

2019 MANAGEMENT AGREEMENT

This agreement is made and entered into by and between

Park at Parsons Town Square Townhome Association, Inc.
A Georgia Not-for-Profit Corporation
(The “Association”)

And



Fieldstone Realty Partners, LLC d/b/a Fieldstone Association Management

A Georgia Limited Liability Corporation having its registered office at

**2675 Paces Ferry Road
Suite 125
Atlanta, Georgia 30339
404-920-8621
www.fieldstonerp.com
("FRP")**

in respect of that certain neighborhood known as

Park at Parsons
(The “Neighborhood”)

In consideration of the terms, conditions and covenants herein contained, the parties mutually agree as follows:

ARTICLE I

APPOINTMENT OF MANAGING AGENT

The Association hereby appoints FRP and FRP hereby accepts such appointment on the terms and conditions herein contained as the Managing Agent of the Association in accordance with the terms and provisions of this agreement and to otherwise perform the obligations as hereinafter set out.

ARTICLE II

RESPONSIBILITIES OF MANAGING AGENT

The role of the Managing Agent is to implement the decisions and the policy established by the Board of Directors of the Association (“Board”). The Board of Directors of the Association has control of all common areas and amenities and is responsible for the administration of the programs, services, and activities of the Association as established in the founding documents and as amplified or clarified by resolution of the corporation. Subject to direction by the Board of the Association, FRP’s functions, duties, responsibilities, and authority may include the following:

1. **Administrative Services:**

- 1.1 Keep all records of the affairs of the Association and the Board, including but not limited to, the Declaration, Articles of Incorporation, By-Laws, rules and regulations, policies, Minutes of meetings, copies of contracts, etc. (which documents are to be provided to FRP by the Association) and maintain all such documents in a current status. All such records shall belong to the Association. FRP will maintain all administrative and financial records in-house for a period to be determined. If additional storage for these records is needed, they may be subject to off-site storage and a storage fee may be charged to the Association.
- 1.2 Maintain registers of Owners, Officers and Directors and such other registers or schedules as may be required by the Governing Documents, the initial information for all of which is to be provided to FRP by the Association.
- 1.3 Attend to necessary correspondence.

2. **Fiscal Services:**

- 2.1 Account for all assessments and other charges due by Owners; maintain checking, savings and other income accounts at FRP’s preferred banking institution. All accounts will be styled in the name of the Association; each of such accounts to be separate and apart from

all other accounts of FRP and the amounts therein not to be commingled with any other funds controlled by FRP.

- 2.2 Mail notices of delinquency to any Owner in arrears and take such reasonable action for the collection of the delinquent assessment as the Board may determine in accordance with the Governing Documents and adopted policy procedures.
- 2.3 Make all disbursements from assessments collected for normal recurring expenses as provided in the budget. All expenditures not budgeted shall be made only with the approval of the Board.
- 2.4 Furnish a monthly financial statement by the 15th day of the following month prepared on a cash basis that will include all income and expenses and will reflect the net cash position of the Association.
- 2.5 Special assessments may be subject to additional administrative and collection charges based on the notices required and the due dates established.

3. **Physical Management:**

- 3.1 As authorized by the Board, pursuant to the attached policies, direct and order to be done those things that are necessary to maintain the property, i.e., covenant violations, modification requests, and contracts for common areas. FRP shall not be responsible for taking any action unless directed by the Board.
- 3.2 FRP will perform up to twelve (12) site visits per year as necessary to maintain the property, i.e., covenant violations, modification requests, and contracts for common areas.
- 3.3 Any employee hired by the Association shall be an employee of the Association and not of FRP. All remuneration payable to such employees and/or salaries, tax and other expenses payable on account of such employees shall be operating expenses of the Association and shall be paid by FRP out of the funds of the Association.
- 3.4 As authorized by the Board, negotiate and execute on behalf of the Association, contracts for water, electricity, landscaping, trash removal, and such other services for the Neighborhood as may be necessary and advisable. FRP shall also purchase on behalf of the Association such equipment, tools, appliances, materials and supplies for the proper maintenance of the Neighborhood. All such purchases and contracts shall be in the name and at the expense of the Association.
- 3.5 Notwithstanding anything to the contrary contained in this Article and the limitations herein imposed, FRP may, on behalf of the Association without prior consent, expend any amount, or incur a contractual obligation in any amount required to deal with emergency conditions which may involve a danger to life or property, or may threaten the suspension of any necessary service to the Neighborhood

