

HomeStar Title Company
222 N. Industrial Drive
Bradley IL 60915

File #: P _____

Escrow Disbursement Authorization

Closing Date: _____

TAX ADJUSTMENT (Mark A, B or C)

A. TAX ADJUSTMENT OUTSIDE CLOSING

It is hereby agreed by and between the parties that no tax proration has been or will be made at this time. Therefore, it is agreed that the Seller will be responsible for the real estate taxes for the year 20____. Furthermore, the parties may make an adjustment between themselves when the tax bill for real estate taxes for 20____ becomes payable. For the purpose of this adjustment the closing date is stated above.

B. TAX ADJUSTMENT MADE AT THE TIME OF CLOSING

Proration credit to buyer based on _____ % of the _____ Tax amount through closing date.

The undersigned parties state and agree to the following:

- 1) The parties understand the manner in which real estate taxes have been prorated and are in agreement with the method used to estimate taxes that are not yet due and payable. Unless the sales contract or other agreement between the parties calls for a post closing adjustment the dollar amount shown in the closing statement for tax proration is a final adjustment and not subject to change.
- 2) The Buyer acknowledges that he received credit for taxes which are a lien but not yet due and payable and has an obligation to obtain all real estate taxes bills for taxes as they become payable.
- 3) The Seller acknowledges that he has an obligation to forward any real estate tax bills that come into their possession to the buyer.

C. NO TAX ADJUSTMENT

The undersigned acknowledge that no real estate tax adjustment was made at the time of closing. Buyer is to assume 20__ real estate taxes and subsequent years. Seller is to pay 20____ taxes when due and payable.

RELEASE

The undersigned parties hereby release and discharge ESCROW AGENT and any employees thereof from any and all liability or any loss or damage claimed by them as a result of any of the following acts or omission:

- 1) The method used in determining taxes which are not yet due and payable for proration purposes.
- 2) The failure of the responsible party to obtain a tax bill and pay taxes which are not yet due or payable.
- 3) The failure of either party to make and/or honor a tax adjustment between them if a post closing tax adjustment has been agreed upon.

DISBURSEMENT AGREEMENT

- A) The undersigned hereby direct you to make disbursements for the subject transaction pursuant to the attached closing statement.
- B) The undersigned direct you to make such disbursements only when you are in a position to issue your ALTA owners and/or mortgage policy insuring the fee simple title of the buyers and/or interest of the Lender subject to the following:
 - 1) General real estate taxes not yet payable.
 - 2) Exception appearing on Schedule B other than exception 1(one) of the commitment issued for this transaction.
 - 3) Matters arising from documents that are a part of this service.
- C) The undersigned agree to pay the escrow fee for this service.
- D) The undersigned agree to reimburse ESCROW AGENT for any additional fees required by any creditor or lien holder to obtain the release or satisfaction of the liens(s), if any, which the closing statement shows they have agreed to pay. It is understood that the fees will not be collected if the additional fees are a result of the negligence on the part of ESCROW AGENT.
- E) The undersigned agree to reimburse ESCROW AGENT for any additional amounts required to pay or redeem real estate taxes for which they are responsible. It is understood that the additional amounts will not be collected to the extent they are incurred due to failure of ESCROW AGENT to make timely payment after closing.
- F) It is to be expressly understood that ESCROW AGENT does not represents the buyer or seller, has not given legal advice or opinion to Buyer or Seller, and acts solely for the Lender in the disbursement of the mortgage proceeds.

Seller(s) or Owner(s):

Purchaser(s):

Date signed_____

Date signed_____