



A Division of Bennett-Shellenberger Realty, Inc.

MANAGEMENT AGREEMENT FOR

HARTSOCK VILLAGE CONDOMINIUM OWNERS ASSOCIATION, INC.

1. **AUTHORITY.** This Agreement is promulgated in accordance with the declarations, covenants, conditions, restrictions, easements and by-laws of HARTSOCK VILLAGE CONDOMINIUM OWNERS ASSOCIATION, INC., (hereinafter referred to as the "ASSOCIATION"). The governing documents of the ASSOCIATION provide that the elected **Board of Directors** (hereinafter referred to as the "BOARD") may engage the services of a professional manager, and each Homeowner (as a member of the ASSOCIATION) shall be bound by the terms and conditions of all management agreements entered into by the BOARD.
2. **SIGNATORIES.** This Agreement is made by and between ASSOCIATION a Colorado nonprofit corporation, and **BSR Communities, a Division of Bennett-Shellenberger Realty, Inc., DORA License Number ENT1943** (hereinafter referred to as the "MANAGING AGENT").
3. **RECOGNITION AND ACCEPTANCE.** The ASSOCIATION hereby engages the MANAGING AGENT and the MANAGING AGENT hereby accepts engagement on the terms and conditions hereinafter provided, as the exclusive MANAGING AGENT of the ASSOCIATION described by name above and located in Colorado Springs, County of El Paso, and State of Colorado (hereinafter referred to as the "PROJECT". In this context, the MANAGING AGENT recognizes and accepts the requirements and limitations set forth in the ASSOCIATION's recorded Declaration of Covenants, Conditions and Restrictions (the "DECLARATION").
 - 3.1 **MANAGING AGENT.** All services performed by the MANAGING AGENT under the provisions of this Agreement shall be rendered as a MANAGING AGENT employed by the ASSOCIATION.
 - 3.2 **DISCLOSURES.**
 - 3.2.1 The MANAGING AGENT shall comply with the annual disclosure requirements under CRS 12-61-1004.5, regarding disclosure of fees and other amounts it will charge to the ASSOCIATION.
 - 3.2.2 The disclosure as described above is attached hereto as Attachment 1.
4. **POWERS AND DUTIES.** The BOARD may delegate any of its powers and duties to the MANAGING AGENT; provided, however, the BOARD when so delegating shall not be relieved of its responsibilities as specified in the ASSOCIATION's governing documents and the MANAGING AGENT must expressly accept and acknowledge such delegation;



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and provided further, any such delegation shall comply with CRS 38-33.3-306(3). Notwithstanding these provisions, the MANAGING AGENT shall manage the PROJECT to the extent, for the period of, and upon the terms of this agreement.

5. COMMUNICATIONS AND CONFERENCES. If the MANAGING AGENT becomes aware of any urgent or extraordinary situation, event or circumstance that would, by reasonable interpretation, substantially affect the ASSOCIATION, the MANAGING AGENT shall promptly notify the BOARD by the most appropriate means. Otherwise, the MANAGING AGENT shall inform the BOARD as to the routine administration of the PROJECT, by attendance at regular BOARD MEETINGS, scheduled on a quarterly basis, or at greater intervals, as directed by the BOARD. The MANAGING AGENT shall also attend the Annual Meeting of Homeowners.
- 5.1 SPECIAL MEETINGS. The BOARD may convene Special Meetings as provided in the ASSOCIATION's governing documents. The BOARD shall give at least a 72-hour notice to the MANAGING AGENT if the MANAGING AGENT's attendance at a Special Meeting is requested.
- 5.2 HOURLY FEES. The MANAGING AGENT shall attend four (4) Regular Meetings and one (1) Annual Meeting at no charge beyond the monthly service fee specified in this Agreement. However, the MANAGING AGENT shall be entitled to an hourly fee as specified in Paragraph 20.3 of this Agreement, charged to the ASSOCIATION, for attendance at any Special Meeting, or for that portion of any regular meeting which exceeds 90 minutes duration, or for meetings held after regular business hours, 8:00 am – 5:00 pm.
- 5.3 URGENT MATTERS. The MANAGING AGENT may request a meeting of the BOARD, by notification to the appropriate officers, where the authority of the BOARD is required to act upon matters in which time is of the essence.
- 5.4 MINUTES. The business conducted at any BOARD Meeting, Special Meeting or Annual Meeting shall be recorded in written MINUTES. The duty to record MINUTES shall remain with the BOARD or its appointed Secretary. The MANAGING AGENT shall not serve as Secretary to the BOARD, nor shall the MANAGING AGENT be required to record or transcribe any MINUTES, but shall keep a copy of the approved minutes on file with the ASSOCIATION's records and documents; however, ASSOCIATION may request that minutes are transcribed by a BSR administrative assistant at the ASSOCIATION'S expense
6. DESIGNATED CONTACT. The MANAGING AGENT shall designate a specific individual in its employ as the primary Manager for the ASSOCIATION. Likewise, the BOARD shall designate one of its officers who shall be authorized to deal with the MANAGING AGENT on any matter relating to the management of the ASSOCIATION. In the absence of any other designation by the BOARD, the President of the BOARD shall have this authority.



