Brokerage IQ

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THE ESCROW FILE

Your escrow holder answers to someone. *It matters who.*

Cancellation, compensation, and who is allowed to sign. What came out of this month's C.A.R. legal live session with the Escrow Institute of California, written for Coachella Valley agents and the clients they represent.

STILL IN MOTION

FinCEN

No targeting order in effect. Appeal pending.

EXPECTED YEAR END

The CDA

DRE and DFPI working toward one position.

STANDARD NOW

Cancellation

Escrow issues its own instruction on top of the C.A.R. form.

NEXT SESSION

September

Structural Pest Control Board at the next legal live.

FROM THE DESK OF JOEY DOMINGUEZ

Three regulators, one transaction, and a hundred different answers.

Once a year the California Association of Realtors hands its legal live session to the Escrow Institute of California, and once a year it turns out to be the most practically useful hour on the calendar. This year's was no exception.

The most valuable thing in it was not a rule. It was the explanation of why two escrow companies give you two different answers to the same question, and why neither of them is wrong. Almost no agent knows this, and it quietly governs everything about how your file behaves: what they will ask you for, what they will refuse to do, what they will and will not put in writing.

So that is where this guide starts. Not with a form, but with the license behind the desk.

From there it moves to the three things that came up hardest at the session. Compensation, and the still unresolved question of who escrow is permitted to pay. FinCEN, which is currently in suspense and almost certainly coming back in some form. And cancellation, which got the longest treatment for good reason, because it is where the money sits and where the claims come from.

> WHAT IS INSIDE
>
> **One.** Who regulates your escrow holder, and why it changes their answers. **Two.** The commission disbursement authorization, and the code section behind the confusion. **Three.** Where the FinCEN reporting rule actually stands. **Four.** Who can sign, and how escrow verifies it. **Five.** Cancellation, at length. **Six.** What makes a file clean. **Seven.** This brokerage's policy on escrow selection. **Eight.** What we will and will not do.

Two notes before you read on. This is not legal advice and I am not your attorney. Where something in here needs counsel, I say so plainly. And several of the items described here were openly unsettled at the time of the session. The speakers used the word fluid more than once. I have kept that word where it belongs rather than tidying it into false certainty.

Part of what I owe you is that you never hear something from a lender or an escrow officer that you should have heard from me first.

Joey Dominguez

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START HERE, BEFORE YOU ASK ANYTHING ELSE

Before you ask an escrow officer why, find out who.

Agents tend to treat escrow as one industry with one rulebook. It is not. There are three different regulators, and which one is standing behind your escrow officer determines what she is able to do for you.

THE ESCROW HOLDER	THE REGULATOR
Independent escrow companies	Department of Financial Protection and Innovation, under the Escrow Law. The DFPI convenes a statutory advisory committee that meets quarterly.
Escrow divisions owned by a title insurer	California Department of Insurance
A real estate broker handling escrow in house	Department of Real Estate, under the broker exemption and the trust fund rules that come with it

This is not organizational trivia. A DFPI regulated company operates under a statute that requires direct, specific, written authorization before it moves money. A title owned division answers to a different regulator with a different posture. A broker doing escrow in house is answering to the DRE and to trust fund accounting rules.

Which is why, when you call three escrow officers with the same question about a commission disbursement authorization or a cancellation fee, you get three answers. They are not being inconsistent. They are being regulated differently.

> **THE QUESTION TO ASK AT OPENING**
>
> Ask who regulates them. Then ask how that company handles three specific things: a commission disbursement authorization, a cancellation, and a fee where the file does not close. Thirty seconds at opening, and you have removed most of what goes wrong later.

THE BROKER EXEMPTION

A broker can hold escrow. It is a different regulator, not a lighter one.

California permits a licensed real estate broker to perform escrow services without a separate escrow license, where the broker is a party to the transaction or represents a principal in it. The exemption lives in the Financial Code. What it removes is the Escrow Law licensing requirement. What it does not remove is supervision.

