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Address:



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Palm Beach County, Florida
Sharon R. Bock, CLERK & COMPTROLLER
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MANAGEMENT AGREEMENT

This Agreement is made this 19 day of December 2017, by and between, Duner House Condo Assoc. Inc. a Florida Not-for-Profit Corporation (hereinafter referred to as "the Association") and LANDEX RESORTS INTERNATIONAL, A Florida Corporation, (hereinafter referred to as "LRII").

WHEREAS, the Association administers and operates a complex located in Palm Beach County, Florida and is desirous of employing a community association management ("CAM") firm to provide consultation, advice, guidance, and management services for the Association;

WHEREAS, LRII is active in the CAM field and is desirous of furnishing such consultation, advice, guidance, and management services for the Association;

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, it is agreed by and between the parties as follows:

1. That the foregoing recitations are true and correct;
2. That the terms used in this Agreement shall be defined as said terms are defined and used in the Chapter 718 of the Florida Statutes, the Declaration of Condominium ("Declaration") for the Association, to which this Agreement is attached as an exhibit, or Chapter 721, Florida Statutes;
3. The Association hereby employs LRII as its exclusive community association manager and LRII hereby accepts such employment.

Article I. GENERAL

Section 1.01 The Association is a Florida corporation, not-for-profit; it is responsible for the administration, maintenance, and operation of all property pursuant to its Governing Documents (i.e. its Articles of Incorporation, its Declaration, its By-Laws, its Rules and Regulations, its Resolutions, and any other related Exhibits, Amendments, or Supplements to the foregoing).

Section 1.02 LRII is a licensed, CAM firm, employing licensed, managers, under Chapter 468 of the Florida Statutes. It is the Parent Company of Landex Realty, Inc., a Florida corporation, employing real estate agents under Chapter 475 of the Florida Statutes. Both companies are engaged in the business of residential condominium, homeowners', property owners', commercial condominium, and time share association management, maintaining its principal place of business at 1100 Homestead Rd. N., Ste. D., Lehigh Acres, FL 33936.

Section 1.03 The definition of the words, terms, phrases, etc. as provided in Article 1 of the Declaration, to which this Agreement is attached as an exhibit, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail. The invalidity, in whole or in part, of any covenant, promise, or undertaking, or any section, subsection, sentence, clause, phrase, or word, or of any provision of this Agreement, or the exhibits attached hereto, and the Declaration to which this Agreement is attached, shall be paramount to the Condominium Act (i.e. Chapter 718, Florida Statutes) or Timeshare Act (i.e. Chapter 721, Florida Statutes), as to those provisions where permissive variances are permitted; otherwise, the provisions of said Condominium Act or Timeshare Act shall prevail and shall be deemed incorporated herein.

Article II.

TERM

Section 2.01 This Agreement shall be effective as of the 1st day of January, 2018, and shall continue in effect until the 31 day of December, 2018. Thereafter, this Agreement shall renew automatically for successive three (3) year periods, from the 1st day of January, _____, to the 31 day of December, _____, each successive year, subject to termination in accordance with provisions in **Section 2.02** of this Agreement.

Section 2.02 This Agreement may be terminated by either party, at any time, with or without cause, by delivering, not less than thirty (30) days', written notice of the termination to the other party. Notice shall be given by either certified mail, postage prepaid, return receipt requested, or by overnight courier, provided delivery is evidenced by a written receipt, or by hand-delivery that is evidenced by a written receipt. In the event of termination, all parties agree to cooperate with an orderly transition, and may agree mutually to early termination by waiving the thirty (30) days' notice. LRII shall turn over all books, records, accounts, funds, or other property of the Association, and the same shall be delivered to the Association, or its authorized representative, within ten (10) business days after the effective date of the termination of this Agreement. Notwithstanding the foregoing, the Association may terminate this Agreement, as provided under the provisions of the Condominium Act, as it may be amended from time-to-time. Upon termination, obligations hereunder shall cease, except liabilities or claims which accrued or arose prior to such termination. Fees may be prorated for any month in which partial services are delivered.

Article III.

