



Form K

Performance Secured By Lender's Agreement

Planning Board

Sturbridge, Massachusetts

Date: _____

AGREEMENT made this date between the Town of Sturbridge; _____, hereinafter referred to as "the applicant" of _____; and _____, hereinafter referred to as "the lender" of _____, to secure construction of ways and installation of municipal services in the subdivision of land shown on a plan entitled: _____ by: _____, dated: _____ owned by: _____ with the address of _____ and the land located at: _____, and showing _____ proposed lots.

KNOW ALL MEN by these presents that the applicant has recorded a first mortgage with the lender dated _____, recorded in the Worcester County Registry of Deeds, Book _____, Page _____ covering _____ acres (area of plan that is covered by 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 Sturbridge, a Massachusetts municipal corporation, acting through its Planning Board in the sum of _____ dollars, and have 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. The subdivision control law and the Planning Board's Rules and Regulations governing this subdivision and dated: _____
3. Conditions included in the Certificate of Approval issued by the Planning Board and with the date of approval _____.
4. The definitive plan as qualified by the Certificate of Approval; and
5. Other document(s) 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 lender's agreement)

This agreement shall remain in full force and effect until the applicant has fully and satisfactorily performed all obligations.



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Upon completion by the applicant of obligations as specified in the following schedule:

Sum to be Retained by Lender	Stage of Construction or Installation to be Completed	Date when Construction and Installation is to be Completed
1. \$		
2. \$		
3. \$		
4. \$		
5. \$		

(add additional stages if necessary)

The interest of the Town of Sturbridge in such funds retained by the lender 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 any stage of 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 Sturbridge to the extent of the reasonable cost to the Town of Sturbridge 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 said Town of Sturbridge.

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 WHEREOF we have hereunto set our hands and seals this _____, 20__.

Signature of Applicant

Signature of Authorized
Representative of Lender

Majority of the Members of the Sturbridge Planning Board



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COMMONWEALTH OF MASSACHUSETTS

Worcester County, ss

_____, 20____

Then personally appeared _____ one of the above-named members of the Planning Board of the town of Sturbridge, Massachusetts, the applicant, and the authorized representative of the lender, and acknowledged the foregoing instrument to be the free act and deed of said parties before me.

Notary Public

My commission expires _____

Duplicate copy to:

Applicant

Lender

Planning Board

Town Clerk

Town Treasurer

Board of Selectmen