

MANAGEMENT AGREEMENT

BETWEEN

**BELL TOWER PARK PROPERTY OWNERS ASSOCIATION, INC.,
THE CARRIAGE HOMES AT BELL TOWER PARK CONDOMINIUM ASSOCIATION, INC.,
THE COURTYARD HOMES AT BELL TOWER PARK CONDOMINIUM ASSOCIATION, INC.,
THE COURTYARD HOMES AT BELL TOWER PARK II CONDOMINIUM ASSOCIATION, INC.**

AND

CARDINAL MANAGEMENT GROUP OF FLORIDA, INC.

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AGREEMENT

THIS AGREEMENT is made and entered into this 28th day of JUNE, 2011, by and between the following four (4) Bell Tower Park associations:

1. Bell Tower Park Property Owners Association, Inc. (478 Units)
2. The Carriage Homes at Bell Tower Park Condominium Association, Inc. (288 Units)
3. The Courtyard Homes at Bell Tower Park Condominium Association, Inc. (150 Units)
4. The Courtyard Homes at Bell Tower Park II Condominium Association, Inc. (40 Units)

(each of which is an "Association" and collectively, the "Associations") located in Lee County, Florida, and Cardinal Management Group of Florida, Inc. (hereinafter "Management" or "Management Agent").

WITNESSETH:

In consideration of the mutual terms, covenants and conditions set forth herein below, each of the Associations hereby appoint CARDINAL MANAGEMENT GROUP OF FLORIDA, INC., as Management for certain and specific duties included herein (the "Services"), and CARDINAL MANAGEMENT GROUP OF FLORIDA, INC., hereby accepts that appointment in mutual agreement as to all that follows:

ARTICLE I - CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement and Schedules thereto, the Governing Documents, Rules and Regulations and Board Resolutions (to the extent same are provided to Management) including all properly executed modifications, amendments, and changes issued subsequent to the execution of the Agreement, provided same are supplied to Management, and further provided that changes in any such documents subsequent to the date hereof (other than expansion amendments) shall have the written concurrence of Management to the degree that such changes alter its responsibilities or rights under the Agreement. In order to facilitate knowledgeable and efficient operation, the Associations shall furnish Management with a complete set of plans and specifications for the Properties and their improvements, to the extent such are reasonably available.

The parties have elected for their own convenience to use a single form of Agreement for all four (4) Associations. Each party to this Agreement understands that the obligations are not joint and several, and that each Association is responsible only for its own obligations; with the exception of the Termination provision in Article V, which requires that the non-terminating Associations renegotiate Management's compensation for Routine Management Services in the event of termination by one or more, but less than all, of the Associations, as more particularly described therein.

ARTICLE II - MANAGEMENT DUTIES

It shall be the duty of Management during the period of this Agreement to provide counseling and advice to the Associations and their Boards of Directors, and their committees in accordance with generally accepted industry standards in the area of community association management.

Management shall undertake reasonable efforts to implement the decisions of the Boards of Directors, subject to the compensation schedule and the limitations contained in this Management Agreement. It shall be the duty of Management, during the term of this Agreement, to operate and maintain the properties according to prevailing community association industry standards consistent with the overall plan of these Associations.

All of Management's employees who handle or are responsible for handling of the Associations' monies shall be bonded or similarly covered under Management's insurance coverage. Management shall conduct its duties consistent with the provisions and intents of Federal, State, and local laws and regulations as they pertain to the operation of the Associations.

Management shall employ, and locate on-site in office facilities furnished by the Associations at their expense during the Term, an on-site Community Association Manager Monday through Friday from 8:30 a.m. to 4:30 p.m. for the benefit of the Associations collectively.

ARTICLE III - LIAISON WITH BOARD

It shall be the duty of each Board of Directors of the Associations to appoint one member of the Board of Directors as liaison with Management. Management shall be advised of the identity of such liaison officers, and to the extent possible and practicable, all communications with Management shall be made by or delivered to such liaison officers.

Notwithstanding the appointment of one or more liaisons, Management shall communicate with Directors, Officers, and Committee Chairmen in the exercise of their mutual and respective responsibilities.

Management will designate one individual to serve as the Community Association Manager for the Associations and will provide all reasonable resources to ensure a harmonious relationship between the Associations and the assigned Community Association Manager. Management further agrees to consider all reasonable requests by the Associations for reassignment of any Community Association Manager and will cooperate with the Associations to resolve, to the extent possible, all conflicts prior to removal of any Community Association Manager.

ARTICLE IV - COMPENSATION

The compensation to which Management shall be entitled during the term of this Agreement shall consist of fees for regular monthly management services and fees for other services billed on an itemized basis to be negotiated prior to performance.

ROUTINE MANAGEMENT SERVICES

Management shall be compensated according to the following schedule, with fees for the month being due and payable on the 1st of the month. Such compensation includes the overhead expenses of Management, including salaries of Management's employees, general and administrative expenses of officers and employees incurred under this Agreement, and covers fees for basic services, general administration and physical systems management. The above compensation is exclusive of maintenance employees who may perform maintenance duties at any Association's request as set forth in Schedule B to this Agreement.

Initial Term: \$10,250 per month to be paid as defined below:

Bell Tower Park Property Owners Association, Inc.
\$5,125.00 per month

The Carriage Homes at Bell Tower Park Condominium Association, Inc.
\$3,085.25 per month

The Courtyard Homes at Bell Tower Park Condominium Association, Inc.
\$1,609.25 per month

The Courtyard Homes at Bell Tower Park II Condominium Association, Inc.
\$430.50 per month

(Includes Full-Time On-Site Community Association Manager)

INITIAL SETUP FEE

Management shall be paid a non-refundable initial setup fee by Association to compensate Management for the costs and expenses that will be incurred by Management in order to commence performance of its Routine Management Services under this Agreement without delay. The amount of this initial setup fee shall be equal to:

N/A – WAIVED

ADDITIONAL SERVICES (see SCHEDULE "B")

With the approval of the respective Boards of Directors, Management shall perform for any Association certain periodic, routine services relating to mailings, photocopying, sending of registered notices to Owners in breach of the Governing Documents and other items according to the fees set forth in Schedule B to this Agreement.

