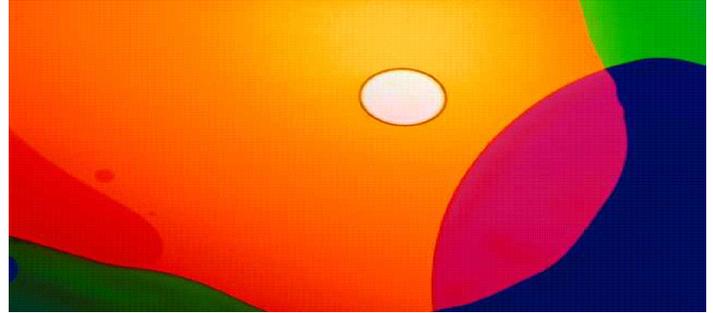


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## THE THREE WEEK ESCROW NIGHTMARE

The two titleholders had entered into a contract to sell their home. Shortly before the closing a dispute arose between them, but they did agree that the closing of the sale should take place at the scheduled time and that the net proceeds due them would be held in escrow for a period of three weeks “during which time the parties would endeavor to reach agreement regarding disbursement of the funds.” The closing was held on or about **August 17, 2004**, and an escrow agreement was executed with a third party escrowee which provided that the escrowee “ shall hold the funds for a period of approximately three weeks, until **September 10, 2004**. The escrow agreement further provided that if the escrowee was not authorized to disburse by then, it was to immediately place the funds in the registry of the Clerk of Court.

Apparently during the three week period one of the parties determined that there would be no agreement during the three week period and asked to court in the then pending proceeding between the two sellers to transfer the funds to an interest bearing account rather than the registry of the court. It does not appear that the escrowee objected and the court ordered the funds to be placed in an interest bearing account.

**Two years pass** and there is no settlement. The same party who requested that the funds be placed in an interest bearing account then filed a motion asking the court to release one half of the funds. The trial court refused and an appeal was taken. The appellate court reversed and remanded to the trial court with instructions to allow the requested disbursement.

The case did not go back to the trial court because the other party appealed to the Florida Supreme Court. The Supreme Court reversed the appellate court’s decision in an opinion decided **April 1, 2010**, with no resolution of what is to happen with the funds in the interest bearing account. The case will now go back to the trial court almost **6 years** after the closing.

I am glad it is not my file....If you want to read the decision in the case of Vorgue v. Rankin, it can be found at 2010 Fla. Lexis 471 or Florida Supreme Court Case SC08-2255, or send an email to [fkrause@natic.com](mailto:fkrause@natic.com) and we will forward you a copy.