

***INTENT TO COMPLY WITH HOUSING MAINTENANCE CODE SECTION  
408 OF THE CITY CODE AND CASH ESCROW AGREEMENT WITH CITY  
OF RICHFIELD***

***SUMMARY Cash Escrow Program***

1. A “cash escrow agreement” will be required in those instances where a Certificate of Compliance is sought, and the Seller will not complete repairs by the time of closing. The Buyer intends to comply at a future time in cooperation with the Building Official, and the sales transaction provides the resources for repairs.
2. COMPLIANCE WITH CODE: We will correct all of the violations and discrepancies shown on the attached list. We will consult with the Housing Inspection Division in order to complete the code violations by the reinspection date as scheduled.
3. The escrow agreement and funds must be provided to the Inspection Division before closing.
4. As the basis of determining the escrow amount, a written bid by a licensed contractor is submitted to the inspection department for approval to reasonably determine the estimated cost of repairs. Escrow must be 25% of bid (minimum escrow amount is \$1,000.00). If any certifications are required, escrow amount must be that of REPLACEMENT COST of the item needing certification.
5. 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.
6. PURCHASERS: Are signing to purchase the property and have petitioned the City to allow occupancy of the property despite the existence of the violations set forth on the attached list.
7. Unauthorized changes to this escrow form are not acceptable and will void this agreement.
8. Cash escrow agreement MUST be signed by buyer, seller and Building Official or designee to be valid.

\_\_\_\_\_ (Seller) and \_\_\_\_\_ (Buyer) (please print) do hereby tender a cash escrow to the City of Richfield in the amount of \$ \_\_\_\_\_ for the attached *Detailed List of Items Requiring Correction* and an additional \$50.00 non-refundable fee. SEE PAGE 2 FOR FURTHER INSTRUCTIONS.

The listed site improvements are required for the property at \_\_\_\_\_, Richfield Minnesota, 55423. The escrow amount represents 25% of the amount that the parties (Seller, Buyer, City) agree is required to complete the improvements.

Your reinspection date is scheduled for: \_\_\_\_\_.

The City of Richfield will release this cash escrow upon acceptable completion of the site improvements 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 does hereby grant the City of Richfield and its agents and employees the right to enter upon the property for the purposes of completing any incomplete items listed above. 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.

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

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

The approval granted shall be of no effect and we could be required to vacate the property.

Failure to comply is a violation of the City Code and can be punished as a misdemeanor, including fines and incarceration.

Compliance may be compelled by order of the Court.

\_\_\_\_\_  
Property Seller(s) Date: \_\_\_\_\_

\_\_\_\_\_  
Property Buyer(s) DOB \_\_\_\_\_ Date: \_\_\_\_\_

Daytime Phone Number for Buyer \_\_\_\_\_

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

\_\_\_\_\_  
Building Official or Designee Date: \_\_\_\_\_

*Amount of escrow* \_\_\_\_\_ *reinspection scheduled for* \_\_\_\_\_