to provide all contract changes to both your Loan Officer and Escrow Officer as soon as they happen. For instance, Escrow may be required to hold back monies for specific repair items that were not completed by closing. Unknown and unexpected changes can delay closing.

### BUYER'S CERTIFIED FUNDS

At Chicago Title, the Escrow Officer can only authorize recording of the closing documents when all funds on deposit have been "collected" or cleared. The only acceptable funds to close escrows are the following types of deposits:

1. Wire Transfer - this form of deposit is by far the most efficient for all parties involved in the transaction
2. Cashier's Check - Payment may be made in the form of a Cashier's Check, payable to Chicago Title Company.

The funds must be on deposit **24 hours before** the Escrow Officer can authorize recording of the documents to close your escrow. If funds are not received in either of these formats, your closing could be delayed at least one day and as many as ten days, while Chicago Title confirms that the funds are cleared.

### AT SIGNING (DATE OF CONSUMMATION)

Expect to sign at the escrow company one or two business days before closing date. If funds are required to close, be prepared to wire transfer or bring a cashier's check 24 hrs before recording.

Have a valid photo ID available at signing, acceptable ID includes:

- Current Driver's License
- Current Passport
- State-issued ID

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There are many factors that can affect the timely closing of your Real Estate transaction. Please communicate with your Real Estate Agent, Loan Officer and Escrow Officer throughout the course of the escrow. When in doubt, always contact your Chicago Title Escrow Officer with any questions. We are here to ensure your transaction closes smoothly!