

# MANAGEMENT AGREEMENT

This Agreement is made and entered into by and between RIVER OAKS HOMEOWNERS ASSOCIATION, a non-profit corporation hereinafter referred to as “ASSOCIATION” and Dorchester Real Estate Services., Inc. a South Carolina Corporation having its business office at 217 N. Parler Ave., St. George, SC, hereinafter referred to as “Manager”. In consideration of the terms, conditions and covenants contained herein, the parties mutually agree as follows:

APPOINTMENT OF MANAGER: The ASSOCIATION hereby appoints MANAGER and MANAGER hereby accepts such appointment on the terms and conditions herein contained as the sole and exclusive “Manager” in accordance with the terms and provisions of the Agreement and to otherwise perform the duties as hereinafter set out. The officers entering this Agreement represent that they are duly elected and are authorized by the Association’s Board of Directors to enter into this Agreement.

All actions taken by MANAGER under the provisions of this Agreement shall be done for and on behalf of the ASSOCIATION and therefore all obligations or expenses incurred thereunder shall be for the account, on behalf of, and at the expense of the ASSOCIATION, except that the ASSOCIATION shall not be obligated to pay overhead expenses of MANAGER’S off-site office including the salaries, office expense or other expenses of officers and employees of the MANAGER. Any payments to be made by the ASSOCIATION shall be made out of the funds of the ASSOCIATION or as may be provided by the ASSOCIATION. MANAGER shall not be obligated to make any advance to the account of the ASSOCIATION or to pay any sum, except out of funds held or provided as aforesaid, nor shall MANAGER be obligated to incur any liabilities or obligation for the ASSOCIATION.

TERM: This Agreement shall commence on SEPTEMBER 1, 2017 and shall end on AUGUST 31, 2018. If neither party has given the other 60 days written notice of its desire to terminate this Agreement at the end of any given year, then the term shall automatically renew for an additional one year term and such renewals shall continue on a year-to-year basis unless terminated.

CANCELLATION: This Agreement may be terminated with 60 days written notice. Upon termination, all obligations hereunder shall cease except liabilities or claims that accrued or arose prior to such termination or as specifically provided.

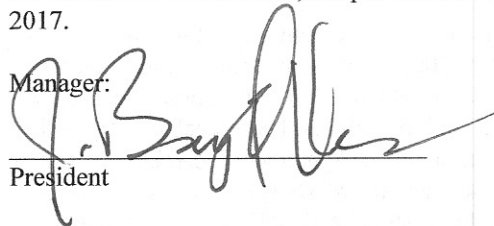
SERVICE: Manager will provide administrative, fiscal, and other management services as specified in the Proposed Requirements in the 2017 Management Proposal as amended. This document will be considered the primary agreement if it conflicts with this agreement.

MANAGEMENT FEE: In consideration of MANAGER’S services, it shall receive fees in the amount of \$975.00 per month, due and payable on the first day of each month during the term of this Agreement. In addition to the Management Fee, MANAGER will be entitled to receive reimbursement for all out-of-pocket expenses, and for, but not limited to, postage, and additional fees, as provided herein. The parties acknowledge that this Agreement is for services as agreed to by the parties. Other levels of service are available, and may be negotiated by the parties at any time in writing.

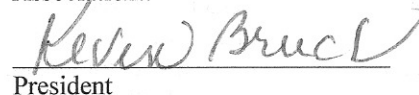
AMENDMENTS: This Agreement may be modified only in writing by an addendum signed by the MANAGER and by the duly authorized representative of the ASSOCIATION. All addendums will be attached to and made a part of this agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on this the 23<sup>rd</sup> day of AUGUST, 2017.

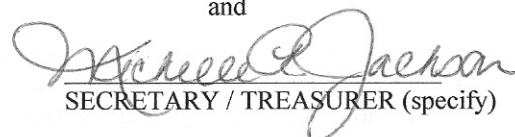
Manager:

  
\_\_\_\_\_  
President

Association:

  
\_\_\_\_\_  
President

and

  
\_\_\_\_\_  
SECRETARY / TREASURER (specify)

# Management Agreement - Terms & Conditions

## Article I - Board Liaison

In order to ensure prompt and effective service to the ASSOCIATION, it is necessary for MANAGER to communicate with and receive authorizations from one representative of the ASSOCIATION. The President of the ASSOCIATION shall serve as such representative hereinafter known as the "Liaison,"

Communications shall be via email to the Association's email address [riveroaksassoc@gmail.com](mailto:riveroaksassoc@gmail.com) for non-emergency requests meaning a response is not needed in less than three business days. For requests requiring a response in less than three business days, contact the President. If the President is not available, contact the Vice President, Secretary or Treasurer in that order.

