

# TITLE & ESCROW

A Buyers & Sellers Resource Guide





# Why Choose — Rainier Title? —



We are committed to providing the highest levels of real property title and escrow services. Our dedication to creating personalized services and providing seamless title and escrow processes for our clients has been steadfast for over 30 years.

## Experience

Over 400 years of combined title experience, over 350 years combined escrow closer experience, and over 350 years combined Account Management experience to handle your most difficult title and escrow questions.

## Personalized Support

Our employees are trained to offer friendly, personalized support for you and your customers.



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# — Transaction Details —

**Subject Property Address:**

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**Escrow Number:** \_\_\_\_\_

**Loan Number:** \_\_\_\_\_

**Earnest Money Due Date:** \_\_\_\_\_

**Inspection Date:** \_\_\_\_\_

**Signing Date & Location:** \_\_\_\_\_

**Estimated Closing Date:** \_\_\_\_\_

**Other Notes:** \_\_\_\_\_

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# — Important Contacts —

## **REAL ESTATE BROKER**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

## **LENDER**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

## **HOME INSPECTOR**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

## **TITLE & ESCROW**

Closer Name: \_\_\_\_\_

Company: **RAINIER TITLE**

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

## **HOME WARRANTY**

Company: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Confirmation Number: \_\_\_\_\_

## **INSURANCE COMPANY**

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

What a

# Title Company Does

A Title Commitment is issued showing the condition of the title before a sale or loan transaction. After completion of the transaction, a title insurance policy is issued. Documents pertaining to the particular transaction are recorded with the County recorder's office giving public notice. The Title Policy is insurance against loss resulting from defect of title to a specifically described parcel of real property. Defects may run to the chain of title or to encumbrances on the property.





# Questions & Answers for Property Owners

## What is Title Insurance?

Title Insurance protects real estate owners and lenders against any property loss or damage they might experience because of liens, encumbrances or defects in the title to the real property. Each title insurance policy is subject to specific terms, conditions and exclusions.

## Why do I need Title Insurance?

When you buy real property, you expect to enjoy certain benefits from ownership. For example, you expect to be able to occupy and use the property as you wish, to be free from debts or obligations not created or agreed to by you, and to be able to freely sell or pledge your property as security for a loan. Title Insurance is designed to cover these rights.

## What does Title Insurance cost?

The cost varies, depending on the value of your property. The important thing to remember is that you only pay once. The seller generally incurs the expense of the owner's policy for you. The coverage continues in effect for as long as you have an interest in the covered property. If you should die, the coverage automatically continues for the benefit of your heirs.

## What is a Lender's Policy of Title Insurance?

The Lender's Policy covers only the amount of the loan and the lien priority of the lender, which, in some cases, can be as much as the purchase price insured by the owner's policy. However, the buyer does pay for the cost of borrowing money and the lender's title insurance policy protects the lender only. In the event of an adverse claim, the lender ordinarily wouldn't be concerned unless its loan became non performing and the claim threatened the lender's ability to foreclose and recover its principal and interest. Also, in the event of a claim there are no provisions of coverage for the owner.



# Types of Coverage

## ALTA Standard Owners Policy –

Some of the coverage provided under a standard policy are:

- Title to the real property owned by a person other than the insured.
- Defects, liens and encumbrances upon title which are recorded.
- Lack of a right of access to and from the real property.
- The insured has a marketable interest in the real property.
- There are no forgeries or failed conveyances in the chain of title.

## Extended Coverage Owner's Policy –

The Extended Coverage Owner's Policy is the broadest form of insurance provided for an owner of any type of real property (commercial, industrial, vacant land, residential).

### *What is covered?*

The extended coverage version of the basic owner's policy form provides all of the coverage afforded under the standard coverage version, while also providing protection against the following off-record standard coverage version:

- Matters which a survey would disclose.
- Easements not disclosed by the public records.
- Encroachments, discrepancies or conflicts in boundary lines not shown by the public records.
- Rights of parties in possession.

## Homeowner's Title Insurance Policy –

The Homeowner's Policy is designed to insure the owner of residential property (one to four family residences), including condominiums, against loss by reason of those matters covered under the policy of insurance.

