



Sovereign & Jacobs

Property Management Companies

Proposal for Homeowner Association Management Services



Villages of Valencia Homeowners Association, Inc.

January 2023



Putting Community First

The Philosophy of Sovereign & Jacobs

Community Association Management is a people business. Yet, for decades, managers have focused their day-to-day efforts on technical activities such as rule enforcement, facilities maintenance, and dues collection. This emphasis, though functional, puts the proverbial cart before the horse. It does not address many of the human needs within communities. Managers need to rethink their jobs, switching the emphasis to service and community building. Why this need for redirection? Because the association management industry, like society, is changing rapidly. Managers must grow with society – even lead the change. Increasingly, managers' jobs are expanding beyond the traditional roles of neighborhood police officer, tax collector, or handyman. The notion of service, in and of itself, has become more important. Some of these societal changes stem from legal issues. The concept of reasonableness is replacing strict letter-of-the-law covenants enforcement. The historical measuring sticks of association management success – delinquency rates, the number of work orders processed, the number of outstanding rules violations, performance against budget – can no longer be the sole indicator of management effectiveness. In truth, these measures track only a fraction of overall performance. The management team and Board of Directors could achieve perfection in these areas and still have a problem community. How is such a contradiction possible? Because an association's core purpose is not about buildings, rules or money. It is a corporation that helps people. Putting people first – building a community for them to prosper in – is the essence of association management. Managers must be the lead architects of this community construction. We are more than maintenance supervisors, rule enforcers, dues collectors and meeting planners. We are leaders and teachers as well.

Sovereign & Jacobs consistently provides the highest quality of team management services. Our highly skilled and motivated employees are key. We continue to strengthen our organization, encouraging personal responsibility, creativity, and enhanced skills--with the sole aim of meeting our client's needs to the best of our ability. We are aware that we will only achieve our mission if we meet, and whenever possible, exceed our client's needs and expectations in every aspect of our business. Every association, whether small or large, will get the same attention to detail and the same high standard of quality services. We strive to meet each of our association's needs and expectations with the ultimate objective of improving the mutual investment each owner has in his/her unit and the association.

Meet Our Owner

Ellen Lumpkin Founder & CEO

As the Founder & CEO of Sovereign & Jacobs, Ellen is the epitome of a strong leader who is committed to finding the “win-win” with every partnership, every individual client, and every employee. She does so with quiet confidence, immense integrity, and a strong desire to “do the right thing” for those she serves.

Ellen purchased Jacobs, Jacobs & Associates in early 2012 and formed Sovereign & Jacobs. She started with 11 employees and 46 associations under management. As of February 2022, Sovereign & Jacobs celebrated its 10th year of providing management services throughout Florida. Due to the strength of our team, Sovereign & Jacobs has become one of the number one management companies in the State and takes great pride in the accomplishments that have taken place during this time.

Prior to the formation of Sovereign & Jacobs, Ellen was a Partner of Melrose-Sovereign Companies, a leading dual-service Property Management Company operating throughout Florida. Mrs. Lumpkin has over 35 years of experience in the multifamily industry and has developed and leased over 15,000 multifamily units throughout the State. Melrose-Sovereign managed over 40,000 units including homeowners’ associations, condominium conversion and third-party multifamily developments.

Prior to Melrose-Sovereign, Ellen was Vice President of Development and Property Management of Echelon Residential, LLC for nine years. She was directly responsible for all property management operations and development in the southeast, which led to groundbreaking design and cutting-edge, as well as trendsetting communities. Her work in the industry was recognized by many prestigious awards on multiple projects nationally as well as in the Southeast.

Education:

Jacksonville Business College; Business Administration

Licenses:

Community Association Manager; Florida Real Estate Broker

Relevant Organizations:

Fundraiser, St. Augustine Youth Services (SAYS)

Licensed Real Estate Broker

Member, Community Association Institute

Member, St. John’s County Chamber of Commerce

Association Management Services

Sovereign & Jacobs is a full-service property management company with 67 employees. Our team of experts are here to serve and assist you with all your association needs. We provide the following services:

Accounting

- Utilization of industry-leading TOPS accounting software
- Assist Board of Directors with budget development
- Receive, code, and pay vendor invoices weekly
- Accounts Payable approval by Board prior to cutting checks (if requested)
- Assessment payment collection (online, cash or check)
- Coordinate payment plans & work with association attorney on collections
- Foreclosure, lien, and bad debt tracking
- Facilitate transfer of ownership with title companies
- Maintain bank accounts & investments to maximize interest returns while monitoring FDIC limits
- Verify vendor contracts and insurance certificates
- Monthly financial report distributed to the Board by the 25th of each month
- Coordinate year-end financial audits and tax return preparation

