

**ESCALATION ADDENDUM TO  
PURCHASE AND SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated \_\_\_\_\_ 1  
between \_\_\_\_\_ ("Buyer") 2  
  Buyer  Buyer  
and \_\_\_\_\_ ("Seller") 3  
  Seller  Seller  
concerning \_\_\_\_\_ (the "Property"). 4  
  Address  City  State  Zip

**NOTICE TO BUYER:** By including this Addendum in the Agreement, you agree to have your purchase price 5  
increased if Seller receives an equal or higher offer from another buyer (the "Competing Offer"). This Addendum does 6  
not assure that the Competing Offer used to establish your purchase price will, in all ways, be comparable to yours. 7  
You are cautioned to offer no more than you are willing to pay for the Property. You are further advised that Seller or 8  
Seller's broker(s) may disclose the terms of your offer, including this Addendum, to others. 9

1. **PURCHASE PRICE.** If Seller receives a Competing Offer for the Property prior to accepting this offer, with a 10  
Net Price equal to or greater than the Net Price of this offer, then the Net Price of this offer shall be 11  
increased to \$ \_\_\_\_\_ more than the Net Price of the Competing Offer. In no event, however, shall the 12  
new purchase price of this offer exceed \$ \_\_\_\_\_. The term "Net Price" means the stated purchase 13  
price (or the maximum price if the Competing Offer contains a price escalation clause) less any price adjustments 14  
such as credits to Buyer for closing costs. 15
2. **COMPETING OFFER.** A Competing Offer must be a bona fide, arm's length, written offer on NWMLS or similar 16  
forms, containing all material terms necessary for an enforceable agreement which (a) requires the full purchase 17  
price to be paid in cash at closing; (b) provides for closing no later than \_\_\_\_\_ days (60 days if not filled in) 18  
from the date of this offer; and (c) is not contingent on the sale of the buyer's property (i.e. no NWMLS Form 22B 19  
or equivalent). A Competing Offer may include other conditions, such as a buyer's pending sale of property 20  
contingency (i.e. NWMLS Form 22Q or equivalent). 21
3. **SELLER'S ACCEPTANCE.** Seller's escalation of this offer shall not be effective unless it is accompanied by 22  
a complete copy of any Competing Offer used to escalate the purchase price, including any escalation 23  
provision. 24
4. **NEW PURCHASE PRICE WORKSHEET.** The following formula is provided to assist the parties in calculating the 25  
new purchase price. The worksheet can only be completed when the purchase price of the Competing Offer is 26  
known. The accuracy or completeness of the calculation shall not render this Agreement unenforceable, and to 27  
the extent the following calculations are inconsistent with the escalation provisions above, the escalation 28  
provisions shall control. 29

Purchase Price of Competing Offer (or the maximum purchase price of the Competing Offer if it contains an escalation provision)	\$ _____	30
<i>Less Credits to Buyer in Competing Offer</i>	\$ _____	31
Competing Offer Net Purchase Price	\$ _____	32
<i>Plus Escalation Amount (this offer)</i>	\$ _____	33
<i>Plus Any Credits to Buyer (this offer)</i>	\$ _____	34
New Purchase Price (this offer)	\$ _____	35