Performance Bond

Note: Bonding Company may use own form.

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Know All Men By These Presents, That We, _____

of _____

as Principal, (hereinafter called the Principal) and _____, a_____

as Surety, (herinafter called the Surety) are held and firmly bound unto the Housing Authority of the City of Frostburg (HACF), in the penal sum of _____Dollars ($_____) whereas Principal entered into a Construction Contrat with HACF, dated _____, 2026.

NOW, THEREFORE, the condition of this obligation is such that, if Principal shall well and truly perform all the undertakings, covenants, terms, conditions and agreements of said Contract on its part, and fully indemnify and save harmless HACF from all cost and damage which they may suffer by reason of failure so to do, and fully reimburse and repay HACF all outlay and expense which HACF may incur in making good any such default, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, The above bounden parties have executed this instrument under their several seals this _____day of_____, 2026, the name and corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

SIGNED and SEALED this day of 2026

Witness as to Principal _____(SEAL)

(Principal)

_____ By _____

By _____

(Surety)

_____

The rate of premium on this bond is $_____, per thousand.

Total amount of premium charged is $_____. (Amount to be filled in by the surety).

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____, Secretary of the Corporation named as principal in the bond, that _____ who signed the said bond on behalf of the principal was the _____ of said corporation; that I know their signature and their signature thereto is genuine and that said bond was duly signed, sealed, and attested to for and in behalf of said Corpoation by authority of its governing body.

Date_____, 20_____

Expires _____, 20_____

Payment Bond

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0470
(Expires 12/31/2027)

(This Bond is issued simultaneously with Performance Bond in favor of Owner conditioned on the full and faithful performance of the contract)

Project Number:

Know All Men By These Presents, **that we**, _____ of

as Principal, (hereinafter called the Principal) and_____
_____ ,a _____as
Surety, (hereinafter called the Surety) are held and firmly bound unto _____
as Obligee, (hereinafter called the "Owner"), for the use and benefit of claimants as hereinafter defined, in the sum of
____---------- Dollars $ _____, lawful money of the United States of America, for the payment of which Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas, Principal has entered into a Construction Contract dated _____ ___ _____ with Owner for the construction of a Housing Project designated as_____ _____a copy of which Construction Contract is by reference made a part hereof; and is hereinafter referred to as the Contract.

Now, therefore, the conditions of this obligation is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A Claimant is defined as one having a direct contract with the Principal or with a subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

2. The above name Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or laborwas done or performed,or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:

a) Unless claimant, other than one having direct contract with the Principal, shall have given written notice to any two of the following: The Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the district in which the project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and Sealed this_____day of _____ , 20_____ .

Witness as to Principal: (Seal)
(Principal)

_____ _____

By: _____

(Surety)

By: _____

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information collection is necessary to ensure that viable projects are developed. It is important to obtain information from applicants to assist HUD in determining if nonprofit organizations initially funded continue to have the financial and administrative capacity needed to develop a project and that the project design meets the needs of the residents. The Department will use this information to determine if the project meets statutory requirements with respect to the development and operation of the project, as well as ensuring the continued marketability of the projects. This information is required in order to obtain benefits. This information is considered non-sensitive and no assurance of confidentiality is provided.

$

(Surety)

PAYMENT BOND

No.

On Behalf of

To

_____

_____

Date_____ , 20

Expires _____,20

form **HUD-92452-A**
ref. Handbook 4571.1