



Escalation Clause Addendum

To Be Used with Residential Contract

1. The Basics

THE Seller(s): _____

The Buyer(s): _____

Property Address: _____

2. Escalation Terms:

The following terms will apply to increase the Sales Price in Buyer's offer

- a) In the event that Seller receives one or more additional bona fide offers to purchase the Property with terms acceptable to Seller ("Other Offers"), which result in net sale proceeds to Seller that are equal to or greater than the net sale proceeds payable to Seller in this Offer, then the sales price stated in this Offer will automatically increase by \$ _____ in excess of the highest net sale proceeds generated by the Other Offers.
- b) The sales price under this Offer, will in no event, exceed the sum of \$ _____ (the "Cap").
- c) In the event that Competing Offers cause the escalation of the Sales Price in this Offer, the Seller shall provide a copy of the Competing Offer to Buyer no later than the time Seller returns a copy of the Executed Agreement to Buyer. Seller may remove the name of the other prospective purchaser, but may not remove any financial terms, including the Purchase Price or any Seller assist or other Seller financial concessions.
- d) Buyer acknowledges and affirms that either through financing or Buyer's own cash, Buyer is qualified, willing and able to purchase the Property with a sales price up to the Cap set forth in this Addendum.
- e) In the event Seller agrees to a sales price within the terms of this Addendum and up to the Cap, Buyer and Seller agree to execute a counter-offer setting forth the new sales price and terms.

BUYERS

Date

Date