

## **Pheasant Pond Homeowners' Association, Inc.**

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### **DEPOSIT AGREEMENT**

In consideration of the approval of the Board of Directors of Pheasant Pond Homeowners Association, Inc. ("Pheasant Pond") to certain construction work to be performed on the Lot known as \_\_\_\_\_ (the "Construction Work"), the undersigned (collectively referred to herein as "Owner") agree to deposit the sum of TEN THOUSAND AND 00/100 (\$10,000.00) DOLLARS (the "Deposit Amount") with Pheasant Pond on the following terms and conditions:

1. The Deposit Amount shall be deposited into a non-interest bearing account.
2. In the event the Board of Directors of Pheasant Pond determines that any portion of the Common Properties of Pheasant Pond, or any Lot, has been damaged as a result of the performance of the Construction Work, the Board of Directors shall provide Owner with written notice of such damage, which notice shall request that Owner repair such damage to the satisfaction of the Board of Directors within ten days from the date of such notice. The written notice shall be sent to Owner at \_\_\_\_\_ unless Owner provides the Board of Directors with a different address in writing. In the event Owner fails to remedy the damage to the satisfaction of the Board of Directors within such ten-day period, the Board of Directors may withdraw all or any portion of the Deposit Amount as is necessary in its judgment to remedy the damage. In the event the Deposit Amount is not sufficient to remedy the damage, Owner shall be jointly and severally responsible for any and all additional amounts necessary to remedy the

damage (the “Additional Damage Amounts”), which shall be considered to be additional assessments. In the event of nonpayment of the Additional Damage Amounts by Owner, all remedies for the nonpayment of assessments set forth in the By-Laws and Declaration of Pheasant Pond shall be available to the Board of Directors.

3. In the event Owner fails to perform the Construction Work strictly in accordance with (i) the plans submitted to the Board of Directors; and (ii) the Pheasant Pond Construction Rules; and (iii) all applicable governmental rules, laws and regulations, upon ten days written notice with opportunity to cure sent to Owner at \_\_\_\_\_, the Board of Directors may withdraw all or any portion of the Deposit Amount necessary to remedy Owner’s breach of any of the foregoing. In the event the Deposit Amount is not sufficient to remedy any breach by Owner of the provisions of this Paragraph 3, Owner shall be jointly and severally responsible for any and all additional amounts necessary to remedy such breach (the “Additional Rule Violation Amounts”), which shall be considered to be additional assessments. In the event of nonpayment of the Additional Rule Violation Amounts by Owner, all remedies for the nonpayment of assessments set forth in the By-Laws and Declaration of Pheasant Pond shall be available to the Board of Directors.

4. Subject to the terms of Paragraphs 2 and 3 above, upon Owner’s completion of the construction work, the Deposit Amount shall be returned to Owner upon the receipt by the Board of Directors of the following:

- (a) Owner’s written request for the return of the Deposit Amount;
- (b) A copy of all Certificates of Occupancy and/or Certificates of Compliance for all structures on Owner’s lot;
- (c) A copy of the approved survey; and

(d) A letter from a person designated by Pheasant Pond confirming that neither the Common Properties, or any Lot, suffered damage as a result of the Construction Work.

5. Any litigation arising out of this Agreement shall be commenced in a court of competent jurisdiction in the State of New York, Suffolk County, only. The prevailing party in such litigation shall recover its reasonable legal fees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

PHEASANT POND HOMEOWNERS ASSOCIATION, INC.

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

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Owner

STATE OF NEW YORK    )  
  ) SS:  
COUNTY OF SUFFOLK    )

On the    day of \_\_\_\_\_, 201\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
(signature and office of individual taking acknowledgment)