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 remain 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.
Cash Escrow Agreement
Housing Maintenance Code

I/We ______________________________, (Buyer) the Buyer of property located at __________________________ in Richfield, Minnesota, do hereby tender a cash escrow to the City of Richfield in the amount of $__________________ for the attached Detailed List of Items Requiring Correction ("list") and an additional $50.00 non-refundable fee. This escrow amount represents 25% of the amount that the parties (Buyer, City of Richfield) agree is required to complete the improvements.

The City of Richfield shall deposit the cash escrow in a non-interest bearing account; and no interest shall be due and payable to the Buyer as a result.

In signing this cash escrow agreement the Buyer does hereby agree to consult with the Housing Inspections Division and correct all violations and discrepancies described in the attached list by the scheduled reinspection date.

Your reinspection is scheduled for: ____60 DAYS______________.

The City of Richfield will release this cash escrow upon acceptable completion of the items listed. An inspection of the property will be conducted by the Building Official or designee to verify acceptable completion. Upon verification of completion, the escrowed amount will be released to THE BUYER - NO EXCEPTIONS within ten (10) business days.

The Buyer understands that the failure to comply with the terms of this agreement can result in any or all of the following:

- Approval to occupy the premises may be revoked and occupants required to vacate;
- Failure to comply is a violation of the City Code and can be punished as a misdemeanor, including fines and incarceration; and
- Compliance may be compelled by order of the Court.

Any administrative costs involved with enforcing this agreement or any costs incurred by the City of Richfield in excess of the cash escrow amount will be paid by the Buyer within 30 days following written notice of such costs.

________________________________      DOB ________      Date: _____________
Property Buyer(s)

Daytime Phone Number for Buyer ________________________________

Receipt of the cash escrow is acknowledged as intent to comply with the housing maintenance code.

________________________________      Date: ________________
Community Development Director or Designee