

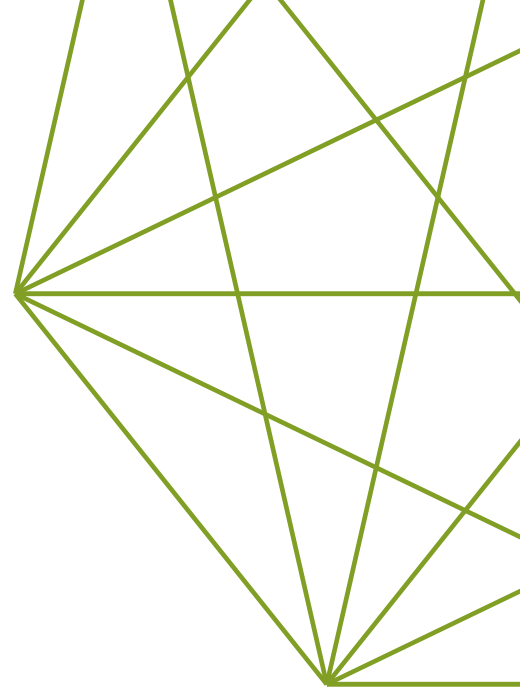
Grandchester Meadows Inc.

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Apex NC 27502



SUNCREST VILLAGE HOA

CONTRACT ASSOCIATION MANAGEMENT

Statement of Confidentiality

The materials contained in proposal and any material or information disclosed during discussions of our services represent the proprietary, confidential information pertaining to our services and methodologies.

Furthermore, the information contained in this document is exclusively for the intended recipient(s). The information enclosed can not be advertised, reused or sold to any outside sources.

Summary of Service Features

SERVICE FEATURE	GOLD+
Long Term Planning - 25 Year Master Budget	★
Receive & Process assessments within 7 days	★
Accounts payable processed in 15 days of receipt from vendor	★
Account statements and payment reminders sent to owners	★
Annual Meeting Attendance - Lead and answer questions	★
Annual Meeting Notification & Proxy Distribution (<u>postage included</u>)	★
Annual Budget & Assessment Distribution (<u>postage included</u>)	★
Owner email database organization	★
Support of real estate transfers	★
Contractor will maintain all files	★
Personalized website creation	★
Create and maintain in-house email addresses for Board	★
Maintain HOA Files (*indicates account files only)	★
Amenity Rentals - Receive	★
Architectural Requests - Receive	★
Violations - Receive	★
Work Orders - Receive	★
Board of Directors liaison	★
After-hour contacts and 24 emergency assistance services available	★
Amenity Rentals - Receive & Process	★
Architectural Requests - Receive & Process	★
Work Orders - Receive & Process	★
Violations - Receive & Process - Directed by Board	★
Communicate and work with all HOA vendors as needed	★
Newsletters / Discretionary Mailings - Printing & Postage Fees	4 mailings
Board Meeting Attendance; Online Support available	4 meetings
Community Inspections -	12 reports
HOA MONTHLY PACKAGE PAYMENT	\$920
HOA ANNUAL PACKAGE PAYMENT	\$11,040

Price based on 160 single family homes.

Additional Services:

- Accountant Tax Fees (3rd Party) - \$275.00
- Additional Mailings; 4 page limit - \$300.00 per set
- Additional Meetings - \$175.00

01. Terms & Pricing

The following document, prepared on **August 20, 2021**, serves as the service contract for the **Suncrest Village Homeowners Association Inc.** (Client) which consists of One Hundred and Sixty (160) single family homes located in Raleigh, NC. **Grandchester Meadows, Inc.** (Contractor) will provide the Client with selected management services for the annual sum of **\$11,040.00** dollars, payable in twelve equal monthly payments of **\$920.00** dollars per month. This contract shall have an effective start date of **October 1, 2021**.

02. General Administration

The Contractor will provide general administrative and community association management services to the Client. The Contractor will supervise the Association to insure proper operational management and maintenance, and to promote a meaningful Owner/Board/Resident/ Contractor relationship. The Contractor will supervise, manage, and report on all contracted business of the Association. This will include all maintenance work orders as well as all common property projects and maintenance. In addition, the Contractor will be responsible for notifying all owners and residents of contracted work schedules. The Contractor will supervise the completion of all work items and will develop work orders as needed with approval of the Board. The Contractor will maintain all files - legal documents, contracts, owner lists, correspondence, rules, site plans, etc. - that are made reasonably available.

