

## Commonly Used Terms To Assist You With Your Title Transaction & Payoffs

**Payoff:** The receipt of funds from the buyer and the payment of the obligations of the seller in conjunction with a real estate transaction. The payoff function is performed by the title company.

Sub-escrow (loan payoff) is an extremely important service provided by title companies to facilitate the handling of money in the closing of a real estate transaction. The performance of the payoff function, exclusive of escrow services, is unique to Southern California. This is because the majority of our customers are independent escrow companies and the majority of our title orders require payoff service. The Sub-escrow department does not draw escrow instructions or documents (i.e. Grant Deeds, Trust Deeds, etc.) They do not order demands for payoff, but do make the payoffs at the close of escrow.

**Prefigures:** Estimated payoff figures calculated and given prior to closing upon request. These figures are only valid through the date given and are based on the information provided at the time.

**Good Funds:** The title company must be in receipt of "good funds" prior to disbursing on a payoff. Types of good funds include: a) Funds wired into the title company's Sub-escrow account; b) A cashier's, teller's or certified check (provide next-day availability after deposit to comply with AB512); c) Other local checks (provide availability of funds two days after deposit), and d) Out-of-area checks (provide availability of funds five days after deposit).

**Demands:** Demands must include specific payoff information concerning the particular property and must be signed. It is the responsibility of the escrow officer to order and provide all necessary demands, including any updates or changes on a timely basis.

**Taxes:** Outstanding property taxes can be paid out of the payoff proceeds.

**Refunds:** Any overpayment of demands will be refunded to the escrow upon receipt from the lender. Refunds typically take two to six weeks to process.

**Shortages:** Corinthian Title Company will contact the escrow officer if there is a shortage of the necessary funds to cover the outstanding obligations. The shortages must be received prior to payoff.

**Disbursement Checks:** Checks are delivered locally to lending institutions by a contracted messenger service. Checks to individuals and out-of-area lenders are typically sent via an overnight delivery company.

**Wire Transfers:** Funds can be wired into and out of the Corinthian Title Company offices with our bank.

**Out-of-County Transactions:** Corinthian Title Company offices can receive and disburse payoff funds through any of our offices.

*Contact us today for all your title and escrow questions!*

**619-299-4800 ♦ 888-828-8490 ♦ CorinthianTitle.com**