



CLOSING & ESCROW SERVICES

We Coordinate all Aspects of Your Residential Closings

Fulfilling the American dream of homeownership can be a complicated and involved process with a variety of third parties. Choosing title and escrow services from a highly-qualified title insurance company is essential to not only insure the title of the property long-term, but for accurately allocating fees between the buyer and seller, obtaining a mortgage loan to finance the transaction, facilitating the closing, and recording and filing the legal documents after closing. Regardless of whether you are selling or buying a property, you deserve top quality settlement services provided by licensed professionals. When you purchase real property, rely on **MH Title** to protect your interests with proper escrow funds disbursements and successful and timely closings.

What Happens in Escrow Settlement?

An escrow is an arrangement in which a disinterested third party, called an escrow holder or settlement agent, holds legal documents and funds on behalf of a seller and buyer, and distributes them according to the buyer's and seller's instructions. People selling and buying real estate often open a sale transaction with the settlement agent for their protection and convenience. The seller can instruct the settlement agent to retain possession of the deed to the buyer until the seller's requirements, including receipt of the purchase price, are met. The buyer can instruct the settlement agent to disburse the purchase price only upon the satisfaction of certain prerequisites and conditions. Both rely on the settlement agent to faithfully carry out their mutually consistent instructions relating to the transaction and to advise them if any of their instructions are not mutually consistent or cannot be carried out.

MH Title provides professional escrow settlement services that are a convenience for the seller and buyer because both can move forward separately - but simultaneously in providing inspections, reports, loan commitments and funds, deeds and many other items, using settlement as the central depositing point. If the instructions from all parties to the transaction are clearly drafted, fully detailed and mutually consistent, the settlement agent can take many actions on their behalf without further consultation, saving time and facilitating the successful closing of the transaction.

The settlement agent facilitates the purchase or sale of your home by:

- Acting as the impartial "stake-holder," or depository of documents and funds
- Processing and coordinating the flow of documents and funds
- Keeping all parties informed of progress on the escrow
- Responding to the lender's requirements
- Securing a title insurance policy
- Obtaining approvals of reports and documents from the parties as required
- Prorating and adjusting insurance, taxes, rents, etc.
- Recording the deed and loan documents
- Maintaining security and accountability of monies owed and owing





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Closing Services

Once all the terms and conditions of the instructions of both parties have been fulfilled, and all closing conditions satisfied, the escrow is closed and the safe and accurate transfer of property and money has been accomplished.

Division of Charges Through the Settlement Process

The method of dividing the charges for the services performed through the settlement process or as a result of escrow varies from place to place. The fees and service charges to be divided might include: the title insurance policy premium, escrow settlement fee, any transfer taxes, recordation fees and costs in connection to any loan being obtained. Unless there is some special agreement between the seller and buyer as to how these charges are to be paid, local custom will generally be followed in drafting the instructions to the settlement agent as to how they are to be divided.

Property Tax Prorations

The escrow settlement agent will allocate between seller and buyer their proportionate share of an obligation paid or due. For example, a pro-rata share of real property taxes or homeowner's association dues are charged to the buyer and credited to the seller if they are prepaid at time of closing. The amounts prepaid are calculated per day from the date of closing to the date that they are paid to as follows:

Example

The following is a demonstration for a closing date of March 15th:

Annual tax bill is \$1,200 (January 1st through December 31st)

\$1,200 divided by 365 days = \$3.2877 per day

January 1st through March 15th = 74 days

74 x \$3.2877 = \$243.29, which is charged to the seller and credited to the buyer

Rely On Chicago Title Hesse To Represent You At Closing

Every owner, purchaser and beneficiary needs an insured title to protect their interests long-term. Teaming up with the right partners for closing and escrow settlement services is critical to ensure your security at the closing table, throughout the entire real estate transaction, and for every day of your residence. Whether this is your first home or fiftieth real estate investment, ask your real estate professional or broker to protect you and your property with **MH Title**.