SCOPE OF SERVICES

Section 3.01 LRII shall exercise and provide the services described in this Agreement, as required by the Board of Directors (also "Board"), the Association's Governing Documents, and applicable law. Such services may not be delegated during the term of this Agreement, neither by the Association nor any other person, except for LRII.

Section 3.02 Accounting & Financial Services:

- (a) **Billing & Collections:** LRII shall propose procedures and forms (in accordance with the Association's Declaration or applicable law) to be adopted by the Association. It shall collect, on behalf of the Association, all assessments for Common Expenses, reserve funding, charges, or other payments due from Owners, and Members, and all other monies and debts which may become due to the Association. In the event of default in such payments, LRII shall promptly take all legal or other action, in the name of the Association, as may be necessary or appropriate to enforce any rights which the Association may have, including, but not limited to, sending demand letters, sending demand rental letters, and/or using legal counsel for the purposes of filing liens, lien foreclosures, and/or summary judgments.
- (i) **Bank Information:** All funds collected for the Association, and other sources, shall be deposited, by LRII, in to the Association's appropriate accounts at the financial institution specified and established by the Board of Directors. All banking institutions shall be insured by an agency of the United States. LRII shall not be liable for any loss resulting in the insolvency of such depository or the loss of any investment.
- (ii) **Bill Pay:** LRII shall pay all bills, checking for accuracy on invoices for goods or services (e.g. in connection with the supplies, maintenance, repair, or reserve replacement items).
- (iii) **Relationship of Parties:** LRII shall not be obligated to make any advances to, or for the account of, the Association, or pay any obligations of the Association, except out of funds provided by the Association, nor shall LRII be obligated to incur any liability or obligation on behalf of the Association without reasonable assurance that the necessary funds for the discharge thereof will be provided.

- (b) **Budgets:** LRII shall assist in compiling cost estimates and recommending a proposed budget, before the end of each fiscal year, to be adopted by the Board of Directors for the upcoming calendar year. The proposed budget shall be submitted to the Board, and to the owners, at least 60 (sixty) days prior to the end of the fiscal year, thereby giving proper notice to all Members of the Association, as required by applicable law. LRII will prepare any proxies necessary to vote on the waiving, or partially funding, of reserves, and will complete all meeting notices and agendas associated with passing the annual budget for each fiscal year.
- (c) **Financial Records and Reporting:** LRII shall maintain financial records in accordance with generally accepted accounting principles and applicable law. LRII shall perform account reconciliations, continual internal quality control checks, and provide for monthly cash reporting on bank balances, receivables, and payable accounts. LRII will employ a third party CPA (certified public accountant), at an additional cost to the Association, to perform (or produce) quarterly financial reporting, end of year statements, audits, and tax filing, as required by applicable law.

Section 3.03 Administrative Services:

- (a) **CAM Manager:** LRII's responsibilities as a CAM manager are to implement the policy decisions and directives of the Board, in accordance with the Association's Governing Documents and applicable law. LRII agrees to employ a minimum of one (1) person, or place a CAM manager responsible for the Association, who will be made available to oversee all administrative services between the hours of 9:00 a.m. to 5:00 p.m., Monday through Friday, with the exception of Federal and Florida, recognized holidays. During other-than-normal, business hours or emergencies, LRII will be made available to the Association by use of an emergency, twenty-four (24) hour phone line. The Association may be subject to other billable hours and fees, which apply as necessary, in accordance with **Exhibit "A"** of this Agreement.
 - (i) **Additional Personnel:** LRII and/or any authorized CAM manager will engage, hire, train, supervise, and compensate all persons necessary in order to properly maintain and operate the Association, including any on-site managers, even if such a person is an employee of the Association, in which case, such a person shall be considered an employee of LRII. Regarding additional personnel, LRII will act in its sole and absolute discretion, and may cause to be promoted, disciplined, or discharged any such persons.
 - (ii) **"No Hire" Provision:** It shall be understood and agreed that the Association shall not solicit to employ or retain any LRII employee assigned to the Association, in any capacity, for a period of twelve (12) months from the date of termination of this Agreement.
- (b) **Clerical:** LRII will receive and respond to all phone calls, written emails, or other inquiries from Owners, Members, vendors, and other agents of the Association, as necessary, and within its capacity as management. Other clerical services provided by LRII shall include, but will not be limited to: appointment scheduling, book & record keeping, photocopying, and mailing (at additional costs to the Association per the attached Fee Schedule).
- (c) **Compliance of Laws and other Covenants:** LRII will propose procedures and forms (in accordance with the Association's Governing Documents or applicable law) to be adopted by the Association. LRII will take any action necessary to assist the Association in causing the Board, the Owners, the Members, the guests, the tenants, the managers, the employees, the vendors, or others within the Community to comply with all the laws, governmental authorities, and Association Governing Documents. LRII will use the furthest extent of the law to enforce compliance.