NON-ROUTINE SERVICES

Management shall maintain availability for services related to certain non-routine activities for which the need may or may not arise. Non-routine services shall be performed with the authorization of the Boards of Directors or an officer designated by the Boards of Directors. Non-routine services may include, without limitation, the following:

- a. Research, court appearances, depositions, after-hours meetings, and consultations with attorneys or other experts related to the Association's role as plaintiff, defendant, co-defendant or witness in any action or potential action, excluding assessment collection activity prior to a court appearance.
- b. Negotiations and claims of a protracted nature arising from warranty claims for work performed by any contractor prior to the effective date of Management's first Agreement for Management services with the Associations.
- c. Insurance claim administration in cases involving property damage and personal injury items covered under an Association's Comprehensive Multi-Peril Policy in cases where Management is required to spend more than eight (8) hours per case. Such charges by

Management under this provision shall be considered a normal expense item in filing a claim and administering the application for insurance proceeds and shall, accordingly, be submitted with the claim. To the extent not covered by insurance, such charges shall be an expense of the respective Association.

- d. Extraordinary or other non-routine requests outside the scope of the general contractual relationship as established by this Agreement. Such extraordinary requests may include, without limitation, such items as special mailings, newsletter production and mailing, distribution of notices door-to-door, governmental or other research, attendance at special hearings, and extraordinary contract administration, among others.

Charges for services performed under this Section shall be (i) at rates mutually agreed upon by Management and the respective Association at the time work is authorized, or (ii) at hourly rates stipulated in Schedule B, unless otherwise determined. The above list is not exhaustive. Services performed pursuant to Schedule B shall be billed to the individual Association which requests and/or requires such services.

PAYMENT

Payments owed to Management pursuant to this Agreement which are not paid within thirty (30) days after the due date shall incur 1) a late payment fee in the amount of four (4%) percent and 2) interest on such overdue amounts at the rate of 1.5% per month until paid in full.

ARTICLE V - COMMENCEMENT AND EXPIRATION

This Agreement shall commence on August 1, 2011 (the "Effective Date"), and expire on July 31, 2012 (the "Initial Term"). The Initial Term of this Agreement is subject to termination as set forth below in this Agreement and in Article VII of the General Conditions. After the Initial Term, and annually thereafter, and unless either party gives notice earlier than sixty (60) days prior to the expiration of the Agreement of an intention not to renew or renegotiate the Agreement, the Agreement will automatically renew for an additional one year term at a rate adjusted on an annualized basis of three percent (3%), plus any new Schedule B rates then in effect.

TERMINATION

This Agreement may be terminated, with or without cause, upon advance written notice of not less than sixty (60) days, on the part of one or more of the Associations or on the part of Management. All terminations shall be effective at the end of a calendar month. Notice shall be sent by Certified Mail, Return-Receipt Requested or hand-delivered. Any party's obligation to pay amounts due hereunder, but unpaid as of the effective date of termination, shall survive termination of this Agreement.

In the event one or more, but less than all, of the Associations terminate this Agreement, the non-terminating Associations and Management covenant to renegotiate in good faith Management's compensation for Routine Management Services (recognizing that Management has certain fixed costs, such as those involving the on-site community association manager, which will be incurred regardless of the number of Associations participating) so that such renegotiated compensation becomes effective for the period beginning as of the day following the date of termination referred to above.

ARTICLE VI - NON-COMPETITION & CONFIDENTIALITY

It is recognized and understood by the parties hereto that the Associations and their Boards of Directors through their relationship with Management as an employer of Management's services pursuant to this Agreement, shall have access to and will acquire a considerable amount of knowledge and goodwill with respect to the business of Management, specifically including this contract document, which knowledge and goodwill are extremely valuable to Management. All parties to this Agreement acknowledge that disclosure of any of this confidential business information, which shall include, by reference, this contract document, or competition by any of the parties either prior to or subsequent to termination of this Agreement would be extremely detrimental to Management.

Each of the Associations and each member of their respective Boards of Directors covenants and agrees that for a period commencing as of the date hereof and terminating one (1) year after termination of this Agreement, the Associations and such Board members shall not, in any capacity whatsoever, hire or engage or attempt to hire or engage any individual who is an employee of Management.

ARTICLE VII – INDEMNIFICATION

The Association shall, upon written demand, indemnify, defend, and hold harmless the Management Agent and its shareholders, directors, officers, employees, and Affiliates (such persons and entities to be referred to herein as the "Indemnitee" or the "Indemnitees") from and against any Loss sustained or incurred by or asserted against any one or more of them arising from or in connection with: (a) the Property; (b) the performance by the Management Agent of the Services; (c) any act or omission of any member of the Property Staff; (d) any act or omission on the part of any person or entity who shall have performed property management services on behalf of the Association and/or the Property prior to the Effective Date including, but not limited to, a failure on the part of any such person or entity to maintain accurate books and records; or (e) the duties, obligations and responsibilities assigned to the Management Agent in this Agreement, except to the extent that any of the foregoing arises out of Management Agent's gross negligence or intentional misconduct. The foregoing covenant to indemnify shall survive the expiration or earlier termination of this Agreement.

Notwithstanding the foregoing, Management Agent shall reimburse and indemnify the affected Association for any Loss sustained or incurred by it which is caused solely by Management's action, provided that Management's action (i) shall first have been adjudicated as constituting negligence, gross negligence, or intentional misconduct and (ii) was independent of direction or approval by the affected Association.

