

Florida Association & Property Management, Inc.

Specializing in Condominium and HOA Management

Serving on a board of an association is a tough job. It takes an incredible amount of patience, devotion to the community and organization. Having a full service management company there at your side to support you is critical to the success of the Board being able to deliver on its value proposition for its membership. Most Board members work full time jobs outside of the association and therefore their time is limited. A property management company can help leverage that available time so that it is as much productive as possible.

From going through the mail, loading the bills, inspecting the property and communicating violations, hiring trade partners, managing the accounts receivable and paying bills, our goal is to make your association the best it can be. It is like we are living there as one of the members. While we concentrate on the background details, we are also working on developing programs to build the “heart” of the association. Through communication and events, we strive to build on the word community.

A Property Manager brings a high level of expertise and professionalism as a liaison to the Board. Florida Association & Property Management works for the Board and in turn the Association. This type of relationship allows the Board to focus on high level activities and empowers the management company to deal with the difficult issues that can arise in any community.

At Florida Association & Property Management we pride ourselves on providing some of the most comprehensive services to our clients. With our exceptional staff and consultants, team philosophy, and top technology, we build long term relationships with our clientele.

Below, please find a broad listing of the services detail and additional benefits offered.

Understanding Financial Performance

We deposit all client funds into a federally insured financial institution trust account. These are funds used to pay the expenses of the property (ie, maintenance, utilities, mortgages, contract commitments).

Reports you will Receive

Board Members will receive a monthly report. This report will show you income received and expenses paid for the previous month as well as status of any projects or contract work performed, and a copy of all invoices and checks written.

Double Check Invoice System

We check every invoice twice to ensure that invoices paid are for services completed. This system also allows us to thoroughly review invoices for any charges, which may seem out of line, or unauthorized. When authorizing maintenance, we review budgets to ensure that work stays within established Board parameters.

Scope of Services

We are a full service HOA management company. Listed below is a comprehensive list of services we provide as part of our Standard HOA Management Agreement with our clients. Our goal is to meet or exceed the expectations of our clients without charging 'extra' as many management companies do for services we consider to be included as part of our Management Agreement.

Administrative Services

Meetings

- Prepare and distribute all paperwork associated with Board meetings (agenda, proxy, ballot, minutes, return envelopes, and Board Resolutions);
- Prepare Board packages in advance of meetings including ACC, maintenance, violations and financial;
- Schedule and attend hearings with homeowners prior to Board Meetings when necessary;
- Manage all returned proxies and keep Board informed of whether or not quorum has been achieved;
- Attend Board and Annual meetings and provide administrative support (distribute ballots, count ballots if vote takes place, etc.);
- Conduct Annual Meeting if desired by Board;
- Prepare & submit Annual Management Plan.

Committees

- Assist the Board in forming and managing the various committees (ACC, Executive, Nomination and PR).

Corporation

- Act as Registered Agent;
- Ensure Corporation Filing and Annual Statement of Information is filed with the Secretary of State on an annual basis;
- Stay informed of revisions in HOA laws;
- Assist compliance with governing documents and statutes;

- Prepare monthly maintenance, financial, delinquency & budget spreadsheet report;
- Insure necessary actions are before the Board;
- Serve as primary contact and liaison for Board with but not limited to:
 - Homeowners
 - Association Vendors
 - Legal Counsel
 - Insurance Brokers/Agents
 - All parties involved in home sales (lenders, assessors, title companies CPA's);
- Prepare and maintain copies of all correspondence on behalf of the Association in an organized fashion;

Files/Member Information

- Maintain owner directory, homeowner information database (including a file on each unit, which will include: closing information correspondence, architectural control approvals and deed restriction letters, return mail, etc.) and corporate documents;

Insurance

- Manage and assure all required Association insurance is in force and renewed annually. We also serve as the primary contact for any claims made. Maintain master files of association documents, contracts, correspondence, insurance policies, etc.;

New Members

- Upon notification from the title company or a homeowner of the purchase of a home within the association, we provide new owners with a "welcome" package to include notification in writing of his/her obligation to pay the association assessments and provide all rules/policy information as well.

