

**THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.**

## CLOSING INSTRUCTIONS AND EARNEST MONEY RECEIPT

Date: \_\_\_\_\_

**1. PARTIES, PROPERTY.** \_\_\_\_\_, Seller, and \_\_\_\_\_, Buyer, engage \_\_\_\_\_, Closing Company, who agrees to provide closing and settlement services in connection with the Closing of the following legally described real estate in the County of \_\_\_\_\_, Colorado:

known as No. \_\_\_\_\_  
Street Address City State Zip

**2. INFORMATION, PREPARATION.** Closing Company is authorized to obtain any information necessary for the Closing. Closing Company agrees to prepare, deliver, and record those documents (excluding legal documents) that are necessary to carry out the terms and conditions of the Contract to Buy and Sell Real Estate, dated \_\_\_\_\_, including any counterproposals and amendments (Contract).

**3. CLOSING FEE.** Closing Company will receive a fee not to exceed \$\_\_\_\_\_ for providing these closing and settlement services.

**4. GOOD FUNDS.** Closing Company is authorized to receive funds and to disburse when all funds received are either: (a) available for immediate withdrawal as a matter of right from the financial institution in which the funds have been deposited, or (b) are available for immediate withdrawal as a consequence of an agreement of a financial institution in which the funds are to be deposited or a financial institution upon which the funds are to be drawn (Good Funds).

**5. RELEASE, DISBURSEMENT.** Closing Company is not authorized to release any signed documents or things of value prior to receipt and disbursement of Good Funds, except as provided in §§ 10 and 11.

**6. DISBURSER.** Closing Company shall disburse all funds, including real estate commissions, except those funds as may be separately disclosed in writing to Buyer and Seller by Closing Company or Buyer's lender on or before Closing. All parties agree that no one other than the disbursing can assure that payoff of loans and other disbursements will actually be made.

**7. SELLER'S NET PROCEEDS.** Seller will receive the net proceeds of Closing as indicated:  
 Cashier's Check, at Seller's expense  Funds Electronically transferred (wire transfer) to an account specified by Seller, at Seller's expense  Closing Company's trust account check.

**8. FURNISH INFORMATION AND DOCUMENTS.** Buyer and Seller will furnish any additional information and documents required by Closing Company that will be necessary to complete this transaction.

**9. CLOSING STATEMENT.** Closing Company will prepare and deliver an accurate, complete and detailed closing statement to Buyer and Seller at time of Closing.

**10. FAILURE OF CLOSING.** If Closing or disbursement does not occur on or before Closing Date set forth in the Contract, Closing Company, except as provided herein, is authorized and agrees to return all documents, monies, and things of value to the depositing party, upon which Closing Company will be relieved from any further duty, responsibility or liability in connection with these Closing Instructions. In addition, any promissory note, deed of trust or other evidence of indebtedness signed by Buyer shall be voided by Closing Company, with the originals returned to Buyer and a copy to Buyer's lender.

**11. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Closing Company shall release the Earnest Money as directed by written mutual instructions signed by both Buyer and Seller. In the event of any controversy regarding the Earnest Money held by Closing Company (notwithstanding any termination of the Contract), Closing Company shall not be required to take any action. Closing Company, at its option and sole discretion, may (a) await any proceeding, (b) interplead all parties and deposit Earnest Money and other money or things of value into a court of competent jurisdiction and shall recover court costs and reasonable attorney and legal fees, or (c) deliver written notice to Buyer and Seller that unless Closing Company receives a copy of the Summons and Complaint or Claim (between Buyer and Seller), containing the case number of the lawsuit (Lawsuit) within 120 calendar days of Closing Company's written notice is delivered to the parties, Closing Company shall be authorized to return the Earnest Money to Buyer. In the event Closing Company does receive a copy of the Lawsuit and has not interplead the monies at the time of any Order, Closing Company shall disburse the Earnest Money pursuant to the Order of the Court.

**12. SUBSEQUENT AMENDMENTS.** Any amendments to, or termination of, these Closing Instructions must be in writing and signed by Buyer, Seller and Closing Company.