INDEMNIFICATION PROCEDURE

Claim Notice

In order to obtain indemnification under this Article VII, each Indemnitee seeking indemnification hereunder shall give the Indemnitor written notice (the "Claim Notice") of any claim or the commencement of any action or proceeding for which such Indemnitee seeks indemnification (an "Indemnity Claim"), and each such Indemnitee shall permit the Indemnitor to assume the defense of such Indemnity Claim. The failure by any Indemnitee to provide the

Indemnitor with a timely Claim Notice shall not preclude any Indemnitee from seeking indemnification from the Indemnitor except to the extent that such failure has materially prejudiced the Indemnitor's ability to defend the Indemnity Claim.

Claim Process

Within three (3) business days after receipt of such Claim Notice, the Indemnitor shall provide written notice to each Indemnitee indicating whether the Indemnitor shall undertake the defense of such Indemnity Claim. In the event that the Indemnitor fails to respond within such time period, or refuses or otherwise fails to assume the defense of any such Indemnity Claim, or if injunctive relief is sought against an Indemnitee, the Indemnitee may, but shall have no obligation to, defend against or settle such claim or litigation in such manner as such Indemnitee may deem appropriate. The Indemnitor shall promptly reimburse each Indemnitee upon demand for the amount of all expenses, legal or otherwise, incurred by such Indemnitee in connection with the defense against or settlement of such claim or litigation and shall pay a claim support fee (the "Claim Support Fee") in the amount of \$1,000 per Indemnity Claim, per month, for so long as such Indemnity Claim shall remain outstanding; provided, however, that the aggregate of all Claim Support Fees paid by the Indemnitor with respect to the particular Indemnity Claim shall in no event exceed \$10,000. If no settlement of the claim or litigation is made, the Indemnitor shall promptly reimburse each Indemnitee for the amount of any judgment rendered with respect to such claim or in such litigation and of all expenses, legal and otherwise, incurred by each Indemnitee, in the defense against such claim or litigation.

Release of Liability

The Indemnitor shall in no event settle any claim for which any Indemnitee seeks indemnification in respect of an indemnifiable claim hereunder or consent to entry of any judgment in litigation arising from such a claim without first obtaining a release of each Indemnitee from all liability in respect of such claim or litigation.

Relationship to Insurance Coverage

In no event shall the indemnification provisions of this Article VII diminish, affect, impede or impair, in any manner whatsoever, the benefits to which any party may be entitled under any insurance policy required by this Agreement or otherwise.

Force Majeure

In the event that the Management Agent's performance of the Services is delayed or otherwise impacted adversely by any Act of God, act of terrorism, natural disaster, Other Disaster (as defined below), or war (collectively, the "Force Majeure Events"), then the Management Agent shall be granted such reasonable extension of time or other reasonable accommodation as may be appropriate under the circumstances. Notwithstanding any provision herein to the contrary, the parties hereby acknowledge and agree that the Management Agent shall in no event be liable to any person or entity for any loss, cost or damage arising from or in connection with any Force Majeure Event. As employed herein the term "Other Disaster" shall mean any of the following events which shall not have been caused by Agent's Misconduct: theft, vandalism, HVAC malfunction, the bursting or leaking of water or sewer pipes, building defects, the release of hazardous materials, any act or omission of any owner or occupant of the Property, any fire, or any explosion.

Late Payment

In the event that any amount owed to the Management Agent or any other Indemnatee pursuant to this Agreement is not paid by the Association when due, then the Management Agent or such other Indemnatee shall be entitled to receive: (a) a late fee equal to 8% of the overdue amount; and (b) interest on such overdue amount at the rate of 1.5% per month until paid in full. The Management Agent and any Indemnatee shall be entitled to recover from the Association, upon demand, any expenses, attorneys' fees and costs incurred in connection with the collection of past-due amounts hereunder, regardless of whether legal action is instituted.

ARTICLE VIII – MISCELLANEOUS

DEFINITIONS

- a. Terms used in this Agreement shall be defined in the same manner as in state statutes governing the Associations, or if not defined therein, as defined in the Governing Documents, or if not defined therein, as defined herein.
- b. "Governing Documents" shall mean and refer to the Declarations for the Associations, including their By-Laws, Articles of Incorporation, policy statements and rules and regulations adopted by the Associations or their Boards of Directors, collectively.
- c. "Loss" shall mean any and all direct or indirect damages, demands, claims, payments, obligations, actions or causes of action, assessments, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection with any threatened or pending claim, action, or investigation of any nature.
- d. "Property" shall mean and refer to the General and Limited Common Elements of each of the four (4) associations as defined in the Governing Documents, and does not include individual units.

CONFLICTS

If any conflict shall arise between the terms of the Governing Documents and those of this Agreement, the Governing Documents shall control.

NOTICES

All notices regarding termination pursuant to the provisions of Article V shall be in writing and mailed by Certified Mail, Return Receipt Requested, or by receipted hand delivery to:

(The remainder of this page is intentionally left blank.)

THE ASSOCIATIONS

Bell Tower Park Property Owners Association, Inc.
President at his/her place of residence or the official
business address of the Association, as the case may be

The Carriage Homes at Bell Tower Park Condominium Association, Inc.
c/o Christopher J. Shields, Esq.
1833 Hendry Street
Fort Myers, Florida 33901

The Courtyard Homes at Bell Tower Park Condominium Association, Inc.
c/o Christopher J. Shields, Esq.
1833 Hendry Street
Fort Myers, Florida 33901

The Courtyard Homes at Bell Tower Park II Condominium Association, Inc.
President at his/her place of residence or the official
business address of the Association, as the case may be

With a copy to:
Christopher J. Shields, Esq.
1833 Hendry Street
Fort Myers, Florida 33901

Notice shall be effective upon receipted hand-delivery or three days after the postmark date, except for notice of change of address which shall be effective upon receipt. Other notices may be by first-class mail or hand-delivery.

ASSIGNMENT, MERGER AND CONSOLIDATION

This Agreement shall not be assignable, in whole or in part, by any party without the prior written consent of the others.

In the event Management experiences a change of corporate control during the term of this Agreement, Management shall promptly furnish each Association with written notice of such event.

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MANAGEMENT

Principal officer or other
designated individual at:
4670 Cardinal Way, Suite 302
Naples, Florida 34112

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above-written.

