

"EXHIBIT E"
GUARANTEE CONTRACT

This Guarantee Contract ("Contract"), is entered into, the effective date of which shall be upon the last date of execution by all parties hereto, by and between the Council of the Village of South Lebanon, an Ohio Municipal Corporation (the "Village"), and Mainstream Homes, Inc. (the "Developer"), whose mailing address is 3845 E. Foster Maineville Road, Morrow, OH 45152 ("the Surety"), in accordance with the Development Plan that is on file in the office of the Village Administrator for the completion of the public and other improvements associated with the residential development known as Woodknoll Subdivision Section 2 ("the Subdivision").

WITNESSETH:

WHEREAS, the Developer has completed certain work in connection with certain Public Improvements (hereinafter "Public Improvements") for the Subdivision in accordance with the Development Agreement dated July 15, 2013, between the Village and Developer (the "Agreement"), as more fully detailed in the Development Plan on file in the office of the Village Administrator (the "Development Plan"); and,

WHEREAS, the Developer desires to guarantee that all such Public Improvements were construed in accordance with the Development Plan and the construction drawings and specifications and applicable laws and to ensure such performance by requiring said Developer to post a bond in the form of either an irrevocable letter of credit, a cash bond, or a surety bond; and,

WHEREAS, the Developer desires to guarantee the correction of any defect appearing in any Public Improvement within one (1) year after the acceptance of the Public Improvements by the Village, as a result of the failure of the Developer to construct the Public Improvement in accordance with the Development Plan and the terms of the Agreement (a "Failure") set forth in connection with the improvements located in and on said Development. This Contract shall be secured by bond in the form of either an irrevocable letter of credit, a cash bond or a surety bond, as detailed herein; and,

WHEREAS, the estimated costs of Public Improvements that were to be constructed, upon which the Performance Bond was posted, in accordance with Exhibit "D" attached to the Development Agreement was \$579,190.95, a copy of which is attached hereto; and,

WHEREAS, the Village is willing to accept a Guarantee Bond in the sum of \$57,919.10 being 10% of the estimated cost of the Public Improvements, with an expiration date of September 10, 2016, due to the Village Engineer determining the Public Improvements had been completed and further recommended in writing on September 10, 2015 that the Village accept the Public Improvements.

NOW, THEREFORE, IT IS AGREED:

1. Developer, as hereinbefore described, does herewith agree to correct any defect appearing in any Public Improvement as a result of a Failure.

2. Developer agrees that any failure in the Public Improvements shall be properly corrected pursuant to written notification from the Village received by Developer within one (1) year after September 10, 2015, being the date the Village Engineer determined the performance of the Public Improvements had been completed, and further recommended the acceptance of the Public Improvements by the Village. If, after notification by the Village, the Developer fails to make the required repairs within thirty (30) days from receiving such notification in the case of "non-emergency" items and within twenty-four (24) hours in the case of "emergency" repairs, the Village may employ the forces necessary to correct any such defect; provided however, that in the case of "non-emergency" repairs for which the correction cannot be reasonably completed within thirty (30) days because of weather conditions or other circumstances beyond the Developers control, the Developer shall so notify the Village Manager and the Village and Developer shall agree as to a reasonable number of days for the Developer to correct such defect. The Developer will be billed for any and all reasonable expenses incurred by the Village in cases where the Village is required (after notice to Developer and failure of Developer to cure such Failure within the time periods set forth above), to employ forces for purchases materials to correct a defect in accordance with this Contract. Such bill shall be paid to the Village by the Developer within thirty (30) days form the date of billing. The amount of any bills not paid within this time may be withdrawn from the \$5,000.00 Cash Nuisance Bond that was posted in conjunction with the signing of the Development Contract, provided that such Bond is still in effect, or the Guarantee Bond, or both, in the amount of any such unpaid bills.

