

Chapter 29. Disbursement of Escrow Deposits

§2901. Escrow Disputes

A. When a dispute exists in a real estate transaction regarding the ownership or entitlement to funds held in a sales escrow checking account, the broker holding the funds shall send written notice to all parties and licensees involved in the transaction. Within 90 days of the scheduled closing date or knowledge that a dispute exists, whichever occurs first, the broker shall do one of the following:

1. Disburse the funds upon the written and mutual consent of all of the parties involved;
2. Disburse the funds upon a reasonable interpretation of the contract that authorizes the broker to hold the funds.
Disbursement may not occur until 10 days after the broker has sent written notice to all parties and licensees;
3. Place the funds into the registry of any court of competent jurisdiction and proper venue through a concursus proceeding

~~4. Place the funds, including original promissory notes, with the Louisiana Real Estate Commission, with a request for an escrow disbursement order. This request shall include the names and last known address of the parties to the transaction, a copy of the purchase agreement, all forms required by the commission, and copies of any other documents relative to the dispute. The licensees and sponsoring brokers involved in the transaction shall appear when the dispute is brought before the commission;~~

- ~~5.~~ 4. Disburse the funds upon the order of a court of competent jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 32:1454 (August 2006), LR 34:2422 (November 2007).