



904-747-0181
200 Business Park Circle, Suite 101
St. Augustine, FL 32095
VestaPropertyServices.com

MANAGEMENT PROPOSAL

VILLAGES OF VALENCIA HOMEOWNERS ASSOCIATION, INC.





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Thursday, January 5, 2023

Dear Board of Directors,

Thank you for the opportunity to present Vesta Property Services in consideration for the management of **Villages of Valencia Homeowners Association, Inc.** We wish to offer our services as your new full-service association management company and are confident our more than 25 years of experience and industry expertise will ensure proper management of your community.

Why choose Vesta?

- Our community management team has been responsible for some of **Florida's most prestigious communities**. More than two decades later, we are still managing the property of our first client.
- We are a member of the Community Associations Institute and have earned the coveted **"A+" rating** from the Better Business Bureau.
- Your property will be managed from a local office, with local staff who understand your community's unique needs. They are supported by our **experienced executive team**, which is available to lend assistance when needed.
- Vesta is an industry leader in client retention and growth. We annually retain close to **100% of our current clients** and have been growing year over year by **more than 20%**. This is a direct result of the care and professional service our team delivers to our client-communities. It's our mission to not only earn your business but retain it for years to come.

If given the privilege to serve as your management company, we would be committed to providing the customer support that has earned us the reputation as a leader in the industry. We very much look forward to discussing how Vesta Property Services can add value to **Villages of Valencia Homeowners Association, Inc.** and provide a customized program specific to your needs.

Regards,

A handwritten signature in black ink, appearing to read 'H. Beladi', is written over a light blue background.

Heather Beladi, CAM
General Manager, NE Florida Region
Vesta Property Services

COMPANY PROFILE

Vesta **provides financing, management, and ancillary services** to developers of planned unit communities and resident associations in connection with clubhouses, golf courses, amenity and infrastructure facilities, commercial real estate, CDDs and governmental agency management.

Headquartered in Jacksonville, our facilities are located throughout the state of Florida. We employ over 1,300 professionals, strategically positioned in all of our communities to provide a wide spectrum of services to our more than **250,000 residents** and unit owners.

We have **redefined property management** with our superior amenities programming, customized community management and affordable, direct financing for communities. Our intention is to provide a single place where all community needs are met. This three-dimensional approach is **“The Vesta Difference.”**

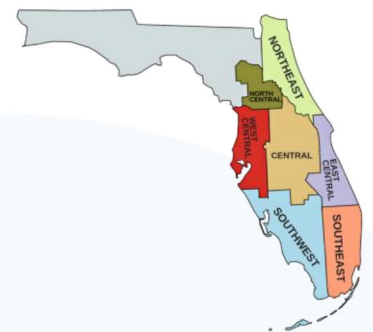
Community Management – Over the past 25 years, Vesta Property Services has grown to become a leading community management company in the state of Florida. Our management solutions, specifically tailored to each community we serve, sets us apart from our competition.

Our decades of in-depth industry knowledge and experience in the operations and maintenance of community facilities delivers the quality results that help us achieve our close to 100% retention rate.

Lifestyle Services – We build dynamic lifestyle and amenity programs that range from pool services to theatrical productions and on-site restaurant management. Our holistic approach ensures every element of lifestyle creation is provided with no burden or stress to the community. We work directly with HOAs and CDDs to become their one point of contact, providing seamless and exceptional services. Our teams work on-site and are overseen and supported by our regional operations managers.

Financial Services – Vesta offers comprehensive financial tools, exemplary fiscal management, loans with low closing costs, and expert strategic planning and consulting services to achieve the best results for our clients.

For your community’s bigger lifecycle decisions, whether you are considering the purchase of, or refurbishment or expansion to the community amenities, entrance ways, or other common areas, we provide a full range of solutions and expertise from start to finish.



Community



Lifestyle



Investment

COMMUNITY MANAGEMENT DIVISION

Vesta's goal is to provide communities with an exceptional community management experience. Our team is equipped with years of experience and expertise – *all under one roof*. Utilizing local resources, expertise, and strong management, we offer unparalleled services for each of our communities.

PROFESSIONAL MANAGEMENT SUPPORT

Managing your property begins on day one with effective and concise Administrative Services. Your Vesta manager will attend board and member meetings and make arrangements for the necessary meeting facility, procedures, materials and personnel required to conduct the Annual Meeting. Proper notification is given prior to all meetings.

General Administrative Services:

- Transcription and distribution of minutes of all meetings.
- Manager will provide guidance and advice to the Board regarding administrative procedures and responsibilities.
- Recommendations regarding the hiring of Accountants, Engineers, Attorneys and other professionals.
- Investigation and reporting to the Board all incidents regarding protection of Association property and operation.
- Preparation and mailing of welcome information to new owners.
- Filming and record storage.

House Rules/ By-Laws/CC&R Violations Enforcement:

- Vesta will provide periodic inspections, photographing, documenting, investigating, and following through on any violations of the documents.
- Consult with the Board and recommend additions and changes in the rules and governing documents.
- Implement the policies of the Board and provide enforcement of the Rules and Regulations, By-laws and Resolutions as designed by the Board.
- Inform owners who are in violation of the community documents as determined by the Board.



HOA SUPPORT: MAINTENANCE SERVICES

Prepare board meeting information.

Send meeting notices.

Perform Community website services.

Arrange inspections and follow-ups.

Help create annual budgets.

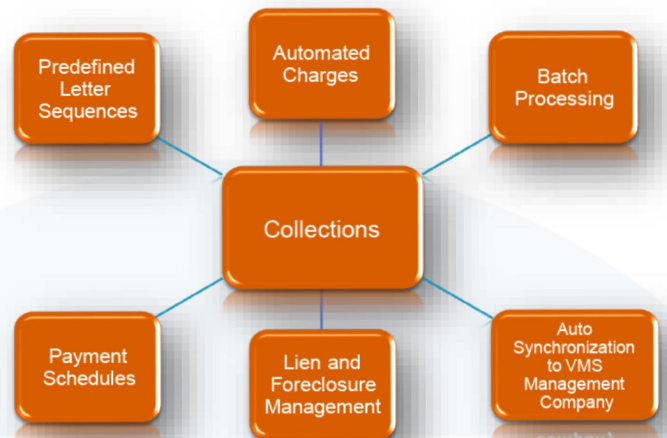
Review vendor contracts.

ACCOUNTING Financial Reporting:

We'll manage **Villages of Valencia Homeowners Association, Inc.** interests with care. All accounts are managed by skilled local staff, who use specialized management software designed specifically for the community management industry. The software exceeds the standards established by the Institute of Real Estate Management Foundation, and includes features to create custom reports to sort, summarize, arrange, and produce a variety of property data.

On a monthly basis, Vesta produces a complete set of financial statements. These include:

- Collections
- Balance Sheet
- Income Statement
- Cash Receipts
- Accounts Payable
- Accounts Receivable
- Cash Disbursements
- Bank Reconciliation
- General Ledger through Trial balance



Accounts Payable:

Vesta utilizes the sophisticated, cloud-based accounts payable platform, **AVIDSTRONGROOM**, which allows for online access 24/7 from any device. [Avid Strongroom Tutorial](#)

Why is Strongroom beneficial to our clients? In partnering with Vesta, we can:

- Reduce manual data entry and errors by leveraging the invoice data capture services to convert all invoices into workflow-ready electronic data.
- Require a three-tier approval process that is considered a best accounting practice. (Accounting Manager, Community Manager, Board Member(s) - *Note: The Board always has the option to reject or hold payment of any invoice, and while all board members can access to view the system, the Board can designate WHO the approvers are. Typically, the Treasurer and/or President*)
- Gain more visibility and control by receiving, tracking, and approving invoices from anywhere, anytime, and eliminate the inefficiencies of paper.
- Save time with digital management of board member signatures and association bank accounts.
- Board access to generate reports filtered by vendor, GL code, dates, etc.

PROPERTY MANAGEMENT SERVICES

Maintaining your property is essential to the longevity and perception of your community. Vesta's community management team takes a **holistic approach to maintenance**. Conducting routine site inspections, reviewing the performance of the association's vendors and staff, and keeping up-to-date records of all service requests and work orders, we ensure your community is maintained continuously – *not just when there's a problem*.

Work Orders and Service Requests:

Your Property Manager will coordinate with the maintenance staff to manage service requests and work orders. Once the work is complete, the manager will inspect the work to ensure successful completion. Monthly work-order logs help detect trends and potential problem areas, giving the community ample time to solve any problems.

Maintenance Scheduling, Coordinating, & Supervision:

Vesta Property Services will provide close supervision and evaluation over **all work, labor, services, and materials** required in the operation and maintenance of the common areas and facilities of **Villages of Valencia Homeowners Association, Inc.** We will:

- Coordinate maintenance staff or vendors to service requests from homeowners.
- Diagnose maintenance and construction defects determining responsibility and provide clear directives regarding repair methods, etc.
- Inspect and follow-up maintenance work to ensure successful completion of service requested.
- Keep work order log of all incoming and completed work orders and compile status reports included in monthly report.

Bid Specifications and Contract Administration

- Research references and make recommendations accordingly.
- With prior Board approval, enter into contracts on behalf of the Board for services, utilities, materials, supplies, etc.
- Provide contract supervision to ensure compliance with terms, condition, and quality.

HOA SUPPORT: MAINTENANCE SERVICES

Vesta will evaluate, document and report to the Board all information relative to assessing the Community functions and performance of contractors and personnel involved in common area maintenance.

In addition, Vesta will handle the procurement, completion and filing of all necessary government documents.



COMMUNICATION PLATFORM

Utilizing the latest technology, we created Vesta Vantage Pro® as a communication and productivity tool for boards, committees, and residents. Easy-to-use and maintain, Vesta Vantage Pro® provides your community with a platform to distribute information, educate, and support the community. Our online services will help you efficiently and economically:

- Target and send group emails
- Collect resident information
- Support resident services and access to information
- Provide education on procedures and rules

Your Community Website and/or downloadable applications can be sent to your mobile device, so residents and stakeholders will experience the ultimate level of service, convenience, savings, and management efficiency.

Online Forms:

Bring our management office online for convenience and an office that never closes.

Board Member Access:

Board Members can access all financial reports, maintenance reports, homeowner accounts, violation history and all other community information.

Online Resource Center:

Offers a secure, easy-to-organize, centralized location for important documents such as covenants and bylaws, board and committee meeting minutes and newsletters. Association information is in one place – online and available 24 hours a day, 7 days a week.

Messenger Service:

Notify individual residents, board members, or committee members of matters requiring immediate attention; to send a reminder about an upcoming event; and to distribute documents electronically (governing documents, newsletters, etc.).

Click [here](#) to view a 20-minute video of this platform



FOR OUR EMPLOYEES

Vesta's Community Association Managers are equipped with the latest software to access Association documents, edit, sign, and send while out in the field.

Community inspections are efficiently managed through our ability to send pictures and notes of homeowner violations or Vendor issues direct to our database for documentation.

MANAGEMENT SOFTWARE

Vesta Property Services utilizes the Village Management Software (VMS) for many of our management needs, including:

- Accounting & Management Software
- Architectural Software
- Property Management Software
- Covenant Enforcement System



All Architectural Control tracking will be performed through VMS.

- This is critical to protect the historical data for the Association and to track the status and closure of each request.
- VMS is a cloud-based and has multiple levels of redundancy to ensure the safe keeping of all records.

Benefits of our state-of-the-art-software for **Villages of Valencia Homeowners Association, Inc.:**

Accounting Benefits:

- All banking is completely integrated in VMS which allow us to access real-time access to up-to-date information.
- Customized lockbox, single lockbox screen processing.

Compliance Benefits:

- Residents can automatically respond to compliances online saving valuable time.
- Vesta can process all modified compliances in one batch for printing letters, adding sequence notes and other defined actions.
- Meeting location entry for each sequence to be added to printed letters.

LEADERSHIP TEAM

Heather Beladi, CAM **General Manager, St. Augustine CMD Office**

Heather Beladi is the General Manager for Vesta Property Services St. Augustine/Jacksonville office. Heather Beladi has fifteen years of experience working in the community association management industry. She specializes in operations, client/employee engagement and is responsible for effectively managing the accounting and management teams.

Heather is a powerful force in the workplace and uses her positive attitude and tireless energy to encourage others to work hard and succeed. In her free time, Heather enjoys traveling, boating, and enjoying time with family and friends.



FINANCIAL SERVICES

Your community might need help with financing for a variety of reasons, from constructing or renovating a clubhouse and its amenities to making technology upgrades, or just repurposing outdated amenities. These tasks are part of a typical community lifecycle and are projects for which **we can provide funding at favorable rates.**

Our Financial Services Division offers comprehensive financial tools, exemplary fiscal management, low closing costs, and expert strategic planning and consulting services to achieve the best results for our clients.

Whether you are considering an early purchase of the community amenities or waiting until post turnover, we can provide a range of solutions and expertise from start to finish that allow for smooth transitions by avoiding common pitfalls.

Additionally, we can provide turnkey financing to build or expand your amenities with attractive financial terms.

There is no need to look for multiple loans when you choose Vesta as your financial services partner.

- Purchases
- Refinancing
- Renovations
- Technology Installations
- Upgrades

*There is **no pre-set limit** to the amount of funding, and the size and scope of the project can be as little as \$50,000.*

TRANSITION PLAN

Changing from one association management company to another can be an anxious time for Board of Directors, community members and association vendors. Each management company has a specific way of operating, and new systems and procedures will need to be put into place.

Vesta mitigates all transitional issues by implementing a proven onboarding process; one that has been successful for scores of Condominium and Homeowners Associations.

As part of our plan, we will perform the following procedures.

- Seamlessly transition all association management services over to Vesta Property Services.
- Implement a process of effective communications with the Board of Directors.
- Target dates for completion of transition tasks are agreed to between Vesta and the Board and added to the Transition Plan document.
- Work in a cooperative and respectful manner with the incumbent to obtain necessary documents and information required to transition management.
- Provide timely communications to owners and vendors to reassure and educate them regarding the management transition.
- Be accessible and available throughout the transition process to answer questions and address concerns.
- Conduct 30-, 60- and 90-day performance assessments with the Board of Directors to ensure transition goals and contractual obligations are met.

PRICING

SERVICE	MONTHLY COST	ANNUAL COST
MANAGEMENT (474)	\$3,000	\$36,000
VESTA VANTAGE PRO (COMMUNICATION PLATFORM)	\$125	\$1,500

Management fee includes up to 12 board meetings, annual meeting, and twice monthly inspections. A one-time fee of \$500 will be charged to transfer and set up the Association's database. A one-time fee of \$500 will be charged to set up the Association's website.

Vesta Property Services utilizes Village Management Software (VMS) and Strongroom, the leaders in the Community Association Management industry, for accounting, compliance, collections, and delinquency control.

Please be advised that our firm has a full-service maintenance division offering Certified Pool Operators, Janitorial, Absentee Owner Home Monitoring, Pressure Cleaning, Maintenance, and Remodeling.

