

NORTHBRIDGE PLANNING BOARD

FORM K

PERFORMANCE SECURED
BY LENDERS AGREEMENT



_____, 2
Northbridge, Massachusetts

Applicant: _____

Address: _____

AGREEMENT made this date between the Town of Northbridge and the applicant named above, hereinafter referred to as "the applicant" and the bank that has the first mortgage which is named _____ and located at _____ hereinafter referred to as "the lender", to secure construction of ways and installation of municipal services in the subdivision of land shown on a plan entitled _____ dated _____, 2_____, owned by _____ address _____, land located _____ and showing _____ proposed lots.

KNOWN ALL MEN by these presents that the applicant has recorded a first mortgage with the lender covering _____ (designate area of plan that is covered under first mortgage) as shown on the above referenced plan as security for the payment of a certain note in the principal sum of \$_____ dollars, and that the applicant and lender hereby bind and obligate themselves, their, or its executors, administrators, devisees, heirs, successors and assigns jointly and severally to the Town of Northbridge, a Massachusetts municipal corporation, acting through its Planning Board, in the sum of \$_____ dollars, and has secured this obligation by the lender retaining said sum of money of said principal sum otherwise due the applicant to insure the performance by the applicant of all covenants, conditions, agreements, terms and provisions contained in the following:

1. Application for Approval Definitive Plan (Form C), dated _____, 2_____
2. The subdivision control law and the Planning Board's Rules and Regulations governing this subdivision and dated _____, 2_____
3. Conditions included in the Certificate of Approval issued by the Planning Board and dated _____, 2_____
4. The definitive plan as qualified by the Certificate of Approval; and
5. Other documents specifying construction or installation to be completed, namely; (specify other documents, if any, and list lots secured if only a part of the subdivision is secured by a deposit of money) _____

This agreement shall remain in full force and effect until the applicant has fully and satisfactorily performed all obligations or has elected to provide another method of securing performance as provided in M.G.L., Chapter 41, § 81-U.

Upon completion by the applicant of all obligations as specified herein, on or before _____, 2_____ or such later date as may be specified by vote of the Planning Board with a written concurrence of the applicant, the interest of the Town of Northbridge in such funds retained by the lenders shall be released, that portion of the agreement covering a specific stage of work shall become void, and the lender may

disburse such funds, which have been held as security for a specific stage of work, to the applicant. In the event the applicant should fail to complete the construction of ways and installation of municipal services as specified in this agreement and within the time herein specified, any funds remaining undisbursed shall be made available in whole, or in part, by the lender to the Planning Board for the benefit of the Town of Northbridge to the extent of the reasonable cost to the Town of completing such construction or installation as specified in this agreement. Any unused portion of such funds will be released by the Planning Board and may be disbursed by the lender to the applicant upon completion of the work by the Town of Northbridge.

The lender hereby agrees that none of the funds retained as security, as specified herein, shall be disbursed to the applicant without prior written release of said funds by the Planning Board.

Any amendments to this agreement and/or to the aforesaid security shall be agreed upon in writing by all parties to this agreement.

IN WITNESS THEREOF we have hereunto set our hands and seals this _____ of _____, 2_____

Signature of Applicant

Signature of Authorized Rep. of Lender

Acceptance by a Majority of the
Northbridge Planning Board

COMMONWEALTH OF MASSACHUSETTS

Worcester County,

_____, 2_____

Then personally appeared _____ one of the above named members of the Planning Board of Northbridge, Massachusetts and acknowledged the foregoing instrument to be their free act and deed.

Signature of Notary Public

My Commission expires: _____

Duplicate Copy Sent to:

Applicant

Lender

Town Clerk

Town Treasurer