

## PERFORMANCE/WARRANTY BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT \_\_\_\_\_  
[*name and address of Developer's Contractor*] as Principal, hereinafter called the **Contractor**,  
and \_\_\_\_\_, as Surety, hereinafter  
called **Surety**, are held and firmly bound unto \_\_\_\_\_  
\_\_\_\_\_ [name and address of  
the Subdivider/Developer] as obligee, hereinafter called **Owner**, in the amount of  
Dollars (\$\_\_\_\_\_), for the payment whereof **Contractor** and **Surety** bind  
themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally,  
firmly by these presents.

WHEREAS, Contractor has by written agreement dated \_\_\_\_\_, 20\_\_\_\_ entered  
into a contract with **Owner** to construct the following-described project:

in accordance with drawings and specifications prepared by \_\_\_\_\_,  
which contract is by reference made a part hereof, and is hereinafter referred to as the **Contract**.

NOW, THEREFORE, THE CONDITION OF THE OBLIGATION is such that, if **Contractor**  
shall promptly and faithfully perform said **Contract**, then this obligation shall be null and void;  
otherwise it shall remain in full force and effect.

The **Surety** hereby waives notice of any alteration or extension of time made by the **Owner**.

Whenever the **Contractor** shall be and is declared by **Owner** to be in default under the  
**Contract**, **Owner** having performed its obligations thereunder, **Surety** shall promptly remedy  
the default or shall promptly:

1. Complete the **Contract** in accordance with its terms and conditions, or
2. Obtain a bid or bids for submission to **Owner** for completing the **Contract** in  
accordance with its terms and conditions. Upon determination by **Owner** and **Surety** of the  
lowest responsible bidder, **Surety** shall arrange for a contract between such Bidder and **Owner**.  
Even though there should be default or a succession of defaults under the **Contract** or Contracts  
of completion arranged under this paragraph, **Surety** shall make available as Work progresses  
sufficient funds to pay the cost of completion less the balance of the Contract price, including  
other costs and damages for which the Surety may be liable hereunder, but not exceeding the  
amount set forth in the first paragraph hereof.

The Contractor shall guarantee any and all work performed under this bond against defective  
materials and workmanship, for a period of one (1) year following its completion and its  
acceptance by the Albuquerque Bernalillo County Water Utility Authority.

Any suit under this bond must be instituted before the expiration of one (1) year from the date on which final payment under the Contract falls due.

Following the completion and formal acceptance by the Albuquerque Bernalillo County Water Utility Authority of any and all work performed under this bond, the right of action with respect to the guarantee against defective materials and workmanship on this bond shall accrue to and for the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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**Principal (Contractor)**

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

(corporate seal)

Title: \_\_\_\_\_

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**Surety**

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

(corporate seal)

Title: \_\_\_\_\_

**Local Agent of Surety**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

[SURETY POWER OF ATTORNEY ATTACHED]