

Sample Escrow Agreement

STATE OF NORTH CAROLINA

COUNTY OF PENDER

ESCROW AGREEMENT

THIS AGREEMENT entered into by and among Pender County acting through the Pender County Planning Director, hereinafter referred to as "County", _____, the developer of _____, hereinafter referred to as "Developer", and _____, hereinafter referred to as "Escrow Agent." (The designation County, Developer and Escrow Agent, as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context);

WITNESSETH:

WHEREAS, _____, the developer has applied for approval of a subdivision development in Pender County known as _____ under Pender County's Subdivision Ordinance, herein referred to as "Ordinance"; and

WHEREAS, the approved plat proposes improvements which have not been completed; and

WHEREAS, pursuant to the Ordinance, developers are required to provide performance guarantees that proposed and improvements will be completed in accordance with the Ordinance and with plans submitted for the subdivision development; and

WHEREAS, the Developer wishes to tender cash deposits to comply with the Performance Guarantee Agreement.

Now, Therefore, the Developer tenders with this agreement the sum of _____ (\$ _____) Dollars to the Escrow Agent to assure compliance with the Performance Guarantee Agreement for the construction of the improvements listed in the Performance Guarantee for _____ subdivision. The Escrow Agent will deposit those funds in an account and by their execution of this agreement, the parties hereto agree that such funds will only be disbursed upon the authorized signature the County, through the County Planning Director in accordance with the following escrow instructions:

1. The funds may be deposited in a federally insured institution at interest payable to the Developer.
2. Funds will be disbursed after improvements secured by the Performance Guarantee Agreement are completed.
3. Upon completion of the prescribed improvements, the Developer will submit a written request for disbursement to the County through the Planning Director, together with a certification satisfactory to the County from an engineer or other qualified person that the prescribed improvements have been completed in accordance with the Ordinance and approved plans.
4. Upon receipt of the request for disbursement the County Planning Director will determine if the prescribed improvements have been completed as required and proposed and shall either inform the Developer of any deficiencies in order that they may be corrected, or authorize disbursement in the event they have been satisfactorily completed as prescribed.
5. Upon submission, execution and approval of the request for disbursement by the Developer and the County through the Planning Director, it shall be forwarded to the Escrow Agent who shall make disbursements in accordance with the approved request.
6. Upon completion of improvements and receipt of an approved Final Request and Authorization for release of escrow funds, the Escrow may be terminated.
7. In the event that Developer and/or his contractor does not complete the improvements provided for herein by the _____ day of _____ 20____, then County may at its sole option give Developer 30 days notice of its intent to declare the Agreement in default. If Developer does not complete the improvements provided for herein within the 30 day period, or reach other satisfactory arrangements with the County, then the County may in its sole discretion declare this Agreement to be in default and may demand that the Escrow Agent forthwith pay all sums held by him and not previously released for _____ subdivision to the County. The County agrees that it will use such sums so received to apply toward the completion of the improvements to the extent that said sums last, and will

