

**ASHLAND PARK PROPERTY OWNERS ASSOCIATION
MANAGEMENT AGREEMENT**

THIS AGREEMENT, dated **January 1, 2021** by and between *Ashland Park Property Owners Association*, an Association consisting of all owners of Lots within *Ashland Park Property Owners Association* an Association (hereinafter called "Association"), and **Association Management Group, LLC**, a Virginia corporation ("Agent"):

WITNESSETH:

WHEREAS, the Association, acting in accordance with the Declaration of and in accordance with the By-laws of *Ashland Park Property Owners Association* has established and delegated to a Board of Directors, ("Board") those powers and authorities as set forth within said Declaration and By-laws; and

WHEREAS, pursuant to and in accordance with the Declaration and By-laws, and the laws of the Commonwealth of Virginia, the Board is authorized to engage a management agent on behalf of the Association under a contract binding upon the Association; and

WHEREAS, the Association, acting by and through the Board desires to employ Agent to manage the common elements as defined in the Declaration and Plats and Plans for the Association in accordance with the terms and provisions hereof, and Agent is desirous of managing the common elements in accordance herewith;

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. The Association, acting by and through the Board of said Association does hereby appoint Agent as the exclusive managing agent for the common elements and Agent does hereby accept said appointment on the terms and conditions hereinafter provided. The initial term of this Agreement shall begin on **January 1, 2021** and will continue till **December 31, 2021** Thereafter, this Agreement shall automatically renew for an additional one-year term unless, on or before ninety (90) days prior to the expiration of the initial one-year term or any renewal term, either party hereto shall notify the other in writing that it elects to terminate this Agreement.

2. Agent accepts appointment for the term stated on the terms and conditions hereinafter provided:

(a) Agent understands that the board is charged with the responsibility of the operation and management of the common elements and the property and improvements owned by the Association and Agent agrees, notwithstanding the authority given to Agent in this Agreement, to confer at reasonable frequent intervals and fully with the members of the Board, to attend a maximum of three (3) Board of Directors' meetings, and to confer with the board on all matters of an emergency nature and at such other reasonable times as the Board may request. It is hereby agreed that the management fee provided for in this Agreement shall include compensation for

attendance at all Board meetings and assist with the annual membership meeting of the Association. Attendance at additional Association meetings will be at a fee of \$75 per hour. It is further understood and agreed that the authority and duties conferred upon Agent are confined to the common elements as defined in the Plats and Plans of Subdivision and Declaration for the Association and all properties owned and rented by the Association. Such authority shall not include management or supervision of the Association (i.e., property of the Association other than the common elements: except as specifically provided for in the By-laws or as requested in writing by the Board and agreed to by Agent.

(b) The Board shall appoint one (1) member of said Board as the liaison officer. Agent shall be entitled to rely on any written or oral representation or directive of the liaison officer and for purposes of this Agreement, the liaison officer shall speak for the entire Board in making said representations and directives.

(c) Excluding holidays, Management's normal business hours of operation are Monday through Friday, 8:30 a.m. to 4:30 p.m. The Agent's cell number will be furnished to the Association's liaison for after hour emergency calls only.

3. In order to facilitate efficient operations, the Association shall furnish the Agent with a complete set of plans and specifications for the common elements; Agent will inform itself with respect to the layout, location, character, plan and operation comprising of the common elements, but Agent shall assume no responsibility for managing areas other than the common elements. Copies of guarantees and warranties for any part of the common elements enforce at the time of the execution of this Agreement or during its term shall be furnished to the Agent.

4. Agent shall render services and perform duties as follows all of which shall be performed using commercially reasonable efforts:

(a) On the basis of the operating budget, job standards, and plan of operation previously approved by the Board and within the limitations thereof, investigate, employ, pay, and discharge such managerial and other personnel necessary to operate and maintain the common elements.

(b) As directed by the Board and within scope of the budget, negotiate and execute on behalf of Association contracts for grounds and building maintenance and upkeep, and any other recreational facilities, as well as contract for irrigation maintenance, turf management, trash collection, snow removal, pest control, or other services or utilities as may be necessary and as authorized in the operating budget and plan of operation or by the Board. All such contracts and orders shall be subject to the limitations set forth in this Agreement.

