

MANAGEMENT AGREEMENT
FOR
ASSOCIATION NAME HOMEOWNERS ASSOCIATION, INC.

This agreement entered into ____ day of _____, 20__, by and between Association Name Homeowners Association, Inc., a Tennessee non-profit corporation, (hereinafter referred to as Association) and Gasser Property Management, LLC, a Tennessee limited liability company (hereinafter referred to as Managing Agent).

It is understood and agreed that the Association is the governing organization of Association Name (hereinafter referred to as Development), pursuant to the Conditions, Covenants and Restrictions and the By-Laws of the Development, as amended.

It is further understood and agreed that the Association is authorized to and desires to employ the Managing Agent for the purpose of managing the operation of the Development, and that the Managing Agent desires to be employed in such capacity.

Therefore, in consideration of the terms, conditions and covenants set forth herein, the parties agree as follows:

I. Appointment and Term of Managing Agent; Termination of Agreement

The Association hereby appoints Managing Agent as exclusive agent of the Association to manage the operation of the Development, or any part thereof, for the benefit of all homeowners, upon such terms as are hereinafter set forth. Managing Agent agrees to this appointment and agrees to use due diligence in the performance of its duties and obligations under this agreement and to maintain adequate staff to do so.

This appointment shall be effective at 12:01 a.m. on _____ shall continue for a period of one year, and shall be automatically renewed for successive one year periods unless either party shall give to the other party written notice of its intent to terminate the agreement at least thirty (30) days prior to the expiration date of the original agreement or any renewal thereof. Notwithstanding, either party may, for any reason, terminate this agreement by giving sixty (60) days' written notice to the other party.

In the event of the filing of a petition in bankruptcy or an assignment for the benefit of creditors by or against either party, the other party may terminate this agreement without notice to the other party.

. Services to be Provided by Managing Agent

Managing Agent agrees to provide the following services to the Association:

A. Administrative

1. to maintain all business records for the Association, including minute books;
2. to prepare and mail any correspondence on behalf of the Association, including mailings to the Association membership;
3. to give required notice of all meetings and to prepare meeting packages for distribution to the attendees;
4. to attend called meetings of the Board of Directors;
5. to attend the annual homeowners meeting;
6. to process transfer information after the sale of a unit and to send a welcome package or welcome letter to any new homeowner;
7. to assist in the enforcement of the conditions, covenants, restrictions, rules and regulations of the Association.

B. Financial

1. to maintain accounting records in accordance with generally accepted accounting principles;
2. to collect monthly dues and special assessments as levied by the Association;
3. to take necessary action to collect delinquent accounts, in consultation with the Board of Directors;
4. to provide such monthly and year-end financial reports as are requested by the Board of Directors;
5. to assist the Board of Directors in the preparation of an annual budget;
6. to assist the Board of Directors in determining the adequacy of the reserves and in planning for future capital expenditures;
7. to contract for and assist a third party Accountant in the preparation of annual tax returns for the Association;

8. to contract for and assist a CPA in conducting an audit of the Association records, if requested by the Board of Directors;
9. to offer general professional assistance to the Board of Directors in financial matters.

C. Maintenance

1. to make monthly on-site visits to the Development for the purposes of inspecting the general condition of the property, both grounds and buildings, and advising the Board of Directors of same, of supervising and inspecting the performance of contractors for grounds care, maintenance of common areas and specific repairs being made at the instigation of the Association, of evaluating overall compliance with the Conditions, Covenants and Restrictions of the Development, and of assisting in long-range planning for the maintenance of the Development;
2. to assist with the development of specifications for work to be performed by contractors, to obtain bids and to assist the Board of Directors in awarding contracts for such work, to verify that the contractors have in place proper permits, licenses and adequate liability and worker's compensation insurance, to obtain lien waivers, as necessary, upon completion of work, and to inspect the performance of such contractors;
3. to handle all service requests from the Board of Directors in the Development promptly and courteously;

D. Insurance

1. to assist the Board of Directors in complying with insurance requirements set forth in the Association governing documents;
2. to notify the Board of Directors and applicable insurance carriers in the event of personal injury or property damage, or claims of either;
3. to coordinate insurance claims between the Association and insurance adjusters.

