

ESCROW AGREEMENT GUARANTEEING SUBDIVISION IMPROVEMENTS

THIS ESCROW AGREEMENT made and entered into by Westview Investment LLC herein called DEVELOPER, and the CITY OF SUNSET HILLS, MISSOURI, herein called CITY:

WITNESSETH:

WHEREAS, the DEVELOPER has submitted plans, information and data to the CITY'S Planning Commission for the creation and development of a subdivision to be known as Sunset Reserve and requested approval of same; and

WHEREAS, the subdivision plans have been approved and the City's Planning Commission has reasonably estimated and determined the cost of construction, installation and completion of the subdivision improvements, all in accordance with the provisions of Ordinance No. 1077 of the CITY will be in the sum of \$811,112.00; and

WHEREAS, Ordinance No. 1077 of the CITY, provides inter alia that the final plat of said subdivision may be approved by the CITY'S Planning Commission upon the DEVELOPER submitting a satisfactory escrow agreement guaranteeing the construction of the said subdivision improvements in accordance with the approved plans;

NOW, THEREFORE, in consideration of the covenants, promises and agreements herein provided; IT IS HEREBY MUTUALLY AGREED:

1. Section 3.5 of Appendix A of the Code of Ordinances provides that an escrow agreement shall provide that there shall be deposited an amount that is not less than the amount specified by the Planning and Zoning Commission in its estimate of the cost of the improvements as reflected by the approved improvement plans. The escrow amount

shall be in the form of cash, an irrevocable letter of credit or commitment from a lending institution to the CITY guaranteeing the availability of the amount on deposit from time to time upon demand, or certificates of deposit, treasury bills or other readily negotiable instruments, the type of which has been approved by the commission and endorsed to an escrow agent. The DEVELOPER has delivered an irrevocable letter of credit from Carrolton Bank in the sum of \$811,112.00, herein called ESCROW SUM, to the CITY as an escrow guaranteeing the construction, installation and completion of the required subdivision improvements in Sunset Reserve Subdivision, all in accordance with the approved plans therefore and in accordance with the ordinances of the CITY regulating the same.

2. That the letter of credit in the amount of the ESCROW SUM will be held by the CITY to ensure the DEVELOPER'S performance of the improvements.

3. That the ESCROW SUM guarantees the construction, installation and completion of the subdivision improvements in the aforesaid Subdivision in accordance with the report of City Planning Commission dated May 4, 2022, a copy of which is attached hereto and made a part hereof as per plans and specifications for the said Subdivision which have been filed with the Planning Commission of the CITY, all of which are also made a part hereof as though set forth herein word for word.

4. That in the event the ESCROW SUM herein provided is insufficient to complete the said Subdivision improvements, the DEVELOPER will deposit with an ESCROW HOLDER designated by the CITY that additional sum of lawful money of the United States of America or provide a second letter of credit to the CITY that will be

required to complete the said improvements; said additional sum to be subject to the terms of this Escrow Agreement.

5. That the DEVELOPER guarantees that all required utilities and improvements will be installed, constructed and completed within two (2) years from the date of the approval of the said Subdivision and the DEVELOPER shall furnish upon the completion of the said improvements a Certificate of Completion by a licensed engineer engaged to verify the installation and completion of said improvements, all as provided in Ordinance No. 1077 of the CITY.

6. That the DEVELOPER guarantees that all adjacent streets used for the hauling of construction equipment, materials and supplies, will be safeguarded and protected during the construction period.

7. That the principal amount of the letter of credit shall only be reduced upon receipt and in the amount set forth in a written authorization from the Mayor, or her Designee, of the City addressed to Carrolton Bank; which authorization may be provided as the work progresses under the supervision of a qualified, licensed engineer, as provided in Ordinance No. 1077 of the CITY, said engineer to certify such work and materials to the CITY.

PROVIDED, HOWEVER, that in no case shall the amount of the letter of credit be reduced by more than ninety percent (90%) of the ESCROW SUM until receiving written notification from the CITY, directly addressed to Carrolton Bank, stating that the said Subdivision improvements have been completed in accordance with the Subdivision Regulations and ordinances of the CITY and have been approved by the CITY.

8. That in the event that the DEVELOPER shall abandon the Subdivision or fail to complete the improvements within two years hence from the date of the CITY'S approval of said Subdivision Plat, whichever shall occur first, the CITY may draw upon the letter of credit to recover the ESCROW SUM remaining, as ordered and directed by the CITY, for utilization in completing or causing said improvements to be completed.

9. The CITY hereby accepts this agreement as a satisfactory Escrow Agreement under the provisions and requirements of the CITY.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal this _____ day of _____, 20_____.

APPROVED:

CITY OF SUNSET HILLS

DEVELOPER(S)

MAYOR

ATTEST:

CITY CLERK