



SILVERSTREAM

Builder's Bond Process

On settlement you are required to pay to the Developer a builder's bond in the amount of \$2,500.00 ("the Bond") for each Lot purchased which the Developer is entitled to apply towards the repair or reinstatement of any damage caused to the infrastructure of the subdivision or to any neighbouring properties during the course of construction of your house, and to ensure ongoing compliance with the Developer's approval provisions under the land covenant.

The Bond retention and refund process is as follows:

At any time up to six (6) months after the issue of a Code Compliance Certificate for the erection of a dwelling on your property, and after the completion of the roadside boundary landscaping, fence painting and letterbox installation on your property, you are to arrange with the Developer for your property to be inspected for compliance with the Developer's approval ("Inspection Request").

The Inspection Request must be made to the Developer in writing and be accompanied by a copy of the Code Compliance Certificate for your house. The Developer advises that it is a condition of the issue of an Inspection Notice that you have re-seeded and established the grass berm on the road frontage to your property following the completion of construction. It's your obligation to control and advise your various contractors accordingly.

As soon as practicable after receipt of the Inspection Request, a representative of the Developer will inspect the property to determine if the conditions of the Developer's approval have been complied with. Following the inspection the Developer will advise you if the property complies with the developer's approval, and if the property does not comply, what you need to do to attain compliance ("Inspection Notice"). If the Inspection Notice advises that the property does not comply, you will have a period of two (2) months in which to carry out the work necessary to attain compliance. If you do not carry out the work to the reasonable satisfaction of the Developer within the two-month period (or such longer period as the Developer allows) the Developer will be entitled to retain your Bond.

If the Inspection Notice advises that the property does comply with the Developer's approval, and that there has been no damage to the infrastructure of the subdivision, you may apply to the Developer for a refund of your Bond no later than six (6) months after the issue of a Code of Compliance Certificate for your house. The application for Bond refund must be submitted to the Developer on the Bond Refund Form available from the Developer.

If the Inspection Notice advises that the property complies with the Developer's approval, but that there has been damage caused to the infrastructure of the subdivision (roads, footpaths, berms, kerbs, trees and street furniture) or to any fences or neighbouring properties during the course of construction of your house, the Developer will advise you of the particulars of the damage and will specify a reasonable time within which repairs or reinstatement of the damaged parts must be completed by you.

If at the expiry of the period of the reasonable time specified by the Developer (or such later date as the vendor may agree in writing), you have not repaired or reinstated the damage, the Developer will be entitled to apply the Bond in meeting the costs of repair or reinstatement, and any amount remaining after the repair or reinstatement shall be refunded to you.

The Developer is not obliged to hold the Bond in a separate account nor to account to you for any interest earned on the Bond.

If you do not apply in writing for the refund of the Bond within six months of the issue of a Code Compliance Certificate for your house and issue of final developer's approval, the Developer shall be entitled to permanently retain the full amount of the Bond.

In the event that you sell the property without building on it, the Developer shall continue to hold the Bond on the terms set out above and will make any refund of the Bond to the owner of the property at the time the house is built. It is recommended that you make provision in any agreement to sell your property for the party purchasing to refund the Bond to you direct.

The Developer reserves the right to waive the payment of any Bond. In this case, you agree to rectify any breach and/or repair at your expense any damage caused to any part of the infrastructure by you or any party working on the your property.