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- 6.1 **RESTRICTIONS.** The MANAGING AGENT shall not accept directions or instructions regarding the management of the ASSOCIATION from any individual Homeowner (other than designated BOARD Members), except within the scope of requests for routine maintenance of Common Elements. All other requests, comments or complaints shall be forwarded to the BOARD for approval or appropriate action.
7. **MAPS AND PLANS.** The ASSOCIATION shall furnish the MANAGING AGENT copies of all maps and plans that might reasonably be required in the performance of duties described herein (especially as they might pertain to the location of utilities, easements, property boundaries, and the definition of Common Elements).
8. **GUARANTEES AND WARRANTIES.** The ASSOCIATION shall furnish the MANAGING AGENT with copies of all guarantees, warranties, and similar documents pertinent to the Common Elements, if any are in force and available to the ASSOCIATION at the time of the execution of this Agreement.
9. **FILES AND RECORDS.** The MANAGING AGENT shall be the Custodian of the ASSOCIATION's official records and documents, to include routine correspondence, tax files, insurance policies, accounting books, computer data (recorded by any commercially reasonable means) and any other papers or certificates which might reasonably accumulate on behalf of the ASSOCIATION.
- 9.1 **OWNERSHIP AND INSPECTION.** All such files and records shall be the property of the ASSOCIATION and shall be available for examination and copying by authorized persons during regular business hours, as per ASSOCIATION record keeping policy.
10. **ASSESSMENTS.** The MANAGING AGENT shall receive and receipt all assessments and other monies payable to the ASSOCIATION by the Homeowners, whether the assessments are payable annually, quarterly, monthly, or as special assessments, fines, interest, attorney's fees, court costs or other funds. The MANAGING AGENT shall also be responsible for the collection of delinquent assessments and other charges listed above, including the sending of notices of delinquency and using reasonable means (to include the services of an attorney or professional collection agency) to collect the same. MANAGING AGENT shall follow ASSOCIATION Collection Policies.
- 10.1 **COLLECTION FEES.** The MANAGING AGENT shall charge the ASSOCIATION the hourly fee specified in Paragraph 20.3 of this Agreement, for any work related to the collection of delinquent accounts, other than the preparation and mailing of routine delinquency notices. All other costs incurred in the collection process (e.g. attorney's fees, filing fees for court documents, time spent in court, time giving depositions in lieu of court appearances, etc.) shall be billed to, or



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reimbursed by, the ASSOCIATION. The MANAGING AGENT shall keep an account of such charges, fees and costs so that they may eventually be collected from the Homeowner on behalf of the ASSOCIATION.

11. BANK ACCOUNTS. All monies collected by the MANAGING AGENT on behalf of the ASSOCIATION shall be deposited in bank accounts which are insured by the FDIC and which accounts indicate the trust, trustee, or escrow nature thereof in accordance with Colorado law and the Colorado Real Estate Commission Rules and Regulations for deposit of the monies of the ASSOCIATION. The selection of a bank is left to the MANAGING AGENT, and the choice shall be made on the basis of which bank offers the best advantage to the ASSOCIATION in terms of service, convenience, bank charges, interest rates, etc. ASSOCIATION funds shall always be kept separate and apart from the MANAGING AGENT's own funds.
 - 11.1 SIGNATURES. The signature of the President or Treasurer of the ASSOCIATION shall be required for all checks, drafts, or orders for payment of monies, notes or other evidence of indebtedness issued in the name of the ASSOCIATION, unless specified otherwise by the BOARD, or provided differently in the DECLARATION or the By-Laws.

12. DISBURSEMENTS. The MANAGING AGENT shall pay when due, from the funds collected and deposited in the accounts under the name of the ASSOCIATION, all charges, taxes, fees, invoices, premiums, and such other obligations incurred by the ASSOCIATION as operating expenses with respect to the maintenance or operation of the PROJECT, or incurred by the MANAGING AGENT on behalf of the ASSOCIATION (to include the specified monthly Management Fee), and any other compensation due and payable to personnel and contractors as herein provided, pursuant to the terms of this Agreement and the direction of the BOARD. The MANAGING AGENT shall not advance funds to the ASSOCIATION for any purpose or reason whatsoever.
 - 12.1 RESERVES. After disbursement as specified above, any balance remaining in the ASSOCIATION's Operating Account may, from time to time, be transferred to a separate interest-bearing Reserve Account, Certificate of Deposit, or other savings plan, but only as specifically directed by the BOARD.