Notwithstanding anything herein to the contrary, the Liaison shall have the authority (in addition to any authority granted by ASSOCIATION elsewhere in this Agreement or otherwise) and MANAGER shall be entitled to rely on such authority as approved herein, and shall not be required to inquire further as to the Liaison's authority: To authorize and direct MANAGER to perform administrative, fiscal or other management services under this Agreement and to negotiate other services from time to time as deemed desirable by ASSOCIATION.

## Article II - Management Services

As directed by the Liaison from time to time, MANAGER shall have the following functions, duties, responsibilities and authority:

### 1. Administrative Services

- a. To be available to discuss issues and answer questions in connection with the performance of its duties during normal business hours, or at other times as may be so agreed to by Liaison and MANAGER.
- b. Perform the duties outlined in the attached scope(s) and made a part of this agreement and referenced as Exhibit "A".

### 2. Extraordinary Services

- a. In addition to the monthly base compensation, manager shall be compensated on an hourly basis for services provided the ASSOCIATION outside the terms of this Agreement at a rate of \$60 per hour.
- b. **It is specifically understood and approved for the MANAGER to charge parties requesting financial information assessed to any property a \$100.00 Transfer/Certification Fee, at the time the property is being resold. This does not apply to first-time new home sales, only to resales. (-This fee is assessed by the closing attorney to the Purchaser and is reflected on the HUD statement)**

## Article III - Insurance.

1. MANAGER agrees to carry at its own expense:
  - a. Worker's Compensation Insurance in compliance with the South Carolina Employers Liability Act and all amendments thereto.
  - b. Errors and Omissions Insurance coverage in amount of 100/300/50.
  - c. MANAGER and all employees who handle any funds will be bonded for \$50,000 each.

## Article IV - Miscellaneous

1. Miscellaneous: If any of the terms or provisions of this Agreement, or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each other term and provision of this Agreement shall be valid and enforceable to the fullest extent of the law. The provisions of this paragraph shall survive the termination of this Agreement. MANAGER agrees to keep confidential any and all information about ASSOCIATION learned by MANAGER in performing its management services, including, without limitation, information contained in ASSOCIATION'S business records and discussions or results of Homeowners Association meetings. ASSOCIATION agrees to keep confidential any and all information about MANAGER'S business and the performance of its management services. This paragraph shall not apply to the extent a party's nondisclosure is otherwise a breach of this Agreement or a party is ordered to disclose such information by a court of competent jurisdiction. The provisions of this paragraph shall survive the termination of this Agreement.

This Agreement shall be construed in accordance with and enforced under the laws of the State of South Carolina. As required by context, reference made to the masculine shall include the feminine and neuter. The headings are for convenience only and if contradictory to or inconsistent with the text, the text shall govern. No waiver of a breach of

any provision contained in this Agreement shall be construed to be a waiver of any subsequent breach of the same provision or waiver of any other provision herein. This agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, supersedes all prior and contemporaneous agreements between the parties hereto respecting the subject matter hereof and may not be modified, amended, or otherwise changed in any manner, except by an addendum signed by the parties. The provisions of this paragraph shall survive the termination of this Agreement.

2. Mediation : Should any dispute occur between ASSOCIATION and MANAGER both parties agree to attempt to settle differences by mediation.

3. Charges: It is specifically understood and agreed that ASSOCIATION will impose such charges and assessments against the homeowners as permitted by its By-laws as are necessary to produce sufficient funds to pay all common expenses of the property or to pay any balance in a timely manner. It is specifically understood that MANAGER does not undertake to pay the same 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, if any, of the ASSOCIATION shall be sufficient to pay the cost and expenses of such services and the amounts of such disbursements. If it appears to MANAGER that the charges, assessments, and other revenues, if any, of the property is insufficient to pay the same and to adequately fund reserves, MANAGER shall so notify ASSOCIATION in detail of that fact. ASSOCIATION agrees to make funds available to pay bills in a timely manner.