Upon request and at no additional charge to our clients, Vesta will utilize the Microsoft Teams platform for virtual board and committee meetings as well as presentations. Board members, committee members and owners can attend via their computer, tablets or phones.





SCHEDULE OF FEES

Ancillary Services:

The following items are billed separately and are not included in the base management fee. A specific fee or an hourly rate will apply as outlined by hourly billing rates below.

- Audit preparation for CPA firm if not conducted at our office: \$250
 - Tax Return: \$275
 - Insurance company audit: \$50
 - Special Assessment billings: \$1.50 per unit or \$100 minimum
 - Association Credit Card Purchases: 20% of purchase or \$25 maximum
 - Additional board meetings: \$75 per hour.
 - Retrieval of archived boxes for investigation/regulatory purposes: \$25 per round trip.
 - Community Website: \$500.00 set up & \$125.00 per month.
1. Participation in legal action involving the Association, court appearances, depositions, consultation with attorneys in connection with litigation filed or proposed on behalf of or directed by the Association or meeting in excess of previously outlined.
 2. Warranty or punch list work, in conjunction with claims arising against the developer or against contractors under contract prior to this Agreement.
 3. Special Project/Capital Project Fee: In the event that the Association has to engage contractors for special work which may include, but not be limited to demolition, reconstruction or remedial work, or to address fire, flood, hurricane, tropical storm, lightning and tornado damage, or any capital improvement, and requires additional on-site visits or inspections by Vesta Property Services, the time spent shall be a billable expense of the Association. The Special Project/Capital Project fee shall be 5% of contracted project cost in addition to any other fees provided for in this Agreement.
 4. Additional bookkeeping required to bring accounting records prior to the date of this Agreement to current status.
 5. Any extraordinary expense not included above with prior approval from the Board's President.

Hourly Billing Rates:

Senior Management:	\$125.00/hour
General/Operations Manager:	\$100.00/hour
Community Manager:	\$ 80.00/hour
Accountant:	\$ 65.00/hour
Maintenance:	\$ 65.00/hour
Admin. Staff:	\$ 50.00/hour



CURRENT (2023) OFFICE EXPENSE FEES

Stationery:

Copies and envelopes are provided through a third-party vendor at cost, plus 20%. The cost of copies and envelopes that are processed in house for the Association will be billed monthly for this service.

Assessment – coupon books	\$4.00 each
Storage box – (purchase of banker’s box)	\$4.50 each
Strongroom Invoices	Cost plus 20%

Services:

Record Storage	\$2.50 per box, per month
Mass Emails	included with Vesta Vantage Pro – website service
Postage	Cost plus 20%
Registered Agent	\$200 Annually
Meeting Minute Transcription	\$50 each
Gate Management/Key Fobs/Decals/Barcodes	\$50 per month

Compliance:

Lease Applications	\$50.00 each
ARB/ACC application	\$25.00
1099 Preparation:	1-5 issued - \$75
	6-10 issued - \$100
	over 10 issued - \$150

FEES CHARGED TO HOMEOWNER ACCOUNTS

Estoppel Fees	Amount Allowable by Statute
Builder Estoppel Fees	\$100
Bank Questionnaire	\$250 each
Transfer Fee	Amount Allowable by Statute
Delinquency Letters	\$2.50 each
Collection Administration	\$65.00 each file
NSF Letters	\$35 per letter
Bank Fees for NSF Checks	Actual Bank Charge

*fees are subject to change based on an annual review of increased costs.

MANAGEMENT AGREEMENT

BETWEEN

VILLAGES OF VALENCIA HOMEOWNERS ASSOCIATION, INC.

HOMEOWNERS' ASSOCIATION, INC.

AND

VESTA PROPERTY SERVICES, INC.



MANAGEMENT AGREEMENT

This Management Agreement (“Agreement”) is made and entered into as of _____, (the “Effective Date”) by and between a Florida not-for-profit corporation, _____ **Homeowners Association, Inc.** (“Association”), in St. Johns County, and Vesta Property Services, Inc., a Florida corporation (“Vesta” or “Agent”). Association and Agent shall each be a ‘party’ or collectively the ‘parties.’

RECITALS

WHEREAS the Association is a homeowners association incorporated as a not-for-profit corporation under the laws of the State of Florida that is responsible for the operation of the community known as **Villages of Valencia Homeowners Association, INC.** (the “Community”) located in Saint Johns County, **Florida**, pursuant to that certain Declaration of Restrictions, Covenants, and Easements for the Association, recorded in the Public Records of Saint Johns County, Florida (the “Declaration”); and

WHEREAS Vesta is a licensed Community Association Manager and is in the business of providing property management, maintenance, administrative, and compliance services to community associations; and

WHEREAS the Association desires to retain Vesta to provide the management, administrative and other services described in this Agreement, to manage the Common Elements of the Community, and to provide the services as set forth in the Scope of Services outlined herein (collectively, the “Services”). The term “Common Elements” means those portions of the Community dedicated to the common use and enjoyment of the property owners (“Owners”) as defined in the Declaration and the other governing documents for the Association, except as otherwise provided in this Agreement; and

WHEREAS Vesta is willing to act as manager for the Community and to act in that capacity and to perform the functions on behalf of the Association as set forth in and upon the terms and conditions in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants of the Parties contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

A. General

1. **Incorporation.** The recitals stated above, and the schedules attached hereto are true and correct and by this reference are incorporated into this Agreement.

2. **Defined Terms.** All capitalized terms used but not defined in this Agreement or the Scope of Services attached as **Schedule A and B** shall have the meanings given to such

Initial _____

3. **Exclusive Manager.** Association hereby retains and appoints Vesta, and Vesta hereby accepts such retainer and appointment, on the terms and conditions set forth in this Agreement, as the exclusive manager for the Community and the Common Elements.

B. Term and Termination. Notice.

Term. The Association hereby employs the Agent exclusively to manage the Association for three (3) years, beginning on the Effective Date. The “Initial Term” shall be the first year of the Agreement, which will automatically renew for subsequent years on each anniversary of the Effective Date (each a “Subsequent Term”), unless earlier terminated according to the terms of the Agreement.

1. Termination. The Agreement shall only be terminable for cause during the Initial Term, which cause shall be defined as the gross negligence or the willful or intentional misconduct of a party (“Cause”), and management fee(s) shall be due and owing for the entirety of the Initial Term for any attempted termination other than for Cause. Thereafter, during any Subsequent Term, either party may propose to terminate this Agreement with ninety (90) days written Notice delivered by certified mail to the other party. The Notice shall provide a detailed, written and itemized list of the reasons for the proposed termination and the other party shall have thirty (30) days to cure each item listed in the Notice. If the items are not satisfactorily cured, then the Agreement shall terminate on the ninetieth (90th) day following receipt of the Notice.

2. Post Termination Assistance. For a period of six (6) months subsequent to the Termination Date, Vesta, upon request of the Association, and at a charge of seventy-five dollars per hour (\$75.00/hour) to be paid in advance, shall (a) meet and confer with any Association Professionals, including its CPAs, in order for the CPAs to complete their reviews, audit and financial reports, and (b) cooperate and take such action as is reasonably requested, as to financial matters and otherwise, as required for the Association to comply with the Association’s governing documents and Applicable Laws.

3. Notice.

Any notice required or permitted to be served hereunder may be served by registered mail or in person as follows:

1. If to the AGENT:

Vesta Property Services, Inc. 200 Business Park Circle, Suite 101 St.
Augustine, FL 32095

2. [Redacted]

Either party may change the address for notice by notice to the other party. Notice served by mail shall be deemed to have been served when deposited in the mail.

C. Compensation

Initial _____

In addition to all reimbursable costs, for which the Association shall pay the Agent pursuant to Schedule A and B attached hereto, the Association agrees to pay the Agent the below applicable monthly fees in advance on the first day of each month via ACH payment until the expiration or termination of this Agreement, as provided herein. If the Schedule A and B is amended, a new Schedule A and B will be prepared and signed by both parties.

The management fee will be \$3,000 per month during the Initial Term. A one-time fee of \$500 will be charged to transfer and set up the Association's database.

The management fee will increase by four percent (4%) for each Subsequent Term as compared to the prior Initial Term or Subsequent Term.

D. Agent's Services

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

Financial Services

1. Provide the day-to-day bookkeeping services, as needed, compiled, in complete detail, on a monthly basis, necessary to pay the bills of the Association. This bookkeeping service shall include, but not be limited to, keeping all records of, and performing all services in connection with, the reconciliation and payment of bills, and such other items, accounts, and elements as may be provided for in the Budget.

2. Bill and Collect from the Owners all regular and special assessments, and other revenues, which may be due the Association as needed or required.

3. Process, reconcile, and pay all accounts payable from the Association's Bank Accounts. The Agent will have the decision authority regarding the Bank selected for the Operating Account due to the technology required for the efficient operation of the day-to-day management of the Association finances. Any other bank accounts will be selected with the Board's input and approval. The Agent is authorized to prepare and sign checks, to pay any amounts owed by Association. Agent shall have no obligation to advance funds to Association for any purpose whatsoever. Agent shall not make any expenditure, nor incur any non-budgeted contractual obligation exceeding One Thousand (\$1,000.00) Dollars without the prior consent of Association except in emergency situations. From the funds of the Association, Agent shall pay all expenses of management of the Association, including taxes, building and inspection fees, utilities, licensing and other governmental charges, and all other charges or obligations incurred by the Association or by Agent on behalf of Association with respect to the maintenance or operation of the Community or pursuant to the terms of this Agreement or pursuant to other authority granted by the Board on behalf of the Association.

4. Receive, deposit, disburse and account for all Association's funds. Deposits and disbursements shall be made as needed and funds collected shall be deposited in a custodial account in a state or national bank where deposits are insured by the Federal Deposit Insurance Corporation, separate and apart from Agent's own funds. Assessments shall be deposited via a

lockbox payment center to ensure daily deposit of Association funds. Agent shall handle all association funds in accordance with all applicable laws.

5. Prepare a monthly financial statement package by the 21st of all months except year-end financial statements. Board approval will be required to close each fiscal year and subsequent months may be delivered after the 21st depending on year end closing. Financial packages will include at minimum:

- i. Balance sheet;
- ii. Income and expense statement;
- iii. Monthly delinquency report;
- iv. Open accounts payable report;
- v. General ledger

Managerial Services

1. Operate the Common Elements and other property owned by the Association (the "Property") according to the approved budget of the Association and consistent with the direction of the Board of Directors, subject to proper funding being provided to the Agent to operate in accordance with the budget and governing documents.

2. Engage and supervise all persons and/or entities, as needed (which persons or entities may be engaged on a part-time or full-time basis), necessary to properly maintain and operate the Property in accordance with the Community's Declarations, Rules and Regulations.

3. Solicit and negotiate bids for purchases of services and materials to the Association at the direction of the Board.

4. Solicit, analyze and negotiate recurring contracts on behalf of the Association, as needed, for recurring services reasonably necessary with respect to the operation, maintenance, upkeep, repair, replacement, and preservation of the Property.

5. Prepare, annually in respect of the next succeeding fiscal year, a proposed operating Budget for the Association. The Budget shall be submitted to the Board for comments/changes, and only becomes a binding after approval by the Board. The Budget shall serve as a supporting document for the schedule of Assessments.

6. Perform routine inspections and make recommendations to the Board as to the maintenance of and improvements to the Property as well as assist the Association in the enforcement of the provisions of the Association's governing documents, the Rules and Regulations, and architectural guidelines.

7. Make or cause to be made, such repair work or normal maintenance to common elements as may be required for the operation and physical protection of the common elements not to exceed One Thousand (\$1,000.00) Dollars for any one item. Emergency repairs exceeding One Thousand (\$1,000.00) Dollars to avert danger to life, maintain safe operations or prevent an

interruption of services may be made with the approval of the President or other officer if the President is unavailable. If no officer is available, the Agent is authorized to take such action as is needed to avert danger to life, maintain safe operations or prevent an interruption of services.

8. Organize up to twelve (12) Board meetings, an annual budget meeting and the annual meeting of the membership of the Association, including, but not limited to, coordination with the Association attorney to prepare the meeting notices, voting certificates, proxy forms, and agenda, all under the direction of the Board or its designee. Agent may charge the fee prescribed in Schedule A and B for attendance of any additional meetings not specified in this agreement. Any meetings requiring Agent participation scheduled on holidays or weekends will be billed at \$75 per hour. Any meeting over 2 hours will be billed at \$75 per hour for the time over the two-hour limit. Lastly, any meeting requiring Agent participation that extends beyond 8pm will be billed at \$75 per hour. For example, if a meeting were to start at 7pm and close at 9pm, the time from 8 - 9pm will be billed at \$75 per hour.

9. Supervise and support Agent's Community Association Manager (CAM) in their efforts to provide management services to the Association.

10. In the event the Association is granted a Certificate of Title for a Property and requests the services of the Agent in the care and maintenance of the property and leasing or sale services, the Agent will submit a separate addendum to this agreement outlining the terms and conditions for this additional service.

Administrative Services

1. Maintain and update, on a current basis, all Owner files. Agent shall not be held liable for closings which occur if Agent has not been properly notified.

2. Establish and execute, in accordance with the Association governing documents and Board approved procedures on a non-discriminatory basis, procedures to be uniformly followed in the collection of Assessments, and Other Charges to Owners including, but not limited to, the sending of delinquency notices and letters of intent to lien to Owners in arrears, and follow up with the Association's attorneys on delinquent accounts according to procedures and time-tables to be approved, in advance, by the Board.

3. As directed by Association, Agent shall arrange for Association's attorney to prepare liens for delinquent assessments and, when appropriate, prepare satisfactions of lien. Also, as directed by Association, Agent will forward necessary documentation to attorney of Association's choice for legal collection and/or foreclosure action. Agent will act as liaison between attorney and Association. If appointed as Registered Agent for the Association, the Agent will accept service of summons and complaints on behalf of Association and forward same to attorney of Association's choice for answer within the time frame dictated by law to ensure Association's interest in the lawsuit is protected.

4. Assist the Treasurer and/or the Board appointed independent certified public accountants hired by the Association by supplying requested information for audits, financial reviews, and the filing of local, state and federal tax forms.

5. Obtain and maintain any and all permits, licenses, insurance or approvals required of Association by any applicable federal, state, county, municipal authority and Association's Governing Documents.

6. Produce and maintain appropriate and official records of the Association including all insurance coverage carried by the Association and the Agent.

7. Accept applications and references of prospective Owners and Renters as provided, however, the actual approval or disapproval thereof shall be given and executed only by an authorized officer of the Association, or the Board.

8. Maintain a 24 hour, seven-days-a-week, emergency call system.

E. Agency

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

F. Right of Access

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

G. Designations

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

H. Website

If requested or required to provide a community web portal, the Agent will assist in administering the web portal during the term of this agreement. Agent shall upload various documents as requested by the Board or its designated representative on a monthly basis. Fees for such services will be outlined in Schedule A and B of this agreement.