03. Assistance to Board of Directors

The Contractor will provide administrative support services to the Client to include notifying the Directors of Board of meetings and circulation of the minutes of the preceding meeting as prepared by the Board Secretary. The Contractor **will attend up to four (4) Board meetings and one (1) Annual Meeting each fiscal year**. The Contractor will help in drafting and amending rules and regulations. There can be an additional **two (2) discretionary transitional meetings** provided at the request of the Client during the first six (6) months during management transition period. The Contractor will assist in the enforcement of rules and regulations by sending violations notices to all members as directed by the Association's Board of Directors. Contractor shall maintain a record of resident violations setting forth the date of the violation, nature of the violation and actions taken by the Contractor, as directed by the Board of Directors, to resolve an issue. Violations observed by the Contractor or reported by any resident shall be verified by the Board of Directors after which time the Contractor shall first make an attempt to resolve the issue. Should that same violation occur with that resident after the specified date, the Contractor, with approval from the Board of Directors, shall notify the resident in writing of the violation and steps needed for resolution as outlined by the governing documents of the community. A total of **twelve (12) community reports generated by the Contractor** are included in this contract.

04. Financial Administration

The Contractor will prepare an annual cash flow budget for the Client. This includes an effective and accurate accounting/ financial system utilizing standard cash/ accrual accounting methods. In addition, the Contractor will provide short and long term planning services for the Client. This includes both financial and property maintenance planning. An annual planning report will be submitted with the Contractor's proposed budget recommendations. Prior to the start of each fiscal year, the Contractor will mail payment coupons for the annual assessments as required by the State. Late Assessments will be in accordance with SCV Administration Resolution.

05. Annual Budget

The Contractor will assist in the preparation of an annual cash flow budget for the Client, detailed to reflect expected operations for each twelve month fiscal year. This budget will be established to illustrate expected, recurring receipts and disbursements. Periodic reviews of the budget will be presented to the Board of Directors for review, discussion, and approval. The Annual budget will be distributed to the membership each year with the annual assessment information prior to each fiscal year.

06. Financial Reports

The Contractor will prepare monthly financial statements to be delivered to the Board Members by the 10th of the month following the reported period that will include: a) Income and Expense Report, b) Status of Reserve Funds, c) Balance Sheet for Assets, Liabilities, and Owner Equity, d) Delinquency Report e) Aging Report by Collection Status f) Payables Aging Report g) Account Reconciliation h) Bank account Register i) Aging Report by Collection Status j) Violation List. The Contractor will only post the annual budget on the website as requested by the Client. The Contractor will prepare a Year-End Statement of the operations for the Association. The Contractor will also assist the CPA, selected by the Board, to do an audit, prepare forms, pay taxes, and to file local, state, and federal reports as required. The CPA will be a third party and charge a separate fee. Upon approval of the Client, the Contractor will complete and file all necessary forms required by local, state, and federal tax agencies. Copies of year end filed documents to be provided to all Board members.

07. Assessment Collection

The Contractor will be responsible for maintaining owner account information and depositing all Association fees. The Contractor will mail account statements to match the bi-annual payment schedule. The Contractor will send late notices to any owner 45 days in arrears and exert reasonable efforts to collect on late accounts which will include reminder notices, late notices, and court action. Printing and postage costs for these notices are included in the service contract price. This contract does not include for any additional attorney fees that may be required for collection. Any legal fees accumulated will be approved by the Board prior to any legal action taking place. The Contractor will deposit all payments within one week of their receipt.

08. Disbursements

The Contractor will prepare and sign all financial disbursements for the Client unless other arrangements are made with the Board of Directors. All payments will be made accurately and in a timely manner.

09. Assist with Communications

The Contractor will assist the Client with distribution of newsletters, special notices, questionnaires, late notices, account statements, etc. This contract will include the cost of printing and postage to deliver **six (6)** notifications to the membership. There will be **one (1) mailing** in which the Contractor will organize the **Annual Meeting** of the Association, including the preparation and the delivery of the meeting notice, proxy forms and agenda with Board approval. There will be **one (1) mailing** in which the Contractor will organize the **Annual Assessment and Budget Information**, including the preparation and the delivery of the notice with Board approval. There can be an additional **four (4) additional discretionary mailings** provided at the request and with the help of the Client per contractual year to the membership. The website would be updated on an as needed basis to reflect the current events of the neighborhood at no additional cost. Contract also unlimited broadcast email notices.

