



**MANAGEMENT AGREEMENT
FOR
CARROLLWOOD VILLAGE PHASE II HOMEOWNERS ASSOCIATION,
INC.**

THIS AGREEMENT, made this 25TH day of November, 2008, by and between **CARROLLWOOD VILLAGE PHASE II HOMEOWNERS ASSOCIATION, INC.**, a Florida Corporation, hereinafter referred to as the "Association" and **GREENACRE PROPERTIES, INC.**, a Florida Corporation, hereinafter referred to as "GPI".

WITNESSETH:

WHEREAS, the Association is formed to govern the property set forth in its Declarations as amended from time to time, and,

WHEREAS, the Association is vested with certain powers and duties with respect to the operation and management of the common areas and community facilities, used by the residents, as more fully described in the Association's Declaration of Covenants, Conditions, and Restrictions, Articles of Incorporation and Bylaws, as amended from time to time, and

WHEREAS, GPI is engaged in the business of providing property management services, and

WHEREAS, the Association desires to provide for the maintenance and operation of the Association and community facilities,

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

The Association does hereby contract with GPI to manage the Association under the direction of the Association's Board of Directors pursuant to the terms and conditions set forth below.

I. TERM:

- A.** This Agreement shall be effective for a term of one (1) year from January 1, 2009 through December 31, 2009. However, either party may with cause, terminate this Agreement for failure of the other party to perform the duties, responsibilities or services required herein. In such an event, the terminating party shall notify the defaulting party by certified mail of the specific nature of the default. If the defaulting party does not remedy the default to the satisfaction of the terminating party within sixty (60) days after receipt of the notice, the terminating party may terminate this Agreement and declare the same to be of no further force and effect.
- B.** At the option of either GPI or the Association, this Agreement will continually renew for one (1) year intervals unless, and except, the Association or GPI provides sixty (60) days written notice prior to expiration of the term, or any renewal term, advising that the contract will be terminated.

II. DUTIES OF GPI:

- A.** Pursuant to instructions of the Association's Board of Directors, GPI shall be responsible for management of the Association.
- B.** GPI shall monitor the Association's common areas, pursuant to the instructions of the Association's Board of Directors.
- C.** GPI shall handle the billing and collection of all general and special assessments as authorized by the Association's Board of Directors. An operating account at a bank of GPI's choosing, will be established which will provide lockbox service to the Association at no additional cost to the Association. The cost for the printing of coupon books will be the responsibility of the Association at a cost per the attached addendum. All monies received by GPI on behalf of the Association shall be placed in a separate account for the use and

benefit of the Association only. Said account shall only bear the name of the Association and only authorized members of the Association's Board of Directors will be signers on the account. Additionally GPI will charge for any special assessment billings that may occur per the attached fee schedule.