### *What is covered?*

The Homeowner's Title Insurance Policy provides all of the coverage afforded the Standard coverage Owner's Policy, plus:

- Mechanic's lien protection arising out of work done on the real property for which the insured did not agree to pay.
- Rights under unrecorded leases.
- Unrecorded easements.
- Forced removal of dwelling structure upon adjoining real property.



*At Rainier Title we want to make sure you have the information you need to make an informed decision when choosing your title insurance policy. Please scan this QR code or visit our website at [www.rainiertitle.com](http://www.rainiertitle.com) for more information about title insurance.*



# What is Escrow?

Escrow is a system of document transfers in which a deed, bond or funds are delivered to a third party to hold until all conditions in the contract are fulfilled. In other words, Escrow provides one central place where all funds and documents may be deposited.

## What is an Escrow Agent?

The Escrow Agent is a neutral third party acting on behalf of the buyer and seller. Their primary purpose is to close the transaction according to the parties' instructions. Usually this involves clearing title, acting as an intermediary between various interested parties, preparing documents, disbursing funds, recording the deed and security documents, paying off existing liens or mortgages and the proration of real property taxes to ensure an accurate and complete closing.

## The Escrow Closer Does Not:

The Escrow Closer does not offer legal advice, negotiate the transaction, offer investment advice or prepare addenda to the Purchase & Sale Agreement.

## Important Escrow Terms:

- Settlement Statement – an itemized spreadsheet detailing all debits and credits associated with the closing of the transaction.
- Recording – filing documents for public record (and notice) with a registrar (i.e. the County) as required for completion of an Escrow transaction.



# Customary

## Closing Costs

It is common for a variety of costs associated with the transaction (above and beyond the price of the property itself) to be incurred by either the buyer or the seller. These costs are typically paid at the closing and are known as closing costs.

### **BUYER NORMALLY PAYS FOR**

- One-half of the Escrow Fee (per the terms of the contract).
- Lender's ALTA Extended title insurance premium.
- Document preparation fees for Quit Claim Deeds or Power of Attorney as requested.
- Pro-rated portion of Real Estate Tax and/ or Homeowners' dues.
- Recording charges for all documents in buyer's name (Deed of Trust, Statutory Warranty Deed).
- Homeowners/Hazard Insurance premium for the first year.
- Home Warranty if paid by buyer (per terms of the contract).
- Inspection Fees: roofing, property inspection, geological, termite, etc. (per the terms of the contract).
- All new loan charges except those required by lender for seller to pay as determined by loan type: FHA, VA, etc. (per the terms of the contract).

### **SELLER NORMALLY PAYS FOR**

- One –half of the Escrow fee (per the terms of the contract).
- Document preparation fees for Quit Claim Deeds or Power of Attorney as requested.
- Work orders if required by the lender or agreed between parties (per the terms of the contract).
- Any County required, On Site Septic System application, pumping, or repairs.
- Owner's title Insurance Premium.
- Real Estate Commission (per the terms of the contract).
- Encumbrances showing on the title such as Deeds of Trust, Judgments, Tax Liens, Assessments.
- Any unpaid Homeowner's dues/ Real Estate Taxes.
- Home Warranty (per the terms of the contract).
- Any bonds or assessments.
- Any Loan fees required by buyer's lender determined by type of loan: FHA, VA etc. (per the terms of the contract).
- Recording charges to clear all documents of record against the seller.
- Excise Tax determined by County and based on total sales price (most of King, Pierce and Snohomish County is 1.78%) plus any additional fees charged by individual counties.



# The Escrow Process

**START**

1

PSA & Earnest Money  
Delivered to Escrow.

2

Escrow reviews PSA for  
Closing Instructions.

3

Buyer & Seller receive  
and complete their  
information disclosures  
through a secure  
portal.

6

Escrow confirms closing  
date, receives loan  
documents from  
Buyer's Lender (if any)  
and prepares closing  
documents.

5

Escrow reviews  
Preliminary Title Report  
for any financial  
encumbrances and  
delivers report to all  
parties.

4

Escrow begins  
communications with  
buyers Lender (if any).

7

Escrow schedules  
appointments for Buyer  
& Seller to sign closing  
documents.

8

Buyer's signed loan  
documents (if any) are  
returned to the Lender  
for review and final  
approval.