3. Developer does herewith provide a bond in the form of Letter of Credit, dated December 18, 2015, in the sum of \$57,919.10, with an expiration date of September 10, 2016, and shall be for the benefit of the Village to insure the faithful performance of this Contract and the guarantee of the Public Improvements constructed in accordance with the Development Agreement, as well as the repair and replacements of items that deteriorate or need maintenance until the Letter of Credit's expiration date, said amount being equal to ten percent (10%) of the actual cost of the Public Improvements as certified by the Developer's engineer, in accordance with the approved "Development Plan" on file in the office of the Village Administrator and as itemized in Exhibit "D" made part of the Development Agreement.

4. Guarantee Bond. The original Letter of Credit No. 15-01 shall serve as the Guarantee Bond herein. Failure to provide and/or maintain this Guarantee Bond for until its expiration shall be deemed a default of the Development Agreement.

DEVELOPER:

IN EXECUTION WHEREOF, Mainstream Homes, Inc., referred to as the Developer herein, has caused this Guarantee Contract to be executed by Alvin Bishop, its President, on the date stated below, pursuant to a Resolution or Consent Action authorizing such act on its behalf.

SIGNATURE: _____

NAME: Alvin Bishop

TITLE: President

DATE: _____

STATE OF _____, COUNTY OF _____, ss.

BE IT REMEMBERED, that on the ____ day of _____, 20____, before me, the subscriber, a Notary Public, in and for said County and State, personally appeared the person known or proven to me to be Alvin Bishop, whose title is President, of Mainstream Homes, Inc., whose name is subscribed hereto, and acknowledged the signing and execution of this Guarantee Contract is his free and voluntary act and deed, and the free and voluntary act and deed of Mainstream Homes, Inc., in accordance with a Resolution or Consent Action authorizing such act as its representative.

[seal]

NOTARY PUBLIC: _____
MY COMMISSION EXPIRES: _____

SURETY:

IN EXECUTION WHEREOF, 1st National Bank, referred to as the Surety herein, has caused this Guarantee Contract to be executed by Ron Fischer, whose title is Executive Vice-President, on the date stated below, pursuant to a Power of Attorney or a resolution or consent action authorizing such act on its behalf.

SIGNATURE: _____

NAME: Ron Fischer _____

TITLE: Executive Vice-President

DATE: _____

STATE OF _____, COUNTY OF _____, ss.

BE IT REMEMBERED, that on the ____ day of _____, 20____, before me, the subscriber, a Notary Public, in and for said County and State, personally appeared the person known or proven to me to be Ron Fischer, whose title is Executive Vice-President of 1st National Bank, whose name is subscribed hereto, and acknowledged the signing and execution of this Guarantee Contract is his free and voluntary act and deed, and the free and voluntary act and deed of 1st National Bank, in accordance with a Power of Attorney or resolution or consent action authorizing such act as its representative.

NOTARY PUBLIC: _____

[seal]

MY COMMISSION EXPIRES: _____

VILLAGE:

IN EXECUTION WHEREOF, the Council of the Village of South Lebanon, Ohio, has caused this Agreement to be executed by its Mayor, and its Fiscal Officer, on the date stated below, pursuant to Resolution Number 20__ - ____, dated _____.

SIGNATURE: _____

SIGNATURE: _____

NAME: _____

NAME: _____

TITLE: Mayor

TITLE: Fiscal Officer

DATE: _____

DATE: _____

STATE OF OHIO, COUNTY OF WARREN, ss.

BE IT REMEMBERED, that on the ____ day of _____, 20____, before me, the subscriber, a Notary Public, in and for said County and State, personally appeared the persons known or proven to me to be _____, Mayor, and _____, Fiscal Officer, of the Village of South Lebanon, Ohio, and acknowledged the signing and execution of this Agreement is their free and voluntary act and deed, in accordance with a Village Resolution authorizing them to so act.

[seal]

NOTARY PUBLIC: _____

MY COMMISSION EXPIRES: _____

APPROVED AS TO FORM:

**VILLAGE SOLICITOR
SOUTH LEBANON, OHIO**

By: _____
Village Solicitor