

Off-Site Bond – Dual Obligee

U.S. Department of Housing
and Urban Development
Office of Housing

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CONTRACTOR/PRINCIPAL (Name and Address):

OWNER (Name and Address):

LENDER (Name and Address):

SURETY (Name and Principal Place of Business):

PROJECT (Name, HUD Project Number and Location)

OFF-SITE CONSTRUCTION CONTRACT:

Date:

Amount:

BOND:

Date:

Amount:

RIDERS TO THIS BOND: ____ Yes ____ No

This Off-Site Bond is issued in connection with the Project identified above. As used herein, “**Obligees**” shall mean Owner, Lender and Additional Obligee(s), if any, identified in a Rider to this Bond, and “**Obligee**” shall mean any of Obligees.

1. Contractor has entered into a Construction Contract with Owner for the completion of off-site facilities and utilities necessary to operate the Project successfully. The Off-Site Construction Contract (as the same may now or hereafter be amended) is made a part hereof by reference (**Off-Site Contract**).

2. Lender has agreed to lend to Owner a sum of money to be secured by a mortgage (“**Security Instrument**”) on said Project (“**Loan**”). The Loan is to be insured by the U.S. Department of Housing and Urban Development (“**HUD**”).

3. Lender is unwilling to advance said Loan funds to Owner and HUD is unwilling to insure said Loan without assurance that all off-site facilities and/or utilities necessary to successfully operate the Project will be installed not later than _____.

4. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns, unto Owner and unto Lender, their successors and assigns, as each of their respective interests appear, as OBLIGEES, in the sum of _____ Dollars (\$ _____) to pay for labor, materials and equipment furnished for use in the performance of the Off-Site Contract. Any approved increase in the total Off-Site Contract price shall increase the monetary obligation of Obligors accordingly.

5. The obligations of this Off-Site Bond – Dual Obligees shall be discharged if Contractor installs and completes said off-site facilities and/or utilities, or causes the installation and completion of said off-site facilities and/or utilities according to the Off-Site Contract within the time hereinabove specified, free from all liens and claims of any and all persons performing the labor thereon or furnishing materials therefore, or both.

6. Any suit, action, or proceeding by reason of any default whatever shall be instituted within two years after the date Owner declares Contractor in default of the Off-Site Contract. If this limitation is deemed to be in contravention of any controlling law, this Off-Site Bond – Dual Obligees is deemed amended so as to substitute the minimum period of limitation permitted by such controlling law for the above limitation.

7. Surety hereby waives notice of any change, including changes of time, to the Off-Site Contract or to related subcontracts, purchase orders and other obligations.

8. Notice to Surety, Owner, or Contractor shall be served by mailing the same by registered mail or certified mail, postage prepaid, to the address shown on this Off-Site Bond – Dual Obligees or to such other address as may have been previously specified by the recipient in a notice given in accordance herewith.

9. Surety agrees that any right of action that any Obligees may have under this Off-Site Bond – Dual Obligees may be assigned, without the consent of Contractor or Surety, to HUD, and that such assignment will in no manner invalidate or qualify this instrument.

SIGNED and SEALED this day of _____, 20__.

Witness as to Contractor:

CONTRACTOR:

By: _____

Name and Title (Printed)

SURETY:

By: _____

Name and Title (Printed)

ADDITIONAL OBLIGEE RIDER TO OFF-SITE BOND-DUAL OBLIGEE

(Additional obligee only allowed with prior HUD approval.)

1. This Additional Obligor Rider is attached to and made a part of that certain Off-Site Bond-Dual Obligor , dated _____, executed and delivered by _____, as Contractor, and _____, as Surety, in favor of Obligees, in the sum of _____ (\$_____) with respect to the Project referenced above.
2. All of the terms, conditions and provisions of the Off-Site Bond – Dual Obligor are hereby incorporated herein by this reference as if fully set forth herein.
3. All defined terms, as set forth in the Off-Site Bond – Dual Obligor, shall have the same meaning herein.
4. _____ is hereby added to the Off-Site Bond – Dual Obligor as an additional named Obligor.
5. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Off-Site Bond – Dual Obligor, including especially but without limitation, the aggregate liability of Surety as described in paragraph 4 of the Off-Site Bond – Dual Obligor.

SIGNED and SEALED this ____ day of _____, 20__.

Witness as to Contractor:

CONTRACTOR: _____

By: _____

Name and Title (Printed)

SURETY: _____

By: _____

Name and Title (Printed)

ADDITIONAL SURETY RIDER TO OFF-SITE BOND-DUAL OBLIGEE

(Additional surety only allowed with prior HUD approval.)

1. This Additional Surety Rider is attached to and made a part of that certain Off-Site Bond – Dual Obligor, dated _____, executed and delivered by _____, as Contractor, and _____, as Surety, in favor of Obligees, in the sum of _____ (\$ _____) with respect to the Project referenced above.
2. All of the terms, conditions and provisions of the Off-Site Bond – Dual Obligor are hereby incorporated herein by this reference as if fully set forth herein.
3. All defined terms, as set forth in the Off-Site Bond – Dual Obligor, shall have the same meaning herein.
4. _____ (**Additional Surety**) is hereby added to the Off-Site Bond – Dual Obligor as an additional named Surety, and all references in the Off-Site bond – Dual Obligor to “**Surety**” shall include Additional Surety.
5. Each Surety and Additional Surety (collectively, **Surety**) is held and firmly bound, jointly and severally, unto Obligees. Further, each undersigned Surety binds itself in the aforesaid full sum, jointly and severally, as well as severally for the purpose of allowing joint action or singular actions against any or all of them in the full amount of this Off-Site Bond – Dual Obligor and for all other purposes each Surety binds itself, jointly and severally with Contractor, for the payment of the full sums above stated.
6. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Off-Site Bond – Dual Obligor, including especially but without limitation, the aggregate liability of Surety as described in paragraph 4 of the Off-Site Bond – Dual Obligor.

SIGNED AND SEALED this _____ day of _____, 20__.

Witness as to Contractor:

CONTRACTOR:

By: _____

Name and Title (Printed)

ADDITIONAL SURETY

By: _____

Name and Title (Printed)

SURETY:

By: _____

Name and Title (Printed)