Violations/ACC

- Upon discovery of a deed restriction violation from the on-site inspections or homeowner complaint, immediately record all violations;
- Create and mail violation letters, architectural requests responses, and other correspondence to homeowners as needed;
-

HOA Websites

- Provide for the creation and maintenance of an Association web site if desired by the Board;
- To include PDFs of declaration, bylaws, rules and regulations, budgets and insurance;
- Updated frequently with meeting agendas and minutes;
- Features can include polling, calendar, news, message board, custom request forms, and board email;

Financial/Accounting Services

- Prepare and mail all billing statements/coupon books to homeowners;
- Collect and deposit all payments;
- Handle homeowner assessment inquiries and all related correspondence.
- Manage collection of delinquent accounts, including past due letters and filing liens;
- Review and approve all invoices submitted for payment;
- Reconcile bank statements monthly;
- Coordinate tax return preparation with Association CPA;
- Close out fiscal year and update system with new budget annually;
- Execute any CD investments, renewals, or transfers as directed by the Board;
- Prepare reserve checks related to Reserve Expenditures of transfers to Operating Account;
- Update vendor files annually. Reconcile, generate, and mail annual 1099's to required vendors;
- Maintain and update annually bank signature cards;

NOT IN CONTRACT

Property Services

- Conduct routine site inspections of the community for the purpose of identifying CCR/rule violations and checking on the performance of Association vendors. Inspections are generally focused on seasonal demands like landscaping, drainage, and

always include CCR compliance requirements and routine follow up of vendor activity and performance;

- CCR/Rule Enforcement-Provide assistance to Board to enforce all rules and regulations, CCR's, etc. Violation report included in each Board package for Board review. We will note violations during on-site inspections and send letters promptly to those in non-compliance at the direction of the Board;
- Prepare bid specifications for larger jobs and oversee bid process;
- Coordinate entire process of handling small maintenance issues in the community;
- Analyze, on an annual basis, all existing maintenance and service agreements, as well as insurance policies, to determine that the association is receiving the best results for the best price. We provide recommended specifications for outside contracts, such as landscape, to facilitate performance levels, as well as establish a standard for comparison. We can negotiate most maintenance / service contracts swiftly and can usually save our associations money. We have significant experience with many qualified Independent Contractors;
- Coordinate preparation and execution of final contract documentation, including the verification of proper insurance, updated license status, lien releases, etc.;
- Notification to the Board of serious non-routine maintenance needs along with proposed solutions.

New Client Services

Upon becoming a new client of Florida Association & Property Management, Inc., you can expect us to perform an immediate evaluation of your community from a variety of different angles.

Administrative

- Mail welcome letter to all homeowners that announces the change in management and provides pertinent details on our company and new contact information;
- Thorough review of all contracts and important vendors to assure competitive pricing and that all contract terms are being met. In person meetings with primary vendors to establish working relationship going forward and to review scope of work;
- Review of the Governing Documents and Rules & Regulations. Suggestions for improvement will be made based on best demonstrated practices at similar communities we manage;
- Complete review of Association records transferred;
- Create an Annual Calendar of Events of the Association.

Financial

- Analysis of Reserve accounts to assure interest returns are being maximized;
- Complete review of Association financial position versus current budget;
- Review of current Association budget;
- Perform change of address for all vendors;
- Mail out coupon books to all homeowners to use for payment of assessments;
- Evaluation of current cash position of Association.

Property Services

- Conduct a thorough site inspection to become intimately familiar with the community and to get a jump on immediate maintenance needs and violation issues;
- Evaluation of the current condition of the landscaping, irrigation system, asphalt, lights, and other HOA maintained components in the community;
- Review of Reserve Study to identify upcoming projects for the next 12 months;
- Obtain competitive bids for any services that the Board is not currently happy with.

**ASSOCIATION MANAGEMENT AGREEMENT FOR
BLAIRSTONE FOREST COMMUNITY ASSOCIATION, INC.**

Blairstone Forest Community Association, Inc. ("Association"), and Florida Association and Property Management, Inc. ("Management"), hereby enter into this Association Management Agreement for Blairstone Forest Community Association, Inc. ("Agreement"), this 20th day of January 2010. The Association and the Management do hereby agree as follows:

A. Independent Management

This Agreement calls for the performance of services by the Management as an independent contractor, licensed by the State of Florida. The Management is not an agent or employee of the Association, and shall not be considered an employee of the Association for any purpose. Neither the Management nor any employee of the Management shall be entitled to any benefits or compensation other than the compensation specified herein. The Management shall have no authority to bind the Association to any agreement, contract, duty, or obligation except as may be explicitly authorized in writing by the Board of Directors. The Management shall make no representations that are intended to, or create the appearance of, binding the Association or any agreement, contract, duty, or obligation. The Management shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from the Association; provided, however, that the Management shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely, and reliable manner.

