

## MANAGEMENT AGREEMENT

This agreement (the "Agreement") is made and entered into by and between the unit owners' association known as Raintree Plantation Property Owners Association (the "Association"), which is established in accordance with the laws of the State of Missouri, for the property known as Raintree Plantation (the "Property"), and Community Property Management, (the "Agent").

The Board of Directors of the Association (the "Board") on behalf of the Association hereby appoints Agent to manage the Property. The parties further agree as follows:

### Section 1 TERM OF AGREEMENT

The Board appoints Agent exclusively to manage the Property for the period, beginning September 1, 2024 and ending December 31, 2027, and thereafter for periods of three years.

Either party may terminate this Agreement: With or without cause, at the end of the term or at the end of any subsequent one-year period, provided that written notice is given to the other party on or before the sixtieth (60th) day prior to the expiration of the term.

Either party may provide written notice to the other party notifying them of any issue where the other party is not meeting their contractual obligation. The party receiving the notice will have thirty (30) days to take the necessary steps to meet their contractual obligation. If the party receiving notice is unable to reasonably satisfy the issue as stated in the written notice, the notifying party may then submit a thirty (30) day notice to terminate the Management Agreement.

### Section 2 SERVICES OF AGENT

Agent shall perform the following services in the name of and on behalf of the Association, and the Association hereby gives Agent the authority and powers required to perform these services.

#### 2.1. COLLECTION OF ASSESSMENTS

Agent shall collect all assessments and other monies that are due the Association, HOWEVER, Agent shall have no authority or responsibility to collect delinquent assessments or other charges except to use their collections methods and send notices of delinquency (which includes credit reporting and the associated costs as outlined in the Schedule B). All monies collected will be deposited into an account, in the Association's name, in a banking institution insured by the FDIC. The Association shall be the owner of said account and Agent's powers with respect thereto shall be limited to those set forth herein.

#### 2.2. RECORDS OF INCOME AND EXPENDITURES

Agent shall maintain records of all income and expenses relating to the Association and shall submit to the Board on or before the 15th day of the following month, a statement of receipts and disbursements for the preceding month, including a statement of the balance in the Association's operating account including available backup documentation.

#### 2.3. MAINTENANCE OF ASSOCIATION RECORDS AND FILES

Agent shall maintain the records and files of the Association. These records shall include, but not be limited to important documents, contracts, resident communications, public agency

filings, and financial information. Electronic data will be backed up daily and a copy maintained off site. Records kept shall include correspondence, bank statements, contracts, complaints, membership lists, invoices, and records of payment, bid documents, etc.

Books and records shall be made available for inspection by any Association owner, upon reasonable notice, during regular business hours. Administrative and managerial time for this may be billed to the Association as outlined in Schedule B.

2.4. MAINTENANCE OF OWNER RECORDS

Agent shall maintain information provided by owners such as phone numbers, e-mail addresses, emergency contacts, tenant information, etc. Agent's employees must keep this information confidential as much as practicable but may provide this information to other employees of the Agent, Association vendors, or other Association owners for purposes of maintenance, emergencies or other issues which arise while conducting Association business. Owner information will not be sold or provided to 3rd party individuals or companies except as previously outlined. Agent has confidential documents shredded on-site.

2.5. PREPARATION OF ANNUAL BUDGET

Ninety days prior to the beginning of each fiscal year, which begins on January 1st, Agent shall prepare and submit to the Board a recommended Annual Budget for the next year showing anticipated income and expenses for such year. The Board shall finalize and have the future budget approved 45 or more days before it is to take effect.

2.6. MAINTENANCE OF COMMON ELEMENTS

Subject to the direction of the Board, at the expense of the Association, in accordance with the Association's governing documents and approved budget, Agent shall cause the common elements of the Property to be maintained.

The Managing Agent shall provide a minimum of nine monthly inspections of the common areas to determine the status of repairs and maintenance. Any additional inspections, excluding periodic violation monitoring, will be charged at \$150.00 per inspection.

2.7. UTILITIES AND SERVICES CONTRACTS

Subject to the direction and approval of the Board and on behalf of the Association, Agent shall negotiate contracts and purchase on behalf of the Association such equipment, materials, and supplies as are necessary for the proper operation and maintenance of the Property. All such contracts and purchases shall be executed in the name of the Association.

2.8. PAYMENT OF EXPENSES

Subject to the direction and approval of the Board, Agent shall pay all expenses of the community from the funds of the Association.