- (d) **Insurance:** LRII will maintain appropriate records of all insurance coverage that is carried by the Association. LRII will assist the Association in obtaining insurance including, but not limited to, property insurance, casualty insurance, Directors and Officers insurance, Liability insurance, etc. LRII agrees to properly file any claims, communicating with adjusters, underwriters, or others, and disburse any proceeds from claims promptly.
- (e) **Liaison:** LRII shall act as a liaison between the Association and the Owners and Members of the Association, government officials, attorneys, developers, and any other persons or agents as may be deemed necessary in conducting any business in relation to the governing of the Association. The Association gives LRII the authority to act as its representative and to take any and all legal action in the name of the Association (that does not require Board or Member vote or action), as may be necessary or desirable for the management of the Association, in accordance with the Association's Governing Documents and applicable law.
- (f) **Notices and Meetings:** LRII shall prepare all meeting notices and agendas. A CAM manager will attend and orchestrate, up to six (6) meetings per year, consisting of four (4) quarterly Board meetings, budget meeting, and an annual meeting of the Membership. Additional meetings for special or emergency Board of Directors, Members, or other meetings, which are scheduled during non-working hours, will be subject to additional billable hours as provided for in Exhibit "A" of this Agreement.
- (g) **Owner Roster:** LRII shall maintain a current list of the Owners' and Members' contact information, including, but not limited to, account numbers, physical and mailing addresses (both foreign and domestic), phone numbers, email addresses, or other such related information.
- (h) **Transitions:** LRII shall propose procedures and forms (in accordance with the Association's Governing Documents and applicable law), to be adopted by the Association. LRII shall ensure that all Governing Documents, and other information, have been obtained by purchasers and tenants within the Association. LRII shall ensure that estoppels for the transfer of property are provided to closing agents (at additional cost to applicant or owner per the fees in Exhibit "A" of this Agreement). LRII shall transition account ownership in all records of the Association, insuring that deeds, mortgages, lease agreements, or other information related to the sale or rental of real property is kept on file.

Section 3.04 Books and Records: Official books and records shall be maintained, by LRII, in accordance with the Association's Governing Documents and applicable law. LRII shall be responsible for keeping said records, and making them available for the inspection and photocopying (at the expense of the authorized individual requesting copies), as required by law. Records include, but are not limited to, annual corporation reports, contracts for service or repair, financial documents, insurance documents, legal documents, Owner and Member rosters, meeting notices and agendas, minutes, sales and leasing documents, or other documents, as required by applicable law.

Section 3.05 Property Management:

- (a) **Care of Property:** LRII shall protect, maintain, repair, and replace Association property and the Common Elements of the Association, to the same extent that the Association is required to protect, maintain, repair, and replace, or otherwise, as provided by applicable law or in the Governing Documents of the Association. LRII agrees to provide twenty-four (24) hour, after-hours and emergency contact information for calls to deal with utility breakdowns, damage to Common Elements, water intrusion, or any other life or property threatening emergency.