When taking bids or issuing purchase orders, Agent shall act at all times under the direction of the Board and shall be under a duty to credit to the Association any discounts, commissions, or rebates reasonably obtainable as a result of such purchases. Agent agrees to use all reasonable efforts to obtain such discounts, commissions, and rebates. Agent shall further require that any contractors,

subcontractors, and subagents provide and maintain in adequate amounts any necessary insurance for workmen's compensation, public liability or related matters. Payment for all purchases or contracts authorized hereunder shall be at the expense of the Association. The Board reserves the right to review all bids and/or approve all decisions with respect to such contracts.

The Agent hereby discloses its affiliation with related entities R-CI Builders, LLC and Rogers-Chenault, Inc. The Agent manages its own activities and affairs.

Agent shall perform, as needed, on-site inspections in coordination with the grounds/building committee or the liaison and during lot inspections for disclosure packages. Agent will not be responsible for direct on-site supervision of vendors or contractors. If such supervision is needed per the Board, a \$75 an hour fee will be assessed.

All such contracts or commitments made by Agent for the Association shall be in writing and shall state Agent is acting as agent for the Association and that neither Agent nor the members of the Board of Directors of the Association shall be liable or responsible with respect to any such contract or commitment. Agent will have the responsibility for seeing that any contracts are fully complied with and will monitor the contracts to see that they are properly performed. Agent will not be responsible for on-site direct supervision of vendors or contractors.

(c) Receive, record, and retain in a systematic manner all service requests concerning the common elements and indicate action taken with respect to each request. Action consistent with the terms of this Agreement shall be promptly taken on all such requests. After thorough investigation of all request of a serious nature a report shall be rendered to the Board along with Agent's recommendations for action thereon.

(d) Promptly report to the Board all directives or instructions of any federal, state, county, or municipal authority, or insurance underwriters pertaining to the common elements actually received by Agent. Agent shall provide to the Board such factual documentation regarding said directive or instruction as the Board may direct and will coordinate with the Board in implementing such action as may be necessary to comply with said lawful orders or directives. Agent shall not take any action with respect to such directive or instructions without specific approval of the Board.

(e) Provide for the maintenance of the common elements according to the generally accepted maintenance standards and property maintenance practices and, specifically, in accordance with the instructions set by the Board and in accordance with the operating budget. Except for utility bills, insurance premiums, and such other items as specifically authorized in the operating budget, Agent shall not authorize or incur expenses for any one item of repair or replacement in excess of Seven Hundred Fifty Dollars (\$750.00) or authorize or incur such expenses aggregating more than One Thousand Dollars (\$1,000.00) at any one time, unless authorized by the Board or unless such expense is necessary because of an emergency condition involving serious danger to life or property. In addition, Agent shall take such emergency measures as may

be necessary to avoid the suspension or interruption of necessary utility services to the Association Community or any part thereof. If Agent must authorize such emergency expenditure without the authorization of the Board, Agent must as soon as possible thereafter inform the Board of the action taken and reason therefore. Agent shall not enter into any contract on behalf of the Association maturing more than one year from the creation thereof without the prior approval of the Board. Agent shall obtain, when possible, at least three (3) competitive bids from contractors for contract work or services exceeding One Thousand Dollars (\$1,000.00) in cost for approval by the Board, unless otherwise authorized by the Board.

(f) Provide the billing of assessments and any other charges made or imposed by the Association upon unit owners by preparing and distributing coupon books and/or statements to all owners. Cost of printing and distributing coupon books and/or statements shall be at the expense of the Association. Receive and account for on behalf of the Association all monthly assessments, special assessments and late charges from members of the Association. Agent shall have no responsibility for the collection of delinquent assessments or charges other than as provided for in the By-laws or in this Agreement. Agent shall also receive and account for all fees from users or lessees of non-dwelling facilities and receipts from concessionaires. Agent shall furnish the Board and at the expense of the Association, Agent may employ a collection attorney of Boards' choosing to take such action as the Board directs for collection for delinquent accounts. Agent shall cooperate with the attorney and provide for the attorney statements of arrearages in dues, itemized for any homeowner more than sixty days delinquent in the payment of dues, assessments, late charges and interest. Agent will provide limited collections management. All other collections will be at the Association's expense. Agent will send a past due statement notice as required in accordance with the Association collection policy. Additional collections and notices such as Lien Warning Notices are at an additional cost. See Exhibit A.