FOR BELL TOWER PARK PROPERTY OWNERS ASSOCIATION, INC.:

President

Date

Witness

Date

FOR CARDINAL MANAGEMENT GROUP OF FLORIDA, INC.:

Glen Fulker, Vice President

Date

Witness

Date

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above-written.

FOR THE CARRIAGE HOMES AT BELL TOWER PARK CONDOMINIUM ASSOCIATION, INC.:

President 

Date 6/28/2011

Witness 

Date 6/28/2011

FOR CARDINAL MANAGEMENT GROUP OF FLORIDA, INC.:

Glen Fulker, Vice President 

Date 6/28/11

Witness _____

Date _____

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above-written.

FOR: THE COURTYARD HOMES AT BELL TOWER PARK CONDOMINIUM
ASSOCIATION, INC.,

President

Date 06/28/2011

Witness

Date 6/20/2011

FOR CARDINAL MANAGEMENT GROUP OF FLORIDA, INC.:

Glen Fulker, Vice President

Date

Witness

Date

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above-written.

FOR: THE COURTYARD HOMES II AT BELL TOWER PARK CONDOMINIUM
ASSOCIATION, INC.,

Vice-President Vina H. Am

Date 6/28/2011

Witness Tz

Date 6/28/2011

FOR CARDINAL MANAGEMENT GROUP OF FLORIDA, INC.:

Glen Fulker, Vice President Gel

Date 6/28/11

Witness Samir Dickerson

Date 6-28-11

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SCHEDULE A
GENERAL CONDITIONS

SCHEDULE A

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ARTICLE I - GENERAL

A-1.01 STATUS OF MANAGEMENT

CARDINAL MANAGEMENT GROUP OF FLORIDA, INC., shall be considered a contractor of each of the Associations. All legally binding instruments, specifically including, but not limited to contracts, shall be executed by the President, Vice President or two of the Board Members of the respective Association.

A-1.02 LIABILITY OF MANAGEMENT

If Management shall have taken reasonable steps within the scope of its Services in order to maintain in full force and effect all insurance where the Association is the insured and Management is an additional named insured as set forth in by this Agreement, the respective Association shall, upon demand, reimburse and hold harmless Management for any and all sums paid out by Management to defend, compromise or settle any claim or any action, suit or proceeding brought against Management, including any injury suffered by an employee or other persons, which results from actions by Management lawfully taken pursuant to any provisions of this Agreement, provided that nothing herein shall obligate the Associations to any liability for any malicious or illegal conduct, or for the gross negligence of Management; and provided, further, prompt notice of any claim, for which such reimbursement is asserted by Management, shall be given to the respective Association and an opportunity afforded to the Association to assume the defense thereof.

Management shall maintain in force, for the entire term of the Agreement, its own liability insurance in the following coverages: its own general liability in the amount of \$1,000,000/\$2,000,000 (and listing each of the Associations as an additional named insured), errors and omissions in the amount of \$1,000,000, and automobile liability in the amount of \$1,000,000, workers' compensation in the limits prescribed by law and a fidelity bond in the minimum amount of \$50,000. The Associations shall have the right to demand proof of insurance coverage at any time, and Management shall have the obligation to provide proof of its insurance coverage upon demand. The respective Association's liability insurance shall be primary, to the extent applicable.

A-1.03 ROLE OF MANAGEMENT

Management fully accepts that its function is to assist the Boards of Directors in the operation and administration of the Associations. Notwithstanding the express authority given to Management in this Agreement, it is understood and agreed that Management shall at all times confer fully and freely with the Boards of Directors in the performance of the services set forth hereinafter, including but not limited to, attendance at regular Board meetings.

ARTICLE II - FINANCIAL MANAGEMENT

COLLECTIONS, DEPOSITS, ACCOUNTING

Management shall assist and/or advise the Boards in all matters relating to income of any source and expenditures of any nature including, but not limited to, the following duties:

A-2.01 COLLECTIONS

Management shall collect all general and special assessments as they become due and payable from all Owners as identified on the rolls initially provided Management by the Associations, and as such are changed from time to time by notification to Management of changes in individual ownership, and all monies due from any source which are obligated to or for the benefit of the Associations. The Boards hereby authorize Management, as its Agent, to request, demand, collect, receive, and receipt for any and all charges, assessments, or rents due the Associations which may at any time become due by way of legal process or otherwise as may be required for the collection of delinquent assessments from the Owners. Additional payment coupons, invoices, or other fee notifications, legal fees, lien filings and releases and court actions relating to delinquent assessments, and costs of delinquent account processing shall be an additional Association expense in accordance with the charges defined in Schedule B.

The Associations agree to designate an attorney, with whom Management agrees to provide full cooperation, for collection activities related to accounts past due, or in lieu thereof, to accept Management's designation of an attorney for collections. Attorneys' fees and related expenses shall be an expense of the Associations notwithstanding Associations' right to recover some or all of those expenses pursuant to the Governing Documents and/or properly adopted Board Resolutions.

As a standard practice, Management shall send to each Board of Directors an itemized list of all delinquent accounts as part of the regular status report.

A-2.02 DEPOSITS

Management shall initially deposit all receipts from whatever source, including assessments, in a financial institution or institutions insured by the Federal Government, in an account or accounts in the name of the respective Association and not commingled with funds of any other party, established and maintained in a manner to indicate the custodial nature thereof.

A-2.03 DISBURSEMENTS

From the funds collected and deposited in each Association's account(s) Management shall cause to be disbursed regularly and punctually: (1) salaries and any other compensation due and payable to the employees or to independent contractors hired pursuant to the authority herein contained; (2) any taxes payable; (3) fire and other insurance premiums; (4) the amounts specified in the approved operating budget for allocation to any reserve fund for replacements or to any other reserve accounts; (5) sums otherwise due and payable as operating expenses in the approved operating budget or authorized to be incurred under the terms of this Agreement or otherwise, including Management's compensation.

