



El Camino College
COURSE OUTLINE OF RECORD – Official

Course Acronym:	RE
Course Number:	26
Descriptive Title:	Escrows
Division:	Business
Department:	Real Estate
Course Disciplines:	Real Estate
Catalog Description:	<p>This course provides instruction in the functions of an escrow in a real property transaction. Emphasis is on residential escrow, with transactional variations studied for an escrow involving a seller, a buyer, refinance or loan, mobile home, and non-residential specialty escrows including commercial and industrial property, liquor license, impound account, probate and securities transaction. The course covers title insurance, prorations, and escrow settlement closing statements.</p> <p>Note: The California Department of Real Estate (DRE) has approved this course as one of the elective courses that may be completed for the salesperson license in addition to the required Real Estate Principles and Real Estate Practice. The California DRE has approved this course as one of the optional courses for the real estate broker license. This course is also approved by the California Bureau of Real Estate Appraisers (BREA) for credit hours towards the appraisal license.</p>
Prerequisite:	
Co-requisite:	
Recommended Preparation:	Real Estate 11
Enrollment Limitation:	
Hours Lecture (per week):	3
Hours Laboratory (per week):	0
Outside Study Hours:	6
Total Course Hours:	54
Course Units:	3
Grading Method:	Letter Grade only
Credit Status:	Credit, degree applicable
Transfer CSU:	Yes
Effective Date:	fall 1995
Transfer UC:	No
Effective Date:	

General Education: ECC	
Term:	
Other:	
CSU GE:	
Term:	
Other:	
IGETC:	
Term:	
Other:	
Student Learning Outcomes:	<p>SLO #1 Build Vocabulary</p> <p>Students will define, describe and differentiate between various real estate standard terminology showing comprehension and knowledge of real estate vocabulary used in the workplace to assist and prepare each student from the diverse student body to gain confidence in their ability to effectively communicate and collaborate in a real estate sales, property management, appraisal, loan or investment to work with both licensees and a diverse public in a typical real estate transaction.</p> <p>SLO #2 Industry Forms and Documents</p> <p>Students show the ability to prepare and complete standard real estate industry forms and documents as found in diverse real estate sales, rental, finance, appraisal or investment business transactions.</p> <p>SLO #3 Methods of Holding Title</p> <p>Students will identify, distinguish and differentiate the differences between the various methods of holding title to real property, showing the ability to analyze, concisely write and/or verbally communicate and apply the appropriate vesting available in a typical real estate business transaction.</p> <p>SLO #4 Mathematical Computations</p> <p>Students will demonstrate the ability to calculate typical real estate mathematic computational problems as found in diverse real estate business areas of sales, leases, prorations, finance, appraisal, property management, investments and capitalization, land or structure area and taxation.</p> <p>SLO #5 Ethics and Agency</p> <p>Students will differentiate between various parts of the real estate code of ethics and the standards of professional appraisal practices to explain how agency relationships are created and the duties and liabilities of agents and principals.</p>
Course Objectives:	<ol style="list-style-type: none"> 1. Select appropriate industry forms to prepare original escrow instructions. 2. Prepare an escrow amendment and a beneficiary demand statement. 3. Create a Housing and Urban Development (HUD-1) closing settlement statement form showing computations for; escrow proration; debits and credits between the buyer and the seller closing statements; closing statements that balance. 4. Analyze the requirements necessary to have an open escrow. 5. Analyze the requirements necessary to have a closed escrow.

	<ol style="list-style-type: none"> 6. Examine the differences in the escrow processes and title insurance company methods practiced in Southern California, Northern California, the Midwest and New England. 7. Analyze the differences between a residential, commercial and industrial investment, and a mobile home closed escrow. 8. Select the Alcoholic Beverage Control (ABC) laws and regulations that are needed to close an escrow which involves the transfer or sale of a California liquor license and indicate where the data would be found, who is responsible for providing that data and the liabilities of the parties for each required document. 9. Assess the various ways for vesting and the ways to hold title to real property. 10. Compare documents requested by the escrow officer and compare the results of the documents received by the escrow officer prior to escrow closing, such as loan payoff data, vesting and loan document terms. 11. Differentiate between ethics and standards of professional practices for the escrow officer and the escrow firm as compared to the real estate salespersons, appraiser or the loan originator.
<p style="text-align: center;">Major Topics:</p>	<p>I. Scope of the escrow business (3 hours, lecture)</p> <ol style="list-style-type: none"> A. Agency B. Limited agency of the escrow officer <p>II. Legal aspects of escrow and the escrow profession Contracts (3 hours, lecture)</p> <ol style="list-style-type: none"> A. Mutual Consent and Proper Writing B. Sufficient Consideration C. Forgery Prevention <p>III. Escrow process (3 hours, lecture)</p> <ol style="list-style-type: none"> A. Escrow Orders B. New Escrow Accounts C. Tenancy D. Title transfer completion <p>IV. Title Insurance Company (3 hours, lecture)</p> <ol style="list-style-type: none"> A. Consumer B. Real estate professionals C. Technical documents D. Right of ways E. Easements F. Water rights <p>V. Seller escrow (3 hours, lecture)</p> <ol style="list-style-type: none"> A. Liens B. Irrevocable transfer to another escrow <p>VI. Buyer escrow (3 hours, lecture)</p>

