

## ESCROW AGREEMENT

This agreement, made on \_\_\_\_\_, by and between the following:

---

(Hereinafter collectively referred to as "Buyer"); and

Commerce Title and Abstract Company (Hereinafter referred to as "Escrow Agent"),

The Buyer(s) and Owner/Seller(s) described above have entered into an Agreement to Sell and Buy property located at \_\_\_\_\_, hereinafter referred to as the "Property."

A deposit in the amount of \$ \_\_\_\_\_ has been tendered by the Buyer(s) pursuant to the contract referenced hereinabove and either: (1) there is no brokerage firm participating in the transaction (i.e., FSBO); or (2) the brokerage firm representing the Seller has refused to hold the said deposit.

It is desirable to place the deposit (Hereinafter referred to as the "Escrow Funds") tendered by Buyer(s) into a third party escrow account pending the closing and the Escrow Agent has agreed to act as such for the benefit of parties hereto.

It is hereby understood and agreed, and the parties hereto do hereby specifically direct the Escrow Agent, upon receipt of the Escrow Funds, to deposit same into a non-interest bearing account maintained at a federally insured lending institution.

WHEREAS, IT IS HEREBY understood and agreed that the Escrow Funds will not be released by the Escrow Agent, except as follows:

The Escrow Agent receives notification from the Owner, Listing Agent, or Buyer's lender that the Escrow Funds shall be applied to the purchase price at closing on a particular date, and that closing occurs; or

The Escrow Agent receives notification from the Owner, Listing Agent, or Buyer's Lender that the Escrow Funds shall be returned to the Buyer at the closing on a particular date, and that closing occurs; or

The Escrow Agent receives notice in writing from the Buyer's lender that the Buyer will not receive approval for financing, and, if there is a financing contingency clause in the Agreement to Purchase and Sell, the Escrow Funds shall be disbursed to the Buyer without any further consent required by the Seller or the Listing Agent; or

The Escrow Agent received written instructions from both the Buyer or Selling Agent and the Owner or Listing Agent authorizing the disbursement of the Escrow Funds in the event of a cancellation of contract, in which case the Escrow Funds will be disbursed according to the written mutual agreement of the parties.

In the event that the parties have expressed disagreement on how the Escrow Funds are to be disbursed, the Escrow Agent shall be entitled, at its sole discretion, to either: 1) Disburse the Escrow Funds in accordance with the Escrow Agent's interpretation of the contract and the facts pertaining to said disagreement; or 2) Initiate a concursus proceeding and deposit the Escrow Funds into the registry of the court in the parish where the property is located, the cost of which shall be borne by the Buyers and Owner/Sellers; or 3) Maintain the Escrow Funds in

hopes of a resolution amongst the Buyers and Sellers, until enough time has elapsed to escheat said funds to the State of Louisiana.

NOW, THEREFORE, the parties agree as follows:

In consideration of the Escrow Agent acting for the benefit of and at the request of the Buyer(s) and Owner(s)/Seller(s), any third party beneficiary to this agreement, the parties hereto shall and do at all times hereafter well and sufficiently save, defend, keep harmless and indemnify the Escrow Agent, from all loss, damage, cost, charge, liability or expense, (excepting therefrom any loss, damage, costs, charge, liability or expense resulting from Escrow Agent's willful misconduct or gross negligence) including but not limited to, court costs and attorneys' fees, which may result from the obligation and duty as Escrow Agent accepted by the said Escrow Agent, including but not limited to, situations in which disputes arise concerning amounts of money to be paid over, funds available for such payments, or the proper persons to whom payments should be made, and including, but not limited to, a delay in the electronic wire transfer of funds.

FURTHER, it is understood and agreed that the Escrow Agent is acting as a stakeholder only, and in no way purports to legally represent either party, and shall have no liability to Buyer(s), Owner(s)/Seller(s) or any third party beneficiary to this Agreement for its actions or inactions hereunder unless such action was taken in, or such inaction resulted from gross negligence, willful misconduct, or bad faith. In no event, however, shall the Escrow Agent have any liability hereunder for any amount in excess of the Escrow Funds maintained for any particular third party.

FURTHER, it is understood and agreed that Escrow Agent shall not be bound by any modification of this Agreement or of any agreement incorporated by reference herein, unless there shall have been delivered to the Escrow Agent a written modification signed by the buyer(s), Owner(s)/Seller(s) and any relevant third party beneficiary. No such modification shall, without the written consent of the Escrow Agent, modify any of the provisions of this Agreement relating to the rights, obligations or duties of the Escrow Agent.

FURTHER, we the undersigned, do hereby certify that we are aware that the Federal Deposit Insurance Corporation (FDIC) coverages apply only to a maximum amount of \$100,000.00 for each individual depositor. We further understand that certain banking instruments such as, but not limited to, repurchase agreements and letters of credit are not covered at all by FDIC Insurance. Further, we understand that Escrow Agent assumes no responsibility for, nor will be held liable for, any loss occurring which arises from the fact that the amount of the above account may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000.00 and that the excess amount is not insured by the Federal Deposit Insurance Corporation (FDIC), or that FDIC insurance is not available on certain types of bank instruments.

THE EFFECTIVE DATE OF THIS AGREEMENT is on the date executed by all parties. In the event that said two parties execute the Agreement on different dates, then the date of execution by the last party to sign will be the effective date.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

IN WITNESS WHEREOF, by the Escrow Agent, who has executed this Agreement on the date hereinbelow written:

ESCROW AGENT:

\_\_\_\_\_  
COMMERCE TITLE & ABSTRACT CO. DATE