

Dated: 19/08/2005

# Riverside Estates

## Construction Bond Agreement

This agreement is dated the                      day of                      200

**PARTIES:**        **Riverside Joint Venture Ltd** 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 on the Lot for the purchaser set out in the Schedule 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 Guidelines & Controls Document (**attached**) in order to maintain a consistent quality standard and degree of co-operation with respect to the Riverside Estates subdivision.
3. The Builder will upon receiving the Approval pay a cash bond of \$2,000 (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 Developer's Construction Guidelines & Controls.
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 account name of the Developer, net interest is payable to the Builder.
5. If the Builder does not comply with the Construction Guidelines & Controls 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 judgment as a liquidated debt.
6. Any dispute with respect to any terms or matters touched on by this agreement shall be referred to an expert for final determination (and not to arbitration). Such expert will be

