

Bond Number: \_\_\_\_\_

SURETY BOND

Cost Examination  
and  
Limitation on Profits and Distribution Requirements  
(as required by 760 CMR 56.04(7)(c))

KNOW ALL MEN BY THESE PRESENTS THAT WE, \_\_\_\_\_  
as Principal, and \_\_\_\_\_ *[Insert bonding  
company name]* incorporated under the laws of the \_\_\_\_\_ with principal office in \_\_\_\_\_  
\_\_\_\_\_ as Surety, are  
held and firmly bound unto the Massachusetts Housing Finance Agency, One Beacon  
Street, Boston, Massachusetts 02108, as Oblige, in the penal sum of  
\_\_\_\_\_ (\_\_\_\_\_) lawful money of the United States, for which  
payment, well and truly made, we bind ourselves, our heirs, executors, administrators,  
successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bounden Principal has obtained a Comprehensive Permit from  
\_\_\_\_\_ *[insert municipality]* (the "Municipality") issued pursuant to  
M.G.L. c. 40B and regulations promulgated in accordance therewith at 760 CMR 56.00 et  
seq. (the "Regulations") as they may be amended from time to time, for the construction of  
\_\_\_\_\_ units of housing located at \_\_\_\_\_  
*[insert location of development]*; and

WHEREAS, in accordance with 760 CMR 56.04(8) of the Regulations, the Principal is  
required to comply with requirements for cost examination and limitations on profits and  
distributions, as more particularly set forth in Sections \_\_\_\_\_ (the "Cost Examination  
and Limitation on Profits and Distributions Requirements") of a Regulatory [and Use]  
Agreement (the "Regulatory Agreement") between the Principal and Oblige *[dated as of*  
\_\_\_\_\_ *[dated as of even date herewith]*, which requirements Principal has  
acknowledged in a Developer's Acknowledgement of Obligations dated as of  
\_\_\_\_\_ (the "Acknowledgement of Obligations"); and

WHEREAS, pursuant to the Regulations and Regulatory Agreement, the Principal is  
required to provide financial surety to ensure (i) completion of the cost examination to the  
satisfaction of the Subsidizing Agency and (ii) the repayment of any excess profits  
and distributions as required by 760 CMR 56.04(8) and Section \_\_\_\_\_ of the Regulatory  
Agreement.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the  
above bounden Principal shall comply with the Cost Examination and Limitation on  
Profits and Distributions Requirements, then this obligation shall be void, otherwise to  
remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees, if notified in writing by the  
Oblige of the failure of Principal to complete and deliver a Cost Examination as required

in 760 CMR 56.04(8) (or as may be otherwise required by the Regulations then in effect) and Section(s) \_\_\_ of the Regulatory Agreement, up to the penal amount of this Bond, to either pay to have the Cost Examination performed or fully completed as required by the Regulatory Agreement.

The Surety further stipulates and agrees, if notified in writing by the Obligee, of the failure of Principal to pay over to the \_\_\_\_\_ [*Obligee/Municipality*] any funds in excess of the limitations on profits and distributions from capital sources as required by 760 CMR 56.04(8) (or as may be otherwise required by the Regulations then in effect), and as set forth in Section(s)\_\_\_\_\_of the Regulatory Agreement, up to the penal amount of this Bond, to pay such amounts due plus reasonable attorneys fees and collections cost.

Liability on this Bond will continue for a period of four (4) years following substantial completion of construction of the project as defined in Section \_\_\_ of the Regulatory Agreement, unless released in whole or in part by the Obligee, in writing, prior thereto.

Signed, sealed and dated as of the \_\_\_\_\_ day of \_\_\_\_\_ , \_\_\_\_\_.

*[PRINCIPAL]:*

*[SURETY]:*

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_