- 3.6 Everything done by FRP under the provisions of the Article shall be done as an agent for the Association, and all obligations or expenses incurred hereunder shall be for the account, on behalf, and at the expense of the Association. Any payments to be made by FRP hereunder shall be made out of such sums as are available in the banking or investment accounts of the Association. FRP shall not be obliged to make any advance to or for the account of the Association or to pay any sum, except out of funds held or provided as aforesaid, nor shall FRP be obliged to incur any liability or obligation for the account of the Association without assurance that the necessary funds for the discharge thereof will be provided.
- 3.7 FRP shall not be held to a higher degree of care in regard to the performance of its tasks than a Director of the Association as provided in the Georgia Non-Profit Corporation Act. Specifically, FRP shall discharge its duties, in good faith, with ordinary care, and in the manner that FRP believes to be in the best interest of the Association. FRP IS NOT DEEMED TO HAVE THE DUTIES OF A TRUSTEE OF A TRUST WITH RESPECT TO THE Association, ITS MEMBERS, OFFICERS AND DIRECTORS. SIMILARLY, FRP SHALL NOT BE DEEMED TO BE A TRUSTEE FOR ANY OF THE TASKS THAT IT SHALL PERFORM FOR THE Association INCLUDING BUT NOT LIMITED TO THOSE TASKS SET OUT IN THIS MANAGEMENT AGREEMENT.

ARTICLE III

INSURANCE

- 1. FRP shall cooperate in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of the Neighborhood. Investigating, reporting, supervising and following-up on payment on insurance claims for damages covered by the Association's insurance may be subject to an administrative charge (presently \$50 per hour) or 10% of the claim, whichever is greater, which shall be regarded as part of the loss and shall be included in the claim.
- 2. FRP agrees to carry at its own expense:
 - 2.1 Worker's Compensation Insurance in compliance with Georgia Employers Liability Act and all amendments thereto.
 - 2.2 General Liability Insurance with minimum limits of \$1,000,000 per occurrence with \$2,000,000 aggregate.
 - 2.3 Auto Liability Insurance with minimum limits as set forth in 2.2 above.
 - 2.4 Fidelity Bond coverage in such amount as determined by FRP.
- 3. The premium in regard to any increase in the amount of coverage set forth in paragraph 2 above required by the Association shall be paid by the Association and shall be considered as an expense of the operation of the Neighborhood.

- 4. FRP shall be named an additional insured on the Association’s general liability insurance policies and directors and officers insurance policies, which policies shall be maintained in full force and effect during the entire term of this management agreement and in such amounts as the Association and FRP may agree. The Association’s insurance shall be considered primary coverage for the benefit of FRP.

ARTICLE IV

TERM OF AGREEMENT

This agreement shall commence on the date specified in Exhibit “A” and shall continue one year. If neither party has given the other thirty (30) days written notice of its desire to terminate this agreement at the end of any given year, then the term shall be automatically renewed for an additional one-year term and such renewals shall continue on a year-to-year basis unless terminated as hereinafter provided.

ARTICLE V

TERMINATION

Notwithstanding the provisions of Article IV hereof, this agreement may be terminated at any time as provided for in the Governing Documents of the Association or upon thirty (30) days written notice given by either party to the other with or without cause or without notice in the event of gross negligence. Upon termination all obligations hereunder shall cease except liabilities or claims which accrued or arose prior to such termination. FRP reserves the right to retain funds to cover outstanding invoices.

ARTICLE VI

COMPENSATION

For FRP’s services under this agreement, FRP shall receive the amount specified in Exhibit “A” attached hereto which amounts shall be payable monthly in advance. By agreement between FRP and the Board, the compensation payable to FRP may be amended to the amount reflected each year in the operating budget as adopted and approved for the ensuing year. FRP is authorized and directed to deduct or obtain payment of such compensation when due from the Neighborhood’s funds regardless of any other payments then required to be made. Payroll Reimbursement amounts, if any, shall be as directed in an attached Exhibit.

ARTICLE VII

MISCELLANEOUS

1. **Notices:**

Any notice or communication hereunder must be in writing, and shall be personally delivered, or sent by email, telex or facsimile, or by 1st class, registered or certified mail, return receipt requested and if given by registered or certified mail, same shall be deemed to have been given and received three days after its mailing, postage prepaid to the address listed below. Such notices or communication shall be given to the parties hereto at the following address:

To the Association at the address of the President of the Association at the date of the notice or communication.

To FRP at 2675 Paces Ferry Road, Suite 125, Atlanta, Georgia 30339.

