



**EARNEST MONEY ESCROW AGREEMENT**

**Date:**

**Escrow Agent:** Southern Title Holding Company, LLC

**Seller:**

**Purchaser:**

**Property:**

In connection with the above-referenced matter, Seller and Purchaser do hereby authorize Southern Title Holding Company, LLC as "Escrow Agent" to hold money in escrow according to the following terms and conditions:

1. The sum to be escrowed is \_\_\_\_\_ and represents the earnest money escrow.
2. The aforementioned funds will be held (after clearance of funds) and disbursed in accordance with the Contract for Sale & Purchase. "Escrow Agent" shall not be responsible for the failure of any check to clear. This agreement will expire one (1) year from the date the funds were deposited into the "Escrow Agent's" escrow account.
3. In the event that Contract for Sale and Purchase is not received within 5 business days from date of deposit of the earnest money into the "Escrow Agent's" escrow account "Escrow Agent" shall return deposit to the Purchasers address above.
4. In the event there is a dispute between the parties to this agreement "Escrow Agent's" duties or liabilities under the provisions of this aforementioned Contract, "Escrow Agent" may, at "Escrow Agent's" option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or until a judgment of a court of competent jurisdiction shall determine the rights of the parties, or "Escrow Agent" may deposit same into the Registry of the Clerk of Circuit Court having jurisdiction of the dispute.
5. Any suit between Buyer and Seller wherein "Escrow Agent" is made a party because of acting as "Escrow Agent" hereunder, or in any suit wherein "Escrow Agent" interpleads the subject matter of the escrow, "Escrow Agent" shall recover reasonable attorney's fees and costs incurred with these amounts to be paid from and out of the escrowed funds. "Escrow Agent" shall not be liable to any party or person for misdelivery to Buyer or Seller of escrow funds unless such misdelivery is due to willful breach of the provisions of the aforementioned Contract or gross negligence of "Escrow Agent".
6. Any potential interest earned on the handling of the escrow funds during the course of your transaction will remain with Southern Title Holding Company, LLC and will be used to offset other costs to you as the consumer. These deposits are held by an FDIC insured institution and are insured for up to \$250,000.00 for each owner or beneficiary. Please note that the FDIC has increased its insured limits from \$100,000.00 to \$250,000.00.

\_\_\_\_\_  
Buyer Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Buyer Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Seller Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
SALLY SELLER

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Southern Title Holding Company, LLC

## **Escrow Agreement Basics**

Any time SOUTHERN TITLE HOLDING COMPANY, LLC (“Southern Title”) is presented with Escrow Funds, a signed Escrow Agreement is required before we can proceed with handling the escrow on a transaction.

### **The Escrow Agreement:**

1. Protects you – the buyer or seller – because in the event of a cancelled transaction, or for any reason the contract is not consummated, this agreement protects your escrow interest in the transaction.
2. The escrow agreement is the document that the parties agree to which authorizes Southern Title to hold monies in escrow.
3. It is our “instructions” on how the escrow will be handled – and under what parameters the monies will be disbursed.
4. It outlines how the funds will be handled in the case of a dispute and outlines the legal process should a resolution not be made.
5. If there is a disagreement between the parties, the agreement protects you from the disbursement of the funds to the opposite parties (without your authorization).
6. Many times the escrow agreement expedites a resolution as there are certain time line triggers within the agreement that help speed up the process.

### **Understanding the Position:**

It is a fiduciary obligation of the Realtor to ensure that his or her clients’ interests are protected via a written document relative to the monies held in escrow.

Southern Title is NOT a party to the real estate contract – therefore, we cannot rely on the terms in the contract as to what happens with the escrow deposit.

The real estate contract does not comply with title agency regulatory requirements in connection with holding an escrow (such as to whom the interest is accruing, etc.).