- D.** GPI shall prepare checks for payment of all Association bills and obligations. Bills will be scanned into GPI's On-Line Accounts Payable System at least twice per month. Once the bills are reviewed and coded by GPI, GPI will submit the bills to the authorized signers on the Association's Board of Directors for their approval and digital facsimile signature. Such signature or signatures will constitute approval for payment. Once the Board Members have approved and signed the bills, the Board Members will submit the bills back to GPI, via email notification. The checks will be printed at GPI's office and sent out. Checks will be printed at least twice per month. Utility bills and obligations will be set up with automatic electronic funds transfer from the Association's operating account. GPI requires the Association to institute a two signature check signing policy with their financial institution for all Association checks. The Association will pay for the cost of computerized accounts payable checks.
- E.** GPI shall act as a repository for only those Official Records, books, accounts and other official records required to be stored on behalf of the Association by Chapter 720 of the Florida Statutes. All such official records stored by GPI shall be stored at the office of GPI on behalf of the Association and shall be available for inspection in accordance with applicable state and federal statutes during GPI's normal office hours. It is explicitly understood that ownership of said records remains exclusively with the Association and that any granting of access to or denial of access to such records shall be determined by GPI in compliance with Chapter 720 of the Florida Statutes or, as instructed by and/or after consultation with the Association's Board of Directors or Association legal counsel at the expense of the Association. If GPI is requested to act as a repository for any other records of the Association, such records shall be stored and available for inspection or copying at the pleasure of the Board of Directors or their legal counsel during GPI's normal office hours. Such inspections will require a written request and a definitive appointment time scheduled at the convenience of GPI. Payment for any record inspection witness will be paid by the Association. The Association will reimburse GPI for all labor and materials costs incurred in fulfilling record requests on behalf of the Association. GPI shall keep or store all electronic mail (E-mails) it receives as part of the Association records to the extent required by state law. GPI will use its discretion regarding what electronic mail it transfers to hard copy. However, GPI shall under no circumstances be liable to the Association or any third party as a result of handling any electronic communications.
- F.** GPI shall prepare a monthly accrual based financial statement for the Association, for the previous month, based on information provided to GPI. The Association shall indemnify and hold GPI harmless from and against all attorneys fees, court costs, operating costs, penalties, damages and all other costs and expenses of any kind whatsoever, incurred in connection with or resulting from the produced financial statement for the Association if information has been misrepresented or withheld from GPI when producing said financial statement. GPI shall provide the Association's Certified Public Accountant with the information necessary for the Accountant to prepare the Association's tax return. The Association's Certified Public Accountant shall also prepare the required, compilation, review or audit as may be required under Chapter 720 of the Florida Statutes or Association documents.
- G.** GPI shall prepare a proposed operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the next succeeding annual period based upon the current schedule of monthly assessments and taking into account the general condition of the Association and the community facilities. The proposed budget shall comply with the requirements of the Association documents and shall outline a plan of operation and reasonably justify the estimates contained therein. Replacement cost estimates and budget data are guidelines and estimates to assist in budget planning, GPI is not responsible for discrepancies. Replacement costs are estimates to assist in budget planning. GPI recommends that an annual reserve study and insurance appraisal be completed by qualified specialists. The proposed budget shall be submitted to the Board/Association at least sixty (60) days prior to the commencement of the period to which it pertains. The Board/Association shall review the proposed budget, make revisions as it deems appropriate, and give final approval to same prior to its becoming effective. In the event the Association fails to approve a budget prior to the commencement of the annual period to which it pertains, GPI shall provide its services temporarily in accordance and within the constraints of the old budget. GPI shall be entitled to retroactive increase or decrease in fees from the termination of the old budget to the approval of the new budget. The Association

understands that it is ultimately responsible for the approval of the budget and that the budget provided by GPI is only provided to assist the Association in the budgeting process.