I. Independent Contractor

Initial _____

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

J. Liability and Indemnification of Agent and Association

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

Agent agrees to indemnify, defend and hold harmless the Association, its Directors Officers and employees for any liability from damages, costs and expenses, including (but not limited to) reasonable attorneys' fees (including paralegal fees) at trial, appellate, and administrative adjudicatory level arising out of Agent's gross negligence, willful misconduct, or unauthorized act. The provisions set forth in this Section J shall survive the expiration or earlier termination of this Agreement.

The Association shall not interfere, nor permit, allow or cause any of its individual Officers, Directors or Members to interfere with the Agent in the performance of their duties or the exercise of any of their powers hereunder.

K. Related Entity Disclosure. Preferred Vendor Network.

It is understood and agreed by the parties that Vesta and/or its affiliates hold licenses for and/or perform services in a variety of areas related to the provision of the Services, including but not limited to insurance, real estate sales, collections, wireless technology, network integration & maintenance, website creation and maintenance, data connection and digital video services, security services using a Class B license, transportation services, event planning, food & beverage services, grounds maintenance, building maintenance, and residential services and/or maintenance (the "Related Services"). It is further understood and agreed that such Related Services may be provided to the Association by affiliated vendors. Accordingly, Santa Rosa Island Company, Mortgage Advisors, Inc, Community Cable Finance, LLC, Association Finance, LLC, Broadband CTI, LLC and ECO Energy LLC are all disclosed as affiliates of Vesta.

In addition, the Association further understands and agrees that Vesta may enter preferred vendor relationships, including through membership in a cooperative, network or other grouping of vendors or providers (collectively the "Preferred Vendor Network"). In conjunction, Agent may (i) negotiate partnerships with the Preferred Vendor Network, including financial institution(s) that provide cash management services to Associations, in an effort to reduce overall costs to Associations and (ii) be provided marketing credits or other consideration that can be used to upgrade Agent's infrastructure, software, hardware, and/or other products that assist in the efficient provision of the Services and therefore benefit the Association.

L. Force Majeure and Similar Acts

Any costs incurred by Vesta pursuant to the terms of this Agreement due to emergencies, acts of God, similar situation constituting force majeure or at the written direction of the Association that are outside the scope of Services and/or the other terms of this Agreement shall be reimbursed to Vesta.

Agent agrees to provide such force majeure services as may be needed. Both parties understand and acknowledge that following a hurricane or other Acts of God, the Agent's resources will be in high demand and the Agent will use its best efforts to assist and support the Association.

The Association agrees in such extraordinary circumstances the Agent will be compensated at a rate of 5% of the value of any claim or contracts. The 5% will be in addition to the contracted management fee.

M. Manager as Agent

All authorized actions taken by the manager with respect to the management and maintenance of the Association shall be taken, as Agent for the Association and all obligations or expenses incurred shall be for the account, on behalf and at the expense of the Association. It is understood that the public liability insurance carried by the Association shall extend to and cover the Agent, its agents and employees, as well as the Association, all at the expense of the Association.

N. Miscellaneous Items

1. Prevailing Party. In any litigation or arbitration arising from or pursuant to this Agreement or the provision of the Services, the prevailing party shall be entitled to recover all costs and reasonable attorneys' and paraprofessional fees (including fees and costs for appellate proceedings, post-trial proceedings and proceedings to determine entitlement and reasonableness of attorney fees) incurred, in addition to all other damages and relief at law, or in equity. Any litigation, arbitration or other formal proceedings arising out of, or related to, this Agreement shall be brought, exclusively, in the State or Federal Courts in and for the County identified on page 2 of this agreement.

2. Waiver. No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding or other breach of the same, or any other covenant.

3. Modification. No modification, release, discharge or waiver of any provision hereof shall be of any force or effect, unless in writing, signed by both parties to this Agreement.

4. Non-Solicitation. The Association hereby agrees that they will not hire, employ or otherwise recruit, solicit or induce any person employed, formerly employed or supplied by the Agent during any Term of the Agreement for a period of two years from the last day the Services are provided. Furthermore, it is understood that an employee of the Agent who was terminated prior to the last day of Services provided to the Association would fall under the restrictions outlined above. In any legal proceeding brought by the Agent to enforce the terms of this non-solicitation covenant, the Agent shall be entitled to recover all reasonable attorney's fees and costs incurred.

5. Entire Agreement. No Third-Party Beneficiaries. This Agreement constitutes the entire understanding and agreement between the parties hereto, and supersedes all prior written or oral agreements, with respect to its subject matter. This Agreement shall be binding upon the parties hereto. Nothing contained herein shall be deemed to create third-party beneficiary rights in persons or entities not parties hereto, except as specifically set forth herein.

6. Independent Contractor Licensing. The Agent will require that all independent contractors performing services for the Association provide a copy of license and certificates of insurance for workers compensation, general liability, and property damage. Any independent contractors hired directly by the Association without appropriate license and insurance will require a written waiver of liability to the Agent. In addition, the association agrees to include the Agent for coverage under the Association's Liability Policy.

7. Arbitration of Disputes Required (in lieu of litigation). To the greatest extent possible under applicable law, any dispute or claim that arises out of or that relates to this management agreement, or that relates to the breach of this agreement, or that arises out of or that is based in any way upon the association management relationship described in the management agreement, including but not limited to tort claims, shall be resolved by binding arbitration in accordance with the then effective arbitration rules of the Revised Florida Arbitration Code and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

8. Counterparts. This agreement may be signed in counterparts, a complete set of which shall constitute a single document.

9. Assignment. Neither the Association nor Vesta may assign this Agreement or any monies to become due hereunder without the prior written approval of the other, which approval may be withheld for any reason or no reason. Any purported assignment without such written approval is void.

10. Negotiation of Agreement. This Agreement has been negotiated fully between the Parties in an arm's length transaction. The Parties participated fully in the preparation of this Agreement and received, or had the opportunity to receive, the advice of counsel. In a dispute concerning the interpretation of any provision of this Agreement, all Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed strictly in favor or, or against either party.

11. Confidentiality. Other than as required or permitted by applicable law, neither Party shall, without the other Party's prior written approval, which approval may be withheld for any reason or no reason, make any general or other public announcements, nor announce in any media publicity, or solicitation communications, the terms and conditions of this Agreement, the names of the Parties, or the transactions contemplated in this Agreement.

12. Waiver of Right to Jury Trial. The parties hereby expressly covenant and agree to waive the right to trial by jury in connection with any litigation or judicial proceeding relating to, directly or indirectly, or concerning this agreement or the conduct, omission, action, obligation, duty, right, benefit, privilege or liability of a party under this agreement to the full extent permitted by law. This waiver of right to trial by jury is separately given and is knowingly, intentionally and voluntarily made by the parties. The parties have had an opportunity to seek legal counsel concerning this waiver. This waiver is intended to and does encompass each instance and each issue as to which the right to a jury trial would otherwise accrue. The parties further certify and represent to each other that no party, representative or agent of the purchaser or the seller (including, but not limited to, their respective counsel) has represented, expressly or otherwise to either of the parties or to any agent or representative of the parties (including, but not limited to, their respective counsel) that they will not seek to enforce this waiver of right to jury trial. This provision is a material inducement of all parties entering into this agreement. This waiver shall apply to this agreement and any future amendments, supplements or modifications of this agreement. This provision shall survive the expiration or any termination.

{Signatures Appear on Following Page}

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[SIGNATURE PAGE TO MANAGEMENT AGREEMENT]

IN WITNESS WHEREOF, the Parties have caused these presents to be validly executed as of the Effective Date.

VILLAGES OF VALENCIA
HOMEOWNERS ASSOCIATION,
INC..

By: _____

Print Name: _____

Title: _____

VESTA PROPERTY SERVICES, INC.

By: _____

Print Name: _____

Title: _____

(THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK)

Initial _____

SCHEDULE A AND B

Initial _____



Sharon McShurley, LCAM – Sharon recently joined Vesta Property Services, Inc., and prior to becoming a Licensed Community Association Manager, owned and managed property for over 20 years.

Her experience includes on-site property management as well as association board director and Board President roles. She understands the importance of financial management, good communication, and transparency.

In addition to the Licensed Community Association Manager designation, Sharon received a degree from Indiana University, O'Neill School of Public and Environmental Affairs, focusing on Public Policy. She also is a graduate of Ball State University receiving a degree in Marketing with a minor in Sociology.



February 15, 2023

Re: Villages of Valencia Homeowners Association

Villages of Valencia Board of Directors,

Thank you for your continued interest in Coastal Realty & Property Management, Inc to serve as Manager for your community. Attached you will find our revised Agreement after meeting with you and clarifying the needs at Villages of Valencia.

Our contract is all-inclusive for our management services. We will not charge extra fees for printing, inspections, special assessments, attending meetings, etc. The only additional cost you will see from Coastal is for the postage used for your community, at cost. Coastal will administratively handle ARB applications and send response letters based on the ARB's decision but will not attend ARB meetings.

Additional expenses that should be budgeted for are coupon books (only owners who do not pay online will receive these), Annual Review or Audit (required by statute to be done by a 3rd party), Taxes, and Professional Fees (Annual State Filing). These are Association expenses that are not paid to Management, in addition to your contracts for service providers to your community.

Last, I have adjusted our pricing based on our discussion of expectations from management to \$69,000.00 annually.

We look forward to working with Villages of Valencia. Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads 'Whitney Curry'.

Whitney Curry

Owner/Shareholder/CAM

Whitney@CoastalRealtyFL.com

MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2023, by and between **COASTAL REALTY & PROPERTY MANAGEMENT, INC.**, a Florida Corporation, by Whitney Curry, Owner/Shareholder, (“Manager”), whose address is 3942 A1A South, St. Augustine, FL 32080, and **VILLAGES OF VALENCIA HOMEOWNERS ASSOCIATION, INC.**, (“Association”), whose address is Modesto Drive, St. Augustine, FL 32086 which terms shall be deemed to include the legal representatives, successors and assigns of the parties:

WITNESSETH: Whereas, the Association is responsible for the operation of the Villages of Valencia Homeowners Association, (the “Property”), which contains 480 homesites located at Modesto Drive, St. Augustine, Florida, and the Association desires to enter into a Management Agreement for the management of the Property; and

WHEREAS, The Manager is in the business of furnishing such management services;

NOW, THEREFORE, in consideration of the mutual promises contained therein, it is agreed by the parties, as follows:

1. Definitions. Capitalized terms in this Management Agreement shall be defined as said terms are defined and used in the Declaration of Covenants and Restrictions for the Villages of Valencia Homeowners Association (“Declaration”).

2. Agreement. The Association hereby employs the Manager as the exclusive manager of the Property and the Manager hereby accepts such employment.

3. Term. The initial term of the Agreement shall commence _____, 2023, and, unless sooner terminated in accordance with the provisions of this Agreement, expire on _____, 202__, (hereinafter referred to as the “Initial Term”). Thereafter, the term of this Agreement shall be for successive twelve-month periods, beginning on January 1st and expiring on December 31st, from year-to-year unless prior written notice shall have been given by either party to the other party at least thirty (30) days before the expiration of the then current term.

4. Powers and Duties. The Manager shall have all the powers and duties of the Association as set forth in the Declaration and the By-Laws of the Association (except such thereof as are specifically required to be exercised by its Directors or members) and as required by Florida Statutes Section 720 and shall perform by way of illustration and not of limitation, the following services:

(a) Cause to be hired, paid, supervised, and discharged all persons in the opinion of the Manager necessary to be employed to properly maintain and operate the Property and Association properties within the approved Association budget.

(b) Maintain and repair the Property to the same extent that the Association is required to

maintain and repair same, as provided in the Declaration. For any one item of repair, replacement or refurbishing not specifically approved in a duly adopted budget, the expense incurred shall not exceed the sum of One Thousand Dollars (\$1,000.00), unless specifically authorized by the Board of Directors of the Association, except, however, in the case of an emergency, the Manager is authorized to expend any sum necessary to protect and preserve the Property.

(c) Enter into contracts for utilities, garbage and trash removal, grounds pest control, and other services, and make all such contracts and purchases in the Association's name. Manager agrees not to enter into any contractual agreement on behalf of the Association which does not permit termination on 30 day written notice, without approval of the Board of Directors.

(1) Manager will provide bids from contractors, references and recommendations for projects to the Board of Directors for approval on improvements/repairs over \$1,000.

(2) Manager will monitor contractors doing projects for the Association to ensure the contractor is in compliance with contract specifications and pre-established guidelines, within the realm of knowledge of the Manager.

(3) The Association Board of Directors will assist in minimizing interference with contractors from residents and volunteer leaders.

(d) Maintain the Association's financial records books, accounts and other records as provided by the Association's By-Laws and pursuant to the requirements of the law. Such records shall be kept at the Property and shall be available for inspection by Owners or their authorized representatives at reasonable times. The Manager shall render to the Association a statement for each calendar month, no later than the 15th of the following month.

(1) Manager will post owner assessment fees, accounts receivable and accounts payable daily.

(2) Manager will provide cost analysis for all projects.

(3) Manager will provide the Board of Directors with the following reports from its computerized accounting system on or before the 15th of each month:

(a) Balance Sheet – list assets and liabilities as of the end of current month.

(b) Income and Expense Statement – list income and expenses by account showing the current month's activity, current month's budget, current month's variance, year to date activity, year to date budget and year to date variance.

(c) Delinquency Report – reflect individual charges on an aged basis monthly.

(d) Cash Disbursement Journal – listing all transactions processed.

(e) Pre-Payment Report – reflecting advance assessments received.

(4) At year end Manager will provide the Board of Directors one copy of the cumulative general ledger for the entire year.

(5) Manager will prepare for the Board of Directors, at no additional charge, other financial reports upon request.

(6) Manager will develop and maintain a filing system of the Associations important papers including contracts, resident communications, public agency filings, financial reports,

insurance policies, resolutions and legal documents.

(7) Manager will maintain vendor files containing payment and invoice information and issue IRS 1099 forms to qualified vendors using IRS guidelines.

(8) Manager will prepare general correspondence dealing with routine operational matters between the Association and residents, contractors, agents, government officials or other entities.

(9) Manager shall complete title company questionnaires/payment status requests and answer inquiries about the Association from potential buyers, agents or lenders.

(10) Manager shall document sales and transfers in the computer system and maintain information in a file of all sales and transfers.

(11) Manager shall provide new owners with "Rules and Regulations" and make the new owner aware of all appropriate documents. If copies of the documents are requested, management will provide them for the cost of copying.

(12) Manager will provide requested Estoppel Certificates for home sales and charge a fee of \$100 for this service, to be paid as a part of the sale and not by the Association.

(e) Arrange for an annual independent review to be conducted by a certified public accountant with the approval of the Board of Directors in accordance with the standards of the Accounting Standards Board of the American Institute of Certified Public Accounts of all books and financial records of the Association. A copy of the review shall be provided to the Officers of the Association.

(f) Prepare the annual budget for the operation and maintenance of the Property in accordance with the Legal Documents, for approval by the Board of Directors. The Manager shall submit annually to each member of the Association the operating budget for the ensuing year, setting forth the anticipated income and expenses of the Property for the year, and each Owner's share thereof. Should an increase in assessments or a special assessment be required during the year, the Manager shall determine the amount of same for approval by the Board of Directors. The Manager shall collect the assessments based upon the foregoing.