Property Management

- Guide the Board of Directors. Advise and assist in the interpretation of the governing documents
- Enforce compliance of governing documents as directed by the Board of Directors
- Conduct property inspections and issue violations (COA weekly, HOA bi-weekly)
- Serve as a liaison between the Board and legal counsel
- Preparation of meeting notices, agendas, and board packets
- Attend Board meetings and scribe minutes
- Obtain bids and negotiate contracts for Board approval
- Communicate with property owners to understand their issues and find appropriate solutions
- Provide annual education classes for Board members
- Maintain complete and accurate records for the association
- Attend to all correspondence of the association on behalf of the Board
- Maintain and oversee the insurance portfolio, including filing claims
- Attend to the preparation of meeting notices, agendas, and other necessary documents
- Coordinate and provide recommendations to the Board on the architectural review process
- 24/7 communications with live after-hours answering service for emergencies

Communications

We understand that effective, timely, and transparent communications is key to maintaining successful relationships between homeowners, board members, and the management company. We are excited to have a solution that modernizes how we interact with the board and members of the community. The platform is My Green Condo (MGC) and it is a cloud-based software program that is specifically designed to enhance communications and workflow.

MGC integrates with our accounting software (TOPS) and provides dedicated secure portals for all participating members, such as residents, Board members, committee members, managers, accountants, and administrative & maintenance staff. The software platform provides owners with a resident portal they can easily access to check their account balance, make a payment, submit a work order request, view community rules & guidelines, submit ARC applications, and provide suggestions/feedback to the board. The resident portal has several different features, and you have the option to pick and choose which features you want to use and display to the residents.

Some of the features include:

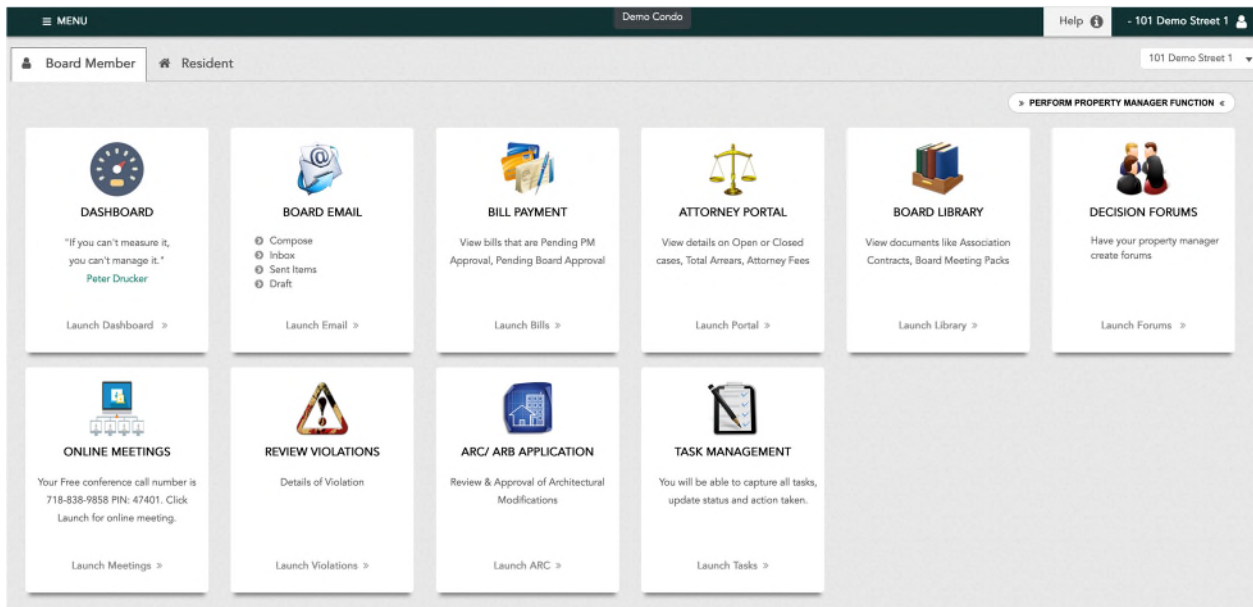
- Resident portal with homeowner account access
- Homeowner access to electronic account statements
- Homeowner profile – where owners can update their personal contact information
- Electronic voting
- Online payments through Zego Paylease
- Inbox for board members
- Violation portal – where residents can comment/question
- Work order and task management
- Amenity management/reservations
- Pool pass management
- ARC management
- Email broadcast
- Community website
- Community calendar
- Online survey to poll community members
- Document library for forms & governing docs
- Security/front desk management

In addition to the resident portal, you will have a separate Board member portal that has access to association information not available to the rest of the homeowners. In the Board member portal you will be able to send and receive email, review & approve accounts payable, view the status of collections with the association's attorney, have access to board meeting material (vendor quotes, contracts, meeting notices), send tasks to your property manager, e-sign

association documents, view violations records including the correspondence between the property manager and owner, poll homeowners to get a consensus on association matters, approve ARC applications, and send community-wide email broadcasts – all at the click of a button.

