

MANAGEMENT AGREEMENT

BETWEEN

**RICHMOND PARK ONE CONDOMINIUM
ASSOCIATION, INC.**

AND

VESTA PROPERTY SERVICES, INC.



VestaTM

Vested in your community.

MANAGEMENT AGREEMENT

This Agreement (“Agreement”) is made and entered into as of _____, by and between Richmond Park One Condominium Association, Inc. a Florida not-for-profit corporation (“Association”), in Lee County, and Vesta Property Services, Inc., a Florida corporation (“Agent”).

The Association desires to retain the Agent, and the Agent desires to be retained, to provide the management and administrative services specified herein and to manage the Property of the Community.

In consideration of the premises, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

A. Term and Termination

The Association hereby employs the Agent exclusively to manage the Association for Three (3) years, initial term, commencing on December 1, 2017. Either party may terminate this agreement with thirty (30) days written notice delivered by certified mail. The agreement will automatically renew for one (1) year following the initial term and each subsequent year on the effective date. Any changes to the Agent’s compensation shall be negotiated and agreed upon by both parties and shall become an addendum to this Agreement.

B. Compensation

In addition to all reimbursable costs, for which the Association shall pay the Agent pursuant to Schedule A & B attached hereto, the Association agrees to pay the Agent the below applicable monthly fees in advance on the first day of each month via ACH payment until the expiration or termination of this Agreement, as provided herein.

\$670 per month until the 50th closing and then \$13.00 per door for 12/1/2017 – 11/30/2018

\$690 per month until the 50th closing and then \$13.50 per door for 12/1/2018 – 11/30/2019

\$710 per month until the 50th closing and then \$14.00 per door for 12/1/2019 – 11/30/2020

C. Agent’s Services

During the Term hereof, and any renewal or extension thereof, the Agent shall perform the following services when and if needed, or as otherwise specified herein, in the name and on behalf of the Association as directed by its board of directors (“Board”).

Financial Services

- a. Provide the day-to-day bookkeeping services, as needed, compiled, in complete detail, on a monthly basis, necessary to pay the bills of the Association. This bookkeeping service shall include, but not be limited to, keeping all records of, and performing all services in connection with, the reconciliation and payment of bills, and such other items, accounts, and elements as may be provided for in the Budget.
- b. Collect from the Owners all regular and special assessments, and other revenues, which may be due the Association as needed or required.
- c. Process, reconcile, and pay all accounts payable from the Association's Bank Accounts. The Agent is authorized to prepare and sign checks, to pay any amounts owed by Association. Agent shall have no obligation to advance funds to Association for any purpose whatsoever. Agent shall not make any expenditure, nor incur any non-budgeted contractual obligation exceeding \$500.00 without the prior consent of Association except in emergency situations. From the funds of the Association, Agent shall pay all expenses of management of Association Property, including taxes, building and inspection fees, utilities, licensing and other governmental charges, and all other charges or obligations incurred by the Association or by Agent on behalf of Association with respect to the maintenance or operation of the Property or pursuant to the terms of this Agreement or pursuant to other authority granted by the Board on behalf of the Association.
- d. Receive, deposit, disburse and account for all Association's funds. Deposits and disbursements shall be made as needed and funds collected shall be deposited in a custodial account in a state or national bank where deposits are insured by the Federal Deposit Insurance Corporation, separate and apart from Agent's own funds. Assessments shall be deposited via a lockbox payment center to ensure daily deposit of Association funds.
- e. Prepare a monthly financial statement package by the 21st of each month which will include:
 - i. Balance sheet;
 - ii. Income and expense statement;
 - iii. Monthly delinquency report;
 - iv. Open accounts payable report;
 - v. General ledger

Managerial Services

- a. Engage and supervise all persons and/or entities, as needed (which persons or entities may be engaged on a part-time or full-time basis), necessary to properly

maintain and operate the Property in accordance with the Community's Declarations, Rules and Regulations.

