

HVAC SYSTEM REPAIR ESCROW HOLDBACK AGREEMENT

Date: [Insert Date]

Property Address: [Insert Full Property Address]

Parties:

Seller: [Insert Seller Name]

Buyer: [Insert Buyer Name]

Escrow Agent: [Insert Title Company/Escrow Agent Name]

1. Purpose

The parties agree that a portion of the Seller's proceeds shall be held in escrow to ensure the completion of necessary repairs or replacement of the HVAC system at the aforementioned property.

2. Escrow Amount

The sum of \$[Insert Amount] (the "Holdback Funds") shall be retained by the Escrow Agent from the Seller's proceeds at the time of closing.

3. Required Work

The Seller agrees to complete the following: [Detailed description of HVAC repairs or replacement, e.g., "Install new 3-ton condenser unit and air handler per inspection report dated XX/XX/XXXX"]. All work must be performed by a licensed and insured HVAC contractor.

4. Deadline for Completion

The work must be completed and proof of completion provided to the Buyer and Escrow Agent no later than [Insert Expiration Date].

5. Disbursement of Funds

Upon completion of the work, the Seller shall provide a final paid invoice and a signed lien waiver from the contractor. The Buyer shall have [Insert Number] days to inspect the work. Once the Buyer provides written approval, the Escrow Agent shall release the Holdback Funds to the Seller.

6. Failure to Complete

If the repairs are not completed to the required standard by the deadline specified in Section 4, the Escrow Agent is authorized to release the Holdback Funds directly to the Buyer to complete the repairs. Any funds remaining after the Buyer completes the repairs shall be [returned to the Seller / retained by the Buyer].

7. Signatures

Seller Signature

Buyer Signature

Escrow Agent Signature