

Sample Defects Guarantee

DEFECTS GUARANTEE FOR THE BENEFIT OF PENDER COUNTY

THIS DEFECTS GUARANTEE, made and granted this _____ day of _____, 20____, by _____, hereinafter referred to as “Subdivider”; and _____, hereafter referred to as “Guarantor,” to PENDER COUNTY, a political subdivision of the State of North Carolina, hereinafter referred to as the “County” (The designation Guarantor and County, as used herein shall include said parties, their heirs, successors and assigns and shall include singular, plural, masculine, feminine or neuter as required by context);

WITNESSETH:

WHEREAS, the Subdivider has applied to Pender County for approval of a development known as _____; and

WHEREAS, the Subdivider has submitted a final plat for approval for said development and all improvements required by the Pender County Subdivision Ordinance are complete; and

WHEREAS, the County, has determined that pursuant to the Pender County Subdivision Ordinance a Defects Guarantee is required as a condition of approval of the development and such Guarantee would benefit the public welfare;

THEREFORE THE SUBDIVIDER AND GUARANTOR, as a condition of final plat approval, make the following warranty:

1 – Purpose of Agreement

The purpose of this agreement is to provide a guarantee on all improvements required by the Pender County Subdivision Ordinance for _____.

2- Guaranty

2.1 – Subdivider hereby warrants that all utility taps, ramps, streets, pavement, sidewalks, drainage facilities, water and sewer lines, and/or other improvements, as required by the Pender County Subdivision Ordinance and proposed for the said development as presented and approved with the Preliminary Plat approved on the ___ day of _____, 20____ will be free of defects in design and construction for one (1) year from the date of issue of a signed acceptance of construction by the Pender County Planning Director.

2.2 – In the event the County notifies the Subdivider of a defect within one year from the date of acceptance of construction of all improvements, it is hereby understood and agreed that Subdivider will correct such defect(s) within 30 days of receipt of a written “Notice to Correct Defect” received from the County.

2.3 – The County Shall inspect any attempted repairs as soon as possible upon notification from the Subdivider that repairs have been completed, and shall not unreasonably delay or withhold approval of repairs.

3 – Remedies

It is understood and agreed that in the event the Subdivider fails to correct such defect within 30 days of receipt of written notice by the Subdivider as set forth herein, a violation of the Pender County Subdivision Ordinance will exist on the property and the Subdivider will be subject to Penalties for Violations as prescribed in the Legal Provisions of said ordinance. In addition it is understood and agreed that upon the 60th day after the “Notice to Correct Defect” is received by the Subdivider that approval of the development’s final plat will terminate and such termination of approval will prohibit any additional sale of lots in the development. The Subdivider further agrees that any sale of a lot after