- b. Solicit bids for purchases of services and materials to the Association at the direction of the Board.
- c. Solicit, analyze and negotiate recurring contracts on behalf of the Association, as needed, for recurring services reasonably necessary with respect to the operation, maintenance, upkeep, repair, replacement, and preservation of the Property.
- d. Prepare, annually in respect of the next succeeding fiscal year, a proposed operating Budget for the Association. The Budget shall be submitted to the Board for comments/changes, and only becomes a binding after approval by the Board. The Budget shall serve as a supporting document for the schedule of Assessments.
- e. Perform routine inspections as needed or as requested by Association, as mutually agreed upon, and make recommendations to the Board as to the maintenance of and improvements to the Property as well as assist the Association in the enforcement of the provisions of the Association's governance documents, the Rules and Regulations, and architectural guidelines.
- f. Organize the annual meeting of the membership of the Association, including, but not limited to, coordination with the Association attorney to prepare the meeting notices, voting certificates, proxy forms, and agenda, all under the direction of the Board or its designee.
- g. In the event the Association is granted a Certificate of Title for a Property and requests the services of the Agent in the care and maintenance of the property and leasing or sale services, the Agent will submit a separate addendum to this agreement outlining the terms and conditions for this additional service.

Administrative Services

- a. Maintain and update, on a current basis, all Owner files. Agent shall not be held liable for closings which occur if Agent has not been properly notified.
- b. Establish and execute, on a non-discriminatory basis, procedures to be uniformly followed in the collection of Assessments, and Other Charges to Owners including, but not limited to, the sending of delinquency notices to Owners in arrears, and follow up with the Association's attorneys on delinquent accounts according to procedures and time-tables to be approved, in advance, by the Board.
- c. As directed by Association, Agent shall arrange for Association's attorney to prepare liens for delinquent assessments and, when appropriate, prepare satisfactions of lien. Also as directed by Association, Agent will forward necessary documentation to attorney of Association's choice for legal collection and/or foreclosure action. Agent will act as liaison between attorney and Association. If appointed as Registered Agent for the Association, the Agent will accept service of summons and complaints on behalf of Association and forward same to attorney of Associa-

tion's choice for answer within the time frame dictated by law to ensure Association's interest in the lawsuit is protected.

- d. Assist the Treasurer and/or the Board appointed independent certified public accountants hired by the Association by supplying requested information for audits, financial reviews, and the filing of local, state and federal tax forms.
- e. Obtain and maintain any and all permits, licenses or approvals required of Association by any applicable federal, state, county or municipal authority.
- f. Maintain appropriate records of all insurance coverage carried by the Association and the Agent.
- g. Accept applications and references of prospective Owners and Renters as provided, however, that the actual approval or disapproval thereof shall be given and executed only by an authorized officer of the Association, or the Board.
- h. Maintain a 24 hour, seven-days-a-week, emergency call system.

D. Agency

All actions taken by the Agent with respect to the Agent's Services under the provisions of this Agreement shall be taken as agent for the Association and all obligations or expenses incurred in the performance of the Agent's Services shall be for the account, on behalf, and at the expense of the Association, except as is otherwise expressly provided herein. The Agent shall not be obligated to make any advances to or for the account of the Association or to pay any sum, except out of funds held or provided by the Association or by its members, nor shall the Agent be obligated to incur any liability or obligation on behalf of the Association without absolute and unconditional assurance that the necessary funds for the discharge thereof are immediately and presently available. It is understood and acknowledged that the Agent does not have any power-of-attorney to sign for, or execute any document in the name of, the Association or the Board.

E. Right of Access

The Agent shall have access to all elements of the Property at all reasonable times as may be necessary for the maintenance, repair or replacement of any portion of the Property, or for the making of emergency repairs necessary to prevent damage to any portion thereof.

F. Designations

The Association shall designate, in writing, a single individual who, except as specified herein as to certain approvals, consents, and authorizations, shall be authorized to deal with the Agent on any matter relating to this Agreement. In the absence of any such designation, the President of the Association shall have such authority.

