

## **SECURITY DEPOSIT AGREEMENT**

Name of Unit Owner(s): \_\_\_\_\_  
\_\_\_\_\_

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

City: \_\_\_\_\_

Postal Code: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

Unit No.: \_\_\_\_\_ Condominium Plan No. 0122324

Security Deposit: \$5,000

Security Deposit paid: \_\_\_\_\_  
(Date)

### **General Terms**

1. The Condominium Corporation No. 0122324 (“The Condo”) shall hold the Security Deposit in trust.
2. The Condo will not pay to the Unit owner(s) any interest on the Security Deposit. Any interest earned on the account will be retained by The Condo to offset administration costs of maintaining the Security Deposit account.
3. The Security Deposit shall be returned to the Unit owner(s) upon the Unit owner(s) completing construction in accordance with the approved construction plans within 1 year from the date The Condo approves the Unit owner(s) development permit subject to the following deductions:
  - a. All costs of and incidental to the repair, maintenance and replacement of sidewalks, trees, fences, survey pins and monuments, curbs, utilities and improvements on the Unit or elsewhere in the development arising from or necessitated by the acts or negligence of the Owner, the Owner’s Builder, employees, servants, contractors, agents, or workers and any person or persons whomever acting on behalf of the Owner;

- b. All claims, demands, proceedings, actions, damages, costs and expenses which may be made or brought against The Condo howsoever or which it may sustain, incur or be put to howsoever, either directly or indirectly by reason of construction, or the performance of any other work, on or relating to the Unit by the Owner, its Builder, employees, servants, contractors, agents or workers;
- c. Cost to complete construction or to rectify deficiencies to make the construction comply with the approved construction plans.

The amount of the above deductions shall be at the sole discretion of The Condo acting reasonably. Any amount of the Security Deposit remaining after the above deduction(s) are made shall be returned to the Unit owner(s).

- 4. The Security Deposit will be forfeited, in full, to The Condo if the Unit owner(s) have not completed construction in accordance with the approved construction plans within 1 year from the date The Condo approves the Unit owner(s) construction plans. Notwithstanding the above, if the only deficiency remaining at the end of the 1 year is landscaping or other seasonal deficiencies, the Security Deposit shall be continued to be held by The Condo until the then next occurring August 30<sup>th</sup>. The Security Deposit shall be released, in full, to the Owner if by that August 30<sup>th</sup> the landscaping and all other seasonal deficiencies have been properly completed. If any landscaping or seasonal deficiencies remain as of that August 30<sup>th</sup> the Security Deposit shall be forfeited, in full, to The Condo.
- 5. The forfeiture, in whole or in part, of the Security Deposit to The Condo shall not limit the liability of the Unit owner(s) to The Condo or affect any other rights or claims The Condo may have against the Unit owner(s).
- 6. Any forfeiture, in whole or in part, of the Security Deposit to The Condo shall be as a genuine pre-estimate of damages and not as a penalty.
- 7. In addition to the above conditions, two Condominium Board Members must complete the Security Deposit Checklist, and if completed satisfactorily, the Security Deposit may be refunded.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
 CONDOMINIUM CORPORATION No. 0122324

\_\_\_\_\_  
 UNIT OWNER

\_\_\_\_\_  
 UNIT OWNER