- A. Loan documents
- B. Irrevocable demand from another escrow

VII. Loan escrow (3 hours, lecture)

- A. Refinance
- B. Restructure
- C. Loan modification
- D. Assumption
- E. Lender relationships

VIII. Document preparation (3 hours, lecture)

- A. Escrow instructions
- B. Demand statements
- C. Statement of Information (SI)
- D. Beneficiary Statements
- E. Finance documents
 - 1. Deed of Trust
 - 2. Trust Note
 - 3. Notice of Default

IX. Homeowner association escrow (3 hours, lecture)

- A. Covenants, Conditions and Restrictions (CC&Rs)
- B. Transfer fees
- C. Transfer documents

X. Processing and disclosures (3 hours, lecture)

- A. Escrow liability for the escrow officer
- B. Escrow liability for the escrow company

XI. Close of escrow process (3 hours, lecture)

- A. Preparation for the closing
- B. Escrow math and proration
- C. Closing the escrow
- D. Settlement statement
- E. Impound Account
- F. Prorations

XII. Post escrow procedures and practices (3 hours, lecture)

- A. Escrow completion instructions
- B. Assignment form preparation
- C. Title insurance orders
- D. Note closure and Trust Deed Escrow

XIII. Ethics and standards of professional practices (3 hours, lecture)

	<p>A. National Association of Real Estate Brokers (NAREB) Code of Ethics</p> <p>XIV. Escrow topics (6 hours, lecture)</p> <p>A. Escrow and the real estate agent B. Homestead C. Probate Foreign investor D. For Sale By Owner (FSBO) E. Securities</p> <p>XV. Other escrows (3 hours, lecture)</p> <p>A. Specialty residential property 1. Apartment building 2. Senior citizen property B. Mobile home</p> <p>XVI. Non-residential real property escrows (3 hours, lecture)</p> <p>A. Commercial B. Industrial C. Exchange D. Liquor license</p> <p>XVII. Escrow audits (3 hours, lecture)</p> <p>A. Fair housing B. Trust fund handling</p>
Total Lecture Hours:	54
Total Laboratory Hours:	0
Total Hours:	54
Primary Method of Evaluation:	1) Substantial writing assignments
Typical Assignment Using Primary Method of Evaluation:	Prepare and submit an industry standard Closing Disclosure and Loan Estimate that includes the calculation of proration of interest, association dues, rents and property taxes.
Critical Thinking Assignment 1:	Given an escrow case study which includes a take sheet and escrow instructions, an escrow amendment and escrow closing documents, calculate the charges and credits for the buyers closing statement using a Closing Disclosure and Loan Estimate form for a condominium that includes new loan fees.
Critical Thinking Assignment 2:	Compile an escrow file for a seller that includes taking the escrow order, preparing original escrow instructions, ordering the title insurance materials, obtaining the beneficiary demand payoff information and preparing the closing documents.
Other Evaluation Methods:	Homework Problems, Multiple Choice, Other Exams, Quizzes, Term or Other Papers, True/False, Written Homework
Instructional Methods:	Discussion, Group Activities, Guest Speakers, Lecture, Multimedia presentations

If other:	Weekly reading review of text
Work Outside of Class:	Answer questions, Problem solving activity, Required reading, Skill practice, Study
If Other:	
Up-To-Date Representative Texts:	
Alternative Texts:	
Required Supplementary Readings:	
Other Required Materials:	
Requisite:	
Category:	
Requisite course(s): List both prerequisites and corequisites in this box.	
Requisite and Matching skill(s):Bold the requisite skill. List the corresponding course objective under each skill(s).	
Requisite Skill:	
Requisite Skill and Matching Skill(s): Bold the requisite skill(s). If applicable	
Requisite course:	Real Estate-11
Requisite and Matching skill(s):Bold the requisite skill. List the corresponding course objective under each skill(s).	Demonstrate an understanding of how real estate property is appraised. RE 11 -Differentiate among the three methods of appraisal.
Requisite Skill:	
Requisite Skill and Matching skill(s): Bold the requisite skill. List the corresponding course objective under each skill(s). If applicable	
Enrollment Limitations and Category:	
Enrollment Limitations Impact:	
Course Created by:	Frank Fowler

Date:	01/01/1991
Original Board Approval Date:	
Last Reviewed and/or Revised by:	John Yeressian
Date:	09/18/2023
Last Board Approval Date:	12/18/2023
Effective Term:	FALL 2024