

MOBILE HOME REPLACEMENT PROGRAM  
**CONSTRUCTION ESCROW AGREEMENT**

**1. PARTIES TO THIS AGREEMENT**

This Agreement is between the following OWNER(S), CONTRACTOR, and ESCROW AGENT:

**APPLICANT (OWNER):**

**CO-APPLICANT (CO-OWNER):**

\_\_\_\_\_  
First Name      MI      Last Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City                                  State      Zip

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
First Name      MI      Last Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City                                  State      Zip

\_\_\_\_\_  
Telephone Number

**CONTRACTOR:**

**ESCROW AGENT:**

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Contractor Mailing Address

\_\_\_\_\_  
City                                  State      Zip

\_\_\_\_\_  
Contractor Telephone Number

\_\_\_\_\_  
Community Action Agency (CAA)

\_\_\_\_\_  
CAA Mailing Address

\_\_\_\_\_  
City                                  State      Zip

\_\_\_\_\_  
CAA Telephone Number

**2. AGREEMENT DATE AND AMOUNT**

This Agreement is entered into on this \_\_\_\_\_ day of \_\_\_\_\_,  
in conjunction with the following funds ("Escrowed Funds"):

|                                  |                 |
|----------------------------------|-----------------|
| Mobile Home Replacement D/F Loan | \$ _____        |
| Owner Contribution               | \$ _____        |
| <b>TOTAL</b>                     | <b>\$ _____</b> |

**3. USE OF FUNDS**

The Escrowed Funds will be held by the ESCROW AGENT for work described in the *Construction Specifications* attached as Exhibit A to the *Construction Contract* of near or even date between the OWNER and the CONTRACTOR as may be modified by change orders executed by the OWNER, the CONTRACTOR, and the ESCROW AGENT (the "Work"). The OWNER and the CONTRACTOR agree to comply with the terms of the *Construction Contract* which is incorporated herein.

**4. AUTHORIZATION**

ESCROW AGENT is authorized and directed to disburse the Escrowed Funds in accordance with this Agreement. **Provided however, if OWNER and ESCROW AGENT do not receive financing to cover the cost of CONTRACTOR's price, this Agreement is null and void.**

## **5. DISBURSEMENTS**

The ESCROW AGENT shall withhold a minimum of ten percent (10%) of the Escrowed Funds until all Work has been completed to the satisfaction of the ESCROW AGENT and the OWNER. The ESCROW AGENT shall not make any disbursements until the CONTRACTOR has provided the ESCROW AGENT and OWNER with copies of any required permits. The ESCROW AGENT shall disburse funds only for any of the Work which is (a) completed, (b) approved by the OWNER, (c) inspected by the ESCROW AGENT, and (d) approved by the ESCROW AGENT. For each requisition the CONTRACTOR shall submit invoices for materials and the portion of the Work completed through the date of the requisition and lien waivers from all subcontractors who performed any of the Work through the date of the requisition. The ESCROW AGENT shall withhold final payment until the ESCROW AGENT has received a certificate of occupancy from the municipality where the Work was performed, if applicable, and has conducted a final inspection of the Work and certified that the Work is complete.

## **6. CHANGE ORDERS**

The ESCROW AGENT will not pay for any work beyond that called for in the original *Construction Contract* unless a written change order has been approved and signed by the ESCROW AGENT, the CONTRACTOR, and the OWNER. The ESCROW AGENT may require additional funds to be deposited into the Escrowed Funds to pay for increased costs so that at all times there remain sufficient Escrowed Funds to pay for the Work.

## **7. DISPUTE RESOLUTION**

The CONTRACTOR and the OWNER will notify the ESCROW AGENT of any disputes between them. The ESCROW AGENT shall, within fifteen working days from receipt of a complaint, organize an informal meeting with the OWNER and the CONTRACTOR. MaineHousing and/or the CAA may inspect any of the work at any time and may participate in any informal meeting. If the informal conference produces a resolution to the dispute, the ESCROW AGENT shall prepare and the CONTRACTOR and OWNER shall sign a document that plainly states the agreed upon resolution. If the meeting does not result in a resolution, the ESCROW AGENT shall document the results of the meeting and how the parties disagree. If the ESCROW AGENT, the CONTRACTOR, and the OWNER cannot come to a resolution of the matter, then the issue shall be resolved through binding arbitration as regulated by the Maine Uniform Arbitration Act. The parties shall participate in a binding arbitration as soon as possible after the informal conference. The binding arbitration shall be in accordance with the Maine Uniform Arbitration Act unless the ESCROW AGENT, OWNER, and CONTRACTOR otherwise agree. The OWNER and CONTRACTOR shall submit all disputes or claims regardless of the extent of the Work's progress to the arbitrator. The award rendered by the arbitrator shall be final and judgment may be entered upon it in any court having jurisdiction thereof. The CAA will pay for the costs of an arbitrator and choose the arbitrator. The parties will each pay their own attorneys' fees and other costs.

## **8. MECHANICS LIENS**

The ESCROW AGENT assumes no liability for mechanics liens filed in connection with any of the work. This Agreement is duly executed by the parties set forth below.

## **9. REMAINING PROCEEDS**

If there are Escrowed Funds remaining after final payment, those funds shall be returned to the provider of the unexpended funds

## **10. MISCELLANEOUS**

If any part of this Agreement is held to be unenforceable or void, such fact shall not affect the validity or enforceability of the remaining parts of this Agreement. The provisions of this Agreement shall be

binding upon and inure to the benefit of the heirs, successors, and assigns of the parties. This Agreement shall be construed in accordance with and governed by the laws of the State of Maine.

**APPLICANT**

**Signed by all owners of the property:**

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of co-Applicant

\_\_\_\_\_  
Date

**CONTRACTOR**

\_\_\_\_\_  
Signature of Contractor Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor Representative Name

**ESCROW AGENT**

\_\_\_\_\_  
Signature of Escrow Agent Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Escrow Agent Representative Name