

**FIGURE 15
ESCROW LETTER
(Procedure B)**

[Federally insured Financial Institution letterhead]

[Date:] _____, 20 ____

AMOUNT: \$ _____

Sarita Nair
Chief Administrative Officer
City of Albuquerque
P. O. Box 1293
Albuquerque, NM 87103

RE: Escrow Letter for [Developer's name as stated in Agreement to Construct Infrastructure Improvements:] _____

City of Albuquerque Project No.: _____

Project Name: _____

Dear Ms. Nair:

This letter is to advise the City of Albuquerque ("City") that, at the request of

_____, [name of Developer:]

("Developer"), _____ [name of financial institution:] ("Financial Institution ") in [city:] _____, [state:]

_____, holds in escrow loan reserves in the sum of [written amount:]

_____ ([amount in figures:] \$ _____) ("Escrow Letter")

for the exclusive purpose of providing the financial guarantee which the City requires,

[Developer's name as stated in agreement:] _____ ("Developer") to

provide in order to guarantee the installation of the improvements which must be constructed at [name of Developer's Property:]

_____, Project No.

_____ ("Project"). The amount of the Escrow Letter is 125% of the City's

estimated cost of the Project, as required by the City's Integrated Development Ordinance. The

improvements are identified in the agreement between the City of Albuquerque and Developer,

which was recorded on [date, leave blank:] _____, 20__ in the records of the Clerk of

Bernalillo County, New Mexico in Book Misc. [leave blank:] _____, at

pages [leave blank:] _____ to [leave blank:] _____, as amended

("Agreement").

The funds from the escrow of loan reserves will be released to the City of Albuquerque for the specific purpose of paying for the installation of the improvements referred to in the Agreement. If the improvements described in the Agreement have not been fully installed,

inspected, approved and accepted by the City of Albuquerque by [Construction Completion

Deadline date in Agreement:] _____, 20 __, then [financial institution:]

_____ Certified Check or Checks to the City of Albuquerque from the escrow of loan reserves the amount of 125% of the City's estimated cost of completing

the improvements specified in the Agreement, if, between the dates [Construction Completion Deadline date established in Agreement:] _____ 20__, and [60 days thereafter:] _____, 20__ the City presents a notarized certification, executed by the Chief Administrative Officer of the City of Albuquerque, stating: "1)[name of Developer:] _____ 2) the undersigned is the Chief Administrative Officer of the City of Albuquerque and is authorized to sign this certification; and 3) the amount requested does not exceed 125% of the City's estimated cost of completing the improvements specified in the Agreements."

This Escrow of loan reserves for the benefit of the City of Albuquerque shall be irrevocable until:

1. Sixty (60) days after the City accepts the completed improvements specified in the Agreement; or
2. City notification of [Developer's name:] _____ failure to comply with the terms of the Agreement, and payment by Certified Check from [Financial Institution:] _____ to the City of Albuquerque of 125% of the City's estimated costs of completing the improvements specified in the Agreement; or
3. Expiration of the date [60 days after Construction Completion Deadline:] _____, 20__; or
4. Written termination of this Letter or Credit by the City of Albuquerque, signed by its Chief Administrative Officer.

The Escrow of Loan Reserves will terminate at _____ o'clock p.m., New Mexico time, [date 60 days after Construction Completion Deadline:] _____, 20__

Very truly yours,
[name of financial institution:]

By: _____
Title: _____

ACCEPTED:
CITY OF ALBUQUERQUE

By: _____

Sarita Nair
Chief Administrative Officer

Date