

STEP 4



TRI-COUNTY
SUBURBAN
REALTORS®

ESCROW



WHO SHOULD HOLD ESCROW

It is recommended that one of the real estate brokers involved in the transaction hold the deposit monies. Pennsylvania State Law dictates that a broker holding the deposit must continue to hold the deposit until settlement or until the parties agree to disbursement outside of settlement.

This puts the buyer and seller in control of the funds and their release.

WHAT IS AN EARNEST MONEY DEPOSIT?

A sum of money the buyer deposits to show they are serious about purchasing the home. It's held in an escrow account and applied to the down payment or closing costs.

THE ESCROW PROCESS

After an offer is accepted, the buyer's earnest money deposit is placed into an escrow account.

Purpose:

To safeguard the transaction by holding earnest money, documents, and funds until all contractual obligations are fulfilled.

Process:

Opening Escrow: Once your offer is accepted, an escrow account is opened to manage the transaction.

Deposit Funds: The buyer deposits earnest money into the escrow account as a sign of good faith.

Release of Funds: Funds are typically released to the title agent to be applied to the buyer's costs at settlement.

In the event settlement does not occur, the buyer and seller must agree in writing to the release of the deposit held in escrow.

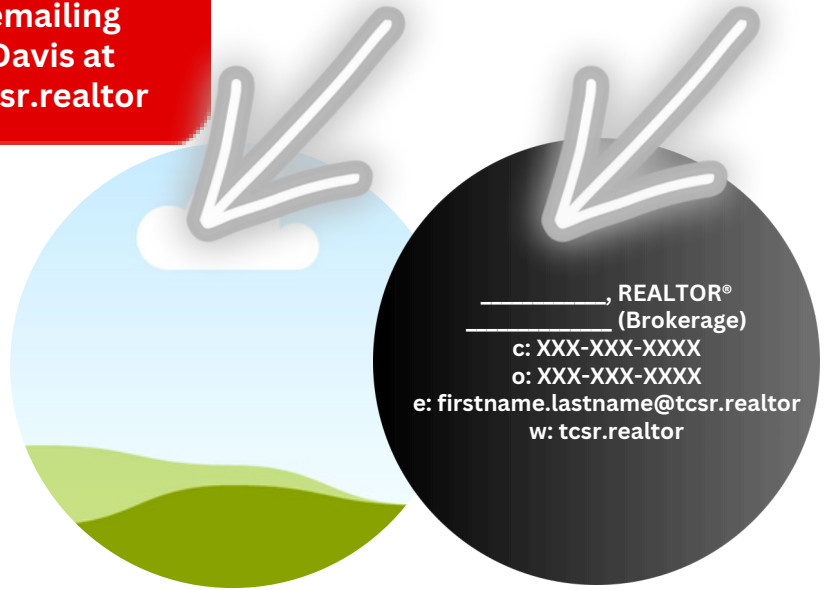


BUYER TIP

Escrow helps protect both parties in a transaction. **Carefully review and understand key sections of the Agreement of Sale related to escrow before signing.**

Your REALTOR® can help clarify any terms and ensure you're aware of your rights and responsibilities regarding escrow, potential terminations, and dispute situations.

Make this flyer your own by emailing Lauren Davis at ldavis@tcsr.realtor



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