Any party may at any time, by giving ten (10) days written notice to the other party, designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

2. **Hold Harmless/Indemnification:**

2.1 To the fullest extent permitted by applicable law, Association shall and does hereby agree to indemnify, protect, hold harmless and defend FRP, its officers, directors, and employees, hereinafter referred to as "Indemnities" from and against all claims, demands, damages, injuries, losses, liens, causes of action, suits, judgments, penalties, liabilities, debts, costs and expenses, including court costs and attorneys' fees (collectively, "Liabilities"), of any nature, kind or description, whether arising out of contract, tort, strict liability, misrepresentation, violation of applicable law and/or may cause whatsoever (including without limitation, claims for injuries to or death of any person, or damages to or loss of any property) of any person or entity directly or indirectly arising out of, caused by, in connection with, or resulting from any act or omission of Association, any of their respective employees, agents, servants, officers, directors, members or anyone that either Association controls or exercises control over. THE OBLIGATIONS OF THE Association UNDER THIS SECTION SHALL APPLY TO LIABILITIES EVEN IF SUCH LIABILITIES ARE CAUSED IN WHOLE OR IN PART BY THE SOLE, JOINT OR CONCURRENT NEGLIGENCE, FAULT OR STRICT LIABILITY OF ANY INDEMNITEE, WHETHER PREDATING THIS AGREEMENT OR NOT, AND WHETHER OR NOT SUCH SOLE OR CONCURRENT NEGLIGENCE, FAULT OR STRICT LIABILITY WAS ACTIVE OR PASSIVE.

2.2 Association shall promptly advise FRP in writing of any action, administrative or legal proceeding or investigation as to which indemnification may apply, and Association, at Association's expense, shall assume on behalf of Indemnities and conduct with due diligence and in good faith the defense thereof with board certified civil trial counsel satisfactory to FRP; provided, however, that Indemnities shall have the right, at their own

option, to be represented therein by advisory counsel of their own selection and at their own expense.

- 2.3 In the event of the failure by Association to fully perform its obligations in accordance with this Agreement, Indemnities, at their option, and without relieving Association of its obligations hereunder, may so perform, but all costs and expenses so incurred by Indemnities in that event shall be reimbursed by Association to Indemnities, together with interest, on the same from the date any such expense was paid by Indemnities until reimbursed by Association, at the highest lawful rate of interest allowed under applicable usury laws of the State of Georgia (or if no maximum rate is applicable, at the rate of eighteen percent (18%) per annum). The indemnification shall not be limited to damages, compensation or benefits payable under insurance policies. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligations under this Section, such legal limitations are made a part of indemnification obligations and shall operate to amend the indemnification obligations to the minimum extent necessary to bring provisions into conformity with the requirements of such limitations, and as so modified, the indemnification obligations shall continue in full force and effect.
- 2.4 The provisions of this paragraph 2 shall survive the termination of this agreement and shall continue in full force and effect subsequent to the termination of this agreement.

3. **Security:**

FRP SHALL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE PROPERTY. NEITHER SHALL FRP BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. THE BOARD OF DIRECTORS ON BEHALF OF THE ASSOCIATION, ALL OWNERS AND OCCUPANTS OF ANY DWELLING, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT FRP DOES NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES, OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. THE BOARD OF DIRECTORS ON BEHALF OF THE ASSOCIATION, EACH OWNER AND OCCUPANT OF ANY DWELLING AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT FRP IS NOT AN INSURER AND THAT EACH OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR

LOSS OR DAMAGE TO PERSONS, TO UNITS, AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGES THAT FRP HAS MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS THE ASSOCIATION, ANY OWNER, OCCUPANT, TENANTS, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE PROTECTION, BURGLAR ALARM SYSTEMS, ACCESS CONTROL SYSTEMS, PARTOL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

4. **Severability:**

If any provision of this agreement shall be determined to be invalid and unenforceable to any extent, the remainder of this agreement other than that which is determined invalid or unenforceable, shall not be affected thereby, and the remaining provisions hereof shall remain in full force and effect.

5. **Applicable Law:**

This agreement shall be construed in accordance with and enforced under the laws of the State of Georgia.

6. **Amendments:**

This agreement constitutes the full understanding of the parties and no prior or contemporaneous oral or written representations made by either party shall be binding. This Agreement may be modified only in writing signed by the President of FRP and by the duly authorized representative of the Association.

7. **Agreement Not To Solicit Employees**

Association agrees that during the term of this agreement and for a period of eighteen (18) months following termination of this agreement, Association shall not, either directly or indirectly, solicit, induce, divert or hire away, or assist any third person in soliciting, inducing, diverting or hiring away, any employee of FRP for a property management position. Any on-site manager or supervisor stationed by FRP at or for the Association shall be deemed to be an employee of FRP. This shall apply regardless of whether the Association is reimbursing or has reimbursed FRP or any affiliate of FRP for the services such employee provides to the Association or for the cost of such employee.

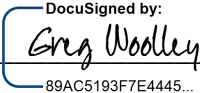
Association agrees and consents that, in addition to any other remedies provided at law or in equity, FRP shall be entitled to file suit for damages caused by any breach of this provision by Association and shall be entitled to any available equitable remedy. In addition, in the event of a breach of this provision by Association, Association shall be

liable to pay to FRP, and FRP shall be entitled to collect from Association, the then current standard rate for employment recruiting services (currently 40% of the employee's first year salary).