(g) Deposit all funds collected from the Association's members, otherwise accruing to the Association, in a separate bank account or accounts of the Association in banks or savings and loan associations in the State of Florida, with suitable designation indicating their source, with the banking institutions to be approved by the Board of Directors.

(1) All reserve funds invested in other accounts, certificates or investment vehicles shall be under the sole control of the Association. Manager shall make deposits to the reserve accounts from the operating account as budgeted.

(2) Manager shall receive, review all invoices and bills and prepare checks for signature.

(h) Attend meetings of the Owners and of the Board of Directors of the Association at the

request of the Association or as deemed appropriate by the Manager; however, it is understood and agreed that the minutes of all the Association's meetings, whether of Owners or of the Board of Directors, shall be taken by the Associations' Secretary, with possession of the Minute Book shall be in the custody of the Manager. The Manager shall be responsible for preparing and furnishing notices of all meetings to the required parties.

(i) Enforce the Rules and Regulations adopted by the Association for the use and enjoyment of the Property and propose to the Board of Directors such modifications of the Rules and Regulations as Manager deems appropriate. Manager will conduct community inspections a minimum of two (2) times per month.

(j) Cause alterations and additions to be made to the Property as authorized by the Board of Directors and its members when required, in accordance with the Declaration.

(k) Retain services of attorneys, accountants, and such other persons whose services may be reasonably required to effectively perform its duties and exercise its powers hereunder, and to employ same in the name of the Association on such basis as it deems most beneficial with the approval of the Board of Directors.

(l) Exercise such additional powers and rights delegated to it, if any, under the terms and provisions of the Declaration or by the Board of Directors.

(m) Maintain an office, together with a telephone so that Members or occupants of Residential dwelling units may contact the Manager, or its employees, on a twenty-four-hour basis. The initial address and telephone number of the Manager is:

Coastal Realty & Property Management, Inc.

Whitney Curry, Owner/Shareholder

3942 A1A South

St. Augustine Beach, Florida 32080

Phone: 904-471-6606

Fax: 904-471-2866

Email: whitney@coastalrealtyfl.com

(o) In the performance of its duties, the Manager shall not be required to obtain the best price available as to any service, material, or purchase, but shall purchase or contract for same with such persons as it deems advisable and in the best interest of the Association and the Manager, subject to the approval of the Board of Directors.

5. Collection of Assessments. The Manager shall apply assessments collected to those items specified in the Association's budget as it determines in its sole discretion. The Manager, during the term of this Agreement, may file a lien on behalf of the Association against an Owner's property should he fail to pay his assessments when due as provided in the Declaration, and may take such other action as provided in the Legal Documents, either in its name or in the name of or as agent of the Association, as directed by the Board of Directors. The Manager may compromise liens in such

amount as it deems appropriate upon approval of the Board of Directors, and it may satisfy liens of records and render statements as to the current status of an Owner's assessments. The Association shall assist the Manager in any reasonable manner requested by the Manager collecting assessments and simplifying the collection process.

6. Expenses of Manager. It is specifically understood that the Manager will not undertake to pay Association expenses from its own funds and shall only be required to perform its services and make disbursements to the extent that, and so long as, payments received from assessments or other revenue, are sufficient to pay the costs and expenses of such services and the amounts of such disbursements. If it shall appear to the Manager that the assessments and other revenue, if any, of the Association and its members are insufficient, the Manager shall forthwith determine such additional assessment as is required and advise the Board of Directors of the Association.

7. Management Fee. It is specifically understood and agreed that the Management Firm shall perform all of the services required of it hereunder at no cost and expense whatsoever to itself, but solely at the "actual" cost and expense of the Association. As compensation for its services hereunder, the Manager shall receive a net fee, free from all charges and expenses, of Sixty-Nine Thousand Dollars (\$69,000.00) per year, paid in twelve (12) equal monthly installments. This compensation shall be designated the "Management Fee" and shall be taken into consideration in setting the common expense and assessments. After the initial term, the Management Fee will be approved by the Board of Directors each year as a part of the operating budget. Management may administer the Architectural Review Committee applications but will not attend committee meetings.

8. No Interference. The Association shall not permit or cause any of its members to interfere with the Manager in the performance of its duties or the exercise of any of its powers hereunder.

9(a). Indemnification of Manager. The Association agrees that it shall defend, hold harmless and indemnify Manager from any and all demands, claims, suits, actions and legal proceedings brought against Manager in its capacity as Manager of the Association, or in its official capacity as agent for the Association, provided the incident arose while the Manager was acting within the scope of its employment and excluding any negligent, grossly negligent, or wanton reckless, or illegal actions; provided, however, individual Board members will not be considered personally liable for indemnifying the Manager against such claims, demands, suits, actions and legal proceedings. The Association shall not, however, be required to pay any costs of any legal proceedings in the event Board and Manager have adverse interests in such litigation, except as stated above.

9(b). The Manager hereby agrees to indemnify the Association and save the Association harmless from and against all actions, claims, demands, liabilities, damages, losses or expenses of any nature, including attorney's fees through all appeals, if any, which Association may incur by the requirements of this Agreement or authorized by the Board or due to omissions or failures of the Manager in its performance of the required obligations.

9(c). The Association and the Manager agrees that each shall carry liability insurance in an

amount not less than \$1,000,000 per occurrence. The liability insurance will name each other as additional insured.

10. Assignment. Neither party may assign this Agreement without the written consent of the other party.

11. Notices. Any notice required or permitted hereunder shall be in writing and delivered by hand or by certified mail return receipt requested to the parties at the addresses designated on the first page hereof.

12. Default by Association. If the Association or its members, shall interfere with the Manager in the performance of its duties and exercise of its powers hereunder, or if the Association shall fail to promptly do any of the things required of it hereunder, then the Manager may declare this Agreement in default if the Association fails to remedy such item within fifteen (15) days written notice to the Association describing the interference or failure to perform. Upon default, the Manager may terminate this Agreement and in addition to any other remedy given it by agreement or in law or equity, bring an action against the Association and its members for damages or specific performance. All rights of the Manager upon default shall not be deemed to exclude or constitute a waiver of any other or additional remedy.

13. Default by Manager. Failure by the Manager to substantially perform its duties and obligations under this Agreement following thirty (30) days written notice from the Association specifying the default shall permit the Association to declare this Agreement in default. Upon default the Association may terminate this Agreement, and in addition to any other remedy given it by agreement or in law or equity bring an action against the Manager for damages or specific performance. All rights of the Association upon default shall be cumulative and the exercise of one or more remedies shall not be deemed to exclude or constitute a waiver of any other or additional remedy.

14. Attorneys Fees. In the event of any litigation between the parties regarding the enforcement of any provisions of this Agreement, the prevailing party shall be entitled to recover all costs and expenses incurred thereby, including reasonable attorneys' fees incurred in negotiation, at trial or on appeal.

15. Enforcement of Association Powers. The Manager shall have the authority to enforce the right granted to the Board of Directors by the Declaration; to deny to the Owner and all persons claiming by or through each Owner the use and enjoyment of the Common Areas and to enforce the suspension of the Owner's voting rights in the Association, if the Owner is delinquent in the payment of any assessment, until such time as all assessments are paid. During said period of suspension, there shall be no reduction in the assessments due and payable from the Owner. The Association agrees to indemnify and to hold the Manager harmless against all claims made against the Manager, its agents, employees, or affiliates arising from the performance of the provisions of this paragraph.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their proper

officers this ____ day of _____, 20____.

Signed, sealed, and delivered in the presence of:

Villages of Valencia Homeowners Assn., Inc.

Witness

By: _____
For: Association

Witness

Coastal Realty & Property Management,
Inc.

Witness

By: _____
Whitney Curry, Owner/Shareholder

Witness

COASTAL REALTY & PROPERTY MANAGEMENT, INC.
MANAGEMENT SERVICES

- Full time staff Certified Public Accountant to provide monthly financials and reports for the Association using AppFolio software
- Two Full time bookkeepers for daily accounts payable and receivable
- Coordination of annual review/audit with 3rd party accountant and filing of annual tax return
- Delinquent account management including coordination with collection Attorney
- Preparation of proposed annual budget for Board review and approval
- Preparation and distribution of Coupon Books for owner assessments if requested
- Online portal for owners to make payments online and set up recurring payments.
- Monitor budgeted expenses for cost effectiveness and potential reductions
- Assigned Licensed Community Association Manager to property
- Administrative Assistant and Managing Assistant employees at main office to assist CAM as needed
- Supervision of maintenance and custodial activity
- Expert knowledge of Homeowners Association & Condo Association Law
- Experience of the everyday operation of an HOA/COA
- Obtaining proposals/bids and negotiating of contracts
- Manage vendor activity on property to assure within contract terms and meets needs of the community
- Main Office staffed 7 days per week (Association Management office Mon-Fri, weekend rental office staff to assist with Association Management as needed)
- Scheduled routine preventative maintenance
- E-mail capabilities for owner and Board communications
- Manage the Assoc website with updates and changes as needed
- Provide electronic access to Association governing documents for owners. Printed copies provided upon owner request; owner pays for cost of copies.
- Regular property inspections to identify maintenance and rule enforcement needs
- Preparation of and distribution of Notice & Agendas for meetings
- Attend meetings of the Board and Owners
- Coordinate and organize Annual Owner's Meetings and Elections for the Association
- Handle all Owner mailings
- Special projects as approved by the Board
- File annual corporate report to State
- Receive and respond to owner concerns/complaints
- Maintain current owners list and files
- Process estoppel request for property sales and owner refinances
- Complete mortgage company questionnaires for sales & owner refinances
- Enforcement of Association rules and regulations
- Provide after-hours emergency services and contact information
- No additional costs above Management Fee for office supplies, faxes or copies from main office (excludes bulk copies and large mail-outs); additional costs limited to actual postage costs for mailings (no markup) and Architectural Review Committee services



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:

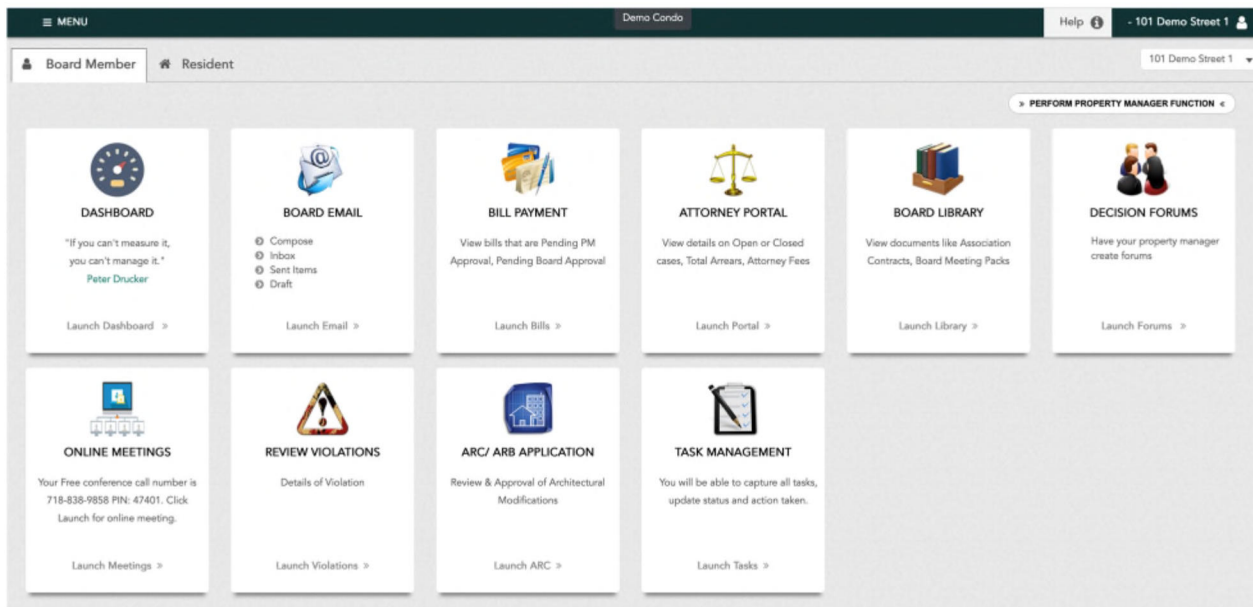
- Resident portal with homeowner account access
- Homeowner access to electronic account statements
- Homeowner profile – where owners can update their personal contact information
- Electronic voting
- Online payments through Zego Paylease
- Inbox for board members
- Violation portal – where residents 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

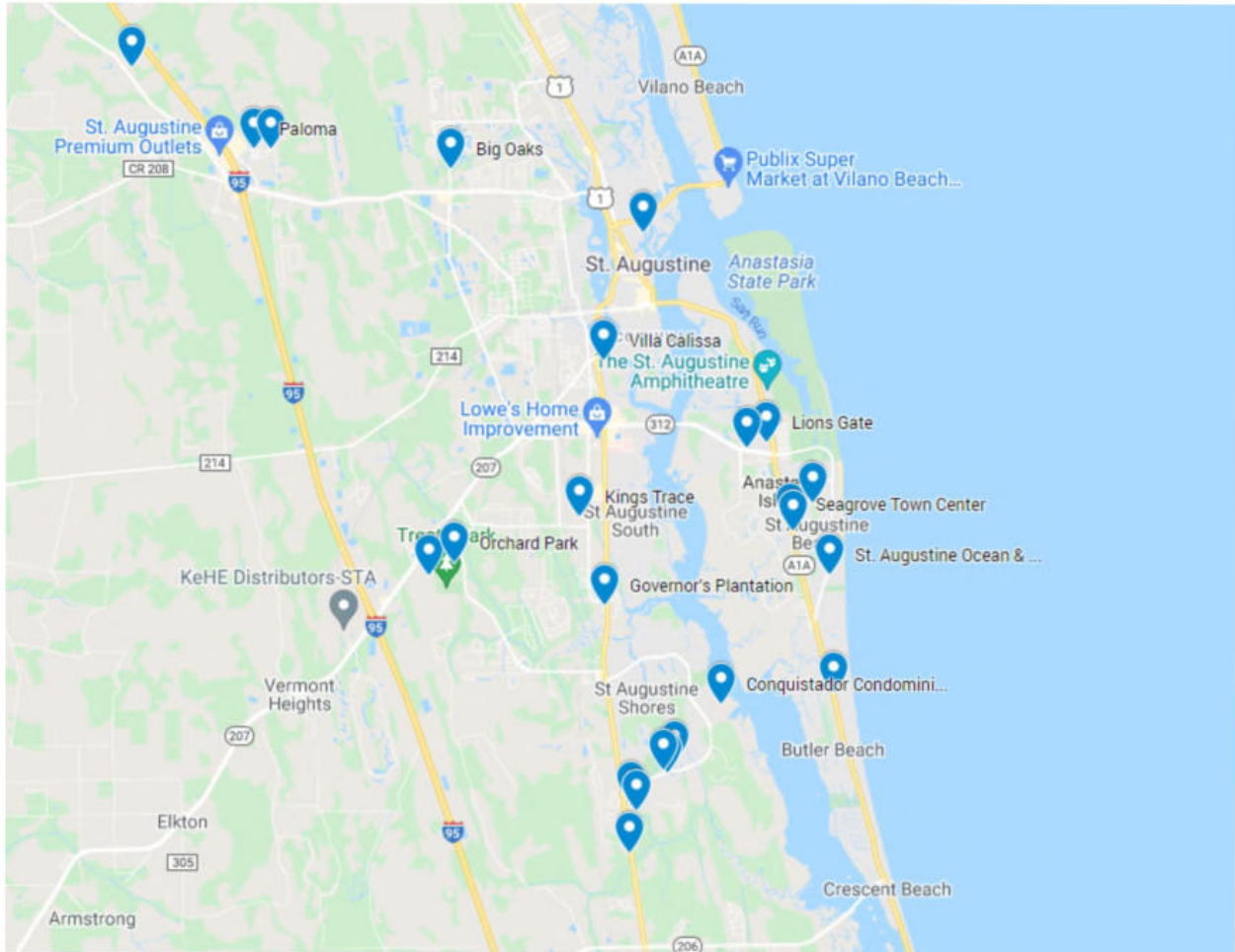
130 S. Indian River Dr., Suite 202
Ft. Pierce, FL 34950

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

Seagrove Condominium

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

Sovereign & Jacobs Property Management Companies, LLC
MANAGEMENT CONTRACT FOR VILLAGES OF VALENCIA HOMEOWNERS
ASSOCIATION, INC.