- (b) **Contract for Goods and Services:** LRII will solicit, negotiate, and obtain competitive biddings for any goods or sub-contracted services, as required by applicable law. LRII will accept the lowest available bid, except where LRII, in capacity, is required to do otherwise, or where LRII, in its sole discretion, has reason to believe that the lowest available bid is not in the best interest of the Association. LRII agrees to obtain Association approval when contracting for goods and services that are over the limitations listed below in **Section 3.05(d)**. LRII shall exercise good faith discretion regarding every purchase, expenditure, and with every sub-contractor relationship.
- (i) **Subcontractor Relationships:** LRII will engage with, and manage, any sub-contractor hired by the Association. LRII will perform quality-control inspections on work performed by sub-contractors. LRII will insure that all sub-contractors are licensed and insured. The Association will be responsible for any additional, billable hours or fees as listed in **Exhibit "A"** of this Agreement.
- (c) **Purchases and Supplies:** LRII will purchase, on behalf of the Association, engage in services, and provide supplies and materials, as may be necessary or desirable for the maintenance and upkeep of the property. Such purchases or contracted services shall be made in the name of the Association and shall be subject to the consent of the Association, unless provided for in the approved budget of the Association.
- (d) **Expenditures:** LRII shall have sole and absolute discretion, while this Agreement remains in effect, for making determination as to replacements of personal property located within units, including the décor and all other judgments relating to units committed to timeshare ownership. Notwithstanding the foregoing, all replacements shall be such as to maintain the standard of quality of the furniture, other personal property, and décor as originally contained in such unit at the same time it was committed to timeshare ownership.
- (i) LRII shall be authorized to assess a condominium unit for those items of special assignments as set forth in the Governing Document and in this Agreement (e.g. maintenance, repair, or replacement caused by the negligence or misuse of an Owner, his family, servants, guests or invitees, or lessees, or the failure of an Owner to maintain those portions of his unit as he is required to repair and maintain, or the violation of the provisions of the aforesaid Governing Documents, which requires the removal of the same by LRII and/or which increases the costs of maintenance and/or repair upon LRII, or increases insurance rate and/or premiums, etc.).
- (ii) For any one item of repair, replacement or refurbishing, the expense incurred by the Association, as a whole, shall not exceed the sum of \$10,000 or 5% of the aggregate budget, with proper bidding, unless specifically authorized by the Board of Directors of the Association; except, however, in the case of an emergency, LRII is authorized to expend any sum necessary to protect and preserve property.

Article IV.

ASSOCIATION'S RESPONSIBILITIES

Section 4.01 In order for LRII to effectively perform its duties, the Association must assume the following responsibilities:

- (a) **Maintain Board:** The Association must maintain a fully-constituted and operational Board of Directors, which is capable of assisting LRII with decision-making.
- (b) **Turnover Records:** The Association must provide LRII with all Association records including, but not limited to, Owner and Member rosters, any and all recorded Governing Documents, any contracts, any financial reports, any insurance information, any tax returns, any meeting notices, any agendas, any minutes, any warranties, any legal documentation, and any other forms or other written procedures being utilized for the implementation of any rules and regulations set forth in the Governing Documents.

