



SILVERSTREAM



APPROVED
Builders Deed

TABLE OF CONTENTS

Parties	2
Background	2
Deed/Agreement	2
1. Approval of Builder	2
2. Obligations of the Builder	3
3. Compliance with Construction Covenants	3
4. Performance Bond	3
5. Assignment	4
6. Indemnity	4
Signatures	5

THIS DEED is made the day of 20.....

PARTIES

LIME DEVELOPMENTS LIMITED
("Developer")

("Builder")

BACKGROUND

- a. The Developer is the developer of Silverstream, a quality residential subdivision in Kaiapoi ("the Development").
- b. Land covenants ("the Land Covenants") registered or to be registered against each lot in the Development state that a lot owner cannot build a house and ancillary buildings on a lot unless the house is constructed by a builder approved by the Developer and unless the plans and specifications of all buildings in the Development have been approved by the Developer in accordance with a prescribed approval process.
- c. The Developer requires an approved Builder to adhere to the construction guidelines in the course of construction of all buildings in the Development and as security for compliance with those guidelines to pay a performance bond to the Developer.
- d. Subject to execution of this Deed, the Developer has approved the Builder as an approved Builder.

DEED/AGREEMENT

1. Approval of Builder

- 1.1 In consideration of the Builder's compliance with the provisions of this Deed the Developer approves the Builder as an approved Builder in accordance with the Land Covenants.
- 1.2 The Developer may revoke the Builder's approval by written notice to the Builder if the Builder breaches an obligation set out in this Deed and fails to remedy the breach within five (5) working days of being advised of the breach.

2. Obligations of the Builder

- 2.1 The Builder will construct all buildings in the Development in accordance with;
 - 2.1.1 Current building industry best practice standards and under the supervision of competent and duly qualified building, architectural and engineering consultants;
 - 2.1.2 The plans and specifications stamped by the Developer as “approved”;
 - 2.1.3 The Building Act 2004 and Regulations and the Building Code;
 - 2.1.4 The conditions of the subdivision and the relevant building consent and the provisions of the Waimakariri District Plan;
 - 2.1.5 The requirements of the Land Covenants whether registered against a title to a property or not;
 - 2.1.6 And any direction given by the developer.

3. Compliance with Construction Guidelines

- 3.1 The Builder will comply with the Construction Guidelines.
- 3.2 The Developer reserves the right to vary and add to the Construction Guidelines at any time by given written notice to the Builder.

4. Performance Bond

- 4.1 As security for the Builder’s Compliance with the provisions of this Deed the Builder will pay a refundable performance bond of Five Thousand Dollars (\$5000) to the Developers’ Solicitor’s Trust Account (“the Bond”).
- 4.2 The Bond will be paid on or about the date of this Deed by the Builder’s Solicitor on behalf of the Builder and will be held by the Developer’s Solicitor in their Trust Account.
- 4.3 If the Builder is constructing more than one house in the Development the Builder will only be required to pay one Bond to the Developer.
- 4.4 If, having been given written notice of a breach of the terms of this Deed, the Builder has failed to remedy the breach within the period stated in the Developer’s notice, the Developer may apply the Bond in whole or part to pay for any costs the Developer has to incur to remedy the Builder’s breach.

- 4.5 The Developer will give the Builder a statement detailing the costs incurred, showing a credit for the application of the Bond and showing the balance of the Bond remaining or the balance owing to the Builder if the entire bond has been applied. The certificate will be conclusive evidence of the costs incurred and the Bond balance or amount owing by the Builder (as the case may be).
- 4.6 Any balance owing will be invoiced and must be paid to the Developer immediately on receipt of the invoice, in cleared funds. Interest will apply on a daily basis for any amount unpaid on due date at the rate of twelve percent per annum (12%).
- 4.7 The Builder will top up the payment to Five Thousand Dollars (\$5000) immediately on demand where the Bond balance falls below that figure.
- 4.8 The Developer will refund the Bond to the Builder once all the houses to be built by the Builder in the Development have reached practical completion, code compliance certificates have been issued, the Builder has left the property or properties surrounding land in a clean and tidy condition and the Developer has signed off the Full and Final Developer Approval.
- 4.9 The Developer will be entitled to retain all interest accrued on the Bond.
- 4.10 If the Bond is returned to the Builder prior to the Builder commencing any new construction work in the Development, the Builder will be required to deposit a new Bond with the Developer.
- 4.11 If the Builder is wound up or put into receivership or the Builder's business otherwise fails, the Developer will be entitled to apply the Bond to making good any breach by the Builder of the terms of this Deed and will then pay any balance to the person legally entitled to receive the payment having also deducted any other costs incurred by the Developer (including legal and administrative costs) as a consequence of the Builder's failure. If there is no such person then the balance of the Bond will be forfeit to the Developer.

5. Assignment

- 5.1 The Developer reserves the right, without requiring the Builder's consent, to assign the benefit of this Deed to an assignee and to transfer the Bond to the assignee, on the giving of written notice to the Builder.

6. Indemnity

- 6.1 The Builder will at all times indemnify and keep the Developer indemnified from all losses, costs, claims and demands in respect of any breach or non-observance by the Builder of the terms of this Deed.

SIGNATURES

Signed By **LIME DEVELOPMENTS LIMITED**

Full Name

Title

Signature

Signed By

Company Name

Full Name

Title

Signature

In the presence of:

Witness Signature

Witness Name

Witness Occupation

Witness Town of Residence