2.9. RECORDS OF INSURANCE

Agent shall maintain appropriate records of all insurance coverage for the Property. Upon request from the Board, Agent shall prepare specifications and solicit written competitive quotations from qualified insurers for Association's insurance. Agent may bill Association for time to support Association's workers compensation auditor at the Managerial rate outlined in Schedule B.

Agent shall cooperate with the Board in investigating and reporting all accidents or claims for damage relating to the ownership, operation, and maintenance of the common elements of the Property, including any damage or destruction to them. Administrative and Managerial time may be billed to the Association as outlined in Schedule B.

- 2.10. **LITIGATION**  
The Association shall pay all expenses incurred by Agent including, but not limited to, Agent's costs and time (at the Administrative and/or Managerial hourly rate outlined in Schedule B) for the Agent's involvement in the litigation of suits filed by the Association or those filed against the Association.
- 2.11. **EMERGENCY SERVICE**  
Agent shall provide a twenty-four hour, seven-day a week, on-call response service for emergency support of the Association. The maintenance and emergency support system shall consist of arrangements made with qualified and/or licensed personnel or contractors in all trades deemed reasonably necessary to address an emergency for which the Association is responsible. Agent shall not be responsible for the failure of any such contractor to perform as specified. The cost of after-hours emergency support will be billed to the Association at the after-hours hourly rate as outlined in Schedule B and at the cost of any outside contractors.
- 2.12. **CONSTRUCTION & INSURANCE RESTORATION SUPERVISION**  
Through a separate agreement at the time of a major renovation the Association shall pay Agent a construction supervision fee.
- 2.13. **CAPITAL PROJECT MANAGEMENT**  
For capital projects in excess of \$20,000 (where the funding comes from Reserves or Special Assessment) that require administrative and/or oversight the Association shall pay Agent an administrative/oversight fee in the amount of three percent (3%) of the total of all contracts, services and materials or based on time and material at the hourly rates as outlined in Schedule B, whichever is greater.
- 2.14. **SMART PROPERTY RESERVE STUDY**  
If the Association/Board decides to utilize Smart Properties (SP) for their Live Reserve Study, Agent will cover the SP Service cost as a courtesy to the Association, through the term of this agreement. The Association is responsible for setup cost. If management is not renewed at the end of this agreement the Association will reimburse Agent for the SP Service cost Agent paid during the term of this agreement. Reimbursement cost will not exceed \$3,600.
- 2.15. **INNOVIA**  
Agent has purchased a membership and pays a monthly fee to Innovia Community Management Cooperative (CMC), which sources certain products and service programs to lower operational expenses for its Management Members, the Association and the Association's homeowners through rebates, expense reductions, and other consideration.
- 2.16. **SERVICES OF AGENT**  
See Schedule A

### **Section 3 LIMITATIONS ON EXPENDITURES BY AGENT**

In discharging its responsibilities under Section 2 of this Agreement, Agent shall not make any non-budgeted expenditure or incur any nonrecurring contractual obligation exceeding \$2,000 without the prior consent of the Board. Notwithstanding these limitations, Agent may, on behalf of the Association and without prior consent of the Board, expend an amount or incur a contractual obligation in an amount required to deal with emergency conditions, provided that Agent has made diligent and timely efforts to contact the Board prior to any such expenditure.

#### **Section 4 CONFLICT OF INTEREST**

Agent will not accept payment of any type from any party as an inducement for Agent's use of the party's goods or services on behalf of the Association. Agent shall not enter into any agreement for goods or services for the Association with any person or entity related to or affiliated with Agent without the prior written approval of the Association Board.

Nothing herein shall prevent Agent or its affiliates from bidding on Association work or contracting for services with any owner in the Association.

#### **Section 5 ATTENDANCE AT BOARD MEETINGS**

Agent, shall attend 6 virtual or in-person Regular Meetings of the Board and 1 Annual Meeting. Regular Board Meetings will be conducted Monday through Thursday. Agent may charge for time at the hourly rates as outlined in Schedule B for meetings that start after 5:30 p.m. or exceed the contracted 2-hour time period.

Upon not less than 24 hours' notice, Agent will, when possible, attend additional meetings of the Board or of the Association, as requested, provided that the Association shall pay Agent for time at the hourly rates as outlined in Schedule B for Agent's attendance at each unscheduled meeting.