THIS Contract entered into between Villages of Valencia Homeowners Association, Inc., a Florida Not-For-Profit Corporation, (hereinafter referred to as the “Association”), located in St. Johns County, Florida and Sovereign & Jacobs Property Management Companies, LLC (and/or its assigns) with a principal place of business at 120 Sea Grove Main Street, St. Augustine, Florida 32080 (hereinafter referred to as S&J).

The Board of Directors of the Association on behalf of the Association, hereby appoints S&J, serving as Agent for the Association, to manage the Association and S&J accepts appointment to manage the Association. Management will be in accordance with Association’s recorded governing documents and applicable Florida Statutes.

TERM OF CONTRACT - Association, in consideration of the promises herein contained hereby contracts with S&J to provide Community Association Management Services as specified in the terms and conditions contained herein for a term commencing _____ and ending _____ unless terminated sooner in accordance with the provisions of Paragraph J hereinafter set forth.

SERVICES OF AGENT - Agent shall perform the following services in the name of and on behalf of the Association and the Association hereby gives Agent the authority and powers required to perform these services.

A. ACCOUNTING/AUDIT/BUDGETS

A.1. Agent warrants that all Agent’s employees who are responsible for the safekeeping of any Association moneys shall be covered by a fidelity bond, at Agent's cost, in a minimum amount of \$500,000 with a company determined by Agent.

A.2. In addition and in accordance with Fla. Stat. §720 the Association shall maintain fidelity bonding on all persons who control or disburse Association funds. This is defined as those individuals authorized to sign checks, and the President, Secretary and Treasurer of the Association and shall include, at the Association’s expense, all of the employees of Agent authorized to sign checks for the Association.

A.3. Agent shall receive, deposit, disburse, and account for all Association funds. Deposits and disbursement shall be made weekly (other than payments to Agent’s “lock box”) and funds collected shall be deposited in a custodial account in a state or national bank where deposits are insured by the Federal Deposit Insurance Corporation, separate and apart from Agent’s own funds.

A.4. Agent shall have printed and distribute scheduled assessment coupon notices (if required) to all members at the addresses provided by the member for billing purposes.

A.5. Agent shall assess interest and/or late fees to member accounts, as outlined in Association’s Declaration of Condominium and/or Bylaws, and mail delinquency notices to all members who are past due in payment of assessments on a monthly basis.

A.6. Agent shall prepare monthly financial reports for Association utilizing the accrual method of accounting, including an income and expense statement, a statement of balances, a check register, an itemized listing of accounts receivable and a disbursements journal by the 25th day of the following month.

A.7. Unless otherwise directed by the Board of Directors, Agent will engage a Certified Public Account (CPA) to complete and file the required federal and state tax returns. Agent shall not be responsible for fines and/or penalties imposed due to the Association’s failure to make a timely decision regarding engagement of CPA or CPA’s failure to meet mandated deadlines.

A.8. Agent shall prepare an annual initial draft budget for approval by the Board of Directors. Preliminary budget figures shall be submitted to Association’s Board of Directors no later than 60 days prior to the end of the fiscal year. Within thirty days of receipt of the preliminary budget, the Board shall either approve the budget as submitted or provide Agent with written notice setting forth those items which are unacceptable to the Board or provide Agent with written notice advising what additional information is required. Upon approval, Agent shall be authorized to operate and manage Association in accordance with the Annual Budget.

B. COLLECTIONS

B.1. Agent shall advise individual members of the Association’s authority and notice of late assessment, should a member’s account become delinquent, to protect Association’s financial interest. A charge of \$50.00 will be assessed to the Association, then subsequently charged to the member’s account, for such a notice. A charge of \$37.00 will be assessed to the Association, then subsequently charged to the member’s account, upon receipt of

a check which has been returned from Association's bank due to non-sufficient funds to offset Agent's expenses to process the check.

B.2. Agent shall collect all regular assessments due from Members. The Association hereby authorizes and directs the Agent to request, demand, collect, receive, and receipt for any and all assessments and/or charges which may at any time be or become due to the Association and at the expense of the Association by way of process or authority granted the Association under the Declaration, Articles of Incorporation or Bylaws as may be required for the collection of delinquent assessments. The Agent shall notify the Board of any account which is more than thirty days past due. By direction from the Board the Agent will implement collection proceedings on behalf of the Association. A charge of \$75.00 will be assessed to the Association, then subsequently assessed to each individual owner's account, when a delinquent account is referred to the Association's attorney. A collection monitoring charge of \$25.00 per account will be assessed to the Association, then subsequently assessed to each individual owner's account, each month an account is in collections with the Association's attorney.

B.3. As a standard practice, Agent shall furnish the Association's Board of Directors with an itemized list of delinquent accounts as part of the monthly financial statements and will issue written notice to members whose accounts are thirty (30) days past due, advising them that legal proceedings may be instituted if their account is not brought current within thirty (30) days following the notice.

C. CLOSINGS

C.1. Upon notification by a closing agent of a pending sale, and upon receipt of required Association approvals, if any, Agent will review the property account status and prepare a certificate stating the total amount of maintenance fees, special assessment, late fees, transfer fees, etc. due to be collected at closing of title. After closing is held Agent will collect and deposit funds received from closing agent and update Association's files and financial records with new owner information.

C.2. Additionally, Agent shall provide an information package to new owners which will include notification of Agent's contract with Association, emergency telephone numbers, payment coupons and the name and phone number of the Association's property manager. Upon request, Agent shall make available the Rules & Regulations of the Association. In accordance with §720, Agent shall charge a reasonable fee for the preparation of each certificate to offset expenses of processing the information required by closing agent; said fees to be charged to the property owner's account. Agent shall not be held liable for closings which occur of which Agent has not been properly notified.

D. ADMINISTRATION

D.1. Agent shall at all times maintain a roster of all unit owners complete with mailing addresses as required by Florida Statutes. Additionally, Agent shall maintain current official records for Association including correspondence files, minute book, insurance policies, contracts, financial records, etc. Agent shall arrange for a repository, if necessary and at Association's expense, for additional Association inactive official records for the period of time dictated by Florida Statutes. Association shall retain ownership of all records. Should Association choose to retain records beyond statutory requirements, Association shall notify Agent of such choice.

D.2. Agent will take such action as may be necessary to cause compliance with any and all orders or requirements affecting the Association by any federal, state, county, municipal or other governmental or regulatory authority having jurisdiction there-over and the orders of the fire underwriters or other similar bodies, subject to the limitation of budget or direction of the Board. Agent shall notify the Association within two working days of all such matters.

E. PROPERTY MANAGEMENT

E.1. Agent shall assign a Licensed Community Association Managers (LCAM), at Agent's expense, who shall manage the affairs of the Association and carry out Agent's duties under this contract. In accordance with Florida Statute 468.431 said Manager shall be licensed with the Department of Business and Professional Regulation in accordance with Chapter 61-B, Florida Administrative Code. Such management shall be in accordance with the Association's governing documents as well as applicable state statutes.

E.2. Agent shall attend quarterly Board of Directors meetings and the Annual Meeting of the Members of the Association at the basic fee quoted herein. Upon not less than 72 hours' notice, Agent shall attend Committee meetings as requested, provided that the Association shall pay Agent \$75 per hour for a licensed manager to attend additional meetings. All meetings in excess of one hour and a half will be subject to an additional \$75 per hour managerial fee.

E.3. Agent shall assist the Board of Directors in enforcement of the Association's governing documents. At the Board's request, Agent shall arrange for legal enforcement of violations utilizing an attorney of Association's choice.

E.4. Coordinate with the Association's Insurance Agent to assist the Board of Directors to place and keep in force all forms of insurance of the type, and in the amount, requested by the Association or, as required by law, or as required under the governing documents, at the expense of the Association. All the various types of insurance coverage required shall be placed with such companies, in such amounts and with such beneficial interest appearing therein, as shall be requested by the Association. Agent shall, upon request, furnish to the Board members, copies of all such insurance policies and report to the insurance company all reported accidents or damages related to the management operations and maintenance, including any damage or destruction to the community.

E.5. Agent shall receive and appropriately distribute all correspondence addressed to Association and its Board of Directors, on an ongoing basis. Agent shall scribe meeting minutes and see that DRAFT minutes are distributed in accordance with Association's policy within fourteen (14) days of subject meeting.

E.6. Agent shall oversee the distribution of general announcements and other information to all members including notices of annual meetings and elections as required by State law, and as needed.

E.7. Agent shall renew Association's corporate charter, and arrange for other such licensing and recording provisions as required by law. All licensing and recording fees shall be the expense of the Association.

E.8. Should Association become involved in litigation or pre-litigation resulting in research, document preparation, deposition, testimony, etc. on the part of Agent, Agent may charge a fee of \$75.00 per hour for such time expended in excess of two hours per lawsuit or issue.

F. EMPLOYMENT OF PERSONNEL/PAYROLL EXPENSES

F.1. Agent shall hire, fire, and discipline all onsite employees (if appropriate), for Association's benefit and at the request of the Association. All expenses incident to employment of the personnel will be borne by Association as a budgeted expense of the Association. Those expenses are: state and federal unemployment taxes, F.I.C.A., workers' compensation insurance, bodily injury and property damage liability insurance, as well as payroll administration fees and any benefits included in the employee's compensation package. Benefits consistent with the employment of quality personnel, such as health insurance, are considered incident to the employment of such personnel and shall be a budgeted expense of Association. All employees will be subject to personnel policies set forth by the Agent. Agent shall charge a 10% burden rate of the gross pay for employing personnel on behalf of the Association.

G. MAINTENANCE OF COMMON ELEMENTS

G.1. Agent shall coordinate maintenance with the Board of Directors to ensure the property is maintained to an acceptable standard and in accordance with the Association's documents. Agent shall assist in the preparation of contract specifications within the scope of Agents expertise and without subjecting Agent to undue liability.

G.2. When the aggregate amount of a contract for services or products exceeds 5% of the total annual budget Agent shall obtain competitive bids and make awards as agreed to by Association's Board of Directors.

G.3. When Agent has been requested to engage an outside contractor for work on the common property of the Association, Agent shall require such contractors to be fully licensed and insured, including worker's compensation insurance. Agent shall review insurance policy expiration dates to ensure that contractors maintain insurance policies required to execute original contract. Should Association choose to contract with an entity which does not meet Agent's requirements for licensing and insurance coverage, Association shall execute Agent's standard waiver of liability prior to commencement of work. All contractors and vendors must complete IRS W-9 forms and Agent shall furnish Federal 1099 Forms to non-incorporated vendors and contractors in accordance with Federal tax laws.

G.4. When requested to do so by the Association, Agent shall arrange for Association's attorney to file Notices of Commencement per Florida Statute 713 on behalf of Association and will require lien waivers prior to payment being issued to contractor in order to protect Association from Construction Lien Law Liability.

G.5. Agent shall review invoices and charges to Association by vendors and contractors on a periodic basis. Such charges will be coded by account to Association's general ledger for payment in accordance with the Association's Accounts Payable policy.

G.6. Notwithstanding any other provision of this agreement, Agent is given no authority or responsibility for maintenance or repairs to individual units in the Association. Such maintenance and repairs shall be the sole responsibility of the individual unit owner.

G.7. Agent shall have no authority to make any structural change to Association's property, or to make any other major alterations or additions in/or to any buildings or equipment therein, except such emergency repairs as may be required because of danger to life or property, or which are immediately necessary for the preservation and safety of Association property.

H. PAYMENT OF EXPENSES

H.1. All expenses of operation and management shall be paid from Association's funds. Agent shall have no obligation to advance funds to Association for any purpose whatsoever. Agent shall not make any expenditures, nor incur any non-budgeted contractual obligation exceeding \$2,000 or as determined by the Board of Directors, without the prior consent of the Association. From the funds of the Association, Agent shall pay all expenses of management of Association property, including: taxes, building and inspection fees, utilities, licensing and other governmental charges, and all other charges or obligations incurred by the Association or by Agent on behalf of Association with respect to the maintenance or operation of the property, or pursuant to the terms of this Agreement, or pursuant to other authority granted by the Board on behalf of the Association.

I. RENEWAL OF CONTRACT AGREEMENT

I.1. If Association does not notify Agent in writing before the expiration of the initial term that this contract agreement will not be renewed, it shall be deemed that the Association has renewed this contract agreement for one (1) year upon the expiration of the previous term, with the exception of the management fee, which shall be negotiated during the preparation of the fiscal year budget.

J. TERMINATION OF MANAGEMENT CONTRACT

This management contract may be terminated by:

J.1. Mutual consent of the parties.

J.2. **Discharge for cause.** Discharge for cause shall constitute conduct which is seriously prejudicial to the Association, including, but not limited to, neglect of duty or breach of contract or violation of the state licensing laws or rules. Reasons for such a proposed discharge for cause shall be given in writing and Agent, if desired, shall be entitled to appear before the Board to discuss such causes. If Agent chooses to be accompanied by legal counsel at such a meeting, Agent shall bear any cost therein involved.

J.3. **Unilateral termination by the Association.** The Association may, without cause, terminate this contract anytime during the term of the contract by providing a minimum of thirty (30) days' notice (by registered mail, return receipt requested) to the Agent. On termination, the parties thereto shall account to each other with respect to all matters outstanding as of the date of termination. A \$100 termination fee shall be paid by the Association to compensate Agent for preparation of Association records, files, and financials for transition.