- (c) **Cooperation:** LR II fully accepts that its function is to assist the Board in the operation and administration of the Association. Notwithstanding the express authority given to LR II in this Agreement, it is understood and agreed that all parties confer fully, and freely, with moral respect and demonstrate cooperation in the performance of the services set forth in this Agreement.
- (d) **Interference:** The Association must neither interfere, or permit, allow, or cause any of the Association's guests, invitees, licensees, agents, tenants, occupants, Owners, or Members to interfere with LR II, or its invitees, licensees, agents, or sub-contractors, in the performance of its duties or the exercise of any of its powers as contained in this Agreement.
- (e) **Designated Representative:** The Association shall designate a single individual, who shall be authorized to deal with the CAM on any matter relating to this Agreement and in regards to LR II's performance of its duties. The President of the Board shall have this authority, unless such authority is otherwise authorized or appointed by Resolution of the Board of Directors. Additional persons may also be named to act in this capacity in the absence of the person designated by appointment or resolution of the Board of Directors, or those appointed to special Committees. In the event there is a dispute as to the wishes of the Board of Directors, LR II is entitled to receive copies of the minutes of the Board meetings, either regularly held or special meetings, as the case may be, or such other proof that the action to be taken represents the desires of a majority of the Board of Directors pursuant to their powers and responsibilities.
- (f) **Insurance:** The Association shall insure itself against liability arising from negligent acts by LR II and its invitees, licensees, agents, or sub-contractors. Because LR II will be acting, at all times, for, and on behalf of, the Association, it is understood and agreed that public liability insurance shall be carried and maintained by the Association, and shall be extended to, and shall cover, LR II and its invitees, licensees, agents, or sub-contractors, as well as the Association, all at the expense of the Association. The Association shall name LR II as an additional insured on said policies, as well as all applicable umbrella, bonding, and Directors & Officers policies. Those persons controlling or disbursing Association funds shall be bonded or insured as required by law. The Association is obligated to notify LR II if any of the aforementioned insurance and bonding coverage is terminated at any time during the term of this Agreement.
- (g) **Indemnify and Hold Harmless:** LR II shall be indemnified, defended, and held harmless, by the Association against all claims, expenses, and liabilities, including legal fees and costs that have been reasonably-incurred by, or imposed upon, LR II in connection with any proceeding (through trial and on appeal) or any settlement of any proceeding to which LR II or its agents may be a party, or in which LR II or its agents may become involved by reason of this Agreement, arising out of, or in connection with, LR II's, or its agents', actions that have been undertaken with due care and good faith, or taken at the express direction of the Association's Board of Directors. LR II shall indemnify, defend, and hold the Association harmless against all reasonably-incurred costs and damages incurred by the Association, including legal fees and costs (through trial and on appeal) arising out of the actions of LR II or its agents that exceeds the scope of LR II's authority (both express or implied) or that was occasioned by the gross negligence or willful misconduct of LR II or its agents. Notwithstanding the foregoing, nothing herein shall require either party to indemnify, defend, or hold the counter-party harmless for the following:

(i) any suit or claim arising out of any criminal act of the counter party or its agents, (ii) any suit or claim arising out of any dishonest, fraudulent, or malicious acts, errors or omissions committed of the counter party or its agents (i.e. committed with actual dishonest, fraudulent intent or malicious purpose), or (iii) any suit or claim arising out of any error or omission of the counter party or its agents that is the result of the gross negligence or willful misconduct of it or its agents. Neither party to this Agreement shall settle any claim for which any indemnitee seeks indemnification, in respect of an indemnifiable claim hereunder, or consent to entry of any judgment in litigation arising from such a claim, without first obtaining a release of each indemnitee from all liability in respect of such claim or litigation.

Article V. ASSIGNABILITY

Section 5.01 This Agreement may be assigned by LRII without the prior (written or verbal) consent of the Association. As part of this Agreement being assigned, the designated assignee, or its legal representative, shall agree, in writing, to personally assume, perform, and be bound by the covenants, obligations, and agreements contained in this Agreement. In the event that this Agreement is assigned, LRII shall provide written notice to the Association at the mailing address shown on public record. Notice of the assignment shall be given by certified mail, postage prepaid, return receipt requested, or by overnight courier, provided delivery is evidenced by a written receipt, or by hand-delivery, provided it is evidenced by a written receipt. Subject to the provision regarding assignment, this Agreement shall be binding on the heirs, executors, administrators, legal representatives, successors, and assigns of the respective parties.

Article VI. SEVERABILITY

Section 6.01 In the event that any portion of this Agreement is held to be illegal, void, or otherwise inoperative by a court of law, that portion shall be severed from this Agreement, and the remaining portion of this Agreement shall remain in full force and effect.

Article VII. OTHER AGREEMENTS AND AMENDMENTS

Section 7.01 This Agreement supersedes any and all prior agreements, addenda, amendments, or understandings between LRII and the Association. This Agreement, including any addenda, exhibits, amendments, or supplements constitutes the entire agreement between the Association and LRII with respect to the subject matter hereof.

Section 7.02 Amendments of this Agreement may only be made by an agreement in writing, and signed by both parties.

Article VIII. DISPUTE RESOLUTION

Section 8.01 In any litigation arising between the parties under the terms of this Agreement, the parties agree that the prevailing party shall be entitled to its reasonable attorney's fees and costs, including those incurred on appeal. Venue in any litigation shall be in Lee County, Florida. This Agreement shall be construed in accordance with Florida law. This Agreement shall be deemed to have been mutually prepared by the parties, and shall not be construed against any of them by reason of authorship.