A-2.04 FINANCIAL REPORTS

Management shall maintain a record of all income and expenses, assets, and liabilities, utilizing the accrual method of accounting, with a periodic summary statement of the aforementioned items, including a balance sheet and a profit and loss statement reflecting actual versus budget activity for the most recent month and on a cumulative basis from the commencement of the fiscal year until the date of the report to the respective Board.

A-2.05 INVESTMENTS

As directed by the respective Association, Management will cause to be purchased from time-to-time negotiable instruments, Certificates of Deposit, Treasury Bills and other such investments. Any investment service fees will be the expense of the respective Association, and the Associations acknowledge that Management will not offer or provide investment advice.

A-2.06 ANNUAL BUDGET AND VARIANCES

The current fiscal year operating budget adopted by each Board shall serve as the supporting document for the schedule of assessments of the Owners for the fiscal year. The Budget shall constitute the major financial control under which Management shall operate, and there shall be no substantial deviations therefrom, excluding such expenses as utilities, fuel, license fees, insurance and other expenses not within the control of Management, except as may be approved by the respective Board of Directors.

A-2.07 BUDGET PREPARATION

Management shall assist each Board of Directors and respective Treasurer in the preparation of the operating and capital budgets of its Association, including, but not limited to, the following:

a. At least sixty (60) days before the end of the fiscal year, or as otherwise required by the governing documents, Management shall submit to the Board a baseline budget for the ensuing fiscal year. This proposed budget shall include an analysis of repair and maintenance needs, operating expenses, and any capital improvements anticipated for that period. Reserve fund recommendations shall also be included on an updated cost basis. Management shall prepare one baseline budget (including narrative) and one final fiscal year operating budget as well as any revisions initiated internally, at no additional charge.

A-2.08 CONFORMANCE

Management shall administer each Association's financial affairs in accordance with the provisions of policies adopted by the respective Board of Directors.

ARTICLE III - GENERAL ADMINISTRATION

Management shall assist each Board of Directors in all matters of administration, including, but not limited to, the following:

A-3.01 INVENTORY SYSTEM

To the extent that an Association has goods and property of significant volume or value, develop and maintain a personal and business property inventory of major items.

A-3.02 FILES AND ROSTERS

Maintain records containing papers relative to administration and ownership and update the file as circumstances warrant. Such file shall include a roster of absentee owners and other data necessary to properly administer each Association's affairs, to the extent such data have been provided Management by the Association, closing attorneys, mortgagees and others. Should

individual owners not willingly cooperate with the Association or Management in providing information necessary to maintaining up-to-date records, any research cost necessary to accomplish same shall be an additional Association expense in accordance with the hourly charges defined in Schedule B, with consent of the respective Board of Directors, for such activities.

A-3.03 CORRESPONDENCE

Advise each Board as to, or initiate with the consent of the Board, general correspondence dealing with business matters of the Association between governmental officials, independent contractors, Owners, tenants, and other entities with which the Association or its representatives have a business relationship, and maintain a file thereof.

A-3.04 ADMINISTRATION OF RULES

Assist each Board of Directors in the administration of provisions of the Governing Documents. Also, assist the Board in drafting resolutions, and rules and regulations. Management, in accordance with Board adopted policies, shall take such actions to cause cures to such violations as are consistent with Board policies.

A-3.05 MEETING ATTENDANCE

Management shall consider the fee provided for in Section 4.01 of the Agreement to include compensation for attendance by Management's designated On-Site Community Association Manager at all meetings of the Board of Directors and all membership meetings of each Association, and at other meetings as mutually agreed upon between the parties at the rates stipulated in Schedule B. There shall be no limitation placed on meeting time between the President of a Board or the Treasurer and professional level representatives of Management who have been assigned responsibilities on behalf of the Association, provided that such meetings are held on a scheduled appointment basis at Management's offices during business hours.

A-3.06 EXPENDITURE COMMITMENT LIMITS

Except for disbursements authorized in Section 2.03 above, for any one item of repair or replacement, the expenses incurred shall not exceed the sum of Two Thousand Dollars (\$2,000.00), unless specifically authorized by the respective Board of Directors provided, however, that emergency repairs involving manifest danger to life and property, or immediately necessary for the preservation and safety of the Property or for the safety of residents, or required to avoid the suspension of any necessary services to the Associations, may be made by Management irrespective of the cost limitation imposed by this Paragraph. Notwithstanding this authority as to emergency repairs, it is understood and agreed that Management confer immediately with the respective Board of Directors regarding every such expenditure.

A-3.07 GENERAL INFORMATION REPORT TO THE BOARDS

Management shall inform each Board on a periodic basis of industry information and practices pertaining to associations which come to Management's attention as a normal course of business.

A-3.08 OPERATING PROCEDURES

Management shall provide each Board from time to time with recommended standard procedures, specifications and policies for procurement and operations and other items relating to the operation of Association affairs.

A-3.09 INSURANCE ADMINISTRATION

Management shall assist each Board and its qualified insurance broker or contractor in meeting the Board's obligation to cause to be placed in effect all forms of insurance required by the Governing Documents, and as dictated by prudent business practice. Management shall also diligently process all claims for which an Association is responsible. Management shall provide each Board with comprehensive and timely reports on all accidents, fires and any and all claims relating to Management, maintenance and operation of the Property. Should Management expend more than eight (8) hours per claim, Management may be reimbursed at rates specified in Schedule B.

A-3.10 OWNER COMMUNICATION AND PARTICIPATION

Management shall assist each Board in the development of good communications with Owners and other residents. Management shall cause all notices required by the law and the Governing Documents or as directed by the Board to be sent to the appropriate or designated recipients, according to the fee schedule in Schedule B to the Agreement.

A-3.11 REQUIRED FILINGS AND REPORTS BY MANAGEMENT

Management shall prepare for execution and filing by each Association, as applicable:

- a. All forms, reports, and returns required by law in connection with unemployment insurance, disability benefits, social security and other similar taxes now in effect or hereafter imposed, if any (but specifically excluding any income tax returns).
- b. Resale certificates as may be required by the applicable law within the time period required by law following receipt of a written request together with the required fee for such from the selling owner.