B. Duties and Responsibilities of Management

The Management shall perform the following:

1. Administration

a. **Availability** The Management shall be available at its office Monday thru Friday from 9:00 am to 4:00 pm.

b. **Coordination with City/County** The Management shall coordinate with the various City and County Departments regarding a variety of issues such as, street repairs and code enforcement issues.

c. **Mailing List** The Management shall prepare and maintain an owner mailing list and update the list as necessary.

d. **Meetings** The Management shall organize all meetings of the Association and the Board of Directors and shall upon request, organize meeting of homeowners. This includes coordinating meeting schedules, preparing, delivering notices of meetings, and preparing

necessary forms. The Management shall also prepare the agenda for such meetings. The Management shall attend all such meetings, unless otherwise instructed by the Board.

e. Neighborhood Complaints The Management shall be responsible for notifying the Association's Board of Directors about neighborhood complaints and concerns. It shall be the duty of the Management to assist in the enforcement of the Association's rules and regulations by issuing enforcement and violation notices as directed by the Board.

f. Records The Management shall maintain and store all records of the Association, including, but not limited to, corporate record books, minutes of the meetings, correspondence, by-laws, modification of the rules, and similar records.

g. Property Services Florida Association & Property Management, Inc., as Services Provider and not serving as Agent, shall provide for the Association services related to lawn care, grounds maintenance, paving, general maintenance, and other services, and may include the services of contractors, subcontractors, or additional employees at the sole discretion of the Services Provider as approved in the annual budget. For services other than routine maintenance exceeding \$300.00, Management shall obtain three proposals for such services. Services other than routine maintenance exceeding \$500 shall have Board approval.

2. General Duties and Responsibilities

a. Committee Assistance The Management shall assist with all committee organization including social events, landscape committee projects, organize and attend all ACC meetings. ACC letters of approval or denial will be generated by the Management upon direction of the ACC.

b. Supervision and Performance The Management shall be directly supervised by the President of the Association's Board of Directors and shall conduct all duties and responsibilities in accordance with the policies and directives of the Board. Management must consistently exhibit professionalism, courtesy, tact and diplomacy in all interpersonal contacts.

c. Compensation The Association shall pay the Management a fixed monthly rate of \$225.00 during the term of this Agreement. The Management shall also be reimbursed for postage, copying costs, and other expenses incurred and directly related to the management of the Association. All requests for reimbursement for any expense must be accompanied by a description of, and a receipt, for such expense.

d. Additional Services Additional services requested by the Association such as, but not limited to, Special Assessment Planning, Fiduciary Duties, Preparation and Filing of Legal Documents, Preparation and Appearance as Registered Agent for the Association, Management shall be compensated at a rate no less than \$25 per hour.

e. Term and Termination of the Agreement The term of this Agreement shall commence on the Effective Date, and shall end one (1) year from such date. Following the

completion of the one (1) year period of this Agreement, this Agreement shall automatically renew for successive periods of one (1) year each unless either party gives the other written notice of non-renewal ninety (90) days prior to the last day of the current period. When the contract is automatically renewed under these provisions, the monthly compensation rate and managerial responsibilities for the new term may be renegotiated. Upon termination of the Agreement at expiration of its term Management shall deliver to the Association all books and records, equipment, materials, and other property of the Association in its possession or control. Books and records shall be delivered hard copy and/or electronic format as requested by the Board of Directors.

f. **Applicable Laws** The Management shall abide by all applicable federal, state, and local laws and regulations, and shall perform all duties in accordance with all applicable laws during the term of this Agreement. In any lawsuit or legal dispute arising from the operation of this Agreement, the Association and Management agrees that the laws of Florida shall govern. Venue shall be in Leon County, Florida. In any action or proceeding, legal or equitable, brought under or pursuant to this Agreement, the prevailing party shall be entitled to seek all costs and expenses incurred by such party, including reasonable attorneys' fees and expenses.

g. **Hold Harmless** Except for the Management's own negligence, malfeasance or misconduct, Management, its employees, and Joanie Trotman, shall not be liable to the Association or its members, for any loss or damage, and said Association and its members will and do hereby indemnify and save harmless Management from any such liability for damages, costs and expenses arising from injury to any person or property in, about and in connection with the Association or its property thereof from any cause whatsoever, unless such injury shall be caused by said Management's own negligence or misconduct. The Association indemnifies Management, its employees, and Joanie Trotman, from any action which arises from any error or for any mistake of fact or of law or from any act of omission, except in cases where Management is finally adjudicated to have personally, and not in a representative capacity, violated any statute, ordinance, law or regulation. The Association insurance, which will include Management, shall be kept in full force and payable by the association.

h. **Force Majeure** Neither the Association nor the Management shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.

i. **Non-Assignment** The Management may not assign this Agreement, or any privileges or obligations herein, without the prior written consent of the Association.

j. **Licenses** The Management shall maintain all required licenses, including all necessary and professional and business licenses, throughout the term of this Agreement.

k. **Counterparts** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and together shall constitute one and the same instrument.

l. **Invalidity of Prior Agreements** This Agreement supersedes all prior contracts and agreements, either oral or written, that may exist between the parties with reference to services described herein, and expresses the entire agreement and understanding between the parties with reference to said services. This Agreement cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on the Association until approved in writing by both the Association and Management.

The Association and the Management hereto have caused the Agreement to be executed in their respective names on this 20th day of January 2010.