(g) When authorized by the Board, Agent shall procure, if available, and keep in force, if possible, all insurance required by the Association under the By-laws and Declaration and such other insurance as the Board may agree upon. All insurance shall be placed with companies and in amounts acceptable and Board shall include Agent as a Co-Insured as its interest may appear. Agent shall make full reports to the Board of all accidents or claims, or damage relating to the operation, maintenance, or management of the common elements and shall cooperate with any insurance company. Agent will immediately advise the Board in writing of any insurance which is required and is not available or not in force.

(h) Agent hereby consents to serve as Insurance Trustee in accordance with the terms and provisions of the Documents and by appointment herein by the Board.

(i) On or before forty-five days (45) prior to the annual meeting of membership prepare with the assistance of an accountant, if necessary, and submit to the Board a recommended budget for the ensuing fiscal year prepared in conformity with the provisions of the By-laws applicable thereto showing anticipated receipts and expenditures on a month-by-month or quarterly basis and with justification of estimates

in every important particular. Said budget, after adoption by the Board, as presented or with changes, shall become the supporting document for the schedule of assessments for the Association for the year.

(j) Provide an accounting statement showing all receipts and expenditures relating to the Association and on or before the twenty-fifth (25th) day of each month submit to the Board (its Treasurer or other person designated by the Board) an itemized statement of receipts and disbursements for the preceding month and a year-to-date cumulative receipts and disbursements with the budget for year-to-date. Upon written discretion of the Board, the Agent shall deliver to the individual designated by the Board all information in its possession to facilitate a complete annual financial report, at the Association's expense. Agent will use its best efforts to ensure that federal, state, and local income tax or other returns are prepared and filed on time.

(k) When requested by the Board or as otherwise necessary, inform all unit owners with respect to rules, regulations, and notices as may be promulgated by the Board from time to time and perform other acts and deeds as may reasonably be requested by the Board within the confines of the budget. Newsletters will be limited to reproduction and distribution to members.

(l) Assist with the preparation and filing by the Association all forms and returns required by law in connection with unemployment, insurance, disability benefits, social security and other similar laws now in effect or hereafter imposed, if any, but specifically excluding any income tax or personal property tax returns.

(m) Assist with the Association's preparation of the annual meeting notice and distribute all notices, ballots, and proxies for said meeting in a timely delivery in accordance with the Association's governing documents and the Virginia Property Owners Act, assist at the annual meeting and with the computation of all votes, when directed by the Board.

(n) Assist the Board of Directors on architectural review matters, send violation notices at the Board level, and assist with interpretation of governing documents with the assistance of the Association attorney, if needed, when directed by the Board. Attorney costs are the responsibility of the Association.

5. (a) Agent agrees that all monies collected by it on behalf of the Association shall be deposited in a custodial account in a state or national bank or savings and loan whose accounts are insured by Federal Government Agencies separate and apart from Agent's own funds. It is understood that such account may not include other monies received by Agent in a similar capacity on behalf of others than the Association and that the balance in such account may not exceed the insurance limits of the Federal Deposit Insurance Corporation for a single account and that no interest will be paid to Agent on such funds. All funds designated as special assessments or special reserves shall be deposited into separate accounts as designated by the Board. The Board reserves the right to direct the Agent to deposit or invest any of the Association's funds, including

special assessments and reserves, in such accounts or investments as the Board shall direct.

(b) Make careful review of all bills received for services, work, and supplies ordered in connection with maintaining and operating the Association; approve, and pay from Association's fund, all such approved bills as and when the same become due.

All expenses of operation and management shall be paid from the Association's funds held by the Agent, and Agent is authorized to pay any approved amounts owed to the Agent by the Association from such account. Agent shall have no obligation to lend funds to the Association for any purpose whatsoever.