A broker operating under that exemption answers to the Department of Real Estate, and the substance of what the DRE cares about is trust funds: how client money is received, where it is held, how the account is reconciled, and how the accounting is documented. It is exacting work and it is audited as such.

Most agents have no idea this pathway exists, which is why it is worth stating plainly rather than leaving it as an inference.

> **HOW THIS BROKERAGE HANDLES IT**
>
> Brokerage IQ holds no affiliation, referral relationship, or financial arrangement with any escrow company. There is no preferred provider and no one paying for placement on a list.
>
> The single exception is in house. Where this brokerage represents a principal in a transaction, it is permitted under the broker exemption to perform the escrow service itself. We do not assume that on any file. It is reviewed case by case, if and when a transaction presents where it makes sense, and it is disclosed to both sides when it does. Section Seven sets out the full policy.

What escrow does, and the part agents forget

An escrow holder is a fiduciary. It holds the funds, and it holds the executed documents before they are ready to record, which is why a seller can sign a grant deed weeks before closing and it changes nothing. It sits at the center of the wheel and keeps the spokes moving.

What it does not do is negotiate, take a side, or make a decision. It acts on mutually agreed instructions and nothing else. One of the presenters put it in a way worth carrying: if the buyer says go left and the seller says go right, escrow stays exactly where you left it until the two of you agree. That is not obstruction. That is the job.

THE COMMISSION DISBURSEMENT AUTHORIZATION

Twenty years of custom is not the same thing as a rule.

The CDA is roughly two decades old as a mainstream practice. The broker issues an instruction telling escrow how to cut the commission, escrow elects to honor it, and the checks go out. It became so normal that most agents assume it is a right.

What surfaced is that a very small number of escrow companies had been honoring disbursement instructions for payments that had nothing to do with the transaction. Tuition. Medical procedures. Ordinary vendor bills. Regulators read that as a potential RESPA problem, and a bulletin followed.

The bulletin's practical effect: escrow may still honor a commission disbursement authorization, but may only pay parties germane to the transaction. An agent, a second agent, a transaction coordinator if licensed. Not a landscaper, not a surgeon, not a tuition bill.

Then the interpretation problem started, because the bulletin does not read the same way to every company under every regulator. Which brings us back to Section One.

> **WHERE PRACTICE CURRENTLY SITS**
>
> Most escrow companies are reading it strictly and will issue only to persons or entities that hold a license. Where an agent takes compensation through an unlicensed LLC or corporate entity, the common workaround has been for escrow to pay the brokerage in full and for the brokerage to pay the entity immediately afterward.
>
> That is a workaround, not a settled answer. Expect it to differ company to company until the regulators publish one.

What has not changed at all is the code section underneath the whole conversation, which has been on the books for decades and is worth reading in the original.

Nobody is trying to keep you from getting paid. Everyone is trying to work out who is permitted to hand you the check.

THE CODE BEHIND THE CONFUSION

The obligation runs to the broker.

CALIFORNIA BUSINESS AND PROFESSIONS CODE § 10137

It is unlawful for any licensed real estate broker to employ or compensate, directly or indirectly, any person for performing any of the acts within the scope of this chapter who is not a licensed real estate broker, or a real estate salesperson licensed under the broker employing or compensating him or her.

Read it once and the structure of the argument becomes clear. The statute speaks to **the broker**, and it addresses who the broker may compensate. Escrow is not the subject of the sentence.

The escrow holder's concern is narrower and separate. It is not who the broker pays. It is who **escrow** pays, out of funds it holds as a fiduciary. Escrow's position is that it may issue only to a licensed person or entity, and that is what is colliding with twenty years of CDA custom.

The unresolved question is whether a broker's disbursement instruction is a delegation escrow can safely rely on, or whether escrow must satisfy itself independently. Both regulators are working on it. A DRE representative addressed the DFPI's escrow law advisory committee on the point earlier this year, and a published position was hoped for by year end. Enforcement in the meantime has been measured rather than aggressive.

