

Covent Gardens



CONSTRUCTION BOND AGREEMENT

This agreement is dated the _____ day of _____ 200

PARTIES: DeLuxe Properties Limited at Blenheim (*“the Developer”*); and

The Builder named in the attached Schedule (*“the Builder”*)

AGREEMENT TERMS:

1. The builder has been conditionally contracted to build a house of the Lot for the purchase set out below and according to plans, specifications and landscape designs which the Developer has yet to approve (the *“Approval”*)
2. In consideration of that approval actually being given, the Builder agrees to carry out all its work on the Lot according to the process set out in the Developer’s Construction Phase Guidelines & Controls Document (the *“Construction Phase Manual”*) in order to maintain a consistent quality standard and degree of co-operation with respect to the Covent Gardens Subdivision.
3. The Builder will upon receiving the Approval will pay a cash bond of \$1,000.00 (the *Bond*) to the Developer which will be repayable when the house is occupied and the Developer has confirmed that the Builder has complied with the Construction Phase Manual.
4. Pending repayment, the Developer will lodge the bond in an interest bearing on call deposit account in its solicitor’s trust account, in the joint account names of the Builder and the Developer, net interest is payable to the Builder.
5. If the builder does not comply with the Construction Phase Manual and does not comply with any requisitions set out in a written notice by the Developer to the Builder, within the time limits stated in that notice, then the Developer may use the Bond (plus interest) to meet those requisitions. Any costs in excess of the Bond will be recoverable by the Developer against the Builder in summary of judgement as a liquidated debt.

