

## ESCALATION ADDENDUM TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated \_\_\_\_\_  
between \_\_\_\_\_ (“Buyer”)  
and \_\_\_\_\_ (“Seller”)  
concerning \_\_\_\_\_ (the “Property”)

**NOTICE TO BUYER:** By including this Addendum in the Agreement, you agree to have your purchase price increased if Seller receives a higher offer from another buyer (the “Competing Offer”). This Addendum does not assure that the Competing Offer used to establish your purchase price will, in all ways, be comparable to yours. You are cautioned to offer no more than you are willing to pay for the Property. You are further advised that Seller or Seller’s broker(s) may disclose the terms of your offer, including this Addendum, to others.

- 1. PURCHASE PRICE.** If Seller receives a Competing Offer for the Property prior to accepting this offer, with a Net Price greater than the Net Price of this offer, then the Net Price of this offer shall be increased to \$\_\_\_\_\_ more than the Net Price of the Competing Offer. In no event, however, shall the new purchase price of this offer exceed \$\_\_\_\_\_. The term “Net Price” means the stated purchase price (or the maximum price if the Competing Offer contains a price escalation clause) less any price adjustments such as credits to Buyer for closing costs.
- 2. COMPETING OFFER.** A Competing Offer must be a bona fide, arm’s length, written offer on NWMLS or similar forms, containing all material terms necessary for an enforceable agreement which (a) requires the full purchase price to be paid in cash at closing; (b) provides for closing no later than \_\_\_\_\_ days (60 days if not filled in) from the date of this offer; and (c) is not contingent on the sale of the buyer’s property. A Competing Offer may include other conditions, such as a buyer’s pending sale of property contingency
- 3. SELLER’S ACCEPTANCE.** Seller’s acceptance and escalation of this offer shall not be effective unless it is accompanied by a complete copy of any Competing Offer used to escalate the purchase price, including any escalation provision.

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Seller: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_ Seller: \_\_\_\_\_ Date: \_\_\_\_\_