

§ 58-64A-105. Escrow agreement requirements.

The escrow agreement between an applicant or a provider and the escrow agent shall be in writing and include, in addition to any other provisions required by law, all of the following:

- (1) A provision requiring that all funds received shall be placed into the escrow account in accordance with G.S. 58-64A-115.
- (2) A provision for investment of escrow account funds in a manner consistent with G.S. 58-64A-120.
- (3) A provision regarding the payment of interest earned on the funds held in the escrow account in the manner specified in G.S. 58-64A-125.
- (4) A provision for refunds to depositors in the manner specified by G.S. 58-64A-135.
- (5) A provision that any refund or release of escrow account funds be performed in the manner specified in G.S. 58-64A-135 and G.S. 58-64A-140, including a statement as to whom payment of interest earned on the funds will be made.
- (6) A statement that the purpose of the escrow agreement is to protect residents and prospective residents.
- (7) The amount of the escrow agent fee.
- (8) A provision that funds deposited shall not be subject to any liens or charges by the escrow agent.
- (9) A provision requiring the escrow agent to furnish the provider with a monthly statement indicating the amount of any disbursements from or deposits to the escrow account and the condition of the account during the monthly period covered by the statement.
- (10) A provision requiring the escrow agent to furnish to the Commissioner, upon the request of the Commissioner, periodic reports, including the monthly statement required pursuant to subdivision (9) of this section, certifying the amount of funds held on deposit.
- (11) A provision requiring the escrow agent to furnish to a depositor, upon the request of a depositor, a statement indicating the depositor's portion of the escrow account.
- (12) Representations by the escrow agent that it is not and shall not be during the term of the escrow agreement, a related party of the provider, a lender to the provider, or a fiduciary for any lender or bondholder for the provider, unless approved by the Commissioner. (2025-58, s. 2.)