

RESIDENTIAL DEPOSIT ESCROW AGREEMENT

Date: _____

RE: File No.: _____
Purchaser: _____
Seller: _____
Property Address: _____

We, the undersigned, hereby instruct and authorize _____ ("Escrow Agent") to hold in escrow the sum of \$ _____ ("Funds") pursuant to that contract between Purchaser and Seller dated the ____ day of _____, 2010, under the following terms and conditions:

The Funds received herein are for use as a binder deposit from the purchaser for the purchase of the above referenced property, to be held in escrow until the closing of the above property, at which time the same shall be credited towards the purchase price on behalf of the purchaser.

~~IF THE BUYERS AND SELLERS ("THE PARTIES") REQUEST, THE ESCROW AGENT WILL SET UP AN INTEREST BEARING ESCROW ACCOUNT FOR THE BENEFIT OF THE PARTIES WITH INTEREST PAYABLE AS DIRECTED. If such a separate account is requested, an IRS Form 1099 may be filed with the Internal Revenue Service and the Party to whom the interest is paid (unless the escrow instructions or contract specify otherwise) shall be responsible for all bank charges incurred in setting up this account in addition to the Escrow Agent's fee for setting up the account in the amount of \$ _____ and a monthly servicing fee of \$ _____. These costs and charges will be deducted from the escrowed funds by Escrow Agent prior to disbursement.~~

I/we request an interest bearing escrow account with interest payable to:

I/we do not request a separate interest bearing escrow account.

In the event the parties do not elect to set up a special interest bearing account, this Agreement shall confirm the consent of the undersigned, pursuant applicable state statutes, to the placement of the funds escrowed hereunder into an interest bearing account in the name of Escrow Agent and to further confirm that interest or other benefits earned (if any) will be the property of the Escrow Agent.

In the event this transaction is not completed, for any reason, written disbursement instructions, signed by all parties to this Agreement, must be delivered to Escrow Agent before the Funds held hereunder will be disbursed. Said escrow instructions must clearly state to whom the Funds are to be disbursed and in what amounts. Escrow Agent is not responsible for determining the authenticity of the written disbursement instructions.

All checks, money orders or drafts will be processed for collection in the normal course of business. Escrow agent may commingle Funds received by it in escrow with escrow funds of others, and may without limitation, deposit such Funds in its custodial or escrow accounts with any reputable trust company, bank, savings bank, savings association, or other financial services entity, including any affiliate of Escrow Agent.

Limitations of Liability. Without limitation, Escrow Agent shall not be liable for any loss or damage resulting from the following:

- a. The financial status or insolvency of any other party, or any misrepresentation made by any other party
- b. The legal effect, insufficiency, or undesirability of any instrument deposited with or delivered by or to Escrow Agent or exchanged by the parties hereunder, whether or not Escrow Agent prepared such instrument.
- c. The default, error, action or omission of any other party to the escrow.
- d. Any loss or impairment of Funds that have been deposited in escrow while those Funds are in the course of collection or while those Funds are on deposit in a financial institution if such loss or impairment results from the failure, insolvency or suspension of a financial institution, or any loss or impairment of Funds due to the invalidity of any draft, check, document or other negotiable instrument delivered to the Escrow Agent.
- e. The expiration of any time limit or other consequence of delay, unless a properly executed settlement instruction accepted by Escrow Agent has instructed the Escrow Agent to comply with said time limit.
- f. Escrow Agent's compliance with any legal process, subpoena, writ, order, judgment or decree of any court, whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside or reversed.
- g. Any obligation to collect additional funds, unless such obligation is in writing and signed by the Escrow Agent.

Upon completion of the disbursement of the Funds and delivery of instruments, if any, Escrow Agent shall be automatically released and discharged of its escrow obligations hereunder and all liability associated with this escrow. Escrow Agent will have no liability under this Escrow Agreement unless the Escrow Agent is determined by a court of competent jurisdiction to be grossly negligent in the performance of the duties set forth herein.

Any changes to the terms and conditions shall be made only in writing, signed by all parties to this agreement.

These conditions of escrow shall apply to and be for the benefit of agents of the Escrow Agent employed by it for services in connection with this escrow, as well as for the benefit of Escrow Agent.

Attorney's Fees: In the event that litigation is initiated relating to this escrow agreement, the parties hereto agree that the prevailing party shall be entitled to attorney's fees, court costs and expenses. To the extent that Escrow Agent holds Funds under the terms of this escrow, the parties hereto, other than Escrow Agent, agree that the Escrow Agent is entitled to reimbursement of attorney's fees, court costs and expenses relating to said litigation as they are incurred by Escrow Agent from the escrow deposit, without limiting any other rights of recovery from the Purchaser and Seller directly.

In the event conflicting demands are made on Escrow Agent, or Escrow Agent, in good faith, believes that any demands with regard to the Funds are in conflict or are unclear or ambiguous, Escrow Agent may bring an interpleader action in an appropriate court. Such action shall not be deemed to be the "fault" of Escrow Agent, and Escrow Agent is entitled to reimbursement from the escrow Funds for its reasonable costs and attorney's fees in connection with same, through final appellate review. In addition, the parties hereto, other than Escrow Agent, hereby jointly and severally indemnify Escrow Agent from all such attorney's fees, court cost and expenses. All liability and obligations of the Escrow Agent terminates upon the deposit of the Funds into the Court Registry pursuant to an interpleader or other action.

In the event of a conflict between the terms of this Escrow Agreement and the Contract, the provisions of this Escrow Agreement will control.

In the event the terms and conditions of this Escrow Agreement have not been completed within 180 days from the date hereof, the Escrow Agent may deduct the sum of \$50 per month from the funds held hereunder as a service fee for maintaining the escrowed funds.

SELLERS:

Address and Telephone Number:

BUYERS/BORROWERS:

Address and Telephone Number:

_____ (Escrow Agent)
Independence Title, Inc.

By: _____

It's: _____