Where a position will come from is worth knowing. The DFPI's escrow law advisory committee meets quarterly by statute, and that is the forum where this has been discussed with the DRE in the room. Any published guidance is expected to come from the two regulators together rather than from either one alone.

None of this is a reason for concern about getting paid. It is a reason to ask a question at the front of a file rather than at the end of one.

Until the regulators publish one position, the honest answer to who escrow can pay is that it depends on the escrow holder in front of you.

THE REPORTING RULE, IN SUSPENSE

Nothing is being reported right now. That is not the same as gone.

The residential reporting regime began as geographic targeting orders covering a handful of metropolitan areas. It was later expanded to reach the entire country, with a materially larger data set, and reaching sellers as well as buyers.

Litigation followed. A national title insurer sued in the fall of last year and did not prevail initially, and an appeal followed. In late March a Texas court ruled for the title company, finding the reporting requirement too broad, particularly as to what it asked about sellers.

As of this session: there is no targeting order currently in effect, and escrow and title are not reporting. The industry is waiting on the appeal's place in the court calendar. The clear expectation among the practitioners is that it comes back. What is not knowable is when, or in what shape.

Separately, and reported live during the session, the beneficial ownership reporting requirement under the Corporate Transparency Act has been permanently ended. And FinCEN is changing directors, which is its own kind of variable.

> **WHY AN AGENT SHOULD CARE ABOUT A RULE NOBODY IS ENFORCING**
>
> When it returns, the collection burden lands on escrow and title, and they will come to you for it. The files that go badly are the ones where entity documents, trust certifications, and identification surface in the last week instead of the first.
>
> Nothing here needs action today. What it needs is the habit described in Section Four: gather the ownership paper at opening, every time, regardless of whether anyone is currently asking for it.

The status described on this page reflects what was reported at the August session. It is moving. Confirm current requirements with your escrow holder before relying on any of it.

SIGNATORY AUTHORITY

Escrow is not being difficult. It is confirming that the person signing is the person.

A property held in trust

The trustee has the authority to sign on behalf of the trust. Not the beneficiary, and not the person who put the property into the trust. Escrow will require a certification of trust to verify it. Ask your client at listing whether title is held in a trust, and get the certification early rather than during the signing week.

A power of attorney

Escrow will generally accept an attorney in fact and complete the documents with them. It will also ask why the power of attorney is being used, and the questions will be specific. Title may take its own view. A power of attorney is not a shortcut around an unavailable principal, and treating it as one is where files stall.

Every principal gets their own email address

This is now close to non negotiable across the industry, and it is worth understanding why rather than resenting it. A daughter's address for an elderly father, a spouse's address standing in for both, an assistant's address for a busy client. Each of those breaks the chain between the person signing and the person bound.

It is an elder abuse safeguard and it is an electronic signature integrity safeguard at the same time. If the documents go to someone else and that person signs, you have a transaction that can be repudiated at the worst possible moment.

> **THE STORY WORTH REMEMBERING**
>
> A buyer came into the office to sign loan documents. Reading them at the table, he became uncomfortable, and then said he had never seen any of it. His son had been handling all of the paperwork.
>
> That transaction did not close. It went to the court system. Every safeguard in this section exists because of files like that one.

The practical version for your listing appointment and your buyer consultation is one sentence. Every person on title needs their own working email address, and I need it at the beginning.

PORTALS, VERIFICATION, AND WIRE FRAUD

The friction is the point.

Fraud in this industry is relentless and the attack surface is email. Almost everything your client will complain about as inconvenient this year exists as a direct answer to it.

Secure portals are now standard

Passwords, logins, another account to manage. They exist because escrow holds social security numbers, dates of birth, bank detail, and wiring information. Assume the escrow company on your next file will require one.

