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CL8 – Closing Instructions

Adoption Date: October 7, 2025

Mandatory Use Date: January 1, 2026

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

CLOSING INSTRUCTIONS

Date: _____

1. PARTIES, PROPERTY. _____, (Seller),
and _____, (Buyer), engage
_____, (Closing Company), who agrees to provide closing and settlement services
in connection with the closing of the transaction for the sale and purchase of the Property

known as No. _____,
Street Address _____ City _____ State _____ Zip _____

and more fully described in the contract, dated _____, including any counterproposals and amendments
(Contract). All terms of the Contract are incorporated herein by reference. In the event of any conflict between these Closing
Instructions and the Contract, these Closing Instructions control, subject to subsequent amendments to the Contract or these Closing
Instructions. The Buyer's lender may enter into separate closing instructions with the Closing Company regarding the closing of the
Buyer's loan.

2. TITLE COMMITMENT, EXCEPTIONS AND POLICY. Closing Company ☐ **Agrees** ☐ **Does Not** agree that: upon
completion of a satisfactory title search and examination, it will furnish a Title Insurance Commitment; and it will issue a Title
Insurance Policy provided that all requirements have been fulfilled. Closing Company ☐ **Agrees** ☐ **Does Not** agree to furnish
copies of Exceptions.

3. INFORMATION, CLOSING, RECORDING. Closing Company is authorized to obtain any information necessary for the
closing. Closing Company agrees to deliver and record all documents required or customarily recorded and disburse all funds
pursuant to the Contract that are necessary to carry out the terms and conditions of the Contract.

4. PREPARATION OF DOCUMENTS. The Closing Company will prepare the necessary documents to carry out the terms
and conditions of the Contract to include:

4.1. Deed. If the deed required in the Contract is a special warranty deed, general warranty deed, bargain and sale deed
(excluding a personal representative's or trustee's deed) or a quit claim deed, the deed will be prepared in accordance with the
Contract by the Closing Company. However, if the Contract requires a different form of deed (e.g.: personal representative's deed
or trustee's deed) or requires that the special warranty deed or general warranty deed list exceptions other than the "statutory
exceptions" as defined in § 38-30-113(5)(a), C.R.S., then the Buyer or Seller must provide the deed or written instructions for
preparation of the deed to the Closing Company for closing. For any Buyer or Seller provided deed or written instructions for
preparation of the deed that requires a list of exceptions other than the "statutory exceptions," the Buyer and Seller will hold the
Closing Company harmless for any causes of action arising out of the use of such deed. The parties acknowledge that the real estate
broker working with either the Buyer or the Seller is not responsible for reviewing or approving any deed not prepared by the real
estate broker.

4.2. Bill of Sale. If the transaction includes the sale of personal property (i.e., within the Contract or a Personal Property
Agreement) from the Seller to the Buyer, Seller and Buyer authorize Closing Company to prepare the bill of sale conveying the
personal property from the Seller to the Buyer as their scrivener. The Buyer and Seller understand that the bill of sale is a legal
document, and it is recommended that it be reviewed and approved by their respective attorneys.

4.3. Closing Statement. Closing Company will prepare and deliver accurate, complete and detailed closing statements to
Buyer, Seller and the real estate brokers working with Buyer and Seller. Closing Statements will be prepared in accordance with the
Contract and written instructions from the Buyer, Seller, lender or real estate brokers so long as such written instructions are not
contrary to the Contract. If the written instructions are contrary to the Contract, the Buyer and Seller must execute an Agreement to
Amend/Extend Contract.

55 **5. CLOSING FEE.** Closing Company will receive a fee of \$_____ for providing closing and
56 settlement services (Closing Fee).

57 **6. RELEASE, DISBURSEMENT.** Closing Company is not authorized to release any signed documents or things of value
58 prior to receipt and disbursement of Good Funds, except as provided in §§ 10, 11 and 12.

