

2810.2200 OPERATING AND MAINTENANCE FUNDS DURING START-UP.

When the offering involves a development and/or maintenance of common areas by the subdivider, an owners association, or other entity, the subdivider shall be required to comply with one or more of the following to assure the availability of funds for the ownership, operation, and maintenance of such common areas:

A. posting of a surety bond or other adequate security in an amount and subject to such terms, conditions, and coverage as the commissioner may require;

B. postponement of closing of any escrow until 60 percent of all lots, parcels, or units have been sold and are simultaneously closed;

C. deposit with an escrow acceptable to the commissioner of funds equal to estimated ownership, operation, and maintenance expenses for common areas as determined by the commissioner; an escrow acceptable to the commissioner shall be one in which the funds are held within this jurisdiction and will be released only with the written consent of the commissioner;

D. an alternative plan acceptable to the commissioner.

Statutory Authority: *MS s 83.23*

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