Identity verification is arriving from title

Title companies are moving to identity verification at portal login. Your client will receive a text message or an email asking them to verify who they are. Unprepared, that message looks exactly like the fraud it was built to prevent, and the client either ignores it or calls you in alarm.

Wiring instructions do not come through you

Escrow deliberately keeps the agent out of that chain. Instructions go to the buyer directly, by a secure route, and the buyer confirms them by telephone at a number they already have, not a number printed in the email. That is the entire defense, and it works.

> BROKERAGE POLICY ON WIRE COMMUNICATION
>
> We do not transmit wiring instructions. We do not confirm them, repeat them, correct a digit in them, or forward them. If a client sends us wiring instructions, the response is to direct the client to the escrow officer at the number given at opening.
>
> Say this to every client on day one: **You will receive a verification request and wiring instructions directly from escrow. Call the office at the number I gave you today and confirm both before you move a dollar. I will never send you wire instructions.**

One sentence at opening, and the most expensive failure in residential real estate becomes very unlikely on your file.

THE DIRTY DETAILS

A cancelled contract and a cancelled escrow are two different acts.

The C.A.R. form ends the agreement between buyer and seller. It does not instruct the party holding the money. Understanding the gap between those two sentences is the most valuable thing in this guide.

WHY ESCROW SENDS ITS OWN FORM

Less costs and fees incurred is not an instruction.

Cancellations are more common than they were. Rates moved, the market balanced, and fallout during the inspection period rose with it. Which means more agents are meeting a document they never had to think about before, and asking a reasonable question: why does escrow need its own cancellation when we already signed the C.A.R. one?

Look at page two of the C.A.R. cancellation. In the deposit section there is a box providing that the buyer receives the deposit back, less any fees and costs incurred, including escrow.

That box gets checked at the negotiating table by two parties who usually have no idea what has actually been incurred. Maybe nothing. Maybe a mobile notary came out to notarize a trust certification. Maybe an inspection invoice was submitted to escrow to be paid through closing, which almost never used to happen and now occasionally does. The phrase is open, and the party holding the money cannot disburse against an open phrase.

DOCUMENT	WHAT IT ACTUALLY DOES
C.A.R. cancellation	Ends the contract between buyer and seller. Records the reason. States the parties' intent as to the deposit.
Escrow cancellation instruction	Instructs the fiduciary holding the funds. Names the exact disbursement, dollar for dollar. Addresses escrow holder liability, which the C.A.R. form does not touch.

Neither document is a substitute for the other. The C.A.R. form is very good at what it was built for. It was simply never built to tell an escrow holder what to do with a hundred thousand dollars.

> **THE COMPARISON THAT MAKES IT CLICK**
>
> The purchase agreement is itself joint escrow instructions, and it is excellent, and escrow still sends its own general provisions on top of it because the RPA does not cover everything. Cancellation works exactly the same way. Same form, same gap, same solution.

HOLD HARMLESS

Escrow is not a party to your contract. It still gets named.

The second thing an escrow cancellation carries is a hold harmless. Agents sometimes read that as an escrow company being precious. It is not. Here is the file that explains it, told by the officer it happened to.

> **ONE TRANSACTION, NINE YEARS AGO**
>
> A buyer removed every contingency, including the loan contingency. The seller granted three extensions. The buyer still could not consummate financing, and the seller finally cancelled and asked for the deposit under the contract.
>
> The buyer refused. It went to mediation. At mediation the buyer was awarded the full deposit back. Escrow was instructed to draft the cancellation, did so, and returned the funds to the buyer.
>
> A year later the buyer sued. The agents, the sellers, the escrow holder, the title company, and by the officer's recollection even a notary. For a transaction that failed because the buyer could not get a loan, after the buyer had already received every dollar back at mediation.

Had a hold harmless been in place at the time, the escrow holder could have removed itself from the claim quickly and cheaply. It was not, and so it could not.

