

MAINTENANCE & DEFECT ASSIGNMENT OF FUNDS



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RE: Permit No.: _____ Address/Location: _____

Project Name: _____ Owner/Developer/Contractor: _____

We _____, ("Bank"), authorized to do so and doing business as a financial institution in the State of Washington, at the direction of _____, ("Applicant/Depositor"), for warranty and maintenance of certain improvements for the project known as _____, hereby certify that we are holding funds in the amount of _____ (\$ _____) on deposit with the Bank in Account Number _____ for the purposes of warranting against defective materials, workmanship, and installation in connection with the above referenced permit and for faithful maintenance of the work, including replacement and repair, to standards acceptable to the City of University Place ("City"), for a period of two (2) consecutive years after final written acceptance by the City ("warranty period"). We have been instructed by the Applicant/Depositor that these funds are to be used for the specific purposes described below.

WHEREAS, the Applicant/Depositor was granted the above referenced permit pursuant to Title 13 and Title 19 of the University Place Municipal Code, to do certain work described as follows:

XX	Improvements	Description
	Frontage Improvements	
	Storm Drainage Systems	
	Streets	
	Landscaping	
	Other:	
	Other:	

NOW THEREFORE, the Applicant/Depositor does hereby guarantee that the work described above shall remain free of defects in material, workmanship, and installation for the warranty period; and the Applicant/Depositor does further agree to maintain such improvements for the warranty period. Maintenance is defined as acts carried out to prevent decline, lapse or cessation of the state of the improvements as accepted by the City, including but not limited to repair or replacement of defective workmanship, materials, or installations. In the case of landscaping, the vegetation shall survive for a period of _____ consecutive months from the date of final written acceptance by the City ("landscaping period"). In the event that any of the improvements installed or completed under the permit and approved plans fail to remain free from defects in materials, workmanship, or installation for the warranty period, the Applicant/Depositor shall repair or replace the same within ten (10) days of demand by the City. Any repairs or replacements which are made shall be subject to the terms and conditions hereof.

The Applicant/Depositor further agrees and grants to the City, its elected officials, officers, employees, and authorized agents, the right to enter onto the property in order to construct, repair, or maintain the required improvements and to fulfill the conditions of the permit.

In the event the Applicant/Depositor fails to maintain the improvements, or if the improvements installed or completed pursuant to the permit fail to remain free from defects for the warranty period, these funds will be made available to the City upon demand for the specific purposes of constructing, repairing, or maintaining the required improvements, remediation of any damages resulting from the Applicant's/Depositor's failure to do so, and any loss, cost, expense or damage suffered by the City due to any defects or the Applicant's/Depositor's failure to maintain the required improvements.

The Bank hereby certifies and agrees that these funds will be blocked and will be held until released in writing by the City. The Bank shall pay these funds to the City within seven (7) days of receiving written demand by the City. The Bank shall have no duty or right to evaluate the correctness or appropriateness of any such demand or