I. Books and Records

The Managing Agent shall maintain all books, records, documents and accounts relating to the operation of the Association and shall make same available to the members of the Board of Directors of the Association, or their authorized representatives, for inspection during normal business hours. All such records shall be delivered to the Association within thirty (30) days after the expiration or termination of this agreement.

IV. Custodial Bank Accounts

The Managing Agent shall hold all monies collected by it on behalf of the Association in custodial accounts at a state or national bank whose deposits are FDIC insured. Such monies shall be maintained separate and apart from any other accounts owned or maintained by the Managing Agent. One custodial account shall be maintained for payment of operating expenses, with separate interest-bearing account(s) for capital reserves.

V. Compensation of Managing Agent; Expenses

As compensation for performing the services described herein, the Association agrees to pay to Managing Agent the sum of **\$4.50 per month per home**, payment to be made to Managing Agent monthly. Payment will be in addition to payment for actual expenses incurred by the Managing Agent on behalf of the Association, including but not limited to photocopies, supplies, and postage.

VI. Limitation of Authority

The authority and duties conferred on the Managing Agent are limited to those set forth in the Covenants, Conditions and Restrictions and the By-Laws of the Development, as amended.

V. Legal Compliance

Managing Agent shall comply with all federal, state and local requirements for licensing and permits for its performance of all services on behalf of the Association.

VI. Liability of Managing Agent

Managing Agent shall not be liable to the Association for any errors in judgment or for acts or omissions of its employees, agents, or representatives, if made in good faith. However, Managing Agent shall be liable to the Association for willful misconduct, bad faith or gross negligence in the performance of its duties or by reason of its reckless disregard of its duties and responsibilities under this agreement. Managing Agent hereby agrees to indemnify and hold harmless the Association from any costs, expenses, suits or losses resulting from Managing Agent's willful misconduct, bad faith or gross negligence. Managing Agent shall procure general liability insurance in an amount reasonably acceptable to the Association, insuring both the Managing Agent and the Association for loss and liability arising from the activities of Managing Agent in the performance of its duties under this agreement. Managing Agent shall maintain fidelity

bonds, in amounts reasonably acceptable to the Association, on all its employees who are responsible for handling funds of the Association.

IX. Notice

Any notice required or permitted to be served hereunder shall be made by registered mail, return receipt requested, or in person as follows:

To the Association: Association Name
 Homeowners Association, Inc.
 (President at time of notice)

To the Managing Agent: Gasser Property Management, LLC
 Attn: Emery Gasser
 3026 Owen Drive, Suite 109
 Antioch, TN 37013

Either party may change the address for notice by giving notice to the other party. Notice served by mail shall be deemed to have been served five days after deposit in the U. S. mail.

X. Binding Effect; Assignability

This agreement shall be binding upon and inure to the benefit of both the Association and the Managing Agent, and their successors and assigns.

XI. Legal Action

In the event that legal action is necessary to enforce the provisions of this agreement, the prevailing party shall be entitled to recover from the other party reasonable attorney's fees and actual costs incurred in connection with such action.

X. Entire Agreement; Effect of Partial Invalidity; Applicable Law

This agreement shall constitute the entire agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by an agreement in writing executed by both parties. In the event that any section or provision of this agreement be rendered void, invalid or unenforceable by a court of competent jurisdiction, such determination shall not void, invalidate or render unenforceable the remaining sections or provisions hereof. In the event that any section or provision hereunder conflicts with the terms and conditions of the Conditions, Covenants and Restrictions and the By-Laws of the Development, as amended, the latter shall control. This agreement shall be governed by and in accordance with the laws of the State of Tennessee.

In Witness Whereof, the parties hereto have executed this agreement on the day and year first above written.

Association Name Home Owners Association,
Inc.

By: _____
_____, President
Board of Directors

Gasser Property Management, LLC

By: _____
Emery Gasser, Chief Manager