The lesson underneath the story

Everyone got exactly what they asked for and the claim still arrived. That is the part worth carrying into your own practice. A cancellation instruction is not administrative cleanup at the end of a dead file. It is the written record of what every party agreed would happen to the money, signed while they still agree.

This is also, incidentally, how disclosures grow. Every added paragraph in every form you sign came from a file where the absence of that paragraph cost somebody. The purchase agreement was eight or nine pages a generation ago. It is not that length now for aesthetic reasons.

CHAIN OF TRANSMISSION

A fully executed document arrives with no history attached to it.

When a signed cancellation lands in an escrow officer's inbox, she can see the signatures and nothing else. Wet ink or electronic, she has no visibility into how the document travelled, who opened the envelope, or whose hand was on the mouse.

Escrow officers report cancellation forms arriving fully executed, and a party afterward disputing that they ever saw it, read it, or signed it. That is not hypothetical and it is not rare enough to ignore.

Escrow does not perform signature authentication. That sits outside the scope of what an escrow holder does, and they will tell you so. What they can do, and what a careful one does, is send the escrow cancellation directly to each principal at the individual email address that principal provided at opening, and circulate a copy to the agents on both sides.

Which is the second reason those individual email addresses in Section Four matter. Not just to open the file. To close a dead one safely.

> WHY YOU WANT TO BE COPIED
>
> Because you may know something escrow cannot. Escrow sees the transaction. It does not see the twelve year relationship behind it, the side agreement, the conversation between agents last Tuesday.
>
> If a deposit is being disbursed and something about it does not match what you know, the moment to say so is while the instruction is circulating. Not after the wire has gone out.

If you are not on the distribution of an escrow cancellation on a file you are working, ask to be. It is a normal request and any escrow officer will accommodate it.

A document that arrives signed tells you that somebody signed it. It does not tell you who.

THE FEE QUESTION

It is not a cancellation fee. It is a fee for services rendered.

The distinction drawn at the session was not cosmetic and it is worth understanding precisely, because it changes how you talk to your client about it.

A cancellation fee would be punitive: a charge imposed because someone cancelled. That is not what a reputable escrow holder is doing. What is being charged, where anything is charged, is a fee for work already performed, disclosed in the escrow instructions, with the treatment of a cancelled file addressed in the supplemental instructions and signed by everyone at opening.

Practice varies widely and there is no single industry answer:

Some charge nothing. Particularly where little work was done, or where the parties are likely to come back with a new transaction.

Some charge where the file went the distance. A transaction that ran five months, reached loan documents, and had them signed before someone simply changed their mind is a different situation from a cancellation in week one.

Every file is treated as its own organism. A lost job, a loan that could not be approved, a death in the family. The judgment is situational and it is exercised.

The reservation of the right is standard. The exercise of it is not automatic, and no escrow company that charged every cancelled file would last long in this business.

> A HABIT THAT DOES NOT WORK
>
> Some agents withhold signed escrow instructions in the belief that not signing prevents a fee. It does not achieve that, and it slows the file for everyone including your own client. Send them back within the five days the contract calls for.

The right move is the same one as everywhere else in this guide. Ask at opening how that specific company handles a cancelled file, get the answer, and tell your client before there is anything to be upset about.

COMMISSION ON A CANCELLED FILE

A cancellation instruction does not decide who breached anything.

The sharpest question from the audience was whether a broker can collect compensation out of the buyer's deposit when escrow cancels. It is a fair question and the answer has two halves.

The escrow half: escrow will not touch the word allowed. That is outside their purview and they are not attorneys or licensees. What they will do is make sure the cancellation instruction disbursing that deposit is circulated to the agents as well as the principals, precisely so that a question like this surfaces before the money moves.