A-3.12 MEETINGS ADMINISTRATION

Management shall assist in the organization of all general membership meetings and in particular the Annual Meetings of each Association, including preparation of reports and notices, and procedures, securing necessary personnel, and providing technical supervision and support for meetings at which the general membership is to vote.

A-3.13 GENERAL STATUS REPORT

Management shall prepare a written status report and agenda to be presented no less than 48 hours prior to regularly scheduled meetings of each Board of Directors. The written report, at a minimum, shall normally contain the following information:

- a. Status of Maintenance Contracts: site inspection reports, progress of subcontractor and/or employee repair and maintenance work, emerging problems with grounds and buildings,

and recommendations for future action.

- b. Status of Finances: balance sheet, income statement, general ledger entries, delinquent account status, budget deviations, and such other items necessary to prudent business interpretations and administration of each Association's financial affairs.
- c. Status of Administration: significant violations of the Governing Documents and actions involving security, vandalism, insurance claims and other matters not falling within the categories of maintenance and finance.

ARTICLE IV - PHYSICAL SYSTEMS MANAGEMENT

Management shall assist and/or advise each Board and/or employees and contractors of the Associations in all matters related to the maintenance of the respective Association's Property, specifically:

Cause the Property to be maintained, including routine maintenance, according to the standards established by state and/or local law, the Governing Documents, and the respective Board of Directors. The standards and actions related thereto shall include the following:

- a. Except as approved by the respective Board or permitted herein, contractors shall be solicited pursuant to competitive bidding procedures and written specifications (for contracts or repairs exceeding \$1,000). Management shall submit recommendations to the respective Board containing evaluation of the bids and their adherence to the specifications, information on past experience and such other information as may be helpful to the Board in making a final selection.
- b. After selection, Management shall oversee the activities of all contractors. Management shall assist the respective Boards in the enforcement of contractor warranties. Management also shall fully cooperate with consultants that may be retained by the Board to accomplish specialized functions for each Association in the areas of law, public accounting, or other areas when the activities of such specialists relate directly to routine operations. Specialized activities (e.g., reconstruction, new construction or major renovation), may entail additional fees based upon prior negotiation with each Association.

A-4.01 CONTRACT SUPPLIES AND SERVICES PROCUREMENT

Management shall develop and maintain comprehensive procurement procedures in matters of a routine recurring nature. Such matters may include, as applicable, routine cleaning, painting, decorating, plumbing, electrical repair, carpentry, plastering and other such normal maintenance and repair work as may be necessary, subject to any limitations imposed by the respective Board. Specifications for major capital repairs and replacements, capital improvements or other work requiring certification by licensed professions shall be developed at the expense of the respective Association. The exercise of any obligations and authority under the provisions of this paragraph shall be in the name of the respective Association which shall be the sole beneficiary of any discounts, commissions, or rebates obtainable as a result of any such purchases.

A-4.02 SUPERVISION

Management shall supervise the operations of all routine operations of contractors who

perform work for each Association. Supervision of contractors performing unscheduled major work such as required due to fire or other calamities, or capital improvements may be subject to additional charges by Management.

A-4.03 PREVENTIVE MAINTENANCE PROGRAM

Management shall establish and implement a preventive maintenance program for all major physical systems, with this program to be developed and maintained on a regular basis reflecting useful life cycles of common components and/or equipment.

A-4.04 BUILDING CARE

Management shall routinely inspect the common areas for proper cleanliness and maintenance. Major deficiencies noted shall be reported in writing to the respective Boards.

A-4.05 GROUNDS CARE

Management shall inspect all ground areas to determine whether such are receiving adequate care and maintenance by each Association's landscaping contractor, and take such measures as necessary to ensure same.

A-4.06 CAPITAL IMPROVEMENTS

Management shall make recommendations for capital improvements and any other recommendations as may be appropriate for the improvement of the community.

A-4.07 EMERGENCY SERVICES PROGRAM

Management shall maintain a 24-hour, 7-days-a-week emergency system for communication with Owners. The emergency support system shall include the retention of qualified and/or licensed personnel or firms in all trades deemed necessary to respond to emergencies.

A-4.08 SERVICE REQUESTS

Regardless of the nature of the request, Management shall administer a program to record and process, as appropriate, reasonable information and service requests from all owners and residents.

A-4.09 JURISDICTIONAL REQUIREMENTS

Management shall take action as may be necessary to comply promptly with any and all orders or requirements affecting the premises placed thereon by any Federal, state, county or municipal authority having jurisdiction thereover, and orders of the Boards of Fire Underwriters or similar bodies, subject to the same limitations contained in Paragraph A-3.06. Management shall not be obliged to take any action under the provisions of this paragraph in any event for which Board approval has been requested and not provided, nor whenever any Association is contesting or affirming its intent to contest any jurisdictional order or requirement. In the event Management is so relieved of its obligations, the respective Association shall hold Management harmless from and indemnify Management against any and all consequences of such failure to comply.

ARTICLE V - BOOKS, RECORDS, INSPECTION AND ANNUAL AUDIT

A-5.01 BOOKS AND RECORDS

Management shall maintain a comprehensive system of office records, books, and accounts reflecting the activities of operation as set forth in this Agreement.

Copies (which may be duplicated) of contracts, filings with public agencies and financial books and accounts may be maintained at the principal office of the Associations.. Originals of all records will be maintained by Management.

A-5.02 INSPECTION

All office records, books, and accounts maintained either at the Associations' office or in Management's offices except as otherwise directed by the respective Board or in accordance with law, shall be made available for inspection by any and all Owners or their authorized representatives, upon reasonable notice, during normal business hours.

