

**[SELLER] VACATION OWNERSHIP PROGRAM**  
**ESCROW AGREEMENT**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between ESCROW AGENT, a \_\_\_\_\_ corporation, with its principal place of business located at \_\_\_\_\_ (hereinafter called "Escrow Agent"), and SELLER, a \_\_\_\_\_ corporation, with its principal place of business located at \_\_\_\_\_ (hereinafter called "Seller");

**WHEREAS:**

- A. Seller proposes to develop a vacation ownership program, known as [RESORT] Vacation Ownership Program (the "Program"), in the condominium project known as \_\_\_\_\_ located at \_\_\_\_\_;
- B. Upon obtaining the necessary approvals from \_\_\_\_\_, Seller intends to solicit and accept sales contracts (the "Sales Contracts" or, individually, "Sales Contract") to purchase vacation ownership interests in the Program (the "Ownership Interests");
- C. The \_\_\_\_\_ Act (*legislation governing real estate transactions*) require(s) that all funds, negotiable instruments and purchase money contracts (collectively, "Purchasers' Funds" or individually, "Purchaser's Funds") paid or made by purchasers and prospective purchasers prior to the closing of a purchase of an Ownership Interest shall be placed in an escrow account under an escrow agreement;
- D. The \_\_\_\_\_ Act (*legislation governing sale of condo units*) sets forth certain disclosure, receipt and notice requirements in connection with the sale of condominium units, interests in which comprise a part of each Ownership Interest; and
- E. Escrow Agent agrees to hold and disburse all Purchasers' Funds, and to hold all instruments, including Sales Contracts, executed by purchasers or prospective purchasers, in accordance with the provisions of the aforementioned Acts;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that the parties hereby agree as follows:

1. **Payment of Funds to Escrow Agent.** At such time as Seller shall enter into a Sales Contract with a purchaser or prospective purchaser for the sale of an Ownership Interest, it shall promptly deposit with Escrow Agent all Purchasers' Funds received before closing in connection with such sale of an Ownership Interest, and shall deliver an executed copy of the Sales Contract to Escrow Agent together with the address and other pertinent information of the purchaser. Notwithstanding the foregoing, Seller or Seller's sales agent may hold, until the expiration of the \_\_\_\_-day mutual rescission period provided for pursuant to \_\_\_\_\_ (*applicable legislation*), or any longer cancellation period provided in the Sales Contract, any negotiable instrument or purchase money contract made by a purchaser: (a) for which subsequent holders cannot claim holder-in-due course status within the meaning of \_\_\_\_\_; or (b) where the payee is Escrow Agent or the trustee of a lien payment trust established pursuant to \_\_\_\_\_.
2. **Receipt of Funds by Escrow Agent.** Escrow Agent shall receive, deposit and hold in separate escrow accounts and disburse as herein set forth all Purchasers' Funds received by it before closing. Escrow Agent shall not at any time commingle or permit the commingling of any one Purchaser's Funds with funds belonging to or held for the benefit of Seller or any other purchaser. All Purchasers' Funds and instruments received from purchasers or prospective purchasers shall be held by Escrow Agent in accordance with the provisions contained in the \_\_\_\_\_ Act.
3. **Deposit of Funds by Escrow Agent.** All monies received by Escrow Agent hereunder shall forthwith be deposited in a trust fund with a bank, savings and loan or trust company authorized to do business in \_\_\_\_\_ under an escrow arrangement, and shall be held in immediately available

funds in accordance with the terms hereof. Upon the direction of Seller, said funds shall be deposited in an interest-bearing account in a federally-insured bank or savings and loan in \_\_\_\_\_, and all income therefrom and interest paid thereon shall be credited to the account of Seller.