 Kash Mortgage Group

 2550 Village Common Dr

 Erie, PA 16506

 Phone: 814-746-1137

ESCROW HOLD BACK AGREEMENT

This agreement is established to set out the expectations and guidelines that must be followed in order to have money escrowed for repairs/work that will not be completed prior to closing. If money is to be escrowed for repairs or work that will not be completed before closing, the following rules/process apply:

\*We will require 2 bids from licensed contractors in order to receive escrow approval

\*The higher of the 2 bids will be used. The amount held in escrow will be the amount of the higher bid x 1.5% + $150 re-inspection fee for the appraiser to go back out and confirm the work has been done.

\*We will need to know if the escrow funds are going to come from the buyer or the seller

\*The repairs/work that is being escrowed for must be completed by a licensed contractor. You cannot do the work yourself or have someone else do it that is not a licensed contractor.

\*Only exterior work/repairs can be escrowed for. No interior work/repair escrows will be allowed.

\*The funds will always be held in escrow by the lender

\*Once the work has been completed, we will require an email from both the buyer and seller confirming the work has been done

\*The buyer must sign a letter stating that all work has been done to their satisfaction

\*A copy of the final contractor invoice or contractor paid receipt must be provided

\*A copy of the contractors signed W-9 form will be required

\*\*Please note, the 3 above referenced items will be required BEFORE the appraisal re-inspection can be ordered. The appraiser must confirm that all work/repairs have been completed per the initial appraisal report. The appraiser then must submit a re-inspection report to the lender stating that all of the work/repairs have been completed per HUD and/or FHA guidelines. One the re-inspection report comes in and is reviewed and cleared and determined to be satisfactory, the escrow funds will be disbursed.

\*The escrow funds will be disbursed to the contractor who is named on the final invoice or paid receipt. $150 of the escrow funds will go to the appraiser for the re-inspection. The remaining escrow funds will be disbursed to whomever funds the escrow came from (if the escrow was held from buyer’s funds then the remaining money will be disbursed to the buyer. If the escrow funds were held from the seller then the remaining money will be disbursed to the seller)

\*This whole process could take between 3-4 weeks from the time we receive the initial email about the work/repairs being completed to the time the escrow funds are disbursed

\*If there are any disputes regarding who funds are disbursed to or work/repairs to be completed, the disputes must be resolved by the closing attorney before the escrow funds can be disbursed. Kash Mortgage Group is not responsible for any disputes involving escrow funds or work/repairs to be performed.

We do hereby agree to these terms of escrow holdback.

Buyer(s)

Seller(s)

Listing Agent

Buyer’s Agent