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Congratulations on getting into escrow!! Below are the steps to complete a successful 30 day escrow. We will be completing all of these steps together and I will be reviewing all of the documents with you as we go. During this process if you have any questions please feel free to contact me at any time.

Note: If you are purchasing a short sale, the contract/purchase agreement becomes official when we receive written confirmation from the short sale lender that they have accepted our offer. Your calendar starts the day after receiving the written approval letter.

Day 1 thru 3:

- **SEND IN YOUR DEPOSIT CHECK TO THE TITLE COMPANY.** Please do this as soon as your offer is accepted!! You should still have on hand the deposit check you wrote when you made your purchase offer. Please change the name from “_____ Title Company” to the company in which escrow is held. I will be sure to send you this information. The deposit check can be dropped off at the office and we will call for a courier to come pick up the check. Otherwise, please mail the check to the title company ASAP and let me know so I can give the escrow company a heads up.

Day 1 thru 21:

You usually have 17 days to do all the inspections you want and remove your contingency for inspections. We recommend but do not limit you to the following inspections:

- **PEST INSPECTION.** Pest inspections typically cost approximately \$99 - \$200 depending on the company you choose and several other factors including detached garages and outbuildings. Sometimes you can save money if you pay this fee up front during the time of inspection. Depending on the property, we often recommend completing this inspection first because it is less expensive than other reports/inspections. If the report brings back surprises or catastrophes, it is up to you whether or not you choose to move forward with the transaction. Results on this report can be part of what you ask the seller to repair. Once the work is done, a reinspection will be ordered to approve the repairs. This can cost \$75 or more.
- **HOME INSPECTION.** A home inspection is an all-inclusive inspection of a property by a licensed inspector/contractor and could cost anywhere from \$350 to \$700 depending on the size of the home and amenities. This is typically billed at time of inspection. The home inspector will make sure your appliances and heater/AC are working, your windows aren't leaking, your roof is solid, and your pool is in good shape. You are more than welcome to be present during part of or all of the home inspection – most inspectors will walk you around the home and talk to you about all of their findings. They will finish up the inspection with a detailed report with photos of their findings.
- **HOME APPRAISAL.** Your lender will order the appraisal which could cost around \$400 - \$500 depending on whether the home is an investment property or not. This will usually be billed by your lender prior to the inspection. If the home appraises below the value you offered on the home, we will enter negotiations with the seller (or bank) on a new purchase price. If the home appraises above the value you offered on the home, you are sitting pretty! If you are using FHA financing, the appraiser may call out necessary repairs prior to lending. This could include repairs that may affect health and/or safety such as broken windows, bad roofs, peeling or chipping paint on buildings built prior to 1978 which may have used lead based paint, etc. We can ask the seller to complete these repairs if you want. A reinspection to clear these required lender repairs may cost approximately \$100.
- **SELLER DISCLOSURES AND REPORTS.** We will actively review all disclosures we receive (we should receive the disclosures from the seller within seven days of acceptance). This includes anything the seller thinks would influence a buyer's decision on purchasing the home. You will also receive the Natural Hazard Disclosure Report which discloses any environmental impacts to your property such as flood zones, fire risk, etc. You may also receive other reports such as HOA documents, CCRS for your

neighborhood, or other local disclosures. Lots of things to read and sign! Most of these are prepared for and/or paid for by the seller.

- **HOMEOWNERS INSURANCE.** Your lender will likely ask you for proof of home insurance on your future home. Call around to get different quotes! Please make sure the home is insurable within the 17 day inspection period – this is KEY! If for some reason the home is not insurable, we need to find out asap to get you out of your offer. You will need proof of home insurance to close escrow.
- **HOME WARRANTY PLAN.** A home warranty plan can be a great form of coverage for your first year in your home and covers most mechanical items if they break or die. Plans typically cost between \$300 to \$600 depending on what you want covered in the home – heater/AC, pool, etc. If a home warranty plan is provided by the seller as part of your purchase offer, or if you are buying one for yourself (this is optional), please investigate the different products available to you. I am more than happy to provide you with a few referrals of warranty companies.
- **OTHER INSPECTIONS/INVESTIGATIONS (optional).** You are more than welcome to investigate anything that is important for you to look into for your future home. This may include, but is not limited to, the following:
 - Crime statistics – check the local police dept.
 - Check Megan’s Law website for sex offenders
 - Consider looking into other inspections such as sewer, roof, HVAC, etc
 - Drive around the neighborhood at different times, talk to neighbors, visit HOA, etc
 - School ratings and stats
 - All of the items on the Statewide Buyer/Seller Advisory
 - Any other information that is relative to you as a buyer pertaining to this home
- **CONFIRM YOUR LOAN WITH YOUR LENDER AND REVIEW GOOD FAITH ESTIMATES.** Your lender may ask for updated paystubs or personal information to update their records if a significant time has passed. I will send escrow information to your lender and will work closely with them as we move forward. We will review Net Sheets from the title company to confirm costs as we get towards the end of escrow.
- **CONFIRM WITH THE LENDER IF THERE ARE ANY UNDERWRITING REQUIREMENTS.** This is my job and may be as simple as asking for additional information from the seller or buyer. Your lender may ask us to clear Section 1 pest repairs or FHA appraisal repairs prior to funding.

DAY 17 (or prior):

- **REMOVE MOST OF YOUR CONTINGENCIES.** Using a formal form with your signature(s), we will remove contingencies on the property (the inspection and appraisal contingencies and other contingencies are due at this time) letting the seller know that we want to move forward with escrow and the purchase of your future home.

DAY 21 (per 2014 RPA changes)

- **REMOVE CONTINGENCY FOR LOAN** if you have not been able to do so already

DAY 25 +/-:

- Your lender will send loan documents to the Title Company.
- You will need to make an appointment with the Title Company to sign all deed and loan documents. I like to attend this meeting with you to answer any questions and be of any assistance if you want me there.
- Lender/Mortgage company receives signed documents & will review to make all signatures are present
- We will walk through the property to confirm it is in the same condition as when you made the offer.
- ****Please call your future utility companies to get the service changed into your names and turned on**** (I can provide you with the utility providers for your area and help in any way that I can)

LAST 1 or 2 DAYS within the 30 day period:

- Your lender will let us know that your loan has been funded!
- Title company processes recording the change of ownership from Seller to New Buyer. This typically happens the afternoon of funding of the day after funding depending on what time the loan was funded. This is called “recording”.
- Keys will be presented to the Buyer as per time stated on original contract (5:00pm on the close of escrow) or sooner
- Congratulations – you’re a homeowner!