



CITY OF RICHFIELD

Housing Maintenance Code

Cash Escrow Agreement

(Rev. 12/7/18)

Policy: A cash escrow will be required in instances where a Certificate of Compliance is sought, the Seller will not complete repairs by the time of closing, and the Buyer intends to comply at a future time in cooperation with the Building Official.

CASH ESCROW REGULATIONS

1. A signed escrow agreement and funds must be provided to the Inspection Division prior to closing.
2. The cash escrow amount will be determined as follows:
 - In order to reasonably determine the estimated cost of repairs, a written **ITEMIZED** bid by a licensed contractor must be submitted to the Inspections Division for approval.
 - A cash escrow equal to 25% of the itemized bid or \$1,000, whichever is greater, shall be required (except as below).
 - If any certifications are required, contractor must bid **REPLACEMENT COST** of the item needing certification.
3. If electrical or mechanical certifications are required, **no one shall occupy premises** until certifications are completed and proper paperwork is submitted to and approved by the City of Richfield Inspection Division.
4. By signing this agreement, Buyers are petitioning the City to allow the purchase and occupancy of the property despite the existence of the violations set forth on the attached list.
5. Unauthorized changes to this escrow form are not acceptable and will void this agreement.
6. Cash escrow agreement is not valid unless signed by the Buyer and Building Official or designee.
7. This agreement is non-transferable and remains attached to the property identified in this agreement. Buyers who transfer ownership prior to the correction of items identified in the attached list shall forfeit all escrow funds.