4. Laws: Manager will take such action as may be necessary to comply with all laws, statutes, ordinances, regulations, rules and requirements of all governmental authority applicable to the property. MANAGER, however, shall not take any action so long as Liaison has notified MANAGER that ASSOCIATION is contesting or have affirmed their intention to contest any such law, statute, ordinance, rule, regulation or order or requirement pursuant thereto. MANAGER shall notify LIAISON promptly after receipt of notice of any order or requirements placed upon the property by such governmental authority.

5. Indemnification and Insurance: ASSOCIATION agrees to save MANAGER harmless from all damage suits, and all costs, fees, and expenses incurred therein, arising out of or in connection with the management of the property and from liability for injuries suffered, except in cases of MANAGER'S willful misconduct or gross negligence. ASSOCIATION further agrees that there shall be carried, at ASSOCIATION'S expense, public liability insurance adequate to protect MANAGER in the same manner and to the same extent as ASSOCIATION.

6. Notices: Any official notice or communication hereunder must be in writing, and shall be delivered, by certified mail, return receipt requested, and shall be deemed to have been given and received three days after its mailing, postage prepaid. Such notices or communication shall be given to the ASSOCIATION at the address of the Liaison as of the date of the notice or communication and the MANAGER Post Office Box 116, St. George, SC 29477. Any party may, at any time, by giving ten days written notice to the other party, designate any other address as substitution of the foregoing address to which such notice or communication shall be given. Notice may also be given by e-mail or fax with verification one to the other.

ADDRESS OF ASSOCIATION

ADDRESS OF MANAGER

DORCHESTER REAL ESTATE SERVICES .INC.,  
P.O. BOX 116  
ST. GEORGE, SC 29477  
(Operations Manager)  
Boyd Owens - 1-800-716-5005

END OF TERMS AND CONDITIONS

## **RIVER OAKS HOMEOWNERS ASSOCIATION MANAGEMENT SCOPE OF WORK**

### **Property Owner Billing**

- Maintain accurate records of Homeowners based on information provided
- Report all new owners to BOD by the 10<sup>th</sup> of each month to the Association general email
- Send listing of all property owners to BOD as requested to the Association general email
- Send billing notices to all property owners on a semi-annual basis (June and December)
- Send special billing notices as directed by the BOD and advised by the Association liaison

### **Collection of Annual Dues**

- Deliver itemized current balance invoices to homeowners by December 15 stating due date January 31 for current year dues. The invoice will state a \$50.00 late fee is imposed for current year dues not paid by March 31 and will state actions to include subject to lien filing and fees for collection of delinquent accounts with balances of \$150.00 or more.
- Receive and record all payments made depositing funds into the Association checking account. Deposit slips to be provided by the Association.
- Prepare a list of all property owners who are delinquent on a quarterly basis
- Send notices to all delinquent property owners 45 days after due date
- Present homeowner account information to attorney to prepare lien filing documents as directed by the BOD to be signed by the Association president, secretary or treasurer

### **Finances and Bookkeeping**

- Maintain Association accounting records for income and expenses (Expense information provided by the Association)
- Reconcile bank statements monthly (provided by the Association)
- Issue monthly financial statements to BOD by the 10<sup>th</sup> of every month

### **Association Taxes**

- Prepare and arrange for the filing of appropriate taxes with an accountant after approval by the BOD

### **Routine Inspections**

- Drive through the property on a bi-weekly basis during business hours
- Photograph violations at the management's discretion
- Maintain a list of all compliance infractions observed on inspection and reported by homeowners
- Send letters and issue fines according to Association's policy (attached)
- Provide BOD with report of infractions on a bi-weekly basis
- Provide 6 additional inspections between 9:30 p.m. -10:30 p.m. during the months of January, March, May, July, September and November to monitor overnight parking
- Report code violations that are aligned with the C&R's if not corrected by the 3<sup>rd</sup> notice.
- Verify violations that are not noted by the manager but reported by others
- Apply fines to accounts as directed in writing by the BOD

### **Mailings**

- Arrange for the mailing of a quarterly newsletter
- Maintain email database for e-newsletter (link provided by the Association)

### **Meetings**

- Attend annual homeowner's meeting
- Attend first BOD meeting of the year with additional meetings subject to fee schedule