10. Printing & Postage

This contract will include postage and mailing expenses for the **six (6)** pre-selected documents included in the monthly service price as outlined above. There will be no outside fees charged for postage, printing or paper for any mailing included in selected contract price. **Any additional mailings, outside of the six (6) included, can and will be provided at a cost of Three Hundred (\$300.00) dollars per mailing set to cover cost of postage, envelopes, and printing supplies.**

11. Website

The Contractor will create and maintain a public website for the Client. This website will be maintained and updated as needed by the Contractor. Client will be able to assist in website content. This service Contract also includes the set-up and operation of the "NABR" network application.

12. Compensation for Other Services

In the event that the Contractor is requested to attend more meetings than the seven (7) included, the additional charge to attend will be one hundred and seventy-five (\$175.00) dollars. To perform duties other than those required by this contract, the additional charges will be forty five (\$45.00) dollars per hour plus any material costs. All additional charges will be approved by the Board prior to performance of any outside service.

13. Insurance

The Contractor will maintain all necessary insurance coverage for the entire term of this contract. This includes a fidelity bond of \$1,000,000.00. The Contractor will indemnify and hold harmless the Client for any accident, injury, or damage that may happen on or about the property of the Client caused by an act of the Contractor. The Contractor will be responsible for any damage, including incidental and consequential damages, caused by the Contractor when upon the property of the Client to perform the services of this contract, unless the probable cause of such damage is the negligence of the Client or other party.

14. Authority

The Contractor represents and warrants that the undersigned has the authority to act on behalf of the Company and to bind the Company and all who may claim through it to the terms and conditions of this Agreement. The Client represents and warrants that the undersigned has the authority and capacity to act on behalf of the Associations Board of Directors and bind the Association to the terms and conditions of this Agreement.

15. Governing Law

This agreement and the rights and obligations of the parties under this agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of North Carolina.

16. Indemnification

The Client shall defend, indemnify and hold harmless the Contractor, its employees, trustees, officers, and agents ("Indemnified Persons") from and against any and all liability, claims, lawsuits, losses, damages, costs or expenses (including attorneys' fees).

17. Force Majeure

In no event shall the Contractor be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. Furthermore, it is understood that the Contractor shall use all reasonable efforts which are consistent with accepted practices in the industry to resume performance as soon as practicable under the circumstances.

18. Amendments

At any time, the Client and the Contractor may modify this contract proposal by including a written amendment which is mutually agreed to in writing by both parties.

19. Dispute Resolution

Acceptance of this document binds both the Client and Contractor to use their respective best efforts to resolve any dispute(s) that may arise regarding this Agreement. Any dispute shall be considered to have arisen when one Party sends the other Party a written notice of dispute. After receipt of written notification, informal negotiations shall begin within fourteen (14) days from receipt of the written notice of dispute. In the event that the Parties cannot resolve a dispute with informal negotiations, the Parties may agree to submit the dispute to mediation or terminate the service contract. If the Parties agree to mediation, within fourteen (14) days following the expiration of the time period for informal negotiations, the Parties shall propose and agree upon a neutral and otherwise qualified mediator in the State North Carolina. The period for mediation shall commence upon the appointment of the mediator and shall not exceed sixty (60) days, unless such time period is modified by written agreement of the Parties. The decision to continue mediation shall be in the sole discretion of each Party. The Parties will bear their own costs of the mediation. The mediator's fees shall be shared equally by the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations or mediation, the sole venue for judicial enforcement shall be courts preceding over the Association in the State of North Carolina.

20. Termination Clause

Either party may cancel this proposed contract in good faith, with or without cause. Client may terminate the proposed contract upon sixty (60) days written notice to the Contractor. Contractor may terminate the proposed contract upon one hundred and twenty (120) days written notice to the Client. No modifications to this proposed contract will be binding on either party unless made in writing by the authorized representative of the Client and of the Contractor.

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CONTRACT ACCEPTANCE

Client: Suncrest Village HOA

Location: Raleigh, NC

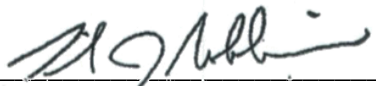
Start Date: October 1, 2021

As authorized on behalf of the Suncrest Village HOA, as the President of the Suncrest Village HOA, hereby accept the proposal agreement outlined in this document.

Pamela Young

Date

I, David J. Robbins, as President of Grandchester Meadows Inc., hereby accept this contractual agreement.



David J. Robbins, President

Aug 31, 2021

Date

Thank you.