

ESCROW AGREEMENT
Contracts in excess of \$100,000.00

This Escrow Agreement is made this _____ day of _____, _____ between

_____ (the Owner),

_____ (the Contractor),

_____ (the Escrow Agent),

Concurrently herewith, the Owner and the Contractor have entered into a Construction Contract which is in excess of \$100,000.00 dated _____ covering the _____ which is by this reference incorporated herein. Pursuant to the provisions IC 5-16-5.5, the parties agree as follows:

1. To the extent that the Owner retains funds out of payments applied for by the Contract under the provisions of the construction contract providing for payments based on the value of the work in place and materials stored, the Owner shall place the funds so retained in an escrow account(s). The Escrow Agreement shall have no application to payments withheld by the Owner pursuant to provisions of the Construction Contract or otherwise, which are intended to protect the Owner from loss on account of: defective work not remedied; claims filed on reasonable doubt that the contract can be completed for the balance then unpaid; damage to another Contractor; failure or refusal of the Contractor to prosecute the work in strict compliance with the applicable progress schedules; any similar provisions; or for any other reason described in the general conditions or other contract provisions between the Owner and Contractor. Additionally, this Escrow Agreement shall not be construed as a waiver of Owner's rights to said deposited funds as security of payment for damages which might become due Owner from Contractor under the terms of said Construction Contract.
2. The Escrow Agent shall promptly invest all escrowed principal in the trust department master savings account, or such other account as shall be selected by the Escrow Agent in its discretion.
3. The interest earned on funds in the account shall accrue for the benefit of the Contractor.
4. The income from and earnings on and all gains derived from the investment and reinvestment of the funds (escrow income) shall be held in the escrow account(s).
5. The Escrow Agent may co-mingle the escrow funds with other funds or invested construction funds held by it pursuant to other escrow agreements or trust instruments to which Owner or Contractor are parties. To expedite the handling of the investments and re-investments (other than bearer instruments), to be registered in its own name, or in the name of its nominee or nominees, or in such form that title may pass by delivery.
6. The Escrow Agent shall hold all of the escrow funds and shall release the principal and income thereof only upon the execution and delivery to it of an escrow release executed by the Owner and by the Contractor specifying the portion or portions of the principal and income of the escrow funds to be released and the person or persons to whom such portions are to be released. Such release of escrow funds shall be no more than thirty (30) days from date of receipt by the Escrow Agent of the release executed by the Owner and Contractor.

7. The Escrow agent shall be compensated for its services form funds deposited to the Escrow Agent.

(Owner)

By

(Contractor)

By

(Escrow Agent)

By: (Trust Officer)