A-5.03 ANNUAL AUDIT

Management shall cooperate fully with the independent certified public accountant in the conduct of the annual audit (if applicable) including making all records, books, and accounts available for their inspection and review, and shall do such at no additional expense to the Associations provided the audit is completed within ninety (90) days following the close of the fiscal year being audited.

ARTICLE VI - TERMINATION AND RENEWAL

A-6.01 WORK STATUS

After receipt of a Notice of Termination, or thirty (30) days prior to the expiration of the Agreement should either party elect not to seek renewal of the Agreement, Management will:

- a. Stop such work under the contract on the date and to the extent specified in the Notice of Termination;
- b. Place no further orders with subcontractors for materials, services, of facilities, except as may be necessary for completion of such portion of the work under the contract as is not terminated;
- c. Terminate all orders and subcontractors to the extent that they related to the performance of work terminated by the Notice of Termination;
- d. Settle all outstanding liabilities and claims arising out of such termination of orders and subcontracts, with the approval or ratification of the respective Board of Directors, to the extent it may be required, which approval or ratification shall be final for all purposes of this clause;
- e. Complete performance of such part of the work as shall not have been terminated by the Notice of Termination.

A-6.02 TURNOVER OF RECORDS

- a. Unless an earlier time is prescribed by applicable law, within four (4) weeks after the Notice of Termination is served, or four (4) weeks prior to expiration of the Agreement, if either party elects not to renew, Management shall gather all files in boxes and index the contents. All files, financial data and other material collected or created for the Associations by Management shall remain property of the Associations. Upon turnover of those records, the Associations' representative shall execute a receipt for same, with a copy provided to Management. Management shall not be deemed responsible for maintaining Association files or records not claimed or received by the Associations after 30 days from the last day of the contract period.
- b. Management is entitled to retain copies at its cost of such documentation as may be material in any future claim regarding Management's performance during the contract period under its responsibility.
- c. A date and time shall be set for a meeting to take place in Management's principal office within fourteen (14) days after the expiration of the term of the Agreement for the purposes of turning over to the Associations all requested records, and to execute any agreements and releases relating to the conclusion of contractual obligations.

A-6.03 TERMINATION ACTIVITIES

- a. Management shall notify vendors, services and banks of the change in management when informed of the new address for the Associations. Notification shall generally be accomplished within four weeks of the Notice of Termination, provided Management has received the proper information.
- b. Management shall forward to new management agent any payments received after termination within three (3) business days of receipt. This obligation shall cease after thirty (30) days of the effective date of termination of the Agreement.

A-6.04 TRANSITION AUDIT

The Associations may at their own expense conduct an independent audit by a Certified Public Accountant to be commenced following the last day of the term of the Agreement. Management agrees to provide assistance to the auditor at no additional expense to the Associations provided the audit is initiated within forty-five (45) business days of the last day of the term of the Agreement and concluded within fifteen (15) days thereafter. Thereafter, Management shall be entitled to compensation at the hourly rates stipulated in Schedule B for such time as the auditor requires of Management. If the Associations choose not to conduct a Termination Audit, either by notifying the Management Agent of such waiver or by failing to have completed such an audit on or before the date that is sixty (60) days after the termination or expiration of this Agreement. The Associations hereby acknowledges and agrees that any such waiver of the requirement for a Termination Audit shall be deemed to be a waiver of any and all claims, actions, suits or proceedings against the Management Agent, its directors, officers, and/or employees, based, in whole or in part, on incomplete or inaccurate recordkeeping on the part of Management, other than any criminal mismanagement or misappropriation of funds on the part of Management.

ARTICLE VII - MISCELLANEOUS

A-7.01 MODIFICATION AND CHANGES

This writing is intended by the parties as a final expression of the Agreement and as a complete statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No variations, modification, or changes of the Agreement shall be binding unless it is made in writing and executed by both parties.

A-7.02 APPLICABLE LAW

It is understood and agreed that this Agreement shall be construed in accordance with the laws of the State of Florida.

A-7.03 BANKRUPTCY

If Management shall be adjudicated as bankrupt or insolvent and such adjudication is not vacated within one hundred twenty (120) days; or if a receiver or trustee shall be appointed and it shall not be vacated within one hundred twenty (120) days; or if a corporate reorganization of Management or any arrangement by statute shall be filed; or if Management shall make an assignment for the benefit of creditors; then the same may be cause for termination of this Agreement.

A-7.04 ASSIGNMENT, MERGER AND CONSOLIDATION

This Agreement shall not be assignable, in whole or in part, by any party without the prior written consent of the others.

In the event Management experiences a change of corporate control during the term of this Agreement, Management shall promptly furnish each Association with written notice of such event.

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SCHEDULE B

SCHEDULE OF ITEMIZED CHARGES FOR ADDITIONAL SERVICES

THE FOLLOWING LIST OF ITEMS ENTAILS ADDITIONAL CHARGES TO THE ASSOCIATIONS IF THESE SERVICES ARE PERFORMED UTILIZING CORPORATE PERSONNEL. IT IS ANTICIPATED THAT THESE SERVICES WILL BE PERFORMED BY THE ON-SITE PERSONNEL, AND THEREFORE INCLUDED IN THE BASE MANAGEMENT FEE. NO CORPORATE PERSONNEL WILL BE UTILIZED FOR SCHEDULE B SERVICES WITHOUT PRIOR ASSOCIATION AUTHORIZATION.