- H. GPI shall have maintenance operations performed per contract or job specifications, and such services will be billed to the Association as incurred. GPI is not responsible for maintenance or repairs required in excess of the amounts budgeted, assessed and collected by the Association or for any work not outlined in this Agreement. Emergency repairs immediately necessary for the preservation and safety of life and property as required to avoid the suspension of any necessary service to the Association may be made by GPI, without approval of the Association or its Board of Directors. Work done under this provision shall be billed separately from all other work items, and shall be brought before the Board of Directors or its President, or should be he/she be unavailable, one of its other officers, as soon as practicable but no later than their next scheduled meeting. Pursuant to this provision, the Association specifically agrees to be bound for any and all costs GPI incurs on behalf of the Association pursuant to GPI's exercise of its judgment to incur costs under this provision, if GPI has complied with this provision.
- I. GPI shall assist the Board of Directors or committees in administering the Rules and Regulations promulgated by the Association pursuant to the Declaration of Conditions, Covenants and Restrictions and/or Bylaws of the Association, subject to local, state and federal rules and regulations. On behalf of the Association, GPI shall notify homeowners, in writing, of any violations observed by or reported to GPI. GPI shall provide a summary of violations to the Board of Directors for meetings. Violations not corrected at a specified date shall be referred to the Association's attorney by GPI as directed by the Board of Directors. GPI cannot presume to give legal advice concerning the validity or enforceability of any rule or term of any Association document or contract. The Association is advised to have independent legal counsel generally, and more importantly, when there is a challenge made against the Association.
- J. GPI shall provide periodic reports to the Board of Directors concerning the management and operation of the Association and community facilities. The Community Association Manager shall attend monthly meetings of the Board of Directors to present a management report and address any issues included in the report, and shall attend the annual meeting.
- K. GPI shall provide an off-site manager to inspect the Association property once every week (excluding holidays, vacations and weekends) and:
 - 1. Provide 24-hour call-in service for emergency repairs of property owned and maintained by the Association. Emergency is defined as "any defect in or malfunction of Association owned and maintained property which has or could cause damage to property or personal injury". GPI is not responsible for response times of contractors;
 - 2. Monitor contracted maintenance operations; and
 - 3. Receive and respond to inquiries from Association members.
- L. GPI shall assist the Board of Directors or Committees in preparing contract specifications for work or services to be performed for the Association. Specifications shall be approved by the Board of Directors and contracts signed by a designated Officer or Director. GPI shall solicit bids as directed by the Board of Directors or President. GPI shall observe work performance during routine property inspections. GPI shall not be held responsible for the use or installation of substandard materials and substandard workmanship. GPI shall not be responsible for any work, or lack of work, done or not done by the contractors hired by the Association. Responsibility for contractor workmanship and results rest solely with contractor. GPI cannot be held financially responsible in any manner for maintenance and contracted services performed by contractors hired by the Association. All warranties and or guarantees for materials and workmanship are the responsibility of the contractor, as stipulated in the contract specifications. For major projects (which shall be determined in GPI's sole discretion) including but limited to repaving, storm water/sewer systems, structural repair and maintenance, GPI may require (at the expense of the Association) a technical consultant to prepare bid specifications, provide supervision and to perform inspections, which the Board must approve.
- M. GPI shall select, employ, supervise, direct and discharge GPI employees as GPI deems necessary to fulfill the duties as required herein.
- N. Office overhead and personnel are the responsibility of GPI. Such expenses shall not be payable by the Association except as part of said management fees. All office supplies, coupon books, postage, reproduction, mailing-house services, long distance phone service, facsimiles, record storage, 1099 preparation, cellular phone service, computer check stock, manual deposits, security system maintenance, lock box service charges for the Association shall be paid by the Association as may be outlined in the attached addendum. Newsletter

preparation, minute preparation, court appearances, fuel surcharges, clubhouse reservation services, water meter account services, individual homeowner insurance certificate collection services, special typing and special requests and any service not specifically outlined in this contract are subject to additional charges.

- O. If the Association should become involved in special litigation or special insurance claims outside the normal course of business, GPI will be entitled to reimbursement or reasonable, related expenses.

III. ASSESSMENTS:

The Association shall assess unit owners for an amount not less than the total of the approved budget for the current year and shall instruct its members to pay such assessments through GPI during the term of this Agreement. It is specifically understood and agreed that GPI shall provide the services and pay the expenses provided herein only from the amounts collected from assessments of Association members and shall not be obligated to undertake such services to the extent that assessments and other revenue of the Association are insufficient to pay the costs and expenses of same. If it appears that the assessments and other revenue of the Association are insufficient to fund the amount of the approved budget, GPI shall notify the Board of Directors of the amount by which such income shall be insufficient and shall request the Board of Directors to resolve the deficiency by, at the Board's option, imposing a special assessment, increasing assessments, reducing expenses, adopting an amended budget or borrowing sufficient funds through a line of credit or traditional loan. Failure of the Board of Directors to resolve the deficiency by any combination of the above means shall relieve GPI from responsibility for work or damage occasioned by reason of the deficiency.

