

Congratulations! You have accepted an offer to purchase your property and now that escrow has opened, here is what you can expect:

1. ESCROW:

- a. The buyer will be wiring a deposit into our escrow account any day. This deposit is refundable to the buyer during their contingency period, but after contingencies are lifted, the buyer cannot cancel escrow without sacrificing this deposit to you.
- b. Escrow instructions: Within a few days, you'll receive a package from escrow. This will contain escrow instructions, summarizing the terms of your escrow, along with some reports and forms for you to read and fill out. Please make sure you read everything, and feel free to call me or escrow with any questions.

2. INSPECTIONS:

- a. **Buyer Inspections:** One of the first things a buyer does is a general home inspection. This will take 2-4 hours, depending on the size of the house. Sometimes a buyer has specific inspections as well, such as chimney, roof, sewer line, or pool. A buyers inspection period will last anywhere from 0-17 days, depending on what has been negotiated in the contract, and you can count on at least one or two days of having various inspections at the house. The seller is not generally present for the inspections, but I will be there. After the buyer has completed all his/her inspection, he/she may ask you to repair some of the items uncovered during the inspection period. This is not unusual, and traditionally, the buyer and seller work out a compromise regarding these repair issues.
- a. **Termite:** As of January 2016, termite is no longer included as a part of the contract. Your buyer may decide to do a termite inspection as a part of his/her due diligence and negotiate the results together with any other inspections she/he's chosen to have.

b. **Retrofit:** As the Seller, you are responsible for making sure that the property complies with all minimum retrofitting standards, including both state and local laws. I will set up an inspection and arrange for necessary work to be completed. Escrow will debit you for the cost and circulate the report and completion certificate.

2. **REPORTS:**

a. **Zone Disclosure Report:** The Zone Disclosure Report is a required report that outlines any natural hazards zones where the property is located. It is provided by the seller, but not to worry—escrow will order it, circulate to the parties, and debit you the cost (approximately \$100) at the close of escrow

b. **Preliminary Title Report:** Once escrow is opened, your escrow agent will order a preliminary title report and circulate it. This report will show if there are any liens on the property, which need to be remedied prior to the close of escrow.

c. **City Report:** Some cities require a City Report in order to close escrow. This is a report ordered through the city. An original signature from the Seller is necessary in order to order this report, thus Escrow will contact you for your signature. As with the above reports, escrow will debit you and circulate the report.

3. **CONTINGENCIES:** The Buyer may have three main contingencies: loan, appraisal, and investigation. Contingency periods vary contract to contract; in your case, the contingency periods for each are: Loan: _____, Appraisal: _____. Inspection: _____. In other words, the contract signed by all is contingent upon the property appraising for the value paid, the buyer getting the loan outlined in the contract, and the buyer's satisfaction upon investigating the

property. The buyer has the timeframes set out in the contract to satisfy each of these contingencies, and, upon satisfaction therein, removes that particular contingency. Once a contingency has been removed the buyer can no longer back out of the deal based on that contingency.

4. **CLOSING:** The close of escrow is scheduled to occur on _____

a. **Verification Of Final Condition:** Two to five days before the scheduled closing date, the buyer will do verification of Final Condition, or Final Walk-Thru. This is an opportunity for the buyer to verify that the property is being delivered in essentially the same condition as it was in when escrow was opened.

Additionally, Buyers will use this time to verify that all repairs Seller was responsible for have been completed. Sellers usually attend this walk-thru in order to pass along important information regarding the house to the Buyer, such as how to the work the security system, pass along vendor information, etc.

b. You will need to schedule an appointment with escrow to sign the **Grant Deed, which** will transfer title to the buyer upon closing.

c. **Recording:** The buyer's loan will fund the day before we officially close. On the date of closing, title will record the new deed with the city. Once this is done, it is official and the keys are now ready to hand over to the new buyer. Escrow will settle the account and wire your proceeds directly to you.

Important Information Regarding Your Escrow:

Escrow Company: _____ Phone: _____

Escrow

Agent: _____

Escrow

Number: _____