8. **Banking:**

Association agrees that during the term of this agreement all operating bank accounts including money market accounts if applicable will be held in a bank of FRP's choosing.


For: Park at Parsons Town Square Townhome Association, Inc.

By:  _____
89AC5193F7E4445...

Title: Land Development Manager

Date: 1/15/2019

For: Fieldstone Realty Partners, LLC

By:  _____
47F83E91DCEC430...

Title: Partner

Date: 1/15/2019

Company: GREC License Number H-63761

Licensee GREC License Number: 286427

EXHIBIT "A"

Exhibit to the Management Agreement entered into between Fieldstone Realty Partners, LLC and the Park at Parsons Town Square Townhome Association, Inc. ("Association").

COMPENSATION

1. An origination fee of \$0.00 due and payable upon acceptance of the terms of this agreement; and
2. \$550.00 due and payable from the first day of each month during the term of this agreement, commencing from January 1, 2019.
3. **Additional Charges:**
 - 3.1 Reimbursement for reasonable out-of-pocket expenses made on behalf of the Neighborhood.
 - 3.2.1 Ten cents (\$.10) for each copy required in the management of the Neighborhood; ten cents (\$.10) for each envelope/label required in the management of the Neighborhood; actual postage required for all mailing for the Neighborhood.
 - 3.2.2 In the event FRP uses a company credit card for reasonable expenses paid on behalf of the Association, all reimbursements to FRP will be subject to a five percent (5%) surcharge.
 - 3.2.3 Upon request and approval of additional expense, FRP shall reserve the right to be reimbursed for additional Administrative Services, if needed, which is presently \$55.00 per hour.
 - 3.2.4 Storage fees for all non-electronic storage of files of the Association at a rate of \$50.00 per box per year.
 - 3.2.5 Appearance in court in lawsuits regarding deed restriction enforcement, assessment collection or other Association matters will be billed to Association at its hourly rate, which is presently \$75.00 per hour.
 - 3.2.6 Upon request and approval of additional expense, FRP may attend any meetings or conferences, other than four (4) quarterly meetings, with the Board of Directors or Membership between the hours of 8:00 a.m. and ending at 4:30 p.m., Monday through Friday, for which the Association will reimburse FRP at the rate of \$55.00 per hour per Associate and/or \$100.00 per hour per Partner.

- 3.2.7 Upon request and approval of additional expense, FRP may attend any meetings or conferences, other than one (1) annual meeting of the membership, with the Board of Directors or membership between the hours of 4:30 p.m. and 11:00 p.m., Monday through Friday, for which the Association will reimburse FRP at the rate of \$55.00 per hour per Associate and/or \$100.00 per hour per Partner.
- 3.2.8 Upon request and approval of additional expense, FRP may preform neighborhood visits, other than twelve (12) as needed visits to the Association, for which the Association will reimburse FRP at the rate of \$55.00 per hour per Associate and/or \$100.00 per hour per Partner.
- 3.2.9 Upon request and approval of additional expense, FRP may perform the duties of setting utility meters for the Association at the rate of \$250.00 per meter.
- 3.2.10 If FRP provided onsite management or staff on behalf of the Association, an amount equal to ten percent (10%) of any salaries payable to employees of the Association. This fee includes the preparation and filing of all payroll forms.
- 3.2.11 FRP shall furnish the certificates relating to assessments and shall record changes of ownership or refinancing upon receipt of notice from title companies. Transfers of ownership shall be processed at an additional fee chargeable to the buyer or seller. The fee presently being charged by FRP for this service is \$220.00 to \$345.00 for requests with less than 5 business days' notice. If state legislation is passed to cap this fee by statute, the Association will pay FRP the difference between the cap and \$220.00 to \$345.00.

EXHIBIT "B"

Exhibit to the Management Agreement entered into between Fieldstone Realty Partners and the
Park at Parsons Town Square Townhome Association, Inc. (Association).

COVENANTS ENFORCEMENT

1. FRP to become familiar and retain a basic knowledge of the Neighborhood Covenants, By Laws and Design Guidelines.
2. FRP to maintain communication with Covenants Committee, if applicable, and provide advisement on all Covenant Violations or Modifications, when requested.
3. FRP will follow up with Covenant Violation correspondence as directed by the Board of Directors or Covenants Committee Chairperson. FRP will write and cause to be mailed Covenant Violation letters, as needed and as agreed upon by the Board of Directors and/or Covenants Committee Chairperson.
4. FRP will serve as a liaison between the Board of Directors and the Association's attorney regarding Covenant issues.
5. FRP will maintain and provide access to, when requested, all files pertaining to Covenant Violations and Modifications.
6. If additional on-site inspections other than regular visits are requested, FRP, at its' sole discretion, may charge a fee which would be based on a rate of \$50.00 per hour including trip time, with a two (2) hour minimum.