

ESCROW CLOSING INSTRUCTIONS

Escrow File No.: **RAV**_____

Date:

To:

The parties herein submit the following agreement as a declaration of understanding and instruction concerning the responsibilities and process of closing an escrowed real estate transaction in Ravalli County, Montana. **First Montana Title Company** (escrow company) has been selected to provide escrow, title and settlement services for the transaction labeled file number **RAV**_____, to be closed on _____, or such date as further agreed to by the parties herein and/or as necessary to complete the transactional process.

DOCUMENTS: Escrow company is hereby authorized and instructed to prepare, deliver, release and/or record all documents it deems necessary to close, when in receipt of good funds, and/or qualifying contracts or notes, in the total amount of \$_____ subject to any charges and/or credits authorized as part of the Escrow Closing Statement.

EARNEST MONEY: in the amount of \$_____ has been deposited with _____ by the buyer, which shall be applied at time of closing as appropriate and listed in the Escrow Closing Statement as such.

TITLE: The undersigned have read and approved **Title Commitment No. RAV**_____, which subsequent Title Policy(ies) will show record title vested in: _____, free and clear of all encumbrances except for the insuring clauses, exceptions, exclusions, provisions and stipulations, special exceptions as listed in Schedule A as set forth in above referenced Title Commitment dated _____, subject to any Contract For Deed or Lease interest as appropriate, and any Lender's Deed of Trust or other security instruments necessary to complete the transaction.

DISBURSEMENT: Escrow company is hereby instructed to disburse deposited funds pursuant to the Escrow Closing Statement(s) examined and approved by the parties hereto. The parties understand and acknowledge that disbursement of funds will be initiated following recording of the transactional documents with the county clerk and recorder, but may take up to 2 business days following close of escrow, and that funds disbursed by wire, or via mail or courier are subject to delay inherent to those mediums, environmental impact, and processes of the companies or institutions involved. Escrow company assumes no liability for loss or delay related to disbursement instructions provided by parties herein, and reserves the right to withhold funds as necessary to ensure coverage of any outstanding assessments, liens, judgements, taxes or other filing that may negatively affect proper title transfer, whether acknowledged prior to signing of closing documents or otherwise.

TAXES: It is understood and agreed that, unless otherwise stated, the real property tax proration herein is based on the previous year tax assessment. The undersigned parties hereby affirm and agree that because property taxes are assessed during the year prior to tax billing, taxes prorated on the settlement statement are an estimate only and no warranties have been made as to the accuracy of the tax figures. Further, the undersigned parties agree that should the actual tax, as shown in the tax statement forwarded by the Assessor's office during the year of sale, differ from the figure represented in the closing statement, the prorated amount will stand. The parties further acknowledge that due to regulations, restrictions, timing, methods and operations of the county taxing authority, property tax billing statements may not be made available or delivered to the desired party by the county assessor in time or place to notify of tax assessments when due. The parties hereby acknowledge ultimate responsibility to verify and pay all future taxes accordingly.

WATER RIGHTS: It is understood and agreed that water rights are personal property, or controlled by specific water associations and organizations, and as such the filing and transfer of water rights and shares is the express responsibility of the parties and their agents. First Montana Title Company does not complete water right research, but will assist in collecting fees and filing appropriate documents on information provided by the parties, and as instructed in the purchase agreement.

HOA DUES/ASSESSMENTS: It is understood and agreed that information concerning HOA organizations in Ravalli County is generally not publicly recorded. Therefore, the seller and their agent are responsible for providing payment instructions and contact information for HOA organizations. Escrow Company will collect past fees and prorate payments as provided and verified. If no information is provided the undersigned parties will be responsible for payment and/or proration of all past and future HOA fees, dues and assessments outside of closing.

ADDITIONAL INSTRUCTIONS: The parties herein understand, agree and instruct that,

1. Unless specifically instructed and/or requested otherwise, public water and utility charges, and transfer of any vehicle or mobile home titles, will be handled by the parties outside of escrow.
2. Escrow company is not responsible for transfer of keys, personal property, and/or physical possession of real property.
3. Unless specifically provided in instructions from the participating lender, the cancellation, transfer or purchase of fire or other casualty insurance shall be handled by the parties outside of this escrow closing. First Montana Title Company assumes no liability for any loss related to fire and or casualty insurance, or the lack thereof.
4. All money received by escrow company is to be deposited in a trust account pending closing.
5. These instructions are effective to the closing date hereof. We, jointly and severally, agree to pay any escrow company cancellation fees and all related charges if cancellation occurs.
6. These escrow closing instructions may be executed in counterpart.
7. Escrow company shall have the option to hold any and all disputed matters pending in their existing status, to join in or commence a court action, or to bring an action in interpleader. We, jointly and severally, agree to pay all costs and attorney fees incurred by escrow company in any of these instances, and to hold escrow company harmless for actions taken pertaining to any dispute between the parties herein.
8. Any holdback of proceeds, funds, deposits or fees for purposes of earnest money, repairs, construction, utility payment, lien payoff, or any other purpose necessary to complete the closing, shall be handled by escrow company as it deems necessary and pursuant to applicable law and best practice. It is understood that escrow company will not release any held funds without written approval of all parties, or their agents.

DECLARATION OF ESCROW SERVICES: All parties hereby acknowledge that,

We have been requested by escrow company to seek legal counsel of our own choosing at our own expense, if we have any doubt concerning any aspect of this transaction. We have been afforded adequate time and opportunity to read and understand these escrow instructions and all other documents referred to herein.

We agree to work with First Montana Title Company in good faith before and following close of escrow to complete and/or correct any documents, and payment of any and all funds, necessary to ensure accurate completion of this transaction.

These escrow closing instructions constitute the entire agreement between the escrow company and the undersigned parties. Any amendments and/or supplements to these instructions must be made in writing, and acknowledged by escrow company.

We further understand that escrow company assumes no liability as to any law, ordinance or governmental regulations including, but not limited to, building, zoning and division of land ordinances.

THE UNDERSIGNED HAVE READ AND FULLY UNDERSTAND THE FOREGOING ESCROW CLOSING INSTRUCTIONS AND ALSO THE DECLARATION SET FORTH ABOVE AND AGREE TO SAME.

Seller:

Buyer:

First Montana Title Company