G. Website

Agent shall provide a community web portal and assist in administering the web portal during the term of this agreement. Agent shall upload various documents as requested by the Board or its designated representative on a monthly basis.

H. Independent Contractor

The Agent is and shall be deemed to be an independent contractor, and not an employee of the Association. The Agent shall be free to contract for similar services to be performed for other entities, wherever located, while it is under contract with the Association.

I. Liability and Indemnification of Agent

The Agent shall not be liable to the Association, the Owners or the other occupants for any loss or damage to person or property, unless caused by the Agent's own gross negligence or willful misconduct or unauthorized acts, or arising out of a breach or default by Agent of this Agreement. The Association shall, and does hereby agree to, indemnify, save, defend and hold harmless the Agent and its officers, directors, agents and employees for any liability for damages, costs and expenses, including, but not limited to, reasonable attorneys' and paraprofessional fees and associated costs on the trial and appellate levels, in connection with the administration and carrying out of Agent's Services hereunder, unless such liability shall result from the Agent's gross negligence or willful misconduct or from a breach or default hereunder by Agent, or from acts or omissions beyond the scope of Agent's Services and concomitant authority provided herein. All personal property placed or moved into the Community will be at the risk of the Association or the Owner, as the case may be. Agent will not be liable to the Association for any damage to or injury to person or property, real or personal, arising from theft, vandalism, HVAC malfunction, the bursting or leaking of water pipes, any act or omission of any owner or occupant of a Home; however, the foregoing will not relieve Agent from any such liability for damage or injury resulting from Agent's gross negligence or willful misconduct, or from Agent's breach or default hereunder, or from acts or omissions beyond the scope of Agent's Services and concomitant authority provided herein. In no event will Agent be liable for consequential damages to the Association. The provisions set forth in this Section 11 shall survive the expiration or earlier termination of this Agreement.

J. Related Entity Disclosure

It is understood and agreed by the parties that Vesta Property Services and/or their affiliates hold licenses for and/or perform services in insurance, real estate sales, collections, wireless technology, network integration & maintenance, website creation and maintenance, data connection and digital video services, security services using a Class B license, transportation services, event planning, food & beverage services, grounds maintenance, building maintenance, and residential services and/or maintenance. It is further understood that such services may be provided to the Association by preferred vendors or affiliates, subject to the limitations as set forth in the Agreement, without further notice. Accordingly, Santa Rosa Island Company, Mortgage Advisors, Inc, Community Cable Finance, LLC, Association Finance, LLC, Broadband CTI, LLC and ECO Energy LLC are all disclosed as affiliates of Vesta Property Services, Inc.

K. Additional Items

- a. If Agent is to act as Project Manager for Association capital improvement projects of \$15,000 or more, the Agent's compensation may be 10% of the total project costs which will be due upon completion of the project and acceptance by the Board of Directors.
- b. In any litigation arising from or under this Agreement the prevailing party shall be entitled to recover all costs and reasonable attorneys' and paraprofessional fees (including fees and costs for appellate proceedings) incurred, in addition to all other damages and relief at law, or in equity. Any litigation or other formal proceedings arising out of, or related to, this Agreement shall be brought, exclusively, in the State or Federal Courts in and for the County identified on page 2 of this agreement.
- c. No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding or other breach of the same, or any other covenant.
- d. No modification, release, discharge or waiver of any provision hereof shall be of any force or effect, unless in writing, signed by both parties to this Agreement.
- e. The Association hereby covenants and agrees that they will not hire, employ or otherwise engage recruit, solicit or induce any person employed or supplied by the Agent or any former employee that was employed by the Agents during the term of this agreement for a period of two years, from the last day services are provided, regardless of the reason for termination. In addition to any other remedies at law or in equity available, Agent shall be entitled to seek relief, including injunctive relief, to enforce the terms of this non-solicitation covenant. In any legal proceeding brought by Agent to enforce the terms of this non-solicitation covenant, the Agent shall be entitled to recover all reasonable attorney's fees and costs incurred.
- f. If any term or condition of this Agreement is, to any extent, invalid, or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law. This Agreement will be construed and enforced in accordance with the laws of the State of Florida.
- g. This Agreement constitutes the entire understanding and agreement between the parties hereto, and supersedes all prior written or oral agreements, with respect to its subject matter. This Agreement shall be binding upon the parties hereto.
- h. All Schedules attached hereto are a component and integral part hereof.
- i. Nothing contained herein shall be deemed to create third-party beneficiary rights in persons or entities not parties hereto, except as specifically set forth herein.
- j. This agreement may be signed in counterparts, a complete set of which shall constitute a single document.