The legal half, from C.A.R.'s counsel, is the part to write down. A cancellation can trigger a compensation right in the brokerage, and it generally would where there was a breach. But the existence of a cancellation instruction does not establish that anyone breached. It instructs escrow to cancel, nothing more. Pursuing a compensation right that survives a cancellation ordinarily means a separate legal action, brought on the language of the listing agreement or the buyer representation agreement.

Put plainly: the right may exist in your agreement. The cancellation form is not the instrument that establishes or enforces it.

> **BROKERAGE IQ POLICY ON CANCELLED FILES**
>
> We do not instruct an escrow holder to disburse any part of a deposit toward compensation. We do not treat a cancellation instruction as a finding of breach, and we do not characterize a party as having breached, to the client, to the other side, or to escrow.
>
> Where an agent believes a compensation right survives a cancellation, that comes to me as Broker of Record first, before anything is said to anyone. If it is a real question, it goes to counsel, and we say so plainly to the client rather than arguing it ourselves.

SHARING IS CARING, SAID WITH FEELING

A file closes at the speed of its worst page.

This section is the accumulated aches and pains of people who open a hundred files a year and would like yours to be the easy one.

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01 **Unmarked boxes stop everything**

Escrow does not assume intent and is not obligated to ask. A home warranty company written into the contract but with no box checked is not an instruction. And a single payer line with buyer, seller, and both all marked is not an answer, it is a question. Read every box on the way out and again on the way in.

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02 **The deposit arrives in the agreed form**

The contract calls for wire transfer unless escrow will accept something else. A cashier's check or a personal check is not a unilateral decision by the buyer's side. The other party has to agree to the form the money comes in.

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03 **Number your addenda and write them to stand alone**

Multiple unnumbered addenda dated across weeks are genuinely hard to follow, and that difficulty becomes your delay. Write terms that do not require interpretation. If you are unsure a term is clear enough for an escrow holder, call and ask whether it addresses everything. They can tell you whether it is sufficient. They cannot word it for you, and they should not.

CONTINUED

Four more, and two of them are the ones that cost closing dates.

04 **Late credits change the closing disclosure**

A seller credit negotiated at the end can force a redisclosure and may not be permitted at all. If you know a credit is being discussed on the back end, tell escrow it may be coming so the lender can be warned before a closing disclosure issues.

05 **Order the preliminary report at listing, not at opening**

Solar agreements, liens, judgments, a family transfer that missed a spousal signature. None of that is visible until the prelim exists. Share it with the escrow officer you intend to use, which is smarter still. On the buy side, ask for it immediately.

06 **Demands do not move at the speed of your escrow**

A property with five loans means five payoff demands, and a demand can take two days or sixty. A ten day escrow does not survive a thirty day demand, and no amount of goodwill fixes that after the fact. This is precisely what the prelim tells you in week one.

07 **Do not write an escrow company and a fee into a contract you have not called**

Naming a company and a fee in the RPA without ever speaking to that office puts everyone in a bad position, and they can decline the file. Escrow does not negotiate your compensation, and asks the same courtesy. If a client needs a specific fee, have the conversation before it goes on paper.

AND THE HABIT BEHIND ALL SEVEN

When in doubt, pick up the phone. Email loses tone and invents conflict that is not there. Escrow officers will walk you through a situation, and there are things that are better said on a call than committed to a thread. Learn how your escrow officer likes to work, on the first file, before you need a favor.

HOW THIS BROKERAGE CHOOSES ESCROW

We hold no escrow relationships. That is deliberate.

No affiliation, no referral arrangement, no preferred provider, and nothing taken from anyone for placement on a list.

THE POLICY, STATED FULLY

The choice belongs to the principal.

Everything in this guide argues that the escrow holder on a file materially shapes how that file behaves. Which is exactly why we do not want an interest in which one you pick.

No affiliations

Brokerage IQ has no affiliated business arrangement with any escrow company, accepts no referral fee, and holds no financial interest in one. A referral relationship creates an interest in where your money goes. We would rather be able to tell you plainly that we have none.