13. FINANCIAL STATEMENTS. The MANAGING AGENT shall render to the ASSOCIATION not later than the 15th day of each succeeding month, a statement of receipts and disbursements as of the end of the previous month. As a standard practice a copy of this Financial Statement shall be furnished to each BOARD Member on a monthly basis, and to any other Homeowner who so requests.

14. FINANCIAL REVIEW. At such times as the BOARD shall request, the ASSOCIATION's records, books, and accounts may be reviewed by a Certified Public Accountant whose



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report shall be submitted to the BOARD. The cost of any such audit or review shall be paid by the ASSOCIATION.

14.1 TAX RETURNS. Tax returns as required by law shall be prepared and filed at the direction of the BOARD.

15. ANNUAL BUDGET. The MANAGING AGENT shall prepare an Annual Budget for the ASSOCIATION, reflecting anticipated receipts and disbursements for the new fiscal year, based upon the current or proposed schedule of regular assessments. The Annual Budget, together with a statement explaining the rationale for the various estimates and projections, shall be submitted to the BOARD for review and approval. The MANAGING AGENT shall work with the BOARD to make any adjustments in the Budget that are determined to be appropriate or necessary.

16. CORPORATE REPORTS. The MANAGING AGENT shall prepare and file all corporate reports, and any other forms or certificates required by law or statute. Any taxes, fees or other costs directly associated with these requirements shall be charged to, or reimbursed by, the ASSOCIATION.

17. INDEMNITY. The ASSOCIATION shall indemnify, defend and save the MANAGING AGENT and its officers, directors, employees and agents, harmless from all claims, investigations, and suits with respect to any alleged or actual violation of state or federal laws, except in the case of willful misconduct or gross negligence of the MANAGING AGENT or its employees, and from all claims arising out of the course of its duties in connection with the management of the ASSOCIATION, including the liability for contracts or obligations incurred pursuant to the terms of the Agreement or resulting from defects in the property (including the existence of hazardous materials on the property) or from the BOARD's breach of any of its legal duties or obligations hereunder, and from liability for injuries suffered by an employee or any person whosoever while on the property or premises. The BOARD agrees to carry, at the expense of the ASSOCIATION, Comprehensive General Liability Insurance, with the MANAGING AGENT's interests being fully insured, in amounts adequate to protect the interest of the ASSOCIATION and the MANAGING AGENT. The BOARD's obligations under this Paragraph shall include the payment of all settlements, judgments, damages (liquidated or otherwise), penalties, forfeitures, back pay awards, court costs, litigation expenses, attorneys' fees, and other reasonable fees, incurred by the MANAGING AGENT in defending any claim covered by the foregoing indemnity, including any action brought against the MANAGING AGENT for injury or damage claimed to have been suffered upon the property, except such claims arising from willful misconduct or gross negligence of the MANAGING AGENT or its employees.

17.1 ATTORNEYS' FEES. The ASSOCIATION shall be responsible to pay all expenses incurred by the MANAGING AGENT including, without limitation, attorney's fees for counsel employed to represent the MANAGING AGENT or the BOARD in any



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proceeding or suit involving an alleged violation by the MANAGING AGENT or the BOARD, or both, of any constitutional provision, statute, ordinance, law, or regulation of any governmental body pertaining to environmental protection, fair housing, or fair employment including, without limitation, those prohibiting or making illegal discrimination on the basis of race, creed, color, religion, or national origin in the sale, rental, or other disposition of housing or any services rendered in connection therewith or in connection with employment practices (unless, in either case, the MANAGING AGENT is finally adjudicated to have personally, and not in a representative capacity, violated such constitutional provision, statute, ordinance, law, or regulation), but nothing herein contained shall require the MANAGING AGENT to employ counsel to represent the BOARD in any such proceeding or suit.

- 17.2 COMPLIANCE OF THE ASSOCIATION. The MANAGING AGENT shall have no responsibility for the compliance of the ASSOCIATION or any of its equipment or property with the requirements of any ordinances, laws, rules or regulations (including those relating to the discharge of solid, liquid, or gaseous wastes) of any governmental or municipal agency, or any public authority or official thereof, having jurisdiction over it, except to notify the BOARD promptly of any complaints, warnings, notices, or summonses received by the MANAGING AGENT relating to such matters. The BOARD represents that to the best of its knowledge, the ASSOCIATION complies with all such requirements, and the BOARD authorizes the MANAGING AGENT to disclose the ownership of the ASSOCIATION to any such officials, and agrees to indemnify and hold harmless the MANAGING AGENT, its representatives, servants, and employees of and from all loss, cost, expense, and liability whatsoever which may be imposed on any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules, or regulations.
- 17.3 MANAGING AGENT'S RIGHT TO CANCEL. In the event it is alleged or charged that any act or failure to act by the ASSOCIATION or the BOARD, or any ASSOCIATION property, fails to comply with, or is in violation of, any of the requirements of any constitutional provision, statute, ordinance, law, or regulation of any governmental body or any order or ruling of any public authority or official thereof having or claiming to have jurisdiction thereover, and the MANAGING AGENT in its sole and absolute discretion considers that such charged or alleged act or failure may result in damage or liability to the MANAGING AGENT, the MANAGING AGENT shall have the right to cancel this agreement at any time by written notice to the BOARD of its election to do so, which cancellation shall be effective upon the service of such notice. Such cancellation shall not release the indemnities of the ASSOCIATION or the BOARD set forth in the Paragraphs above and shall not terminate any liability or obligation of the ASSOCIATION or the BOARD to the MANAGING AGENT for any