The Board will have its own dedicated email address (i.e., association@mygreencondo.net) so that you can interact with residents without sharing personal contact info. The property manager will have a similar email address so that residents will always know whom to contact for assistance, even after a change in property manager. Here are the features of the board member portal:

- Board email inbox
- Board decision forum
- Task the Property Manager
- Violation review
- Review and approve ARC applications
- Board library with vendor contracts
- Electronic document signing
- Accounts payable processing & Board approval
- Collections management
- CPA access to records for year-end review
- Insurance management



New Client Services



We know how stressful it is to make a change in management, so our team of experts provide the following services for all new clients:

- Mail welcome letter to homeowners announcing the change in management. Provide our company info to owners and explain how to make payments.
- Meet with the Board of Directors to discuss action items, priorities, and expectations.
- Complete a thorough review of contracts and vendors to assure competitive pricing. In-person meetings and property walk-thru with the primary vendors to review scope of work and establish a good working relationship.
- Obtain competitive bids for any services the Board is not happy with.
- Thorough review of current budget, general ledger, and financial statements prepared by previous management company.
- Analysis of reserve account(s) to assure interest returns are being maximized and account(s) are maintained within FDIC limits.
- Notify and perform change of address for vendors.
- Coordinate with CPA to correct accounting mistakes made by previous management.
- Review the governing documents and rules & regulations. Make suggestions for improvement (if needed) based on our demonstrated practices with similar communities.
- Conduct a detailed property inspection to become familiar with the community and get a head start on immediate maintenance needs and covenant violations.
- Complete review and inventory of association records before sending to storage.

We understand that in addition to your already busy lives you are filling an often-thankless volunteer position. Let us help – we want to do all the heavy lifting for you to ensure you are the decision makers of the community and not the laborers! Let us show you the S&J way.

Administration

Prepare all correspondence necessary to the conduct of the corporation's business and other duties as more specifically outlined in the attached proposed contract for management services. Provide organized storage and maintenance of the association's records, such as tax returns, insurance records, meeting minutes, paid invoices, etc.

Maintenance

We will oversee all maintenance activity associated with the common areas. In addition, we have the ability to place full and/or part-time maintenance personnel on-site. If requested by the Board we will select, hire, and supervise maintenance personnel as required by the association, who will not be employees of the association. The salaries of these maintenance persons are NOT included in our fee proposal. We would ask that the association reimburse us for the cost of maintaining these staff members on our payroll or budget for third-party contractors to perform the required maintenance.

Bonds & Insurance

Sovereign & Jacobs maintains general liability coverage \$1M/\$2M, professional liability coverage \$1M, workers compensation \$500K, and crime coverage \$1M.

Fee Proposal

Sovereign & Jacobs will provide the outlined Community Association Management services with a portfolio manager for a fee of **\$3,840 per month (\$46,080 per year)**, plus additional contracted services and reimbursables which shall not be part of this proposal. Reimbursements beyond the above quoted fee would include costs for copies, postage, payment coupon books, stationary, envelopes and office supplies used on behalf of the association. An a-la carte list of common reimbursable expenses is included on page 7 of the management contract - the association is only charged for items used. S&J charges a 10% burden rate for employing personnel on behalf of the Association.

Note: The management fee does not include maintenance or vendor requirements, e.g., lawn maintenance, pool supplies & maintenance or janitorial services.



Sovereign & Jacobs

Property Management Companies

Ellen Lumpkin

Founder & CEO

elumpkin@sovereign-jacobs.com

Cherie Nash

Vice President

cnash@sovereign-jacobs.com

Jamie Serenati

Director of Association Management

jserenati@sovereign-jacobs.com

John Glisson

Business Development

jglisson@sovereign-jacobs.com

Office Locations:

