EARNEST MONEY ESCROW AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____ , 20 ____ , by, between and among _____ , (hereinafter referred to as "Seller"), _____ , and _____ (hereinafter referred to as "Escrow Agent").

WHEREAS, Seller and Buyer have executed a Contract dated the _____ day of _____ , 20 ____ , (hereinafter referred to as the "Contract"), whereby Seller has agreed to sell and Buyer has agreed to buy the property described in the attached Exhibit "A" and

WHEREAS, said Contract acknowledges that an aggregate sum of _____ ($ _____) Dollars has been or will be deposited with the Escrow Agent, pending the closing of the purchase and sale;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

1. **Earnest Money.** Concurrent with the execution of this Agreement, Buyer has deposited with Escrow Agent the sum of _____ ($ _____) Dollars, (hereinafter referred to as "Earnest Money") as earnest money and a partial payment of the consideration under the Contract. Escrow Agent shall invest the Earnest Money in Treasury notes, certificates of deposit issued by commercial banks insured by the federal government, or "money market" accounts, in accordance with Buyer's instructions.

2. **Closing.** In the event that the purchase and sale shall be consummated pursuant to the terms of said contract. Escrow Agent shall, at such closing, deliver to Seller the Earnest Money, Buyer shall be given credit toward the purchase price for the payment of the Earnest Money, and Escrow Agent shall deliver all income earned on the Earnest Money to Buyer.

3. **Failure to Close.** In the event that the Contract is terminated or rescinded, except by reason of Buyer's breach, then the Earnest Money, together with all income earned thereon, shall be returned to Buyer. In the event that Buyer breaches the Contract, and the purchase and sale pursuant to the Contract fails to close, the Earnest Money shall be paid to Seller as liquidated damages for Buyer's breach; and all income earned thereon shall be

paid to Buyer; or, if an alternate remedy is provided in the contract, then Escrow Agent shall comply therewith.

4. **Instructions.** The Escrow Agent will not disburse the Earnest Money or any income therefrom except upon the written direction of both parties hereto. In the event that the Escrow Agent receives inconsistent directions from the Buyer and Seller, then the Escrow Agent shall deposit the Earnest Money, plus all income earned thereon, with a court of competent jurisdiction located in _____ County, State of _____ , in an action in interpleader, and the Escrow Agent shall have no further obligation hereunder.

5. **Expenses of Escrow Agent.** In the event that an action in interpleader is commenced pursuant to Section 4 hereof, then all expenses of the Escrow Agent and all other parties to this Agreement, with respect to such action in interpleader, shall be paid by the losing party.

6. **Hold Harmless.** The Escrow Agent shall be absolved from all liability and responsibility so long as he performs the duties described herein, and may respond in good faith to the joint directive of the parties hereto without responsibility for the consequences.

7. **Notices.** Any notice, request, instruction or other document to be given hereunder by any party hereto to the other shall be in writing and delivered personally or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:

   To Seller:

   _____

   _____

   _____

   To Buyer:

   _____

   _____

   _____

   To Escrow Agent:

   _____

   _____

   _____

8. **Modification.** This Agreement shall not be modified, rescinded or revoked in any manner whatsoever, except by written consent of all parties hereto.

9. **Counterparts.** This Agreement may be signed upon any number of counterparts with the same effect as if the signature to each were upon the same agreement, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall be deemed to be effective and binding as of the date all parties hereto have executed same.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

Signed, sealed and delivered in the presence of

"BUYER"

_____ _____

Witness

_____

Witness

"SELLER"

_____ _____

Witness

_____

Witness

"ESCROW AGENT"

_____ _____

Witness

_____

Witness

EXHIBIT “A”

PROPERTY DESCRIPTION