J.4. **Agent termination.** Agent may, without cause, terminate this contract anytime during the term of the contract by providing a minimum of thirty (30) days' notice (by registered mail, return receipt requested) to the Association. On termination, the parties thereto shall account to each other with respect to all matters outstanding as of the date of termination. A \$100 termination fee shall be paid by the Association to compensate Agent for preparation of Association records, files, and financials for transition.

J.5. In the event a petition for bankruptcy is filed by or against the Agent, or the Agent shall make an assignment for the benefit of creditors, or take advantage of any insolvency act, this contract shall automatically terminate as of the date of such event. The books, records, and accounts of the Association shall be returned to the Association and shall remain its property.

K. MANAGEMENT FEE - Association shall pay Agent a management fee in accordance with the following table:

K.1. \$46,080.00 per year, plus the cost of all contracted services, which shall not be part of this proposal. The management fee covers all services included in this contract, unless otherwise noticed, with the exception of sales tax, printing, copying, postage & handling fees, payment coupons, supplies, licensing fees, title searches, recording fees, mailing supplies, and all items which become the property of the Association. Reimbursable fees (Exhibit A) may be increased as necessary. If applicable, there will be a gate maintenance fee of \$80.00 per month. There will be a one-time property setup fee equivalent to the first month's management fee. (Note: If current financials and accounting records are found not to be in compliance with FL Statutes and/or do not meet Association CPA standards and require reconstruction/reconciliation an additional per hour charge of \$75.00 will be assessed to the Association to conform.)

K.2. Specific services provided by Agent that are not provided as part of its obligation and supervision responsibilities iterated in this contract will be provided directly by the Agent on a cost basis. The Association shall reimburse Agent upon demand for all direct costs and expenses incurred by Agent which relate directly to the Agent's service to the Association. Such direct costs and expenses include, but are not limited to, mailing, photocopying, office supplies purchased by Agent on behalf of the Association, bank charges, and other items that may be from time to time be required or requested by the Board of Directors. Agent shall attend quarterly Board meetings and one (1) membership meeting per year. Any additional meetings that the Board requires Agent to attend may be charged at a rate of seventy-five dollars (\$75.00) per hour. Agent shall also have the right to charge the Association for collecting special assessments, owner transfer fees, and for other duties that the Board of Directors shall require Agent to perform that are not included in the scope of this contract. In addition, Agent shall have the right to charge any Owner a fee for collecting delinquent assessments, for Notice of Late Assessment letters, for reviewing architectural applications, or for providing information or service which is under Agent's control. Said fees shall cover Agent's time and expenses.

K.3. Special Assessments. All Special Assessments will be subject to a one-time setup fee of \$25.00 per door, and a collection fee of \$10.00 per owner, per payment.

L. AUTHORIZED BOARD MEMBER

L.1. The President or his/her authorized representative shall be authorized to direct Agent on matters relating to management of the Association. Agent is directed not to accept directions or instructions with regard to the management of the Association from anyone else without a recorded vote of the Board of Directors.

M. INDEMNIFICATION

M.1. The Association hereby agrees to indemnify Agent, its officers, directors, shareholders, employees, agents and contractors, and save them harmless from and against any and all actions, claims, demands, liabilities, losses, damages or expenses of any nature, including attorney's fees, whether at trial, on appeal, in bankruptcy or in post-judgment collection, which Agent may incur by reason of services rendered or duties performed by Agent pursuant to the terms and conditions of this agreement, but only to the extent that such expenses, damages, losses, liabilities, demands, claims, or actions are not covered by any insurance which Agent may be required to maintain under the terms and conditions of this agreement or under the laws of the State of Florida and further provided such damages, losses, liabilities, demands, claims or actions are not caused by Agent's gross negligence or intentional misconduct.

M.2. Agent hereby agrees to indemnify the Association and save the Association harmless from and against all actions, claims, demands, liabilities, losses, damages or expenses of any nature, including attorney's fees, whether at trial, on appeal, in bankruptcy or in post judgment collection, which Association may incur by reason of services rendered or duties performed by Agent pursuant to the terms and conditions of this agreement, but only to the extent that such expenses, damages, losses, liabilities, demands, claims or actions are not covered by any insurance maintained by the Association or Agent and only to the extent such damages, losses, liabilities, demands, claims or actions are due to omissions or failures of Agent in its performance of the required and fully funded obligations, unless otherwise directed by the Board, or its designee, and are not caused by the Association's gross negligence or intentional misconduct.

N. APPLICABLE LAW AND PARTIAL INVALIDITY

N.1. The execution, interpretation and performance of this agreement shall in all respects be controlled and governed by the laws of the State of Florida. If any part of this agreement shall be declared invalid or unenforceable, Agent shall have the option to terminate this agreement by notice to the Association.

O. SECURITY

O.1. Association hereby agrees and acknowledges that management or its agents shall not provide and shall not have a duty to provide or maintain any security services to the Association, its members, guests, or member's property. Association, its members, guests or member's property shall look solely to the public police force for security protection and the Association agrees and acknowledges that protection against criminal acts is not within the power or control of management, and, even if from time-to-time management provides assistance with maintenance or coordination of security service, any of those services cannot be relied upon by the Association, its members or guests, and shall not constitute a waiver of, or in any manner modify, this agreement. Management shall in no way be liable for any failure to provide adequate security, maintenance, or services for criminal or wrongful actions by others against Association, its members or guests.

P. NOTICE

P.1. Any notice required or provided for in this agreement shall be in writing and shall be addressed as indicated below.

If to Agent: Sovereign & Jacobs Property Management Companies, LLC
ATTN: Ellen Lumpkin
120 Sea Grove Main Street
St. Augustine, FL 32080

If to Association: Villages of Valencia Homeowners Association, Inc.
ATTN: Board of Directors
Current address

Either party may change the address by notice to the other party. Notice served by mail shall be deemed to have been served when deposited in the U.S. Mail.

Q. BINDING AGREEMENT

Q.1. This agreement shall be binding upon and inure to the benefit of the successors and assigns of Agent and the heirs, administrators, successors and assigns of Association.

R. SEVERABILITY

R.1. If any provision of this Agreement shall to any extent be held invalid or unenforceable, the remainder of the Agreement shall not be affected thereby and each and every remaining term shall be valid and enforceable to the fullest extent permitted by law.

S. COUNTERPARTS

S.1. This Agreement may be signed in counterparts and any electronic, scanned, faxed or photocopied signature or copy of the Agreement shall be deemed one and the same as an original.

T. ENTIRE AGREEMENT

T.1. This Agreement constitutes the entire agreement between the parties, and there are no other agreements, representations, or warranties other than as set forth herein.

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed or causes to be affixed their respective signatures on this day:

VILLAGES OF VALENCIA
HOMEOWNERS ASSOCIATION,
INC.

Its: President

SOVEREIGN & JACOBS PROPERTY
MANAGEMENT COMPANIES, LLC.

Ellen G. Lumpkin
CEO & Founder



2023 Reimbursable Schedule

Checks	\$1.85/ea.
Copies (Black & White)	\$0.25/ea.
Copies (Color)	\$0.75/ea.
BB&T Payment Coupon Book	\$8.50/ea.
BB&T Annual Payment Coupon	\$3.00/ea.
BB&T Special Assessment Coupon	\$5.00/ea.
Account Statements - Paper	\$2.50/ea.
Envelopes (Window/Proxy)	\$0.35/ea.
Envelopes – Large (6x9 & 9x12)	\$0.75/ea.
Envelopes - Annual Mailout with Election	\$1.25/ea.
Mailing Labels	\$0.25/ea.
Year End Postcards	\$0.50/ea.
Introductory Welcome Letter to Owners	\$3.50/ea.
Postage (Including FedEx & UPS)	\$ cost plus 15%
Roll Call	\$ cost plus 15%
Virtual Board Meeting Hosting	\$5.00/ea.
Association Documents Binder	\$25.00/ea.
Violation Letters (printed)	\$2.50/ea.
Registered Agent Fee	\$175.00/yr.
Corporate Annual Report (Sunbiz)	\$75.00/yr.
Association 1099	\$25.00/ea.
Record Storage Boxes	\$10.00/ea.
Record Storage Initial Delivery/Setup	\$75.00
Record Storage (1-5 boxes/5-10 boxes/10+ boxes)	\$25.00/\$35.00/\$50.00/mo.
Record Box Retrieval	\$75.00/trip
My Green Condo (Pricing by number of doors)	\$30.00 - \$100.00/mo.
Amenity/Pool Gate Management	\$80.00/mo.
Entry/Access Gate Management	\$80.00/mo.
Dri Fit Maintenance Shirt (on-site employees only)	\$25.00/ea.
Maintenance Employee Hat	\$15.00/ea.
Association Purchase with S&J Credit Card	\$ cost plus 15%
Additional Accounting Services Outside of Contract	\$50.00/hr.
Additional Management Services Outside of Contract	\$75.00/hr.



January 30, 2023

Villages of Valencia Homeowners Association, Inc.
Attn: Kim Shailer, Treasurer
Sent via email kim@vovhoa.com

Dear Mr. Shailer:

It was a pleasure meeting with you the other day. We appreciate the opportunity to submit a proposal for management of your exceptional community **Villages of Valencia Homeowners Association**. Watson Association Management is pleased to present for your review a proposal for management, including full accounting services. Based upon our conversation, we are quoting for you to consider:

Financial Operations and Management:

Our proposal is based on a dedicated licensed Community Association Manager, performing the duties necessary for your property and amenities not to exceed eight hours weekly to include one weekly site visit, attend and assist with monthly board meetings including Annual Meeting, and board communications and guidance. Our proposal is based on full accounting services performed at our office including ACH Withdrawal and Lockbox Services with Alliance Association Bank or SouthState Bank. Our full accounting services include Vantaca Software Solution Systems with Board Member and Owner portal access and Avid Exchange Strongroom.

Owner and Resident Services:

Our support team is available to assist with homeowners needs such as using the online owner portal, online payments, work orders, ARC applications, insurance certificate requests, etc. We pride ourselves in always having a live person answering our phones to better serve our homeowners.

Leadership Support:

Our Licensed Community Association Managers (LCAM) provide guidance, mentorship, and support to our Boards. Our LCAMs are required to take continuing education classes throughout the year, legal and insurance webinars, among many other educational webinars. It is important for our managers to stay informed and up to date with legislative changes for HOA's and COA's. Our LCAM's will bring this information to our Boards to help them better understand and serve their Association. We encourage and provide continuing education resources to our Boards and committee members. Our LCAMs have served our association clients on average over ten years.



General Support:

- Our team provides the following general support for our associations:
- Resale/Lease applications, background screening, new owner welcome packets.
- Estoppels, mortgage questionnaires, and any other document needed for resales and refi's.
- ARC/ARB application processing.
- Vendor support - Our vendor support team processes vendor packets, to include vendor licenses and insurance.

Transition plan:

Our team will work closely with the outgoing management company to transition the records as efficiently as possible. In our experience most management companies are able to transition the records electronically. The first step to our transition process is to notify the homeowners of the change in management along with the new payment instructions. We have an internal onboarding system that our team follows which includes welcome letter to the homeowners, notifying vendors, insurance agent, CPA, Legal of change in management to scheduling a “**Meet n Greet**” with the homeowners.

Management fee:

Proposed management fee \$4600.00 monthly plus one-time transition fee of \$500

I am also attaching to this letter Schedule A of additional charges not included in our basic agreement. These charges relate mostly to postage and other costs of mailing, scans, and copies. We encourage owners to “Opt In” email communication as a way of saving mailing costs.

Watson Association Management is a division of Watson Realty Corp. Watson Association Management is wholly owned by Watson Realty Corp. We are a “Full Service” Management Company. We make no claim to be the “biggest” management company; we pride ourselves in being big enough to fully meet any requirement needed and to “tailor” our service for the benefit of our association clients.

We would welcome the opportunity to speak with your full Board of Directors and answer any of your questions in person. Prior to that time, please feel free to contact me at (386) 239-1555 or e-mail mrains@WatsonRealtyCorp.com.



If we are awarded the manage agreement to manage your Association, you can rest assured that not only will you have the services of an assigned licensed Community Association Manager, but you can be confident that there is a “team” of fully skilled management personnel to provide additional support that may be required.

We look forward to entering into a “long term” relationship with your association and Board. We look forward to working together with you to help improve communications and meet your goals. We look forward to hearing from soon.

Sincerely,

Marisa Rains

Marisa A. Rains, Corporate Manager
Watson Association Management

Enclosures:

Schedule A & B
Watson Scope of Service and Management Duties brochure
Vantaca software brochure
AAB & Southstate Bank brochures
Avid Exchange Strongroom brochure
Nabrnetwork website brochure (optional)

SCHEDULE A (2023)

** Additional charges not included in base management agreement price*

ITEM	DESCRIPTION	PRICE
In-house photocopies	Letter/legal copies	.15 per copy side
In-house color copies	Color copies	.40 per copy side
Envelopes	Standard/window/envelopes	.40 per envelope
Envelopes	Oversized envelopes	.60 per envelope
Specialty Items:		
	Check stock	.20 per check
	Mailing address labels	.25 per label
	Coupon books -outsourced	\$7.50 per book
	Coupon book - inhouse	\$5.00 per book
	Statements in lieu of coupons	\$3 per statement
Services	Mailings (includes postage/copies/supplies)	Cost plus 25%
	In-house Mailings	Schedule A costs + secretarial
	A/P (incl postage/copies/check stock/invoices)	\$1.50 per invoice
	Scans	.15 per scan
	Faxes (in/out)	.50 per page
	Secretarial services/projects	\$40/hr
	Accounting/project services	\$75/hr
	Special Assessment Notice	\$5.00 per unit plus postage
	NSF processing fee	\$30.00
	Collection Letter (1 st /Courtesy)	\$5.00
	Bank set up fee (signatures, etc)	\$50.00
	Bank Loan Processing	\$150.00
	Notice of Late Assessment (NOLA)	\$25.00
	Collection transfer to attorney	\$75.00
	Lease/Resale processing fee COA	\$125.00
	Lease/Resale processing fee HOA	\$125.00
	Lease/Resale background check fee	\$35.00
	Out of cycle RUSH check disbursement	\$25.00 per check run
	Estoppel Fee	Market rate paid by applicant
	Condo Questionnaire	Market rate paid by applicant
	Vendor 1099's	Cost plus 25%
	Nabr Network Website	\$800/annual
	Website maintenance	\$75/month
	Storage of association paper records	\$2.50 per standard bankers' box 1.3 cu ft (15X10X12)
	Meeting facility (non-Watson)	Market rate paid by Association
	New Association Transition Fee	Starting \$350 +
	Registered Agent Fee	\$75.00 annually



Association Management

Schedule B

Holiday Schedule 2023

NEW YEARS DAY:

- Monday, January 1, 2023
- Office is closed

MEMORIAL DAY:

- Monday, May 29, 2023
- Office is closed

INDEPENDENCE DAY:

- Tuesday, July 4, 2023
- Office is closed

LABOR DAY:

- Monday, September 4, 2023
- Office is closed

THANKSGIVING DAY:

- Thursday, November 23, 2023
- Office is closed

CHRISTMAS DAY:

- Monday, December 25, 2023
- Office is closed



Association Management



Scope of Services

We strive to help our associations through the planning, preparation, and production of all aspects of association management. The services we offer include:

Accounting Operations:

- Accounts Payable, Receivable & Reserve Transfers
- Collection & Delinquency Support
- Financial Statements
- Special Assessments

Full-Service Management:

- Facilitation of Alterations & Amendments
- Annual Meetings
- Budgets & Budget Meetings
- Document Enforcements
- Inspection of Property, Site Visits, & Insurance
- Maintenance Solutions & Personnel Management

Administrative Assistance:

- Affidavits
- Agendas
- Annual & State Reports
- Board of Directors Meetings
- Mass Mailings
- Record Storage
- Rental & Resale Management
- Telephone Calls

Technology Solutions:

- Caliber Software
- Accounting Systems
- WatsonAssociationManagement.com
- Printing Systems
- Mobile Systems
- Gate-Entry Systems

Watson Association Management

North Regional Office

435 S. Yonge Street, Suite 3, Ormond Beach, FL 32174

386.252.2661

Email: caminfo@WatsonRealtyCorp.com

Web: WatsonAssociationManagement.com



Vantaca's **innovative software** empowers your association to run in realtime and brings your community closer by connecting with owners at every touch point.