59 **7. DISBURSER.** Closing Company must disburse all funds, including real estate commissions, except those funds as may be
60 separately disclosed in writing to Buyer and Seller by Closing Company or Buyer's lender on or before closing. All parties agree
61 that no one other than the disburser can assure that the payoff of loans and other disbursements will actually be made.

62 **8. SELLER'S NET PROCEEDS.** Seller will receive the net proceeds of closing as indicated: ☐ **Cashier's Check**, at Seller's
63 expense ☐ **Funds Electronically Transferred** (wire transfer) to an account specified by Seller, at Seller's expense ☐ **Closing**
64 **Company's** trust account check.

65 **9. WIRE AND OTHER FRAUDS.** Caution: Wire and other frauds are a significant risk in real estate transactions. Anytime
66 Buyer or Seller is supplying confidential information, such as social security numbers and bank account numbers, or transferring or
67 receiving funds, Buyer and Seller should provide the information in person or in another secure manner. Wire instructions should
68 only be sent by the Closing Company to the Buyer or Seller via encrypted e-mails or encrypted web portals that require end-user
69 authentication (i.e., password protected). If encrypted e-mails or encrypted web portals are not available, wire instructions should be
70 delivered by hand, telephone, mail, or overnight courier. Buyers and Sellers should never reply to an e-mail or call a telephone
71 number included in an e-mail regarding wire instructions or trust changes to wiring instructions received via email without verbal
72 confirmation from a trusted source. To protect against fraud, money should never be wired based on email instructions alone, and
73 wire transfer details and payment instructions should always be verified in person or by telephone using a trusted and independently
74 verified contact number.

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76 **Financial Crimes Enforcement Network (FinCEN) Anti-Money Laundering Notice for Residential Real Estate Transfers:**
77 FinCEN is an agency of the US Treasury Department and the primary enforcement agency for combating money laundering pursuant
78 to the Bank Secrecy Act. Parties agree to cooperate with the Closing Company to provide all requested documents and information
79 to meet the Closing Company's requirements for FinCEN reporting. Parties understand that failure to provide documents and
80 information may result in a delay or failure to close.

81
82 **10. FAILURE OF CLOSING.** If closing or disbursement does not occur on or before Closing Date as set forth in the Contract,
83 Closing Company, except as otherwise provided herein, is authorized and agrees to return all documents, monies and things of value
84 to the depositing party, upon which Closing Company will be relieved from any further duty, responsibility or liability in connection
85 with these Closing Instructions. In addition, any promissory note, deed of trust or other evidence of indebtedness signed by Buyer
86 will be voided by Closing Company, with the originals returned to Buyer and a copy to Buyer's lender.

87 **11. RETURN OF EARNEST MONEY.** Except as otherwise provided in §12 (Earnest Money Dispute), if the Earnest Money
88 is being held by Closing Company and has not already been returned following receipt of a Notice to Terminate or other written
89 notice of termination, Closing Company must release the Earnest Money as directed by written mutual instructions from the Buyer
90 and the Seller. Such release of Earnest Money must be made within five days of Closing Company's receipt of the written mutual
91 instructions signed by both Buyer and Seller, provided the Earnest Money check has cleared.

92 **12. EARNEST MONEY DISPUTE.** In the event of any controversy regarding Earnest Money that is being held by Closing
93 Company (notwithstanding any termination of the Contract), Closing Company is not required to take any action. In no event shall
94 Closing Company be required to return Earnest Money deposits to Buyer until funds deposited are verified, credited to the Closing
95 Company escrow or trust account, and available for immediate withdrawal as a matter of right. Closing Company, at its option and
96 sole subjective discretion, may: (1) await any proceeding, (2) interplead all parties and deposit Earnest Money into a court of
97 competent jurisdiction and recover court costs and reasonable attorney and legal fees, or (3) provide notice to Buyer and Seller that
98 unless Closing Company receives a copy of a Summons and Complaint or Claim (between Buyer and Seller) containing the case
99 number of the lawsuit (Lawsuit) within one hundred twenty days of Closing Company's notice to the parties, Closing Company is
100 authorized to return the Earnest Money to Buyer. In the event Closing Company does receive a copy of the Lawsuit and has not
101 interpleaded the monies at the time of any Order, Closing Company must disburse the Earnest Money pursuant to the Order of the Court.

