ESCROW BASICS

What escrow is, and what it does

Escrow is a neutral middle. A licensed company holds the money and documents while both sides finish what they promised. Nothing is released until every condition in the signed instructions is met.

Why a neutral party at all

A home sale asks two strangers to trade a deed and hundreds of thousands of dollars at the same moment. Neither side wants to go first. Escrow solves that: both sides hand their part to a neutral company, and the trade happens only when everything checks out.

We are not the agent and not the lender. We answer to the signed instructions, not to either side of the deal.

What the escrow officer actually does

Your officer opens the file, receipts the deposit, orders the title search, collects demands and disclosures, balances the numbers, coordinates signing, confirms funds, and records the deed with the county. Then the file closes and your agent hands over the keys.

In California, independent escrow companies are licensed and audited under the Department of Financial Protection and Innovation (DFPI).

What escrow costs

Our sale escrow fee is published: $300 plus $2.15 per $1,000 of the sale price, for each side, and $1.75 per $1,000 past two million. On a $1,000,000 home that is $2,450 per side. Every fee is published. No surprises at closing.

Frequently asked

Who chooses the escrow company?

The buyer and seller agree on it in the purchase contract. In California you have the right to choose, and it is negotiable like other terms.

Is my deposit safe in escrow?

Deposits sit in a trust account, separate from company money. Funds move only on signed instructions from both sides.

Does escrow work for the buyer or the seller?

Neither. Escrow is neutral. We follow the instructions both sides signed, exactly as written.

Who hands over the keys at the end?

Your real estate agent. Escrow verifies, funds, records, and closes the file; the agent handles the keys.

General information for California consumers, not legal or tax advice. Fees quoted are from the published Alliance Mutual Escrow schedule.