9

Buyer deposits their  
required funds to close  
with Escrow.

**END**

12

Escrow disburses funds:

- Seller's Net Proceeds
- Broker Commissions
- Loans to be paid at Closing
- Any applicable financial obligations

11

Documents are  
recorded at the County  
Recording Office and  
Escrow considers the  
file closed.

10

Lender (if any) gives  
final approval and  
delivers funds to  
Escrow.

# Rainier Title's

## Secure Portal



**Rainier Title is now protecting you with ClosingLock, the world's leading online platform for Real Estate Wire Fraud protection.**

### HOW IT WORKS



**You will be notified via text/email to log in to ClosingLock.**



**Use any device to securely log into ClosingLock's portal.**



**Securely complete disclosures/download wire instructions from ClosingLock.**

With no registration required, apps to download or passwords to remember, ClosingLock makes it easy for you to securely receive and exchange wire information, complete your initial transaction disclosures, sign electronically and securely send and receive documents. With real time email/phone/text notifications and 2 Factor Authentication, you will have peace of mind knowing your money and documents are safe.



# Wire Fraud —————

## ————— Caution

**Buying or selling a home is an exciting time!  
Rainier Title wants to make sure your transaction doesn't get derailed by a dangerous threat. Wire Fraud is on the rise with schemes targeting consumers across the country.**

### Here are 5 Tips to Protect Against Wire Fraud:

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#### **CALL, DON'T EMAIL** —————

Confirm all wiring instructions by phone before transferring funds.  
Use the phone number from our website or a business card.



#### **BE SUSPICIOUS** —————

Rainier Title will not ask to change wiring instructions  
and payment information.



#### **CONFIRM IT ALL** —————

Ask your bank to confirm not just the account number but  
also the name on the account before sending a wire.



#### **VERIFY IMMEDIATELY** —————

You should call Rainier Title or your real estate agent to validate that  
the funds were received. Detecting that you sent the money to the  
wrong account within 24 hours gives you the best chance of  
recovering your money.



#### **FORWARD, DON'T REPLY** —————

When responding to an email, hit forward instead of reply and then  
start typing in the person's email address. Criminals use email addresses  
that are very similar to the real one for a company. By typing in email  
addresses you will make it easier to discover if a fraudster is after you.



# Signing ——— Requirements

Your Escrow Closer or Escrow Assistant will contact you to arrange an appointment to sign your closing documents. If you are obtaining a loan to purchase the subject property, you will be contacted once Rainier Title has received your loan documents and reviewed them for accuracy. At this time the Escrow Closer or Escrow Assistant will inform you of the amount of funds (if any) you will need to complete the purchase of your home.

If you are selling your home, Rainier Title will let you know what info we need from you to disburse your net proceeds.

Expect the process to take approximately one hour. There are several acceptable forms of identification which may be used during the signing of your documents:

These Include:

- Current driver's license
- Passport
- State of WA Department of Licensing ID Card
- Military ID

One or more of these forms of identification, depending on your lender requirements, must be presented at the signing of escrow in order for the signature to be notarized.

If you are required to bring funds to close, you will need to obtain a cashier's check or wired funds made payable to Rainier Title. Depending on the amount you may be required to provide the funds by wire transfer. A personal check is not acceptable due to the fact that it may delay the closing since the title company is required by law to have good funds before distributing funds from escrow. Similarly, an out of state check could cause a delay in closing due to delays in clearing the check.



# Tips For a Smooth Closing

**1**

**Promptly  
complete and  
return disclosures  
upon receipt.**

**2**

**Inform your  
Escrow Team if you  
will be out of state or  
unavailable to sign  
locally.**

**3**

**If out of  
country, documents  
must be notarized at  
an American Embassy,  
or use a RON  
alternative (if  
allowed).**



# Frequently Asked Questions

## Asked By Buyers

### 1. When will I know the amount of funds required to close Escrow?

Upon receipt of loan documents and preparation of your settlement statement, your Escrow Closer or Escrow Assistant will contact you with the amount you will need to close escrow.

### 2. Can I use a personal check for my required funds?

If you are required to bring funds to close, you will need to obtain a cashier's check or wired funds made payable to Rainier Title. Depending on the amount you may be required to provide the funds by wire transfer.