The one exception, handled openly

Under the broker exemption described in Section One, this brokerage is permitted to perform escrow services in house where it represents a principal in the transaction. We do not assume that on any file and we do not steer toward it. It is reviewed case by case, if and when a transaction presents where it genuinely makes sense, and it is disclosed to both sides when it is considered.

On the listing side

The seller is given a list and makes the decision, the same way the title company decision is made. We will tell you what we know about how each office works, because that is useful information and you are entitled to it. The choice is yours and it is documented as yours.

On the buy side, it is a contract term

Escrow holder is a term of the purchase agreement, which means it belongs at contract draft and review rather than after acceptance. Where it has already been agreed in a verbal conversation between the two agents, name the person and the company in that paragraph. Kelly Smith at Pickford Escrow, not simply Pickford Escrow, and not nothing at all.

> **THE RULE UNDERNEATH THAT LAST PARAGRAPH**
>
> A verbal agreement between agents that never reaches the paragraph is not an agreement. It is a memory, held by two people who will remember it differently in six weeks. Memorialize it in the field the form provides, at draft, every time.

WHAT WE WILL AND WILL NOT DO

Part of representing you well is being clear about what a license does not cover.

WE WILL

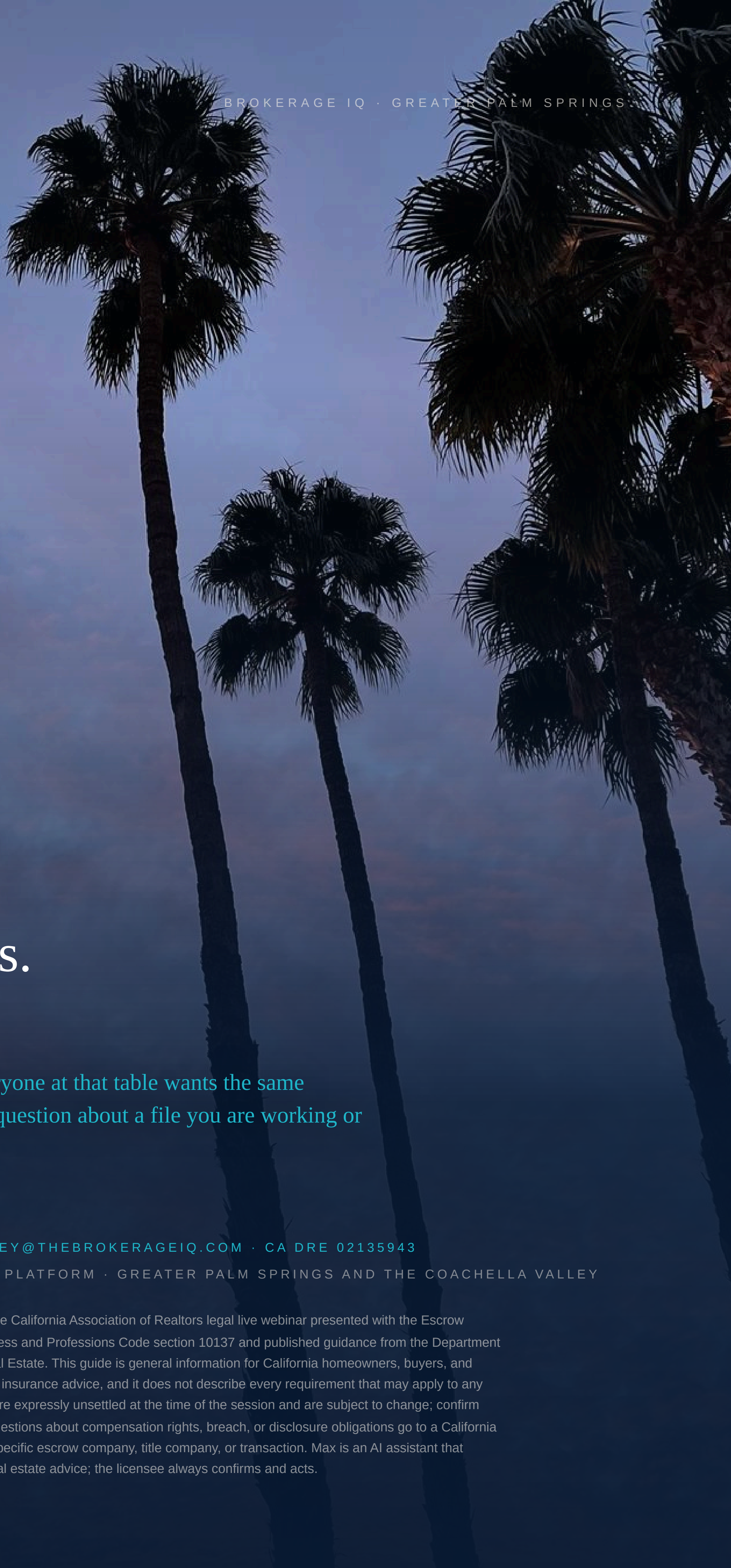
- Tell you who regulates the escrow holder on your file
- Confirm at opening how that company handles a disbursement authorization, a cancellation, and a fee on a file that does not close
- Give the seller a list of escrow options and document that the choice was the seller's
- Surface the escrow holder at contract draft and put the officer's name in the paragraph
- Order the preliminary report at listing and read it before anyone is under contract
- Collect trust certifications, entity documents, and individual email addresses at opening
- Track every document and every delivery date, in writing
- Ask to be copied on any escrow cancellation instruction on a file we are working
- Refer you to counsel when a question is legal, and say so plainly

