Escrow Holdback Agreement

Addendum / agreement date

Original Purchase and Sale Agreement date

Seller(s) - full legal names

Buyer(s) - full legal names

Property address, including town and state

Escrow agent name / firm

Holdback amount ($)

This Addendum is incorporated into the Purchase and Sale Agreement identified above (the "Agreement"). If there is a conflict, this Addendum controls as to its subject matter. All other terms remain unchanged.

Purpose of holdback - select one

- ☐ Completion of repairs or work described below
- ☐ Delivery vacant, free of occupants and personal property not conveyed
- ☐ Other obligation described below

Describe the secured obligation, work, and required proof of completion

Completion deadline (date and time)

Written objection period after receipt of release request (calendar days)

Escrow Holdback Agreement

1. Holdback. At closing, the stated amount shall be withheld from Seller's proceeds and held by the Escrow Agent in its IOLTA or trustee account. Seller shall complete the stated obligation by the completion deadline.

2. Release to Seller. Seller shall provide Buyer and the Escrow Agent with a written release request and proof of completion, such as paid invoices, receipts, reports, a recorded document, or Buyer's written confirmation. Subject to the dispute provisions below, the funds shall be released to Seller after the stated objection period expires without a written objection.

3. Release to Buyer. If Seller does not complete the obligation by the deadline, Buyer shall notify Seller and the Escrow Agent in writing and provide a release request supported by estimates or invoices showing the amount reasonably needed to complete the obligation. Subject to the dispute provisions below, that amount shall be released to Buyer after the stated objection period expires without a written objection. Any remaining balance shall be released to Seller.

4. Disputes. The Escrow Agent shall hold any amount disputed in writing and release it only upon joint written instructions signed by Buyer and Seller or a court order. Undisputed amounts may be released in accordance with this Addendum. The Escrow Agent shall not decide factual disputes about completion, cost, or entitlement.

5. Escrow Agent. The Escrow Agent acts as a stakeholder and may rely in good faith on written instructions and documents, subject to applicable law and professional obligations. No protection extends to conduct for which liability cannot lawfully be waived. The Escrow Agent may continue representing its client only to the extent permitted by applicable conflict and professional-conduct rules.

6. Continuing obligation. The holdback does not limit Seller's obligation or liability. This Addendum survives closing until the secured obligation and authorized disbursements are completed. Any required lender approval must be obtained before closing.

Each person signing for an entity or fiduciary represents that they are authorized to bind the named party.

Buyer 1 signature: _____ Date: _____

Buyer 2 signature: _____ Date: _____

Seller 1 signature: _____ Date: _____

Seller 2 signature: _____ Date: _____

Escrow agent signature: _____ Date: _____