### 3. Who will call me to schedule an appointment?

Normally your Escrow Closer or Escrow Assistant will call you to set the appointment to sign your documents.

### 4. When do I get my keys?

At the close of escrow your real estate agent will contact you regarding the disbursement of keys.

### 5. When will I get my deed showing proof of ownership?

The day escrow closes is the day the deed records with the County and you become the owner of your home. It could take 6-10 weeks from that date for the County to mail you the original signed and recorded deed.

## Asked By Sellers

### 1. When will I know what my Net Proceeds will be?

Upon preparation of your settlement statement your Escrow Closer will determine what your net proceeds will be at closing.

### 2. If monies are required from me to close the transaction can I use a personal check?

If you are required to bring funds to close, you will need to obtain a cashier's check or wired funds made payable to Rainier Title. Depending on the amount you may be required to provide the funds by wire transfer.

### 3. When will I be notified my transaction has closed?

Upon recording of the documents with the County, the Escrow Closer or Escrow Assistant will notify all parties that the transaction has been closed.

### 4. When will I receive my proceeds from my sale?

The Escrow Closer or Escrow Assistant will disburse all proceeds at closing according to the instructions you provided at signing.

### 5. How do the keys get transferred to the buyer?

At the close of escrow your real estate agent will make arrangements for the keys to be provided to the Selling Agent or the buyer.



# Moving — — Checklist

- ☐ Research moving companies
- ☐ Cleanout closets and drawers
- ☐ Donate any unwanted items
- ☐ Reserve rental/moving trucks when date is known
- ☐ Make arrangements for storage facilities if needed
- ☐ Research and make sure your move is insured
- ☐ Create a household inventory
- ☐ Collect boxes, tape and moving supplies
- ☐ Plan your moving sale
- ☐ Use up food and cleaning supplies
- ☐ Make travel arrangements for move (if needed)
- ☐ Schedule time off work for moving day(s)
- ☐ Start collecting important documents
- ☐ Schedule any needed Dr, Dentist, Vet, Etc visits before move
- ☐ Arrange child care for move in day (if applicable)
- ☐ Arrange pet boarding or care as needed
- ☐ Begin to pack things you don't currently need
- ☐ Schedule disconnection of utilities
- ☐ Service car before trip (if long distance)
- ☐ Get pets updated on any vaccines
- ☐ Hold your moving sale
- ☐ Return any borrowed items
- ☐ Refill any needed perscriptions
- ☐ Confirm with moving/rental company
- ☐ Pack everything and number boxes by room
- ☐ Wrap fragile items
- ☐ Drain any liquid from equipment/hoses
- ☐ Dismantle large furniture
- ☐ Empty refrigerator/freezer
- ☐ Double check closets/cabinets
- ☐ Note any utility meter readings
- ☐ Turn off water/AC/Furnace/Lights





# Change of Address Checklist

## UTILITIES & SERVICES

- ☐ Electric
- ☐ Cellphone
- ☐ Internet
- ☐ Gas
- ☐ Cable
- ☐ Water
- ☐ Sewer
- ☐ Garbage
- ☐ Recycling
- ☐ Home Security

## FINANCIAL INSTITUTIONS

- ☐ Banks/Credit Unions
- ☐ Finance Company
- ☐ Credit Cards
- ☐ Financial Planner
- ☐ Charitable Agencies

## FAMILY/PERSONAL

- ☐ Employer/Benefits/401k
- ☐ Schools
- ☐ Alumni Associations
- ☐ Children's Clubs and Associations
- ☐ Fitness Facilities
- ☐ Relatives/Friends
- ☐ Child Care Services

## INSURANCE AGENCIES

- ☐ Life
- ☐ Home
- ☐ Auto
- ☐ Health

## GOVERNMENT

- ☐ Dept. of Licensing
- ☐ Post Office
- ☐ IRS
- ☐ Voter Registration



# — Notes —

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# **Rainier Title**

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**TITLE DEPARTMENT**

**888.929.1999**

**ESCROW DEPARTMENT**

**888.828.0018**

**CUSTOMER CARE CENTER**

**866.333.2626**

**To Find a Location Near You Please Scan:**



**WWW.RAINIERTITLE.COM**

*The Mountain is Always There for You!*