Agent shall not be required to record the Minutes of any meetings. At the Board's direction Agent will provide Administrative Staff to take minutes of meetings. The time will be billed to the Association for time at the hourly rates as outlined in Schedule B. Agent will type the Association's Secretary's hand-written minutes at no charge.

#### **Section 6 LIMITATION OF AGENT'S AUTHORITY & RESPONSIBILITY**

Agent's authority to act and responsibility for the Property shall be subject to the limitations set forth below.

6.1. **STRUCTURAL CHANGES**

Agent shall have no authority to make any structural changes in the Property or to make any other major alterations or additions.

6.2. **BUILDING COMPLIANCE**

Agent shall not be responsible for the compliance of the Property or any of the Association's equipment with the requirements of any building codes or with any statutes, ordinances, laws, rules, or regulations. HOWEVER, Agent shall notify the Association promptly or forward to the Association promptly any complaints, warnings, notices, or summonses received by Agent relating to such matters.

6.3. **AGENT ASSUMES NO LIABILITY**

Agent assumes no liability whatsoever for any acts or omissions of the Association Board, or any previous management.

#### **Section 7 AGENT'S COMPENSATION**

7.1. **FOR MANAGEMENT SERVICES**

The Association shall pay Agent a setup fee of \$4,500.00.

- 7.2. The Scope of Staffing is as follows:
- 7.2.1. Complete Accounting Services @ \$24,000 per year
  - 7.2.2. A Community Manager @ \$49,000 per year. He/she will partially work from Raintree, approximately 30% of his/her time will be working for Raintree Plantation.
  - 7.2.3. Full Time onsite Assistant Manager/Administrator @ \$61,000 per year
    - 7.2.3.1. Using the scope of workhours you provided, this amount is calculated on 20 weeks at 35-hours per week and 32 weeks at 32-hours per week
    - 7.2.3.2. The scope of hours is 87% of the 2080 the original proposal included.
    - 7.2.3.3. 87% of the original quote of \$70,000 per year is \$61,000.
    - 7.2.3.4. This amount is relative to CPM providing corporate benefits package of PTO, Holidays, Health Insurance, and other costs of employment for the onsite employee.
    - 7.2.3.5. If the Board wants CPM to direct and train the onsite employee, but remain her employer, the Association's costs will be all costs of employment, plus payroll processing and 10% for CPM oversight.
  - 7.2.4. CPM Customer Service Team support @ \$12,000 per year
  - 7.2.5. Groundskeeping and mowing to be contracted with a Landscaping Company
  - 7.2.6. CPM to provide maintenance services as needed at Time and Material (unless project can be bid) and through other contractors.
  - 7.2.7. Typical ancillary costs of copies, stationary, postage, collection notices, etc. will be billed as incurred.
- 7.3. Total Administrative cost @ \$146,000 per year
- 7.4. For the Scope of Staffing the Association shall pay Agent a management fee of \$12,166.00 per month through 2025; \$12,775.00 per month through 2026; \$13,415.00 per month through 2027. No further charge shall be made by Agent for Agent's services and other services of Agent's professional staff, except as otherwise expressly provided in this Agreement. For any years beyond the term of this agreement, the management fee shall be adjusted annually upon approval by the Board of the Annual Budget, which adjustment shall be incorporated into this Agreement by reference.
- 7.5. Both parties accept (as presented during the interview process) that the Agent's staff will provide accounting services and 60 hours (on average) of administrative and managerial services to facilitate the monthly management of the Association. Both parties have a responsibility to work to maintain the services at this level so that the cost of management services can remain as contracted. The Association or Agent shall make the other party aware if they have a concern of not enough or too much managerial time is being supplied; both parties will then adjust to make the managerial workload match the compensation or agree upon an adjustment management services or monthly fee.
- 7.6. FOR OTHER SERVICES  
See Schedule B

## Section 8 OBLIGATIONS OF THE ASSOCIATION

The Association shall insure the Property, Agent and itself against liability and bear the expense of any and all litigation against the Property, Agent and the Association as stated below.

### 8.1. INDEMNIFICATION

Except for Agent's (including its agents and employees) willful acts or gross negligence, or actions taken beyond the scope of this Agreement (except those actions requiring emergency repair or services as referred to in Section 3 herein), Association shall indemnify and hold

Agent harmless for any and all damages and expenses sustained by Agent as a result of Agent carrying out the provisions of this Agreement, or acting under the expressed direction of Association, or as a result of the actions of Association by its authorized agent. Expenses include legal counsel as provided by the Association, but Agent may retain independent counsel in its discretion and at its sole expense.