WE WILL NOT

- Accept a referral fee, affiliation, or financial interest from an escrow company
- Transmit, confirm, forward, or correct wiring instructions
- Tell you whether a fee is owed or whether a party has breached
- Instruct an escrow holder on the disbursement of a deposit
- Negotiate an escrow fee without that escrow officer in the conversation
- Interpret an escrow instruction for you. That belongs to the escrow holder and to your attorney
- Advise you on your disclosure obligations. We refer you to a California real estate attorney
- Promise a closing date that depends on a demand or a document we do not control

That second column is not us holding back. It is us staying inside what a real estate license actually covers, which is exactly what protects you if anything is ever questioned.

> **ONE LINE TO CARRY INTO EVERY FILE**
>
> Escrow is not the opposition. Every person at that table is being paid only if the transaction closes, and they want it closed as much as you do. Treat them as a partner, call before you write, and ask the questions at opening rather than at the end.



THE WHOLE GUIDE IN SIX WORDS

Ask who regulates.
Then ask early.

Escrow is a partner, not an obstacle. Everyone at that table wants the same closing you do. If anything here raises a question about a file you are working or a transaction you are in, bring it to me.

Joey Dominguez

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AN AI-POWERED CALIFORNIA REAL ESTATE PLATFORM · GREATER PALM SPRINGS AND THE COACHELLA VALLEY

The Escrow File · Field Edition v1.0 · August 2026. Drawn from the California Association of Realtors legal live webinar presented with the Escrow Institute of California, August 2026, together with California Business and Professions Code section 10137 and published guidance from the Department of Financial Protection and Innovation and the Department of Real Estate. This guide is general information for California homeowners, buyers, and licensed real estate agents. It is not legal, tax, escrow, lending, or insurance advice, and it does not describe every requirement that may apply to any party, property, or transaction. Several matters described here were expressly unsettled at the time of the session and are subject to change; confirm current requirements with your escrow holder and your lender. Questions about compensation rights, breach, or disclosure obligations go to a California real estate attorney. Nothing here is a representation about any specific escrow company, title company, or transaction. Max is an AI assistant that watches, organizes, and surfaces. It does not provide licensed real estate advice; the licensee always confirms and acts.