IV. INDEMNIFICATION:

- A. The Association shall indemnify, defend and hold GPI harmless from and against all operating costs, court costs, attorney fees, penalties or damages, of any kind whatsoever, incurred in connection with or resulting from (a) liability arising out of injuries sustained by persons or to property in or about the Property; (b) the management of the Association, except for any such costs, fees, and/or penalties which are incurred, as the result of gross negligence by GPI; (c) use or occupancy of the Property by any person; (d) any violation of federal, state or municipal law, regulation or ordinance relating to its management of the Association's property and business; and (e) any claim for taxes or other charges which are the obligation of the Association and may be made against GPI by reason of or related to the management of the Property; With regard to sub-parts IV (a), (b), and (c) immediately above, however, the Association shall so indemnify and hold GPI harmless only to the extent that such costs, expenses or damages are covered by the liability insurance of the Association.
- B. All representations and warranties of the parties contained herein shall survive the termination of this Agreement. All provisions of this Agreement that require the Association to have insured or to defend, reimburse, or indemnify GPI shall survive any termination, and if GPI is or becomes involved in any proceeding or litigation by reason of having been the Association's Agent, such provisions shall apply as if this Agreement were still in effect.

V. INSURANCE:

The Association agrees to name GPI as an additional named insured under its general liability, fidelity bonding, and Directors and Officers policies, with limits acceptable to GPI in its reasonable judgment. GPI may make recommendations as to insurance coverage, deductibles, and insurance carriers. If the insurance selected by the Association is not acceptable to GPI and the Association fails to obtain different or additional coverages which are then reasonably commercially available to the Association, GPI may upon 30 days written notice to the Association, terminate this contract without further liability to the Association. Within thirty (30) days of the date on which the Association and GPI execute this Agreement, the Association will deliver to GPI a copy of the policies referred to herein or a certificate evidencing the coverage provided pursuant to this Agreement.

VI. ENFORCEMENT:

Should either party be compelled to take legal action to enforce the terms of the Agreement, the prevailing party shall be entitled to reasonable attorney's fees incurred both at the trial, post trial and appellate levels.

VII. CONSTRUCTION:

The terms used herein shall be construed in accordance with the Declaration of Conditions, Covenants, and Restrictions of the Association and Bylaws relating thereto.

VIII. SEVERABILITY:

If any part or clause of this Agreement is declared inoperative or void, it shall not affect the validity of the remainder of the Agreement.

IX. THIRD PARTY BENEFICIARIES:

This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto, including but not limited to, the individual members of the Association. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit and shall be binding upon the Parties hereto and their respective representatives, successors and assigns.

X. MISCELLANEOUS:

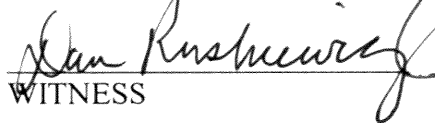
- A.** The term of this Agreement shall bind and the benefits shall inure to the heirs, personal representatives, successors and assigns of the parties hereto. Wherever used, the singular number shall include the plural and plural shall include the singular and the use of any gender shall include all genders. In the event of breach of this Agreement or default of this provision by either party, the non-prevailing party to any litigation shall be responsible for all legal fees, costs and expenses incurred by the prevailing party. Notwithstanding anything herein to the contrary, in the event that GPI is required to participate in any legal action for or on behalf of the Association including, but not limited to a requirement to testify, produce documents or records, responding to discovery, be deposed, serve as a witness or be called to act in any way whatsoever in any action by, for or in defense of any legal actions that the Association is involved with, GPI is entitled to charge a fee to the Association equivalent to its then hourly rate for the person involved with the litigation or legal issue. This provision shall survive the termination of the Agreement.
- B.** This agreement and the exhibits attached hereto represent the entire Agreement and understanding between the parties.
- C.** By signing this Agreement, the undersigned parties acknowledge that they understand its terms and agree to be bound by them and their successors and assigns, together with any heirs, personal representatives, beneficiaries, predecessors, successors, subsidiaries or affiliated corporations, partnerships, or other business entities and the agents, employees, officers, directors, stockholders, partners, successors and assigns thereof are bound by its terms.
- D.** This Agreement may be signed in counterparts, such that the individual parties' signature pages are properly executed, and when combined with the original signature pages or copies thereof, executed by the remaining parties, shall constitute an original and completed Agreement.
- E.** This Agreement embodies and constitutes the entire understanding between the parties with respect to the transactions completed herein. All other prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing, signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument.
- F.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida. Each party agrees to submit to personal jurisdiction and venue of the State Courts located in and any Federal Courts that encompass Hillsborough County, Florida, for a resolution of all disputes arising in connection with the terms and provisions of this Agreement. Moreover, the State courts located in and any Federal Courts that encompass Hillsborough County, Florida shall be the sole and exclusive jurisdiction to resolve any disputes affecting or arising out of this Agreement.
- G.** All parties have participated in the negotiations and drafting of this Agreement. As a result, to the extent an ambiguity exists in this Agreement, it shall not be interpreted against any specific party.
- H.** Each party agrees to execute all documents necessary to ensure the terms and conditions of this Agreement can be fully effectuated.
- I.** Each party acknowledges that it (1) has expressly authorized and is fully competent to execute this Agreement; (2) has carefully read and completely understands the terms and effects of this Agreement, and that all understandings and agreements between the parties relating to the subjects covered in the Agreement are contained herein; (3) has entered into this Agreement voluntarily and not in reliance on any promises or