8.2. **INSURANCE**

Association, at its sole expense, shall maintain property, general liability, directors' and officers' liability insurance, workers compensation, fidelity, and cyber liability insurance. Agent shall be an insured on the Association's general liability and directors' and officers' policies.

Association acknowledges that even though certain contractors, due to the size of their company (number of employees) may have a state exemption from the requirement for workers' compensation insurance, this exemption does not protect the Association or its Agent against lawsuits arising from a worker's injury. Therefore, it is important that all contractors working for the Association carry workers' compensation insurance in addition to liability insurance. If the Association wishes to use an uninsured contractor it will indemnify, defend and hold Agent harmless from all claims which arise from the contractor's lack of insurance. This indemnification also applies to contractors hired on behalf of the Association, by an individual Board member with or without notifying fellow Board Members or the Agent.

Agent, at its sole expense, shall maintain its own property, liability, workers compensation, fidelity, and cyber liability insurance.

8.3. **LIAISON**

The Board will appoint one individual to communicate all Board directives to the Agent.

**Section 9 MUTUAL AGREEMENTS**

9.1. **EMPLOYEES**

The Association and Agent agree not to hire the employees of the other during the term of this agreement or for a period of two years after the termination of the agreement.

**Section 10 ASSOCIATION RESPONSIBLE FOR PAYMENTS**

Upon termination of Agreement by either party, the Association shall assume the obligations of any contract or outstanding bill executed by Agent under this Agreement for and on behalf of the Association. Agent shall deliver to the Association, within thirty (30) days after the end of the month in which this Agreement is terminated, all balance of monies due the Association as well as a final accounting reflecting the balance of income and expenses as of the date of termination, and all records or documents which pertain to the Property.

**Section 11 RELATIONSHIP OF AGENT TO THE ASSOCIATION**

The relationship of the parties to this Agreement shall be that of Principal and Agent. Agent shall have no authority to bind the Association, except as expressly provided herein. In taking any action under this Agreement, Agent shall be acting only as Agent for the Association, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement except that of Principal and Agent.

**Section 12 INDEMNIFICATION SURVIVES TERMINATION**

All representations and warranties of the parties contained herein shall survive the termination of this agreement.

**Section 13 FORCE MAJEURE**

Any delays in the performance of any obligations of Agent under this Agreement shall be excused to the extent that such delays are the result of events beyond the control of the affected party, and any time periods required for performance shall be extended accordingly.

**Section 14 NOTICES**

Any notice required or provided for in this agreement shall be in writing and shall be addressed as indicated below or to such other address as Agent or the Association may specify hereafter in writing.

14.1. TO AGENT

Community Property Management  
242 Old Sulphur Springs Road  
Manchester, MO 63021

14.2. TO THE ASSOCIATION

President of the Board

14.3. DELIVERY OF NOTICES

For purposes of this Agreement, notices shall be deemed "given", or "delivered" upon personal delivery thereof or forty-eight (48) hours after having been deposited in the United States mail.

**Section 15 AGREEMENT BINDING ON SUCCESSORS & ASSIGNS**

This Agreement shall be binding upon the successors and assigns of Agent and the administrators, successors and assigns of the Association. However, Agent shall not assign its interest under this Agreement except in connection with the sale of all or substantially all of the assets of its business. In the event of such sale by Agent of all or substantially all of the assets of its business, no further consent shall be required, in said event; Agent shall be released from all liability hereunder, but only upon the written assumption of such liability by the assignee.

SIGNATURES:

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed their respective signatures this 19 day of August, 2024.

ASSOCIATION:

DeWald President  
Board Representative

K. Campbell  
Vice President

AGENT:

Robert Klages  
Robert Klages, V.P. of Operations

## SCHEDULE A - SERVICES PROVIDED BY AGENT UNDER SECTION 2

### 1. Financial Management

- ✓ Establish Operating bank account including lock box services
- ✓ Establish & Fund Reserve accounts as directed by the Board
- ✓ Receive and deposit assessments for the community into Association named account
- ✓ Disburse all checks from Association named account
- ✓ Reconcile bank statements monthly and make them available via the CPM web portal
- ✓ Prepare standard financial reports and make them available via the CPM web portal
- ✓ Maintain ledger for each owner. Provide the Board access to ledgers via the CPM web portal
- ✓ Notify owners when past due; Assess late fees, collection charges, and fines as directed
- ✓ Process delinquent owners through CPM's Collection Practices or as Board otherwise directs
- ✓ Maintain all records for audit and taxes
- ✓ Prepare preliminary budget
- ✓ If requested, present financial summary at annual owners' meeting