BOARD MEMBERS

- Realtime access to association reporting
- Access board member documents (meeting minutes, committee reports, etc.)
- Manage board tasks
- Store electronic files of association documents (archive newsletters, community news, reports) with protection against file corruption or accidental deletion.

PROPERTY OWNERS

- Pay assessments
- Access account information and payment history
- Streamlined communication with management company

VENDORS

- Automatically forward work orders to vendors
- Vendors can submit invoices electronically
- Pay vendors with direct deposit

COMMUNITY ASSOCIATION

- Association documents
- Community calendar
- Community amenity reservations
- Email blasts
- Newsletters

PASSWORD-PROTECTED OWNER PORTAL

We provide a fully-integrated, password-protected portal and owners' portal for your association. This provides greater transparency, more efficiency and control over the processes within your community, and potential cost savings to your association (i.e. reduce use of paper, postage, envelopes, etc.).

Alliance Association Bank Services



Innovative financial solutions for the Community Management Industry.

AAB provides community associations with banking options designed specifically for the unique needs of our industry.

- No-fee lockbox service of all owner payments
- No-fee eCheck payment option for owners
- Credit card payment option for owners with no cost to association
- Free ACH (direct debit for payment of association fees)
- HOA dedicated customer service that works exclusively with management companies and associations
- eStatements monthly history provided the first day of the month
- Online account information and eStatements
- Online transfers between your accounts
- Interest bearing checking accounts with competitive rates for certificates of deposit and money market accounts
- Simple signature card with one card for all your association accounts

For more information contact



Craig Huntington

President

888.734.4567

chuntington@allianceassociationbank.com



Paul Knuth, LCAM

Vice President

Association Financial Partner

407.865.4800

pknuth@allianceassociationbank.com



Alliance Association Bank

A division of Western Alliance Bank. Member FDIC.

888.734.4567 | www.allianceassociationbank.com



ASSOCIATION PRIME POWERED BY SOUTHSTATE BANK

Association Prime specializes in serving the unique needs of Homeowner's Associations and Property Management Companies with integrity and expertise.

Why Choose SouthState Bank?

- \$42 Billion Assets
- Nationally Chartered Bank serving all 50 states including the District of Columbia, and Puerto Rico
- 6th Largest Association Specific Bank in the United States
- Serving Association's Banking Needs Since 1986
- Recognized by Forbes Best-In-State Banks – 2021, 2019, 2018
- Top 30 Forbe's Best Banks in America in 2022
- Top Workplaces Honoree in 2020, 2019 by the Atlanta Journal-Constitution, Orlando Sentinel, Sun-Sentinel
- U.S. Small Business and U.S Middle Marketing Banking awards from Coalition Greenwich

Why an Association Specific Bank?

- The Association Prime division only works with Homeowner's Associations and Property Management Companies. We know how to support your community's unique banking needs.
- Management companies are looking to integrate with banks for a more digitally forward company software which provides greater transparency, streamlined documentation, and operational efficiencies.
- Homeowner and condominium associations have unique lending needs which **SouthState Bank** can help to provide.

Member FDIC | Equal Housing Lender



Payables Lockbox and AvidPay Overview

Optimized Payments for Your Association

brought to you by:



Association Management

Introduction

Our new vendor payment process with Strongroom's "Payables Lockbox":

Payables Lockbox allows our Board Members to securely view and approve vendor bills from their own computer, removing the headache of signing and approving paper checks. There are tens of thousands of Board Members in Associations across the U.S. currently taking advantage of this service.

How does it work?

Just as your assessments are sent directly to your bank, vendor invoices for your Association are sent to a lockbox operation for processing. Invoices are electronically imaged and put online to be viewed and approved. We review the invoices online for each Association, ensuring that the coding of the invoice is correct. Once we approve the invoice, the invoice is sent to your queue for approval. You will receive an email notification when invoices are waiting in your queue. Simply log-on to the Payables Lockbox website, view the invoices in your queue - and approve them for payment. Much like bank online bill-pay, your approval for a payment initiates a payment by check or electronic payment to the vendor.

Step 1: Getting Notified About New Invoices

Instead of moving paper invoices around to various approvers, the A/P process can now be facilitated online with Payables Lockbox.

As managers, we view the invoices online for each Association - ensuring that the coding of the invoice is correct. We then approve the invoice, which then sends the invoice to your queue for approval.

- 1) You will receive an e-mail from Payables Lockbox notifying you that there are invoices in your queue needing approval. Simply click the link in the email to access the site.

From: noreply@stronroomsolutions.com
To: justin.nelson@stronroomsolutions.com
Cc:
Subject: You have 6 Invoices in Payables Lockbox

SRS PROPERTY MANAGEMENT

You have 6 invoices to approve.

Please go to <http://payableslockbox.com/InvoiceSummary.aspx> to approve the following invoices.

Association	Vendor	Number	Date	Due	Amount	Status	Last Change
Sample Community	ABC MAINTENANCE	TST 092509	Sep-01-2009	Sep-30-2009	\$100.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009
Sample Community	ABC MAINTENANCE	TST 092509-2	Sep-01-2009	Sep-30-2009	\$200.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009
Sample Community	ABC MAINTENANCE	TST2 092509-2-1	Sep-01-2009	Sep-30-2009	\$200.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009
Sample Community	ABC MAINTENANCE	TST2 092509-1	Sep-01-2009	Sep-30-2009	\$100.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009
Sample Community	LANDSHAPES	TST2 092509-1	Sep-01-2009	Sep-30-2009	\$200.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009
Sample Community	LANDSHAPES	TST 092509	Sep-01-2009	Sep-30-2009	\$200.00	Pending Manager Approval	Approve by CSI TOPs on Sep-25-2009

Please be sure to add the email address noreply@stronroomsolutions.com to your contact and safe senders list to ensure you receive all future emails from Payables Lockbox.

Step 2: Viewing Invoices

After logging into Payables Lockbox, you will be taken to your 'My Invoices' queue. If you are a board approver for invoices, you will see any invoices you have waiting for your approval here in this queue.

2) To view the invoice document, click on the invoice number (blue, underlined link) to open up the Invoice Detail page. From here, you can view the details of the invoice and Approve the invoice.



My Invoices > Show All > >6 Invoices: \$6,981.76 Displaying Invoices 1-6 of 6 Show 25 per page

Menu Collapse All

Date Filters

All

Overdue

Held

New within 7 days

Older than 7 days

Status

Board Approval

6 invoices \$6,981.76

Association

Spring Creek Association

6 invoices \$6,981.76

Vendors

All Season Services

1 invoices \$374.00

Internal Control Systems of Houston, Inc.

1 invoices \$1,526.88

Property Services

1 invoices \$625.00

Waterboys Pressure Washing

3 invoices \$4,455.88

Expense

10000-Petty Cash

1 line items \$625.00

50002-Lawn Maintenance

2 line items \$977.94

50003-Maintenance

1 line items \$1,000.00

57500-Freight

1 line items \$374.00

My Invoices > Show All > >6 Invoices: \$6,981.76 Displaying Invoices 1-6 of 6 Show 25 per page

Approve Reject Export Display

	Invoice	Association	Vendor	Amount	Coding	Inv Date	Due	Down loaded	Change Date	Pay By	Pay From Account	Status	Pages/Size
	825472	Spring Creek Association	All Season Services	\$374.00	57500-(\$374.00)	08/12/14		<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	0/0.00 KB
	20387	Spring Creek Association	Waterboys Pressure Washing	\$1,300.00	50002-(\$500.00)...	07/12/13	07/22/13	<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/68.00 KB
	20387A	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	50002-(\$477.94)...	04/24/14	04/30/14	<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/68.00 KB
	822376a	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	72500-(\$1477.94)	01/01/15	01/31/15	<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/76.00 KB
	734861-1A	Spring Creek Association	Property Services	\$625.00	10000-(\$625.00)	04/12/13	04/27/13	<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/105.00 KB
	885812-1	Spring Creek Association	Internal Control Systems of Houston, Inc.	\$1,526.88	89000-(\$1526.88)	08/15/13	08/31/13	<input type="checkbox"/>	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/452.00 KB

Step 3: Approving Invoices

The “Invoice Detail” screen is where you will approve or reject most of your invoices. The detail as well as the actions you can take on the invoice are to the left, and the invoice image is to the right.

My Invoices | All Season Services | PO Box 681521 | Default Print Type | Status: Pending Board Member Approval | Downloaded Date: 06/05/2012 3:23 PM | Pay From: Operating - 3210 | Pay Amount: \$374.00

Last Modified: 06/05/2012 3:23 PM | By Joe Admin

Association: Maple Tree Association
Vendor Name: All Season Services
Inv #: 877538
Amount: \$374.00
Invoice Date: 03/01/2012
Due Date: 03/30/2012
Posting Date: 06/01/2012
Reference:
Act #:

Board Approval

Invoice Line Items

Account Name	Amount
9999 Route To Manager	\$374.00
	\$374.00

Notes | Payment | History | Vendor Info

Check Stub Notes:
Internal Notes:
Wrong GL wrong expense code, Work hasn't been completed. Work not complete.

ALL SEASONS SERVICES
TERMITE & PEST CONTROL - LAWN & LANDSCAPE DESIGN
"WELC COMED & CUSTOMER FOCUS"

1-866-9NO-BUGS
WWW.1866NOBUGS.COM

P.O. BOX 681521
HOUSTON, TEXAS 77268
OFFICE 1-866-966-2847 LAWN 713-677-9125

INVOICE # 875538
DATE: 09/02/2011

SERVICE ADDRESS
12356 Maple Leaf Drive
Houston, TX 77045

BILLING ADDRESS
Maple Leaf HOA
c/o SRS Management Co.
1401 Louisiana
Houston, TX 77002

PLEASE MAKE CHECKS PAYABLE TO: ALL SEASONS SERVICES
WELC COMED ON ALL RETURNED CHECKS

SERVICE TIME	KEY MAP PAGE	AREA	TERMS
		5	Due Upon Receipt

SERVICE TYPE	TARGET PEST(S)	CHEMICAL USED	TOTAL
INITIAL SERVICE			\$ 75.00
TERMITE CONTROL			\$ 299.00

- 3) To approve an invoice for payment, simply click the ‘Approve’ button at the top left. If you want to reject the invoice back to the manager, perhaps to change the pay amount or coding information - you may do so by entering a rejection reason in the “Internal Notes” section, and clicking “Reject”.

Additional Benefits for Board Members

Easily search for invoices and payments by selecting the 'Invoice Search' and 'Payment Search' options under the 'Invoices' and 'Payments' tabs. Here are a couple of screenshots of the search pages:

The screenshot displays the Strongroom Payables Lockbox interface. At the top, there are navigation tabs for 'My Invoices', 'Invoices', 'Payments', 'My Associations', and 'Support'. Below these, there are sections for 'Quick Search Items' (Invoices I Approved, Pending Invoices I Approved, Invoices I Rejected, Invoices I Took Action On) and 'Invoice Search Criteria'. The search criteria include filters for Associations, Vendor, Status, Approval Step, Last Change, and Fast Track. There are also input fields for Invoice Number, Account Number, Vendor, Expense Account, Expense Dept, Check Stub Notes, Internal Notes, Purchase Order, Invoice Date, Due Date, Date Paid, Scheduled Date, Last Change Date, and Created Date.

Below the search criteria, there is a table of 16 invoices totaling \$19,992.58. The table has columns for Invoice, Association, Vendor, Amount, Coding, Inv. Date, Due, Charge Date, Pay By, Est./From Account, Status, and Pass/Step.

Invoice	Association	Vendor	Amount	Coding	Inv. Date	Due	Charge Date	Pay By	Est./From Account	Status	Pass/Step
875473-3	Spring Creek Association	All Season Services	\$374.00	50003-Maintenance (a) (\$1274.00)...	02/12/13		05/17/2016 9:43 AM	ACH	Operating Account	Manager Approval	0/ 0 KB
875473-2	Spring Creek Association	All Season Services	\$374.00	57500-Freight (\$374.00)	08/12/14		05/17/2016 9:43 AM	ACH	Operating Account	Board Approval	0/ 0 KB
875473-1	Spring Creek Association	All Season Services	\$93.50	50003-Maintenance (a) (\$1274.00)...	11/12/14		12/10/2015 11:44 AM	ACH	Operating Account	AP Rep Approval	0/ 0 KB
20287-1	Spring Creek Association	All Season Services	\$93.50	50003-Maintenance (a) (\$1274.00)...	08/12/14		12/10/2015 11:44 AM	ACH	Operating Account	AP Rep Approval	0/ 0 KB
20287	Spring Creek Association	Waterboys Pressure Washing	\$1,500.00	50002-Lean Maintenance (a) (\$1500.00)...	07/12/13	07/22/13	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/ 68 KB
822256	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	10400-Savings Account (\$1077.94)...	07/31/14	08/09/14	05/17/2016 9:43 AM	Check	Operating Account	Manager Approval	0/ 0 KB
20287	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	73300-Outgate Expense (\$1277.94)...	07/12/13	07/22/13	05/17/2016 9:43 AM	Check	Operating Account	Manager Approval	1/ 76 KB
20287A	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	50002-Lean Maintenance (a) (\$1477.94)...	04/24/14	04/30/14	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/ 68 KB
822256A	Spring Creek Association	Waterboys Pressure Washing	\$1,477.94	73300-Outgate Expense (\$1477.94)...	01/01/15	01/31/15	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/ 76 KB
254861A	Spring Creek Association	Property Services	\$625.00	10000-Petty Cash (\$625.00)...	04/12/13	04/27/13	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/ 105 KB
889812-3002	Spring Creek Association	Internal Control Systems of Houston, Inc.	\$3,053.75	89000-Other Expense (\$3053.75)...	04/12/14	04/27/14	05/17/2016 9:43 AM	Check	Operating Account	Manager Approval	1/ 452 KB
889812-1	Spring Creek Association	Internal Control Systems of Houston, Inc.	\$1,526.88	89000-Other Expense (\$1526.88)...	08/15/13	08/21/13	05/17/2016 9:43 AM	Check	Operating Account	Board Approval	1/ 452 KB
889812-3001	Spring Creek Association	Internal Control Systems of Houston, Inc.	\$763.44	89000-Other Expense (\$763.44)...	10/12/13	10/27/13	05/17/2016 9:43 AM	Check	Operating Account	Manager Approval	1/ 452 KB
11453356-1	Spring Creek Association	Industrial Security Services Corp	\$3,053.75	50003-Maintenance (a) (\$3053.75)...	05/02/16	05/31/16	05/17/2016 9:43 AM	Check	Operating Account	Man. et A. Approval	1/ 363 KB
1124123	Spring Creek Association	Smich Law Firm	\$2,500.00				10/28/2015 10:20 AM	Check	Operating Account	AP Re. Approval	0/ 0 KB
348	Spring Creek Association	Allied Waste Services #52	\$123.00	77000-Utilities Expense (\$0.00)...			05/27/2015 2:00 PM	Check	Operating Account	AP Rep Approval	2/ 379 KB

Payables Lockbox simplifies paying vendors by:

- Eliminating Paper in Motion
- Providing Better Control of Approvals
- Allowing for Approval of Invoices 24/7
- Eliminating Extra Mail Routing
- Avoiding Late fees



YOUR COMMUNITY WITH NABR NETWORK

Welcome!