Executed this ___ day of _____, 2017

**RICHMOND PARK ONE
CONDOMINIUM ASSOCIATION INC.**

VESTA PROPERTY SERVICES

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Witness: _____

Witness: _____

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SCHEDULE A

Additional Management Fees:

1. The following items are billed separately in addition to the regular office expenses per calendar month:
 - Audit preparation for CPA firm if not conducted at our office: \$250
 - Tax Return : \$250
 - Insurance company audit: \$50
 - Special Assessment billings: \$1.50 per unit or \$100 minimum
 - Collection letters: \$2.50
 - Violation letters: \$5.00
 - Any extraordinary expense not included above with prior approval from the Board's President
2. Retrieval of archived boxes for investigation/regulatory purposes: \$25 per round trip.
3. Participation in legal action involving the Association, court appearances, depositions, consultation with attorneys in connection with litigation filed or proposed on behalf of, or directed by the Association: \$65 per hour.
4. Warranty or punch list work, in conjunction with claims arising against the developer or against contractors under contract prior to this Agreement: \$65 per hour.
5. Special Project Fee: in the event that the Association has to engage contractors for special work which may include, but not be limited to demolition, reconstruction or remedial work, or to address fire, flood, hurricane, tropical storm, lightening, tornado, and requires on-site visits or inspections by Sterling Property Services, the time spent shall be a billable expense of the Association. The fee shall range from \$30 to \$65 per hour and will be done only by prior written agreement of the scope of work and the extent of responsibility of VESTA PROPERTY SERVICES with the Board. The above stated fee shall be in addition to any other fees provided for in this Agreement.
6. Additional bookkeeping required to bring accounting records prior to the date of this Agreement to current status: \$50 per hour.

SCHEDULE B

CURRENT (2017) OFFICE EXPENSE FEES

Stationery:

Copies (black & white)	\$0.20 per page
Copies (color)	\$0.85 per page
Envelopes (small)	\$0.20 each
Envelopes (large)	\$0.50 each
Checks	\$0.50 each
Fax	\$0.80 each
File Folder	\$0.50 each
Labels	\$1.00 per sheet
Assessment coupon	\$1.00 each
Scans	\$0.50 each
Laminated copy	\$3.00 each
Storage box	\$4.50 each
Color paper	\$0.10 per sheet

Services:

Record Storage	\$2.50 per box
Mass Emails	\$.20 per email
Postage	Cost plus 20%
Long distance phone calls	Variable (\$5 max. per month)
Conference calls	Cost plus 50%
Criminal background check	Cost plus 50%

Compliance:

Sales & Lease Applications	\$50.00 each
1099 IRS submissions	\$5.00 each
Violations	
First Letter	\$0
Additional Letters	\$15 per letter
File Prep for Committee	\$75

FEES CHARGED TO HOMEOWNER ACCOUNTS

Estoppel Fees	Allowable Amount by Statute
Bank Questionnaire	\$250 each
Delinquency letters	\$2.50 each
Collection Administration	\$75.00 each file
NSF Letters	\$35 per letter
Bank Fees for NSF Checks	Actual Bank Charge