Article IX. WARRANTIES

Section 9.01 Authority: Each party warrants to the other that each recital regarding it is true and correct without material omission or material misstatement of fact, and that the person signing below on its behalf has the authority and capacity to legally bind that party to the terms and conditions contained in this Agreement.

Article X. FEES AND PAYMENTS

Section 10.01 Start Up / Turnover Fees: A startup fee may be necessary at time of transitioning LR II to its role, or when turning over records after termination of this Agreement. The fees for startup include, but are not limited to, the transfer of records, uploading clients into databases, reconciling accounts, and bringing the Association in to compliance with its current documents and legal requirements. Turnover fees will be billed, as necessary, for any work including, but not limited to, saving data, making copies, post-mailing, or hand-delivering all records. Fees will be in accordance with the Fee Schedule as described in **Exhibit “A”** of this Agreement.

Section 10.02 Fee Schedule: The Fee Schedule is also made a part of this Agreement, as described in **Exhibit “A”**.

Section 10.03 Management Fees: Management Fees will be in accordance with the Fee Schedule, as described in **Exhibit “A”** of this Agreement.

Section 10.04 Payments: LR II is the authorized to pay said fees as a normal budgeted expense from Association funds.

Section 10.05 Other Services Not Described: Payments for services rendered to the Association, other than specifically designed under this Agreement, shall be designated by a separate agreement and a separate payment exhibit, as deemed necessary.

Article XI. NOTICES

Section 11.01 Unless elsewhere stated in this Agreement, all notices hereunder shall be delivered to the address under the signature lines.

Article XII. HEADINGS

Section 12.01 The headings contained in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

Article XIII. FORCE MAJEURE EVENTS

Section 13.01 In the event that LR II’s performance of the services contemplated in this Agreement are delayed, or otherwise impacted adversely by, any Act of God, act of terrorism, natural disaster, other disaster, or war (collectively, the “Force Majeure Events”), then LR II shall be granted such reasonable extension of time, or other reasonable accommodation, as may be appropriate under the circumstances. Notwithstanding any provision herein to the contrary, the parties hereby acknowledge and agree that LR II shall in no event be liable to any person or entity for any loss, cost, or damage arising from, or in connection with, any Force Majeure Event. As employed herein, the term “Other Disaster” shall mean any of the following events which shall not have been caused LR II’s misconduct: theft, vandalism, HVAC malfunction, the bursting or leaking of water or sewer pipes, building defects, the release of hazardous materials, any act or omission of any Owner, Member, tenant, guest, invitee, licensee, or Occupant, any fire, or any explosion.

This Agreement, together with the Declaration of Condominium to which this Agreement is attached, and the exhibits attached to said Declaration, including this Agreement, constitute the entire agreement between the parties hereto, as of the date of the execution hereof, and neither has been induced by the other by representations, promises, or understandings not expressed herein, and there are no collateral agreements, stipulations, promises, or understandings whatsoever, in any way touching the subject matter of this instrument, or the instruments referred to herein, which are not expressly contained herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be made and signed on this 19 day of December 2017 in the State of Florida. It is the express intention of the parties that this Agreement be governed by the laws of the State of Florida.

Dover House Condo Assoc. Inc.
Print Name of the Association
[Signature]
By: (Signature of Authorized Representative)
Robert R Black
Print Name of Authorized Representative

Landex Resorts International, Inc.
Licensed CAM Firm & Landex Realty, Inc.
Robyn A. Rocco, CAM
Print Name of Authorized Representative
[Signature] VP / CAM
By: (Signature of Authorized Representative)

Address:

RUTH A. ANGLICKIS

Address:

Ruth A. Anglickis
Print Name of Witness
[Signature]
By: (Signature of Witness)

Becky Adams
Print Name of Witness
[Signature]
By: (Signature of Witness)

[Signature]
Signature of Notary Public

Commission / Expiration Information (Stamp)



Kimberly Bealer
Commission # GG171479
Expires: December 28, 2021
Bonded thru Aaron Notary