Thank you for your interest in **Nabr Network**

This exciting mobile app and website are designed to keep communication flowing in your community association. Many communities like yours have found Nabr Network to be beneficial to board members, homeowners, and management companies alike. This document will brief you on the features and benefits of the system.

Why Nabr Network?

Nabr Network brings a mobile app, website and email blast into one comprehensive private network for residents of your community association. Nabr Network is the official news channel for your community association so that the right information doesn't get lost or misstated in the noise of other, non-official platforms. In this document you will learn more about Nabr Network features and benefits.



System Features

- Private Community Feed
- Multi-Platform Communication
- Flexible Administrative Rights
- Mobile App
- Resident Account Access
- Controlled Access to Information for Renters
- Smart Calendar with RSVP
- Amenity Reservation System
- Board & Committee Tools
- Group Pages
- Photo Galleries
- API Integration with Transaction and Notice Details*
- Dynamic Forms
- Resource Library
- Community Website
- Email Blast Your Association News—Even to Users Who Have Never Logged In
- Customizable Notification Preferences
- Easy to Use Dashboard for Website Administration and Communication
- Safeguards for Appropriate Content
- Optional Approval Settings
- Personalized Marketing Material
- Excellent Technical Support

nabrnetwork.com
855-373-5722
info@nabrnetwork.com

* Transaction and Notice information availability is contingent upon the API partner



FEATURES



Community Feed

The heart of the system is the Community Feed. The community feed is a scrolling news feed that is common in typical web and mobile based news feeds; however, it is private and is not viewable through search engines or by people outside of the association. Only authorized residents who have logged into the system can view the information. Posts to the community feed can be categorized by “channels” for greater eye-catching and sorting. The Association News channel is for official business information for the association. Only community managers or system administrators can publish to this channel. Posts made to the Association News are automatically sent out as an email blast to residents—even residents who have never logged in to the site! - keeping your entire community up to date!

One-way or Interactive Feed

The community feed can be set to “one-way” where only messages can be sent by a manager or administrator to the feed. Conversely, the community feed can be set to “interactive” where all residents can post to other available channels such as Watch Alerts, Lost and Found, Social and Groups, to name a few. The one-way and interactive feature is your choice and can be turned on or off at a flip of a switch. If an interactive community feed is chosen, Nabr Network maintains a strict adherence to their terms of use policies and has implemented outstanding features to control abuse.



Multi-Platform Communication

The system allows a manager or administrator to push content with one-touch to mobile app, text, email and auto-updated websites. On the other end, the resident receives and interacts with the information in the format they desire and on their device of choice, including mobile, desktop and tablet. For instance, a resident who lives on their mobile device can set their preferences such that they'll receive only mobile app notifications and text alerts, forgoing another email hitting their inbox. Residents who are not smart phone users can receive the same information via email.



Flexible Administrative Rights

The system can be accessed by multiple managers or administrators, and set with different communication responsibilities for residents and committee members. For instance, a community manager could push out notices of upcoming board meetings or posted minutes; a landscape committee chairperson could push out updates to the new landscape program; or a social event coordinator could push out the latest news for an event. The benefit is that the official association information doesn't have to be funneled through one person.



Mobile App

Smartphones are a way of life, so that is why the system includes a downloadable mobile app for Apple iOS and Google Android operating systems. A link to the mobile app can be sent directly to a mobile device by using our easy text short code. The text will return a link to the app and off you go to download. If you don't want to download the app, that's okay; the web version of the system is mobile optimized to fit perfectly into the smaller smart phone screen format. All interfaces are user-intuitive and specifically designed with community associations in mind.



Resident Account Access

The system is integrated with the management company's accounting software. This is a great convenience feature for residents as they have easy account access on their mobile, tablet or desktop any time they want. If the management software allows, the resident can pull payment information, make a payment, view violation notices or update their contact information. The system also allows other types of links that are useful for residents, such as bank payment portals or direct link to the management company's resident portal.



FEATURES



Smart Calendar with RSVP

Scheduling upcoming meetings or events is simple with the system's built-in smart calendar. When a manager or administrator posts an event, they can opt to send out an immediate automatic notification of the event to the residents—plus recurring automated reminders of the event. No more remembering to send out reminders because the system does it for you. And, if you need a head count and attendee lists, you can enable a RSVP feature to keep track of who will be attending.



Amenity Reservations

If the Amenity Reservations feature is enabled, residents can easily make reservations by using the system on their desktop, tablet or mobile. Any kind of amenity or facility—party room, tennis courts, clubhouse—can be created with a corresponding calendar for that facility. The number of facilities is unlimited. Available days and times are placed in the calendar and the administrator has the option to automatically or manually approve reservations. Also, the system's automation sends an email to the resident giving them the status of their reservation.



Resource Library

The resource library is a publishing system for important association documents, links and information. The built-in content management system makes it easy for managers and administrators to post meeting minutes, association rules, PDF and Word forms, and resource links. An effective way to reduce violations of the association rules is to remind residents of certain rules in the Community Feed with links back to the resource library. These Community Feed posts can be scheduled and automated.



Board & Committee Tools

The system has a private group feature that allows a manager or administrator to set up multiple private boards and committees. This is a great way for committees, such as the Board of Directors, ACC Committee or Landscape Committee, to discuss their business in private among other committee members. The board and committee tools include an activity feed, events calendar, documents upload and storage, and member directory. The activity feed is a rolling feed with separate thread boxes which makes conversation by subject and corresponding comments extremely organized and easy to follow. This keeps committee members engaged and association business efficient and productive.



Group Pages

Connecting with residents and being active in one's community creates connections and conversations which help create great neighborhoods. The group pages feature makes it easy for residents to connect with those who share the same interests. Starting a garden club, book club or running group page is a breeze. Each group features their own page with an activity feed, calendar, photos, documents and member directory.



Dynamic Forms

Community associations frequently have forms—surveys, waivers and contact forms—that need to be completed by residents. The dynamic forms feature is an online form creation and submission management system. It allows an administrator to create multiple unique forms specific to a community's needs. Creating a dynamic form doesn't require any computer programming skills; all interfaces are user-intuitive and easy to use. New forms can be quickly created by using existing templates provided within the system. All form submissions and results are saved and managers are automatically notified upon a resident completing a form.



FEATURES



Controlled Access to Information for Renters

You decide the level of access for Renters. Renters can have full access to all features of the site, no access, or they can be set up to receive email blasts only. Additionally, you can set the permission levels of community documents (like financials) to be available for only owners, only renters, or both.



Photo Galleries

Organize and share photos of community events with Photo Galleries! Keep the community engaged and spark interest in participation, or use it as a way to keep the community informed of progress on projects like a pool renovation or new landscaping. Photo Galleries can be set to require approval, so managers can review content before it goes live.



Customized Notification Preferences

Residents and managers receive text, email or mobile notifications only for the information they are interested in. This gives each user the ability to tailor their interaction with the site to their individual needs and preferences.



Dashboard

A comprehensive and intuitive dashboard allows managers to administer the sites and communicate with ease on an ongoing basis. Menus and features are easy to find and use. The community can truly make the tool their own without needing a technology expert every time a tweak is needed (though Nabr Network Support is always here!)



Safeguards for Appropriate Content

Never worry about what might be put out there! Nabr Network has highly effective filters for inappropriate content, as well as optional approval settings that allow you to decide what you want to review. For example, managers can opt to have all photos require approval before they are posted to the Community Feed.



Personalized Marketing Material

Nabr Network will provide company branded brochures for residents and board members to help you promote this new platform. Included is an overview of basic features as well as instructions for registering and downloading the app. We make promoting your new communication tool easy, and focused on you.



This mobile app and website is operated and supported by Nabr Network and the Nabr Network software platform. Please reach out to Nabr Network if you have any questions about the system or service.



Community Website

Besides being a great communication platform the system can also fulfill community website needs. The community website—designed in a modern framework—includes a publishing system for public and private facing pages with photos, documents, links, community calendar and resident directory. The administrator has the full freedom to easily manage the association’s pages and content. Customizable moving banner images represent your community’s brand image beautifully to residents. All URLs for the system will be unique Nabr Network platform URL names. If a community already has a URL, this can be automatically redirected to the new URL.



GET THE APP!
Text “nabr”
to 59248

Encourage Resident Registration

Registering for Nabr Network is easy. If the management company has an email list of members, then a welcome email is automatically sent to that resident once Nabr Network is launched. The email contains a web link to register and the resident is up and going on the system. But what if you have very few resident emails? Or maybe you want to boost residents’ participation after the launch? We have some helpful suggestions other communities have used to increase resident sign-up and participation on the system:

- Post signage near the entrances of the community, at stop signs and common areas. The signage can give the web URL or a mobile text number where a link to downloadable app is sent back.
- Mail or hand deliver flyers with the web URL and mobile text download number.
- Include the web URL or mobile text download number on other association correspondence like invoice or meeting notice.
- Promote the website and app at association events both as a presentation and as printed signs encouraging registration on the spot.
- Post helpful content to the site that residents won’t get anywhere else.
- Run a giveaway with the requirement that members must be an active member of the site to win.

Bottom line is the more people who are aware and register for Nabr Network, the better informed they will be regarding association business, rules and resources.

Excellent Technical Support

Nabr Network is operated and supported by the Nabr Network software platform. If an administrator or resident has a technical issue with the software, they will contact Nabr Network for support which is easily located on the system. Nabr Network has a support team who will work diligently to solve the problem. The most common problem is initial login by a resident. Since the system is for authorized users, we tend to see new residents trying to login before they are in the official database of the community management company. If this is the case, we will keep a record of the login attempt and as soon as the management company give authorization, we will notify the resident. Nabr Network prides itself on excellent customer service and will serve our partner companies, their boards and residents with timely, courteous service. For more information contact Nabr Network (nabrnetwork.com, 855-373-5722, info@nabrnetwork.com).



Association Management

January 31, 2023

OPTION II

Villages of Valencia Homeowners Association, Inc.
Attn: Kim Shailer, Treasurer
Sent via email kim@vovhoa.com

Dear Mr. Shailer:

It was a pleasure meeting with you the other day. We appreciate the opportunity to submit a proposal for management of your exceptional community **Villages of Valencia Homeowners Association**. Watson Association Management is pleased to present for your review a proposal for management, including full accounting services. Based upon our conversation, we are quoting for you to consider:

Financial Operations and Management:

Our proposal is based on a dedicated licensed Community Association Manager, performing the duties necessary for your property and amenities not to exceed six hours weekly to include one site visit two times per month, attend and assist with monthly board meetings including Annual Meeting, and board communications and guidance. Our proposal is based on full accounting services performed at our office including ACH Withdrawal and Lockbox Services with Alliance Association Bank or SouthState Bank. Our full accounting services include Vantaca Software Solution Systems with Board Member and Owner portal access and Avid Exchange Strongroom.

Owner and Resident Services:

Our support team is available to assist with homeowners needs such as using the online owner portal, online payments, work orders, ARC applications, insurance certificate requests, etc. We pride ourselves in always having a live person answering our phones to better serve our homeowners.

Leadership Support:

Our Licensed Community Association Managers (LCAM) provide guidance, mentorship, and support to our Boards. Our LCAMs are required to take continuing education classes throughout the year, legal and insurance webinars, among many other educational webinars. It is important for our managers to stay informed and up to date with legislative changes for HOA's and COA's. Our LCAM's will bring this information to our Boards to help them better understand and serve their Association. We encourage and provide continuing education resources to our Boards and committee members. Our LCAMs have served our association clients on average over ten years.



General Support:

- Our team provides the following general support for our associations:
- Resale/Lease applications, background screening, new owner welcome packets.
- Estoppels, mortgage questionnaires, and any other document needed for resales and refi's.
- ARC/ARB application processing.
- Vendor support - Our vendor support team processes vendor packets, to include vendor licenses and insurance.

Transition plan:

Our team will work closely with the outgoing management company to transition the records as efficiently as possible. In our experience most management companies are able to transition the records electronically. The first step to our transition process is to notify the homeowners of the change in management along with the new payment instructions. We have an internal onboarding system that our team follows which includes welcome letter to the homeowners, notifying vendors, insurance agent, CPA, Legal of change in management to scheduling a “**Meet n Greet**” with the homeowners.

Management fee:

Proposed management fee \$3850.00 monthly plus one-time transition fee of \$500.00

I am also attaching to this letter Schedule A of additional charges not included in our basic agreement. These charges relate mostly to postage and other costs of mailing, scans, and copies. We encourage owners to “Opt In” email communication as a way of saving mailing costs.

Watson Association Management is a division of Watson Realty Corp. Watson Association Management is wholly owned by Watson Realty Corp. We are a “Full Service” Management Company. We make no claim to be the “biggest” management company; we pride ourselves in being big enough to fully meet any requirement needed and to “tailor” our service for the benefit of our association clients.

We would welcome the opportunity to speak with your full Board of Directors and answer any of your questions in person. Prior to that time, please feel free to contact me at (386) 239-1555 or e-mail mrains@WatsonRealtyCorp.com.



If we are awarded the manage agreement to manage your Association, you can rest assured that not only will you have the services of an assigned licensed Community Association Manager, but you can be confident that there is a “team” of fully skilled management personnel to provide additional support that may be required.

We look forward to entering into a “long term” relationship with your association and Board. We look forward to working together with you to help improve communications and meet your goals. We look forward to hearing from soon.

Sincerely,
Marisa A. Rains, Corporate Manager
Watson Association Management

Enclosures:

- Schedule A & B
- Watson Scope of Service and Management Duties brochure
- Vantaca software brochure
- AAB & Southstate Bank brochures
- Avid Exchange Strongroom brochure
- Nabrnetwork website brochure (optional)