### 2. Maintenance and Service

- ✓ Develop and maintain work orders by unit, maintenance type, vendor
- ✓ Review work orders routinely to ensure completed on timely basis
- ✓ Provide 24-hour emergency maintenance
- ✓ Review service contracts
- ✓ Assist Board with developing routine and preventative maintenance schedules such as gutter cleaning, painting etc.
- ✓ At Board's direction, prepare specifications and solicit 3 bids, where practical, for projects and services which exceed \$3,000 in cost
- ✓ Oversee, and review at completion, projects such as painting, sealing, concrete, and asphalt replacement
- ✓ Recommend qualified inspectors to inspect such projects as roof, siding or retaining wall replacement
- ✓ Review random sampling of completed work orders

### 3. General Administrative

- ✓ Supply community access to Association information (owner/unit files including account balances, maintenance, violations, and other pertinent information) via CPM-WEB portal
- ✓ Provide Stan AI (Artificial Intelligence) texting system that will respond to questions regarding the community, provide direction, and supply forms to inquiring owners and Board Members.
- ✓ Provide agendas, financials, contracts, owners requests and other information to Board in advance of all Board Meetings.
- ✓ Assist the Board with processing homeowner Architectural Requests.
- ✓ Prepare and provide correspondence; new and closed work orders/violations to the board via the web portal
- ✓ Provide new owners with introductory information which contains coupons, maintenance requests, rules and regulations, trash pickup dates, maintenance matrix and other information.
- ✓ Prepare and distribute proxies, ballots, and other materials appropriate for the annual owners' meeting. Maintain minutes on the web portal for owner access.
- ✓ Provide an online owner directory via the web portal
- ✓ Maintain all administrative files
- ✓ Provide routine Community Compliance Site Visits and Assist Board in enforcing Declarations, Bylaws and Rules and Regulations. Additional visits will be charged as managerial time is noted on the Schedule B.

**SCHEDULE B - OPTIONAL SERVICES AND RELATED CHARGES**  
**subject to change with 60 days notice**

**Association Expenses**

- Delinquent Notices (\$20.00 - back billed to owner)
- Coordination of Liens and other legal information with Association Attorney (\$75 per occurrence - back billed to owner)
- 1099's (\$75 per year)
- Returned Item Fee (\$35 per returned item - back billed to owner)
- Reconciliation of Non-Community Association Bank Accounts is up to \$75 per month
- Postage (at current rate), Copies (\$.15 ea.), and Envelopes (\$.015 ea.) for delivery of violation notices, other correspondence and all Mass or Special Mailings mailed to all members such as newsletters, annual meeting notice, notice of budget, statements, coupon books (\$3.50 ea.), etc.
- To offset costs and time for electronic payments postage and stationary rates apply to all payments whether paid via US Mail, ACH, Credit Card, etc.
- Administration of Special Assessments is \$3.50 to \$5.00 per unit, per year depending on payment frequency with a \$100.00 minimum
- Administrative & Managerial time beyond the scope of the Agreement, Special Projects, Reviewing Surveillance Videos, Litigation, Administration of Insurance Claims, and Court Appearances/Preparation are billed at \$95 to \$150 per hour
- CPM Maintenance Services Work is billed at \$76.00 per hour + trip charge. After-hours 1.5 to 2 times rate plus t/c according
- Maintenance Supplies billed at cost (no mark-up)

**Optional Expenses - Incurred at Board Request**

- Taking Minutes of Board Meetings by the Manager \$150 per meeting
- Payroll processing/reporting at cost of service
- Paper Record Storage \$25 per box, per year
- Collection Reporting Services at cost
- Auditor and Tax Preparation at cost
- Online Election Services at cost

**Owner Expenses (Will be paid by homeowners, not billed to Association)**

- Mortgage Refinance Documentation - \$195.00 plus Condocerts Handling Fee
- Condo / Villa Resale Certificate - \$125.00 plus Condocerts Handling Fee
- Title Letter & Transfer Fee - \$195.00 plus Condocerts Handling Fee

Rates are subject to CPM being allowed 5 or more days to prepare documents