

**PERFORMANCE GUARANTEE  
PRIVATELY FINANCED PUBLIC IMPROVEMENT**

**PRINCIPAL (Name, Address and Phone):**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SURETY (Name, Address and Phone):**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OBLIGEE:**

**City of Hood River  
211 2<sup>nd</sup> Street  
Hood River, OR 97031**

**AMOUNT OF OBLIGATION: \$**

**PROJECT:**

Permit No: Construction Site Permit # \_\_\_\_\_  
Project Name: \_\_\_\_\_  
Construction Agreement Dated: \_\_\_\_\_

**DESCRIPTION OF WORK :** Installation of public water, sanitary and storm sewer systems, public streets including street lights, underground telecommunication and power systems, and all required infrastructure to provide adequate public facilities for a \_\_\_\_\_ lot subdivision at tax lot 3N 10E 35CB #400. All construction is to conform to the approved plans dated \_\_\_\_\_.

**KNOW ALL PERSONS BY THESE PRESENTS:**

That the Principal and Surety, which is duly authorized to conduct a general surety business in the State of Oregon, are held and firmly bound unto the Obligee, in the penal sum set forth above as the Amount of Obligation, for which payment, well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

Whereas Principal and Obligee have entered into a Construction Agreement (Agreement) which is on file with the Hood River City Recorder, whereby Principal has agreed to install and complete certain designated public improvements that are a condition of approval of the Project described above, which Agreement is hereby referred to and made a part hereof; and

Whereas Principal is required under the terms of the Hood River Municipal Zoning Ordinance and the Agreement to furnish a guaranty for the faithful performance of specified improvements, which the Obligee has determined must be completed once work has commenced, and are generally described above.

Now therefore, if Principal shall well and truly, at its own cost and expense, at or within the time required under the Agreement, faithfully install and complete the public improvements, in substantial compliance with the plans and specifications for such improvements, then this obligation shall be void, otherwise to remain in full force and effect, subject to the following conditions:

1. In the event Principal shall fail to complete the improvements within the time allowed by the Agreement, or any extension thereof, as may be granted by the Oblige, then the Surety shall complete the improvements and deliver them to the Oblige for approval or, at the election of Oblige, Surety shall tender to Oblige the amount necessary, in no event to exceed the penal sum hereof, based upon estimates provided by the Oblige, to carry out completion of the improvements, it being further understood that upon completion of the improvements, any unexpended funds shall be returned to Surety.

2. This bond shall be continuous in effect and shall remain in full force and effect until (a) the improvements have been installed and accepted by Oblige, or (b) the release and surrender of this bond by Oblige, whichever shall first occur.

3. It is further understood that ten percent (10%) of the face amount of this bond, or ten percent (10%) of the cost of the improvements accepted by the City, shall remain in effect and continue after completion and acceptance of the improvements by the Oblige for a period of two years from the date of acceptance to guaranty the improvements against any defective work or labor done, or defective materials furnished, in the performance of the improvements. Oblige may require a separate warranty bond for any repairs done pursuant to the warranty obligation. Such warranty bond shall be for a period of two years from the date of completion of such repairs.

4. Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement, or to the work to be performed there under, or to the specifications relating to the improvements shall, in any way, affect its obligation on this bond, and Surety does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Agreement, or to the work or to the specifications.

5. As part of the obligation secured hereby and in addition to the penal sum specified hereunder, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by Oblige in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

6. No right of action shall accrue hereunder to or for the use of any persons, firm or corporation, other than Oblige. The rights and obligations under this bond are for the exclusive benefit of Oblige and may not be assigned, hypothecated or transferred for any purpose, unless consented to, in writing, executed by Principal and Surety.

7. Surety waives any defense related to the impossibility, illegality, incapacity, bankruptcy or receivership of Principal in connection with the obligation of Principal hereunder and Surety further expressly waives any defense to the extent that it may require the creditor to proceed against the Principal as a condition precedent to any claim or demand hereon.

Witness my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

PRINCIPAL:

By: \_\_\_\_\_

SURETY:

By: \_\_\_\_\_

Attorney-in-Fact