

## ESCROW AGREEMENT

This Escrow Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 200\_, by and among \_\_\_\_\_ (hereinafter in this agreement, the “Seller”) and \_\_\_\_\_ (hereinafter in this agreement the “Purchaser”)

The sums of \$ \_\_\_\_\_ pending \_\_\_\_\_ shall be held in a non-interest bearing escrow (herein collectively called the “Escrow Deposits”), by

(hereinafter the “Escrow Agent”), in trust, and disbursed only in accordance with the following provisions:

1. Upon receipt of \_\_\_\_\_, Escrow Agent may release the Escrow Deposits to Seller. Otherwise, the provisions set forth below shall be followed. In the event that the \_\_\_\_\_ is not received within 120 days of the date of this agreement, Escrow Agent may use the Escrow Deposits to take such action as it reasonably deems necessary to obtain the \_\_\_\_\_ or a legal equivalent thereto.

2. All instructions to the Escrow Agent shall be given in writing. If said instructions have been signed by both Seller and Purchaser, then the Escrow Agent shall carry out said instructions immediately. If the instructions have been signed by only Seller or Purchaser, then the Escrow Agent shall immediately send a copy of said instructions to the other party. If the other party has not delivered to the Escrow Agent written objections to the proposed action set forth in said instructions within ten days (10) days of receipt of said instructions, then the Escrow Agent shall act in accordance with said instructions. If the Escrow Agent receives an objection to its acting in accordance with said instructions within the ten (10) day period, then it shall not proceed until it receives instructions signed by both parties, or until directed by a Court of competent jurisdiction.

Formatted: Bullets and Numbering

3. In the event joint written instructions are not received by the Escrow Agent with respect to the Escrow Deposits within thirty (30) days of the receipt by it of conflicting or unilateral instructions, the Escrow Agent may, if it so elects, commence an action in the nature of an interpleader or declaratory judgment action in the New Jersey Superior Court, \_\_\_\_\_ County, to determine the title to, or disposition of, the Escrow Deposits and all accrued interest. The Purchaser and Seller shall be jointly and severally liable to Escrow Agent for reasonable attorneys’ fees, costs and expenses in connection with the commencement and prosecution of such a suit and any appeal or appeals therefrom.

Formatted: Bullets and Numbering

4. The Escrow Agent shall not be liable for any act done or omitted by it in good faith, or for anything which it may in good faith do or refrain from doing in connection with its duties as Escrow Agent. The Escrow Agent is authorized to rely upon any document reasonably believed by it to be signed by the parties hereto, including transmissions by

Formatted: Bullets and Numbering

**facsimile**, The parties hereby agree to indemnify and hold harmless the Escrow Agent from and against any loss, cost or damage incurred by it, including, without limitation, reasonable attorneys' fees in connection with this Addendum, or arising from its duties as Escrow Agent. The Escrow Agent may, in its sole discretion in the event of a dispute, choose to obtain an opinion of counsel with regard to its duties hereunder, and the parties agree to pay reasonable attorney's fees incurred in connection therewith.

Deleted:

**5.** The parties agree to indemnify and save harmless the Escrow Agent from the consequences of the unavailability of the escrow funds on any given date due to circumstances beyond the control of Escrow Agent, or from any penalty which may be imposed by the bank or depository institution for early withdrawal, or arising from the failure of or insolvency of the depository institution, or from the dishonor of the check representing the escrow fund, or any and all losses in the Escrow Deposits or interest therein arising out of the investments made by the Escrow Agent in accordance with the instruction of the parties.

Formatted: Bullets and Numbering

**6.** The parties agree to pay Escrow Agent the sum of \_\_\_\_\_ for the provision of services under the terms of this Agreement. This fee shall be paid by \_\_\_\_\_.

**7.** Nothing contained herein shall be construed as a waiver or modification of any requirement or exception found in the title commitment and policy to be issued by Stewart Title Guaranty Company in connection with this transaction.

Formatted: Bullets and Numbering

**8.** All notices required under this Addendum shall be sent to the parties at the following address, by Certified Mail, Return Receipt Required and/or Federal Express overnight delivery and by Fax:

Formatted: Bullets and Numbering

**Seller:**

**Purchaser:**

**Escrow Agent:**

The undersigned agrees to act as Escrow Agent, subject to the conditions set forth above.

**Seller:**

**Purchaser:**

**Escrow Agent:**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

**Dated:** \_\_\_\_\_