<u>ITEM</u>	<u>STANDARD CHARGE</u>
ADMINISTRATIVE	
1. Emergency Answering Service 24 Hours Per Day	No charge
2. Long Distance	Actual cost
3. Community Mailings and Election Services	Clerical Time (+ Postage*) (one hour minimum)
4. Mailing Labels for Non-Routine Mailers	.07¢ each, minimum \$15.00
5. Notices by Certified Mail (except collections)	\$15.00 (+ Postage*)
6. Non-Routine Materials Reproduction	.15¢ per copy
7. Postage	*Actual cost + 1%
8. Minutes Transcription	Hourly rates, portal to portal (1 hour minimum)
9. Association Stationery, Envelopes, etc.	Actual cost
10. Corporate Envelopes, Stationery	Actual cost + 5%
11. Archiving Documents	Actual cost
-Boxes	Up to 3 years information, no charge
-Storage Space	3+Years, \$35 per box/per year
12. Newsletter Production/Desktop Publishing	\$250.00 (up to 4 pages) and \$30.00/page thereafter
13. Add'l Meetings or Meetings in Excess of 2 ¼ Hrs	Hourly rates, portal to portal
14. Meetings Held on Fridays Evenings & Saturdays	Double time and ½ x hourly rates, portal to portal
15. Meetings Held on Sundays & Holidays	Triple time x hourly rates, portal to portal
16. Tax Record or Forwarding Address Research	\$15.00 per account
17. Notary Services	\$3.50 per item
FINANCIAL	
1. Lock-Box Services	Actual cost
2. Additional Bank Account Setup; Signature; Changes; Direct Purchase of CDs, Bonds, etc.	\$50.00 per transaction
3. Payment Coupons (if applicable)	\$3.50 each (+ Postage*)
4. Assessment Invoices	Included (+ Postage*) (up to 4 times per year)
5. Direct Debit Set-Up	\$15.00 one-time set-up charge
6. 1099 Processing, Reporting, & Filing	\$10.00 each

7.	Laser Checks / OCR Magnetic Toner	10¢ each
8.	New Account Set-Up	\$30.00 per account (due upon issuance of Certificate of Occupancy, or upon Resale)
9.	Loan Placement Fee	½% of loan amount, maximum \$5,500.00
10.	Expedited Checks Requested by Association (less than 4 days)	\$15.00 per request
11.	Special Assessment Processing	\$4.25 per unit monthly for duration of assessment
12.	Passes (pool, parking, recreation, etc.)	\$5.00 per pass (actual cost if outsourced)

PROPERTY SERVICES (when performed by corporate staff)

1.	Work Order Processing	Up to 5 per month, no charge \$3.00 each thereafter
2.	Construction Management/Major Project Oversight	Hourly rates
3.	Between Unit Maintenance Coordination (non-common area)	Hourly rates
4.	Emergency Response to Community by Phone	No charge
5.	Emergency Response Requiring After-Hours Visit to Community	Hourly rates, portal to portal (2 hour minimum)
6.	ARC Modification/Variance Application Processing	\$15 per application
7.	Violation Notices	Up to 10 per month, no charge \$10.00 each thereafter
8.	Comprehensive Annual ARC/Compliance Inspection	
	1-200 homes	\$9 per home
	201-500 homes	\$8 per home
	501-1,000 homes	\$8 per home
	1,001-2,000 homes	\$7 per home
	2,001 or more homes	\$6 per home
	Follow-up on ARC Violations (letters & verbal)	\$10 per violation notice + postage + costs
	Follow-up on ARC Violations with site visit	\$15 per violation notice + postage + mileage + costs

SPECIAL OR ADDITIONAL SERVICES

1.	Court Appearances / Depositions	Hourly rates, portal to portal
2.	Records Reconstruction (if necessary or requested)	Hourly rates + .15¢ per copy
3.	Accounting & Database Software On-Site	\$850.00 set-up, install, training plus \$150 month
4.	Exterior Lot/Unit Inspection	\$100.00
5.	Web Site Maintenance	\$85.00 per hour
6.	Access System Database Management	\$2.00 per unit initial set-up, \$1.00 per change
7.	Payroll Processing	Cost of 3 rd party admin, 5% of gross payroll and benefits, Minimum \$800 annually (includes tax filings, W-2's, etc.)

- | | | |
|----|-----------------------|---|
| 8. | Credit Card Purchases | Cost + 15% processing fee to cover expenses (which may include shopping time, fuel costs, and interest charges) |
|----|-----------------------|---|

The services below are billable if they exceed 10 hours per claim or issue

- | | | |
|-----|--|--------------------------------|
| 10. | Insurance Claims Administration | Hourly rates, portal to portal |
| 11. | Developer Warranty / Bond Release Issues | Hourly rates, portal to portal |

**THE FOLLOWING LIST OF ITEMS ENTAILS ADDITIONAL CHARGES
THAT MAY BE RECOVERED FROM OR DIRECTLY PAID BY INDIVIDUAL OWNERS**

Note: Management may, at the option of the homeowner, collect these fees directly from the homeowner. In the absence of this and pursuant to Florida Statutes, the Associations will be charged these fees and recover the costs at settlement of the transaction.

- | | | |
|----|---|---|
| 1. | Estoppel Requests | \$100.00 |
| 2. | Association Document Reproduction | \$100.00 |
| 3. | Processing of Application for Approval to Purchase or Lease a Unit | \$100.00 |
| 4. | Completion of Condominium/
Mortgage Questionnaires | \$150.00 |
| 5. | Special/Expedited Request | \$25.00 |
| 6. | Homeowner requested materials review | Hourly rates |
| 7. | Homeowner requested materials reproduction | Hourly rates + .15¢ per copy |
| 8. | Delinquent Accounts Processing (These charges may be reimbursable to the Associations.) | |
| | -1st and Subsequent Late Notices | \$15.00 per notice |
| | -Certified Notice to Owner or Lender | \$25.00 per notice |
| | -Attorney Account Set-Up and Update | \$50.00 (charged one time per account) |
| | -Returned Checks | \$60.00 (after two attempts to deposit) |
| 9. | Concierge Services | Negotiable on case-by-case basis |

HOURLY RATES

- | | |
|-------------------------|---------------------------------------|
| Principals | \$200.00 per hour |
| Manager | \$90.00 per hour |
| Senior Accountant | \$125.00 per hour |
| Engineer or Consultants | Actual cost (when requested by Board) |
| Non-Routine Clerical | \$60.00 per hour |
| Maintenance Technician* | Rates vary (available upon request) |
| Cleaning Service* | Rates vary (available upon request) |

*One Hour Minimum