

LETTER OF ASSURANCE FOR CONSTRUCTION OF IMPROVEMENTS

Assurance for construction of improvements within the : (Project Name)

For the purpose of providing the Assurance of Construction of Improvements within the corporate areas of the City of Apache Junction ("City"), _____ (Owner) (herein referred to as "Developer,") and _____ (Institution) herein referred to as "Financial Institution," licensed to do business in Arizona, represent as follows:

1. Financial Institution is committed to provide an irrevocable line of credit or sufficient funds to Developer, to cover the entire cost of installing improvements, consisting of, but not limited to: utilities, paving, curbs, gutters, sidewalks, storm drainage, streetlights, irrigation, including engineering and inspection costs, and the cost of replacement or repairs of any of the above improvements which become damaged in the course of construction. Said credit or funds shall be in the aggregate amount of: _____ (\$ _____) based upon a cost estimate submitted by Developer and approved by the City Engineer.

It is agreed that once construction has started, in the event the improvements in the above-described project are not completed as evidenced either by a lack of work on the improvements for a period of sixty (60) calendar days, or improvements as constructed are not acceptable to the City Engineer and not in compliance with City standards, and Developer refuses to make satisfactory corrections, then the City of Apache Junction may, upon certified letter to the Financial Institution, draw upon the line of credit in the amount necessary to complete the improvements or make satisfactory corrections.

Ten percent (10%) of the total amount set forth in said cost estimate must be retained for a one (1) year Warranty Period, which starts at the final acceptance of the entire project by the City Engineer. In no event shall the City be obligated to use City funds for any Public Improvements.

This line of credit shall remain in force and effect until the improvements for said project have been completed and accepted by the Public Works Director or the City Engineer, or their designees, as evidenced by letter.

DEVELOPER

State of _____ Subscribed and sworn to before me by _____
County of _____ this _____ day of _____, 20__.

BY: _____
Notary Public My commission expires _____

TITLE: _____

FINANCIAL INSTITUTION

State of _____ Subscribed and sworn to before me by _____
County of _____ this _____ day of _____, 20__.

BY: _____
Notary Public My commission expires _____

TITLE: _____

Approved By:

CITY OF APACHE JUNCTION

State of Arizona Subscribed and sworn to before me by _____
County of Pinal this _____ day of _____, 20__.

By: _____

TITLE: _____
Notary Public My commission expires _____

Approved as to form:

City Attorney