The overhead expenses of the Agent which include the salaries, office expenses, and other expenses of the officers and employees of the Agent shall not be a reimbursable expense, except to the extent herein specifically provided. Legal fees and expenses incurred for the direct benefit of the Association, to the extent the same are incurred pursuant to the provisions of this Agreement, and subject to the limitations of this Agreement, or to the extent the same are incurred pursuant to a prior resolution of the Board shall be paid by the Association.

Agent's right of reimbursement out of funds held by Agent on account of the Association shall be limited to the general bank account. Agent shall not have the right to reimbursement out of bank accounts established for special assessments, reserves, etc.

(c) The Association shall maintain in full force and effect at all times and at its own expense general liability insurance and directors and officers insurance in the minimum amount of one million dollars (\$1,000,000) per occurrence and fidelity bond coverage no less than the aggregate monetary assets reported by the Association. Agent shall be named as an additional insured on the Association's general liability insurance policy and the Directors and Officers insurance policy. Agent shall maintain in full force and effect at all times and at its own expense general liability insurance in the minimum amount of one million dollars (\$1,000,000) per occurrence and fidelity bond coverage no less than the aggregate monetary assets reported by the Association. Agent agrees that all its employees who handles or are responsible for the safekeeping of any monies of the Association shall be covered by a fidelity bond protecting the Association.

6. (a) The Association shall pay Agent a one-time set up fee in the amount of \$WAIVED which includes website. The Association shall pay Agent a Management fee of \$10.00 per door per month and upon construction completion of a dwelling and/or when assessment fees are initiated. This fee shall be due on the first day of each month in advance and shall, other than the fees set forth in paragraphs 2(a), 6(b), 7, and Exhibit "A" of this Agreement, constitutes all compensation due Agent from the Association. Management fee may increase at a minimum of three percent (3%) annually on each anniversary date which is set forth in Section 1, unless otherwise negotiated.

Management fee adjustment will be submitted to the Association Board prior to November 1 of each calendar year.

(b) Agent shall not provide any clerical services for the Association of the Board other than those matters set forth in this Agreement and any additional clerical work shall be at the expense of the Association at a mutually agreeable sum. The Association shall pay for the printing, duplication, stationary, postage costs associated with any materials distributed by Agent on behalf of the Association.

(c) The Association shall pay Agent for any appearance in court in lawsuits regarding deed restrictions enforcement and assessment collections will be billed to Association at its hourly rate of \$75.00 per hour and any reimbursement for reasonable prior approved out of pocket expenses made on behalf of Association.

7. Agent shall possess and keep full records of ownership and changes therein upon receipt of said information from the Association or other sources with supporting documentation. Record keeping and maintaining all official Association records include the following: meeting minutes, contracts and agreements, financial reports, current owner listing and contact information. Records stored by the Agent shall be an Association expense. See Exhibit A.

8. (a) The Association and its successors agree to indemnify and save Agent harmless from any and all damages, costs, or expense for injury to any person or property in, about or in connection with the Association Project from whatsoever cause, unless such injury or damage shall be the result of the gross negligence or willful misconduct of Agent, its representatives, servants or employees. The Agent and its successors agree to hold harmless and indemnify Association from any liability arising under this Agreement to the Board, Association, or governmental or regulatory authority save such liability as may arise out of the negligence or willful misconduct of the Association, its representatives, servants or employees. Such indemnification shall include all damages, penalties, fines, costs, expenses (including reasonable attorney's fees and disbursements) and other similar such sums, whenever they shall be incurred by Agent or Association by reason or the performance of any of its duties hereunder, or by reason of instructions, written or oral, received from the Board, unless caused by Agent's or Association's negligent acts or omissions or willful misconduct.

(b) Termination of this Agreement shall not release the indemnities of the Association set forth in 8(a) of this Agreement and shall not terminate any liability or obligation of the Association to the Agent for any payment, reimbursement, or other sum of money then due and payable to the Agent hereunder, nor any obligations of Agent to make final accounting and delivery of all Association Community books of account and record to Association.

