



# What is Sub Escrow?

**S**ub Escrow is a service provided by the title company that includes receiving the loan proceeds from the buyer or borrower's lender and making the required payoffs of existing liens and encumbrances against the property.

The new lender sends the loan proceeds to the title company when the transaction is ready to close escrow. The sub escrow staff then calculates the amount needed to pay off prior mortgages, property tax liens that may be due, and any other monetary liens and encumbrances against the property. The remaining funds are then disbursed to the escrow holder for disbursement.

A sub escrow fee is charged for the performance of the above services. As with all other title charges, it is a rate that is filed with the California Department of Insurance.



**(Sponsored by the Title Advantage Companies)**



California Title Company



Orange Coast Title Company



Equity Title



First Centennial Title Company of Nevada



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