St. Augustine

120 Sea Grove Main St.
St. Augustine, FL 32080

Ponte Vedra

822 A1A North, Suite 310
Ponte Vedra Beach, FL 32082

Maitland

2250 Lucien Way, Suite 140
Maitland, FL 32751

Ft. Pierce

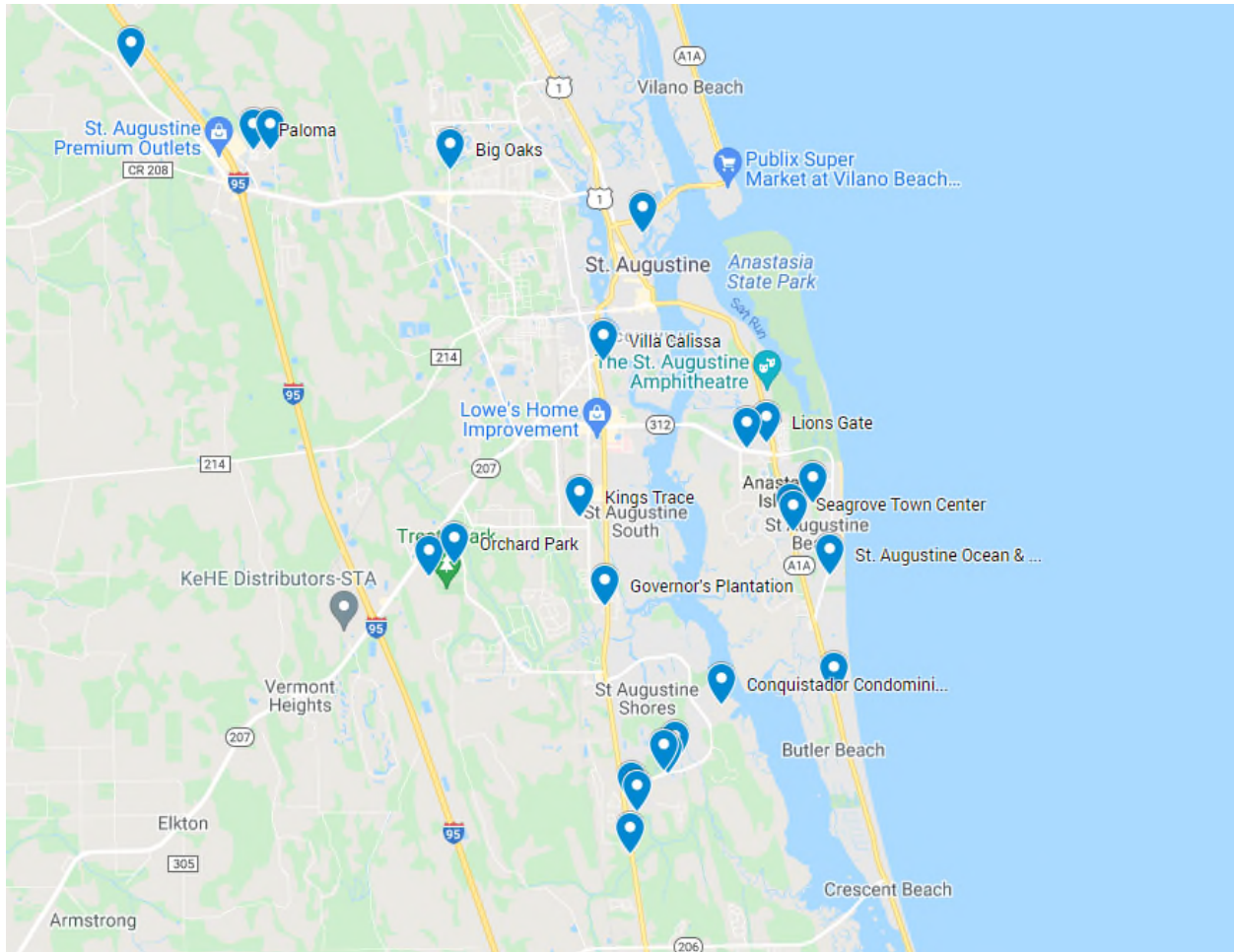
130 S. Indian River Dr., Suite 202
Ft. Pierce, FL 34950

St. Augustine/Ponte Vedra/Ft. Pierce (904) 461-5556

Maitland (407) 960-4872

www.sovereign-jacobs.com

REPRESENTATIVE PROPERTIES



The following references are not all-inclusive of the associations managed by Sovereign & Jacobs, but are considered representative of the condominiums and homeowner associations we represent:

Cottages at Winding Creek

St. Augustine, FL
Robert (Bob) Orsino, President
Robert.orsino@mac.com

Paloma

St. Augustine, FL
Mike Williams, President
mwilliams157@yahoo.com

Conquistador Condominium

St. Augustine, FL
Gene Lalonde, President
erlalonde@gmail.com

Seagrave Condominium

St. Augustine, FL
Richard Lahey, President
laheyr@gmail.com