representations by any party other than those contained in the Agreement; (4) has received valid and sufficient consideration for the execution and delivery of the Agreement; and (5) has been given the opportunity to discuss this Agreement with independent legal counsel, has availed itself of that opportunity and has received advice and counsel from independent attorney before execution of this Agreement concerning the meaning and impact thereof.

XI. FEES:

The Association agrees to pay GPI for management and bookkeeping service as outlined above the sum of \$4.27 per platted lot per month. This fee will increase at the beginning of each successive renewal period by 3% annually. Payment is due in advance on the first of each month. This fee is based on billing regular assessments in accordance with Association policy and preparing financial statements monthly.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the date aforementioned.

 WITNESS	 CARROLLWOOD VILLAGE PHASE II HOMEOWNERS ASSOCIATION, INC.
 WITNESS	Representative
 WITNESS	 GREENACRE PROPERTIES, INC.
 WITNESS	President

**MANAGEMENT AGREEMENT ADDENDUM
MISCELLANEOUS FEE SCHEDULE**

<u>DESCRIPTION</u>	<u>CHARGE</u>
Long Distance/Cell Phone Service	At Cost
Postage	At Cost
Copies	\$.15/Copy
Printer Copies	\$.10/Copy
Color Printer Copies	\$.20/Copy
Labels	\$.10/Each
Legal File Folders	\$.10/Each
Legal Hanging Folders	\$.30/Each
Facsimile Transmission	\$.50/Each Page
Computer Check Stock	
Less than 500 Units	\$50 Annually
501 Units to 1,000 Units	\$75 Annually
1,001 Units to 1,500 Units	\$100 Annually
Over 1,501 Units	\$150 Annually
Envelopes	
#10 & Smaller	\$.15/Each
6x 9 Manila	\$.15/Each
9x12 Manila & Larger	\$.25/Each
Other Miscellaneous Office Supplies	Cost Plus 15%
Record Storage	\$3.00 Per Box Per Month
Record Inspection Preparation	\$50.00/Hour
1099 Preparation	\$5.00/Vendor
Manual Deposits	\$1.50 Per Item Deposited
Special Assessment Billings	\$2.00 Per Coupon Generated Or a Minimum of \$100.00
Coupons and Return Envelopes	
Annual	\$1.50
Semi-Annual	\$2.00
Quarterly	\$3.00
Monthly	\$4.00
Set Up Fee	\$250 Up To 1,000 Units \$500 Over 1,000 Units
Security Systems (Gate) Management	
Less than 1,000 Units	\$100 Per Month
1,001 Units to 2,000 Units	\$125 Per Month
Over 2,000 Units	\$150 Per Month
Attendance At, and/or Participation In, Any Non-Contracted Function or Service Such as Court Appearances, Depositions, Legal Consultations/Actions by Manager/Principal, or Meeting Attendance In excess of Contractual Obligation	\$150.00/Hour (Principal) \$50.00/Hour (Manager) \$25.00/Hour (Clerical)

Costs are subject to periodic change. These charges are for purchases made on behalf of the Association.