**13. WITHHOLDING.** The Internal Revenue Service and the Colorado Department of Revenue may require Closing Company to withhold a substantial portion of the proceeds of this sale when Seller either (a) is a foreign person or (b) will not be a Colorado resident after Closing. Seller should inquire of Seller's tax advisor to determine if withholding applies or if an exemption exists.

70 **14. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate  
71 Commission.)  
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73

74 **15. COUNTERPARTS.** This document may be executed by Buyer, Seller and Closing Company, separately, and when each party has  
75 executed a copy, such copies taken together shall be deemed to be a full and complete contract between the parties.  
76

77 **16. BROKER'S COPIES.** Closing Company shall provide, to each broker in this transaction, copies of all signed documents that such  
78 brokers are required to maintain pursuant to the rules of the Colorado Real Estate Commission.  
79

80 **17. COMMON INTEREST COMMUNITY DOCUMENTS.** Seller's obligation to provide the CIC Documents is set forth in the  
81 Contract. Seller authorizes the Association, if any, to provide the CIC Documents to Buyer. Seller's obligation to furnish the CIC Documents  
82 shall be fulfilled upon Buyer's receipt of the CIC Documents.  
83

84 **18. NOTICE, DELIVERY AND CHOICE OF LAW.**  
85 **a. Physical Delivery.** Except as provided in § 18b below, all notices must be in writing. Any notice to Buyer shall be effective when  
86 received by Buyer or Selling Brokerage Firm, any notice to Seller shall be effective when received by Seller or Listing Brokerage Firm, and  
87 any notice to Closing Company shall be effective when physically received by Closing Company.

88 **b. Electronic Delivery.** As an alternative to physical delivery, any signed documents and written notice may be delivered in  
89 electronic form by the following indicated methods only:  **Facsimile**  **E-mail**  **No Electronic Delivery.** Documents with original  
90 signatures shall be provided upon request of any party.

91 **c. Choice of Law.** This contract and all disputes arising hereunder shall be governed by and construed in accordance with the laws of  
92 the State of Colorado that would be applicable to Colorado residents who sign a contract in this state for property located in Colorado.  
93

94 Date: \_\_\_\_\_ Date: \_\_\_\_\_  
95

96 \_\_\_\_\_  
97 Seller Buyer  
98

99 Date: \_\_\_\_\_ Date: \_\_\_\_\_  
100

101 \_\_\_\_\_  
102 Seller Buyer  
103

104 Closing Company: \_\_\_\_\_  
105

106 Date: \_\_\_\_\_ By: \_\_\_\_\_ Title \_\_\_\_\_  
107

**(TO BE COMPLETED ONLY BY BROKER AND CLOSING COMPANY)**

108 \_\_\_\_\_ (Broker) engages Closing Company as Broker's scrivener to complete, for a fee  
109 not to exceed \$ \_\_\_\_\_ at the sole expense of Broker, the following legal documents:

110  **Deed**  **Bill of Sale**  **Colorado Real Estate Commission approved Promissory Note**  **Colorado Real Estate Commission**  
111 **approved Deed of Trust.** Closing Company agrees to prepare, on behalf of Broker, the indicated legal documents pursuant to the terms and  
112 conditions of the Contract.

113 The documents stated above shall be subject to Broker's review and approval and Broker acknowledges that Broker is responsible for the  
114 accuracy of the above documents.

115 Listing Brokerage Firm's Name: \_\_\_\_\_  
116

117 Date: \_\_\_\_\_  
118 Broker

119 Closing Company: \_\_\_\_\_  
120

121 Date: \_\_\_\_\_ By: \_\_\_\_\_ Title \_\_\_\_\_  
122

**EARNEST MONEY RECEIPT**

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125  
126 Closing Company, on the date set forth below, acknowledges receipt of the Earnest Money in the amount of \$ \_\_\_\_\_ in the form  
127 of \_\_\_\_\_.  
128

129 Closing Company: \_\_\_\_\_  
130

131 Date: \_\_\_\_\_ By: \_\_\_\_\_ Title \_\_\_\_\_  
132  
133