9. All notices under this Agreement shall be mailed as follows:

To Agent:

Association Management Group, Inc.

Attn: Miriam M. Martell, CMCA, AMS
9235 Shady Grove Road, Suite 200
Mechanicsville, VA 23116

To the Board or Association:

Notices shall be given on the date on which they are postmarked, provided that they have been properly addressed and fully prepaid.

10. (a) In the event a Petition of Bankruptcy is filed by or against Agent, or in the event that Agent shall make an assignment for the benefit of creditors or take advantage of or become liable under any insolvency act, either party hereto may terminate this Agreement upon thirty (30) days' written notice to the other.

(b) This Agreement may be terminated by the Association, upon thirty (30) days' prior written notice of the termination date to Agent in the event Agent fails to perform its obligations hereunder and said failure is not cured within fifteen (15) days after written notice from the Board. Agent may terminate its obligations hereunder if the Board fails to perform its functions as set forth in the Agreement, Declaration and By-laws, if the Agreement, Declarations and/or By-laws are amended to materially increase or decrease Agent's duties with respect thereto, and/or for other good cause shown upon thirty (30) day's written notice to the Board.

(c) If either party wishes to terminate this Agreement without cause, written termination notice will be sent via certified U.S. mail no later than ninety (90) days prior to the termination date.

(d) Upon termination, the parties shall within sixty (60) days of the effective date of such termination account to each other with respect to all matters outstanding as of the date of termination, and the Association shall furnish the Agent security, reasonably satisfactory to the Agent, against any outstanding obligations or liabilities which the Agent may have rightfully incurred pursuant to the provisions hereof.

11. (a) This Agreement shall inure to the benefit of, and constitutes a binding obligation upon the parties, their respective successors and assigns, and shall be construed in accordance with the laws of the Commonwealth of Virginia.

(b) This Agreement shall constitute the entire Agreement between the parties and no variance or modification thereof shall be valid or enforceable, except by supplemental Agreement in writing, executed and approved in the same manner as the Agreement.

(c) In the event of any conflict between the provisions of this Agreement and any provisions of the Declaration and By-laws for the Association Community, then the provisions of the Declaration and By-laws shall control.

(d) The Agent shall not assign its interest under this Agreement except in connection with the sale of all or substantially all the assets of its business; in the event of such sale, Agent shall be released from all liability by its assignment and written consent to such assumption by the Association.

12. Parties hereto agree that all amendments and additions to the Declaration, By-laws, Rules and Regulations shall be promptly delivered to the Agent. Agent shall have the option to terminate this Agreement by written notice delivered to the Board, in the event such amendments or additions delivered to Agent are not satisfactory to it but said option to terminate shall expire upon the thirtieth (30th) day following the delivery of such amendments or Rules and Regulations are satisfactory.

13. Agent agrees to furnish to the selling homeowner the Disclosure Packet as required by Title 55.1 of the Code of Virginia as amended and such costs for said disclosure shall be paid directly to the Agent by the Seller and/or Buyer.

IN WITNESS WHEREOF, the parties have executed this Agreement this 1st day of January 2021.

ATTEST:

Witness

Ashland Park POA
OWNERS ASSOCIATION

By: [Signature]
President

ATTEST:

[Signature]
Witness

ASSOCIATION MANAGEMENT
GROUP, LLC

By: [Signature]
President MEMBER

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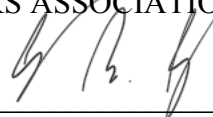
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OWNERS ASSOCIATION

By: 

President

ATTEST:

Witness

ASSOCIATION MANAGEMENT
GROUP, LLC

By: _____
President

**ASHLAND PARK PROPERTY OWNERS ASSOCIATION
MANAGEMENT AGREEMENT**

EXHIBIT A

Exhibit A to the Management Agreement is entered into between **Ashland Park Property Owners Association** and Association Management Group. Additional charges are subject to adjustment by Agent upon thirty (30) days' written notice to the Association. The following fees go into effect January 1, 2023.

