

# WHAT IS ESCROW?

*Webster's vest pocket dictionary defines ESCROW as:  
"Deposit to be delivered upon fulfillment of a condition."*

As an escrow holder, Magnus Title Agency's duty is to act as the neutral third party. We hold all documents and all funds, pursuant to the purchase contract and escrow instructions, until all terms have been met and the property is in insurable condition. We do not work for the seller or for the buyer; rather, we are employed by **ALL** parties and act only upon **MUTUAL WRITTEN INSTRUCTION**.

## OPENING ESCROW

"Opening Escrow" occurs when your REALTOR® brings in a fully executed contract with your earnest money deposit.

Your escrow officer reviews the contract, receipts in the earnest money, orders the commitment for title insurance, and prepares the documents required to close escrow. All of the documents are double checked by your escrow officer.

# WHAT IS TITLE INSURANCE?

**DEFINITION:** A contract where by the Insurer, for valuable consideration, agrees to indemnify the Insured for a specified amount against loss through defect of title to real estate wherein the latter has an interest either as a purchaser or otherwise.

**PURPOSE:** Title insurance services are designed to afford real property owners, lenders, and others with interest in real estate, the maximum degree of protection from adverse title claims or risks. The financial assurance offered by a title insurance policy from the title company is, of course, the primary aspect of title protection. The policy affords protection both in satisfying valid claims against the title as insured and in defraying the expenses incurred in defending such claims.

## THE TITLE SEARCH

Title companies work to eliminate risks by performing a search of the public records or through the title company's plant. The search consists of public records, laws and court decisions pertaining to the property to determine the current recorded ownership, any recorded liens, encumbrances or any other matters of record which could affect the title to the property. When a title search is complete, the title company issues a commitment for title insurance (pre-lim) detailing the current status of title.