

ESCROW HOLDBACK AGREEMENT

Date: _____ Loan Number: _____

Borrower(s): _____

Property Address: _____ State: _____ City: _____ Zip: _____

The borrower understands and agrees to an "escrow withhold" on the above-mentioned property. By signing this agreement, the borrower(s) authorize escrow to hold \$_____ equal to 1 ½ times the bid amount (submitted with this signed agreement). The amount of funds for said repair(s) shown below is provided by the:

Seller Borrower

The work shall be completed by _____ and within 120 days. The work shall not be deemed to be complete until the same has been approved by a Lender approved inspector/appraiser.

Any amount of funds remaining in this escrow withhold after said repairs have been completed and documented, shall be returned to the:

Seller Borrower

The borrower(s) have reviewed the attached bid and **agree** to the needed repairs and the cost to cure of said repairs.

The funds will be held by: _____
 (Title Company or Closing Agent)

PARTIAL DISBURSEMENTS ARE NOT ALLOWED

The work must be completed by _____, 20____ (within 120 days). Said repairs and documentation confirming completion shall be provided to Land Home Financial Services, Inc. (LHFS). Funds will **NOT** be released without authorization from LHFS.

1. Borrower(s) are aware that if said repairs are not completed by this date, LHFS has the right to:
 - apply said withhold funds, and
 - authorize the work to be completed.
2. Lender shall not be liable for any mistake of fact or error of judgment, or for any act or omission of any kind undertaken pursuant to this Agreement, unless caused by its gross negligence, intentional misconduct or failure to perform as specifically required by this Agreement. This Agreement is applicable only to the work described on the schedule below.

Initials: _____ Initials: _____



Should the repairs **exceed** the bid amount, the difference will be the responsibility of the _____ to pay.

The following documents are to be sent to LHFS to obtain authorization to release escrow withhold funds:

- Satisfactory completion certificate (442 or CIR)
- Escrow Release Request signed by borrower.

Repair(s):

By signing this agreement, LHFS is hereby released of any liability and is held harmless on the said mentioned property with regard to this escrow withhold.

Borrower: _____ Date: _____

Borrower: _____ Date: _____

Seller: _____ Date: _____

Seller: _____ Date: _____

Escrow Company

Escrow Officer: _____ Date: _____

Loan Broker: _____ Date: _____

AUTHORIZATION TO RELEASE FUNDS

The undersigned borrower(s) are satisfied that the repairs/improvements are completed and request the release of the funds. By signing this release, LHFS is hereby released of any liability and is held harmless on the said mentioned property with regard to the repairs.

Borrower: _____ Date: _____

Borrower: _____ Date: _____

