

Project No. \_\_\_\_\_

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION**PAYMENT BOND**(THIS BOND IS ISSUED SIMULTANEOUSLY WITH PERFORMANCE BOND IN FAVOR OF THE)  
(OWNER CONDITIONED ON THE FULL AND FAITHFUL PERFORMANCE OF THE CONTRACT)

Know All Men By These Presents, THAT WE, \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ as Principal, (hereinafter called the Principal)  
and \_\_\_\_\_ as Surety,  
(hereinafter called the Surety) are held and firmly bound unto \_\_\_\_\_  
\_\_\_\_\_ as Oblige, (hereinafter called the "Owner"), for the use  
and benefit of claimants as hereinafter defined, in the sum of \_\_\_\_\_  
\_\_\_\_\_ Dollars (\$ \_\_\_\_\_), lawful money of the United  
States of America, for the payment of which Principal and Surety bind themselves, their heirs, execu-  
tors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has entered into a Construction Contract dated \_\_\_\_\_  
with Owner for the construction of a Housing Project designated as \_\_\_\_\_

a copy of which Construction Contract is by reference made a part hereof, and is hereinafter referred  
to as the Contract.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if Principal shall  
promptly make payment to all claimants as hereinafter defined, for all labor and material used or rea-  
sonably required for use in the performance of the Contract, then this obligation shall be void; other-  
wise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a subcontractor  
of the Principal for labor, material, or both, used or reasonably required for use in the performance  
of the contract, labor and material being construed to include that part of water, gas, power, light, heat,  
oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.
2. The above named Principal and Surety hereby jointly and severally agree with the Owner that  
every claimant as herein defined, who has not been paid in full before the expiration of a period of  
ninety (90) days after the date on which the last of such claimant's work or labor was done or per-  
formed, or materials were furnished by such claimant, may sue on this bond for the use of such claim-  
ant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have  
execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such  
suit.
3. No suit or action shall be commenced hereunder by any claimant:
  - a) Unless claimant, other than one having direct contract with the Principal, shall have given written  
notice to any two of the following: The Principal, the Owner, or the Surety above named, within ninety  
(90) days after such claimant did or performed the last of the work or labor, or furnished the last of the  
materials for which said claim is made, stating with substantial accuracy the amount claimed and the  
name of the party to whom the materials were furnished, or for whom the work or labor was done or per-  
formed. Such notice shall be served by mailing the same by registered mail or certified mail, postage  
prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is  
regularly maintained for the transaction of business, or served in any manner in which legal process  
may be served in the state in which the aforesaid project is located, save that such service need not  
be made by a public officer.

b) After the expiration of one (1) year following the date on which Principal ceased work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

c) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the district in which the project, or any part thereof, is situated, and not elsewhere.

4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

SIGNED and SEALED this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

Witness as to Principal-

\_\_\_\_\_  
(Principal) (SEAL)

\_\_\_\_\_  
By \_\_\_\_\_

\_\_\_\_\_  
(Surety)

By \_\_\_\_\_

\$ _____	_____ (Surety)	<b>PAYMENT BOND</b>	No. _____	On Behalf of _____	To _____	_____	_____	_____	Date _____, 19____	Expires _____, 19____
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