102 **13. SUBSEQUENT AMENDMENTS.** Any amendments to, or termination of, these Closing Instructions must be in writing
103 and signed by Buyer, Seller and Closing Company.

104 **14. CHANGE IN OWNERSHIP OF WATER WELL.** Within sixty days after closing, Closing Company will submit any
105 required Change in Ownership form or registration of existing well form to the Division of Water Resources in the Department of
106 Natural Resources (Division), with as much information as is available. Closing Company is not liable for delaying closing to ensure
107 Buyer completes any required form.

108 **15. FIRPTA AND COLORADO WITHOLDING.**

109 **15.1. FIRPTA.** Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents
110 to determine Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to withhold any required
111 amount from Seller's proceeds and remit it to the Internal Revenue Service. If withholding from Seller is not required, Closing
112 Company agrees to provide Buyer an executed Affidavit compliant with FIRPTA attesting to that.

113 **15.2. Colorado Withholding.** Seller agrees to cooperate with Closing Company to provide any reasonably requested
114 documents to determine Seller's status. If withholding is required under Colorado law, Seller authorizes Closing Company to
115 withhold any required amount from Seller's proceeds and remit it to the Colorado Department of Revenue.

116 **16. ADDITIONAL PROVISIONS.** The following additional provisions have not been approved by the Colorado Real
117 Estate Commission:
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121 **17. COUNTERPARTS.** This document may be executed by each party, separately, and when each party has executed a copy,
122 such copies taken together are deemed to be a full and complete contract between the parties.

123 **18. BROKER'S COPIES.** Closing Company must provide, to each real estate broker in this transaction, copies of all signed
124 documents that such real estate brokers are required to maintain pursuant to the rules of the Colorado Real Estate Commission.
125 Closing Company is authorized by both Buyer and Seller to deliver their respective Closing Statement to one or both real estate
126 broker(s) involved in the transaction.

127 **19. NOTICE, DELIVERY AND CHOICE OF LAW.**

128 **19.1. Physical Delivery and Notice.** Any document, or notice to another party must be in writing, except as provided in
129 § 19.2 and § 19.3 and is effective when physically received by such party.

130 **19.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in electronic form to another
131 party at the electronic address of the recipient by facsimile, email or _____.

132 **19.3. Electronic Delivery.** Electronic Delivery of documents may be delivered by: (1) email at the email address of the
133 recipient, (2) a link or access to a website or server, provided the recipient receives the information necessary to access the documents
134 or (3) facsimile at the facsimile number (Fax No.) of the recipient.

135 **19.4. Choice of Law.** These Closing Instructions and all disputes arising hereunder are governed by and construed in
136 accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado
137 for real property located in Colorado.

138
139 BUYER(S) ACKNOWLEDGE RECEIPT OF THESE CLOSING INSTRUCTIONS.
140

Buyer's Name: _____ Buyer's Name: _____

Buyer's Signature Date Buyer's Signature Date

Address: _____ Address: _____

Phone No.: _____ Phone No.: _____

Fax No.: _____ Fax No.: _____

Email Address: _____ Email Address: _____

SELLER(S) ACKNOWLEDGE RECEIPT OF THESE CLOSING INSTRUCTIONS.

Seller's Name: _____ Seller's Name: _____

Seller's Signature Date Seller's Signature Date

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142
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Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

CLOSING COMPANY ACKNOWLEDGES RECEIPT OF THESE CLOSING INSTRUCTIONS.

Closing Company's Name: _____

Authorized Signature Title Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

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For Educational Purposes Only