

ESCROW AGREEMENT BETWEEN BUYER, SELLER, AND ESCROW AGENT
(THIS ESCROW AGREEMENT IS NOT PART OF THE CONTRACT OF SALE)

Contract of Sale between Buyer _____
and Seller _____
for Property known as _____,

1. **DEPOSIT DEFINED:** "Deposit" means the "initial Deposit" specified in paragraph 7(a) and the "additional Deposit" specified in Paragraph 7(b) of the Contract of Sale.
2. **BUYER'S SELECTION OF ESCROW AGENT:** Buyer selects _____ ("Escrow Agent") for the transaction. Escrow Agent is not a party to the Contract of Sale. Buyer and Seller agree that Escrow Agent assumes no duty or liability for the performance, non-performance or otherwise of Buyer's or Seller's obligations under the Contract of Sale.
3. **RECEIPT OF DEPOSIT:** Escrow Agent acknowledges receipt of the Deposit in the amount of _____ Dollars (\$ _____) on Date of Deposit Receipt as stated below. Escrow Agent acknowledges receipt of Additional Deposit (if applicable) in the amount of _____ Dollars (\$ _____) on the Date of Deposit Receipt for Additional Deposit as stated below.
4. **HANDLING OF DEPOSIT:** Escrow Agent shall, within seven (7) business days of Date of Deposit Receipt, place the Deposit in Escrow Agent's Trust Account. Escrow Agent may not use the Deposit for any purpose other than that for which it is entrusted to Escrow Agent. Neither Buyer nor Seller shall receive interest on the Deposit. Escrow Agent may pool and commingle other trust funds with the Deposit as allowed by law.
5. **NOTIFICATION OF INSUFFICIENT FUNDS:** If the Deposit check is returned for insufficient funds or wire is dishonored, Escrow Agent shall notify Buyer and Seller, and their agents, in writing within five (5) business days from receipt of notice from the financial institution where the Deposit was placed.
6. **MAINTENANCE AND DISPOSITION OF DEPOSIT:** Escrow Agent agrees to maintain the Deposit in Escrow Agent's Trust Account until:
 - A. **SETTLEMENT:** The real estate transaction settles in which case the Deposit shall be applied to the Purchase Price at settlement. If Escrow Agent is not conducting settlement, Escrow Agent shall timely deliver Deposit to settlement agent;
 - B. **RELEASE OF DEPOSIT AGREEMENT:** Escrow Agent receives proper written instructions executed by both Buyer and Seller directing withdrawal or other disposition of the Deposit; **OR**
 - C. **INTERPLEADER:** Escrow Agent files an action for interpleader and delivers the Deposit to a court of competent jurisdiction in the State of Maryland.
7. **DISPUTES:**
 - A. **MEDIATION:** Buyer and Seller acknowledge that if the Contract of Sale obligates the parties to mediate deposit disputes, Buyer and Seller agree to abide by the terms of the mediation provision in the Contract of Sale. If during mediation, Buyer and Seller execute a written agreement concerning the Deposit, Escrow Agent agrees to accept and abide by its terms. If Buyer and Seller execute Maryland REALTORS® Release of Deposit Agreement, Escrow Agent agrees to accept and abide by its terms.
 - B. **HOLDING DISPUTED FUNDS:** Escrow Agent may, at its option, hold disputed funds until a Release of Deposit Agreement is executed by Buyer and Seller.
 - C. **ACTION FOR INTERPLEADER:** In the event of any litigation or dispute between Buyer and Seller concerning the release of the Deposit, Escrow Agent's sole responsibility may be met, at Escrow Agent's option, by paying the Deposit into the court in which such litigation is pending, or by paying the Deposit into a court of proper jurisdiction by an action for interpleader. Buyer and Seller agree that, upon Escrow Agent's payment of the Deposit into the court, neither Buyer nor Seller shall have any further right, claim, demand or action against Escrow Agent regarding the release of the Deposit; and Buyer and Seller, jointly and severally, shall indemnify and hold Escrow Agent harmless from any and all such rights, claims, demands or actions. In the event of such dispute and election by Escrow Agent to file an action for interpleader as herein provided, Buyer and Seller further agree and hereby expressly and irrevocably authorize Escrow Agent to deduct from the Deposit all costs incurred by Escrow

Agent in the filing and maintenance of such action, including but not limited to, filing fees, court costs, service of process fees and attorneys' fees, provided that the amount deducted shall not exceed the lesser of \$1,000 (one thousand dollars) or the amount of the Deposit held by Escrow Agent. All such fees and costs authorized herein to be deducted may be deducted by Escrow Agent from the Deposit prior to paying the balance of the Deposit to the court. Buyer and Seller further agree and expressly declare that all such fees and costs so deducted shall be the exclusive property of Escrow Agent. If the amount deducted by Escrow Agent is less than the total of all of the costs incurred by Escrow Agent in filing and maintaining the interpleader, then Buyer and Seller jointly, and severally, agree to reimburse Escrow Agent for all such excess costs upon the conclusion of the action.

8. ATTORNEY'S FEES AND COSTS: In any action or proceeding between Buyer and Seller and/or between Buyer and Escrow Agent and/or Seller and Escrow Agent resulting in Escrow Agent being made a party to such action or proceeding, including, but not limited to, any litigation, arbitration, or complaint and claim before a Maryland regulatory board, whether as defendant, cross-defendant, third-party defendant or respondent, Buyer and Seller jointly and severally, agree to indemnify and hold Escrow Agent harmless from and against any and all liability, loss, cost, damages or expenses (including filing fees, court costs, service of process fees, transcript fees and attorneys' fees) incurred by Escrow Agent in such action or proceeding, provided that such action or proceeding does not result in a judgment against Escrow Agent. This Paragraph shall apply to any and all such action(s) or proceeding(s) against Escrow Agent including those action(s) or proceeding(s) based, in whole or in part, upon any alleged act(s) or omission(s) by Escrow Agent, including, but not limited to, any alleged act of misrepresentation, fraud, non-disclosure, negligence, violation of any statutory or common law duty, or breach of fiduciary duty by Escrow Agent. The provisions of this Paragraph shall survive settlement and shall not be deemed to have been extinguished by merger with the deed. The term Escrow Agent as used in this paragraph shall include any agent, subagent, salesperson, independent contractor and/or employees of Escrow Agent.

9. ENTIRE AGREEMENT: This Escrow Agreement constitutes the entire agreement among the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. The parties to this Escrow Agreement mutually agree that it is binding upon them, their heirs, executors, administrators, personal representatives, and successors. Once signed, the terms of this Escrow Agreement can only be changed by a document executed by all parties. To the extent that the terms of this Escrow Agreement and the terms of the Contract of Sale are different, inconsistent or contradict each other, this Escrow Agreement shall control. This Escrow Agreement shall be interpreted and construed in accordance with the laws of the State of Maryland.

Buyer Signature _____ **Date** _____

Seller Signature _____ **Date** _____

Buyer Signature _____ **Date** _____

Seller Signature _____ **Date** _____

Name of Escrow Agent: _____

Address of Escrow Agent: _____

Telephone Number of Escrow Agent: _____

Email Address of Escrow Agent: _____

Signature of Escrow Agent Representative: _____ **Date:** _____

Printed Name of Escrow Agent Representative: _____

Title of Escrow Agent Representative: _____

Date of Deposit Receipt: _____

Date of Deposit Receipt for Additional Deposit (if applicable): _____