1. Additional Charges to be paid by the Association:
 - a. Reimbursement for reasonable prior approved out of pocket expenses made on behalf of the Association.
 - b. Seventeen cents (\$0.17) per page for each black & white photocopies and fifty-three cents (\$0.53) for color photocopies.
 - c. #10 regular envelopes thirty-five cents (\$0.35).
 - d. 9 x 12 or larger envelopes required in the management of the Association thirty-five cents (\$0.35) .
 - e. Labels ten cents (\$0.10) with a minimum \$10.00 fee.
 - f. Actual postage and postage related fees payable for each item mailed to homeowners including a \$15.00 administrative charge for any certified mail, return receipt.
 - g. The Managing Agent shall attend the annual meeting and regularly scheduled Board meetings not to exceed four (4) per year. If it is required that the Agent attend a Board meeting longer than two (2) hours, Association Management Group will bill the Association after the second hour at \$80.00 per hour for each hour of attendance thereafter. To attend other meetings not specified in the Agreement shall be billed at \$80.00 per hour.
 - h. At regularly scheduled meetings, clerical support to provide any transcribed meeting minutes to typed minutes will be billed to the Association at \$160.00 per each occurrence.
 - i. Appearance in court, for any reason indirectly or directly, and for lawsuits regarding deed restrictions enforcement and assessment collection will be billed to the Association at its hourly rate which is \$80.00 per hour plus a fuel surcharge of \$20.00.
 - j. Notary Services at \$5.00 per each notarial act excluding wills.
 - k. Advising on, assisting with and coordinating amendments of the Declaration, Articles of Incorporation and/or By-Laws and extensive research outside of normal meeting discussion shall be subject to an additional charge of \$80.00 per hour.
 - l. Additional inspections necessary during natural and weather-related disasters such as hurricanes, floods and other acts of Mother Nature, inspections required beyond those allocated in the Agreement and after-hour emergencies to be billed at \$80.00 an hour per Board approval.

- m. Association records stored by the managing company will be charge \$3.50 per month per box and billed on an annual basis.
 - n. Non-routine extensive research will be billed at \$80.00 an hour per Board approval.
 - o. Website management, if any, will be billed at \$45 per month. The Association can save this fee by appointing a Website Manager. One hour of Training available. Thereafter, billed at \$80.00 an hour.
2. Additional charges to be paid by Association Member or Nonmember:
- a. Assessment Coupon Book or Statement: For returned mailed coupon book/statement, \$15.00 fee for researching address and re-mailing which fee shall be chargeable to the homeowner by invoicing. Association Management Group will invoice the Association. The Owners' account will be charged for reimbursement to the Association.
 - b. A check fee of \$40.00 for the return of *any* check for *any* reason such as non-sufficient fund, closed account, etc. required in processing returned checks which fee shall be chargeable to the homeowner by invoicing. Association Management Group will invoice the Association. The Owners' account will be charged for reimbursement to the Association.
 - c. Managing Agent shall furnish Disclosure Packages for resales in accordance with applicable state statues upon receipt of written requests and fees shall be paid to Association Management Group by the Seller and/or Purchaser. Maximum allowable fees are regulated by the Common Interest Community Board. Fees shall be chargeable to the Seller and/or Buyer and collected upon release of the package or in accordance with applicable state laws. Maximum allowable fees per law are regulated by the Commonwealth of Virginia, Common Interest Community Board which will readjust fees every five years.
 - d. Telephone calls or emails of non-routine commonplace tasks of the management such as but not limited to refinancing, appliance vendors, etc. - \$20.00 per contact/inquiry. Association Management Group will invoice the Association. The Owners' account will be charged for reimbursement to the Association.
 - e. Collection of Assessments over and above the Association's collection policy shall be charged to the delinquent as follows. Association Management Group will invoice the Association. The Owners' account will be charged for reimbursement to the Association.
 - i. Lien Warning Letter \$50
 - ii. Memorandum for Assessment Lien Filing \$55
 - iii. All other Collection Admin Letters/Statements \$35
 - iv. Preparation of Account to Attorney \$35
 - v. Certificate of Release \$45

In the event a request is made to perform work not in the Agreement and to the extent practical, excluding emergency response, Agent will notify the Board with an estimate of the anticipated additional charge to the Association for the requested services.