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payment, reimbursement, or other sum of money then due and payable to the MANAGING AGENT hereunder.

18. SERVICES AND FUNCTIONS. Subject to the direction of the BOARD, the MANAGING AGENT shall cause the Common Elements of the PROJECT to be maintained according to standards consistent with the character of the PROJECT, and in compliance with any guidelines or restrictions imposed by such regulatory agencies as may have jurisdiction therein. The MANAGING AGENT shall render services and perform duties as follows:
- 18.1 SERVICE CONTRACTS. Subject to approval by the BOARD, and in the name of the ASSOCIATION, and at the expense of the ASSOCIATION, the MANAGING AGENT shall make and administer contracts for water, sewer, gas, electricity, trash collection, landscape maintenance, snow removal, regular and preventative maintenance programs, and other required services or utilities, or such of them as the BOARD shall deem necessary or advisable, for the preservation or benefit of the Common Elements. Further, the MANAGING AGENT shall provide the BOARD with recommendations and rationale for the selection of specific contractors or vendors for the services described in this subparagraph, except where a service is only available from one source, as in the case of a public utility. All vendors shall be required to carry and maintain all appropriate insurance including, but not limited to, general liability with a minimum of \$1,000,000 in coverage and Workman's Compensation.
- 18.2 SERVICE PERIOD. Generally, service contracts shall be issued for a period of one year, except when otherwise approved by the BOARD and where a different service period would be more practical or more advantageous to the ASSOCIATION.
- 18.3 LIMITS. This clause is restricted to the extent that the MANAGING AGENT shall not make any expenditure or non-recurring obligation exceeding **\$1,000.00** without the prior consent of the BOARD, except where necessary to alleviate an emergency condition which may pose a danger to life or property or an imminent threat to the structural or physical integrity of the Common Elements, may interrupt an essential service to the ASSOCIATION, may void required insurance coverage, or in cases where such work is mandated by municipal or governmental ordinances or regulations and time is of the essence in order to avoid fines or penalties or other preventable adversities.
- 18.4 CONTRACT BIDS. Notwithstanding the MANAGING AGENT's authority as to emergency repairs, major expenditures of more than **\$2,500.00** will be on a bid basis from at least two contractors or vendors in the relevant field, unless approved otherwise by the BOARD. It is understood and agreed that the MANAGING AGENT shall, insofar as practical, confer with the BOARD regarding every such expenditure.



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- 18.5 PURCHASES. The MANAGING AGENT shall purchase on behalf of the ASSOCIATION such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the PROJECT. All such purchases shall be at the expense of the ASSOCIATION.
- 18.6 REBATES. When accepting contract bids or issuing purchase orders, the MANAGING AGENT shall be under a duty to secure for, and credit to, the ASSOCIATION rebates reasonably obtainable because of such purchases or contracts.
- 18.7 SPECIAL PROJECTS. From time to time, the ASSOCIATION will undertake special projects or insurance claims to replace, modify, restore or improve various components or facilities in the Common Elements. When requested by the BOARD, the MANAGING AGENT shall assist in the conduct of these projects by making recommendations, obtaining bid proposals, acting as liaison with contractors or municipal agencies on behalf of the ASSOCIATION, tracking contractor performance on specific jobs, etc. The MANAGING AGENT shall charge the ASSOCIATION a service fee equivalent to Section 21.3 below for work in preparation and operation of such projects, or up to 1% of the contractor's invoice amount for such projects, whichever is greater, except that there shall be no surcharge or fee for projects costing less than \$10,000.00 for labor and materials.
- 18.8 INSURANCE. The MANAGING AGENT shall cause an annual review of the ASSOCIATION's insurance coverage, as specified in the ASSOCIATION's governing documents, with particular attention given to the level of coverage, deductible amounts, competitive rates, quality of service, response to claims, and any changes in replacement costs or property values. At a reasonable time prior to expiration of insurance coverage, the MANAGING AGENT shall submit to the BOARD recommendations for issuance or renewal of specific policies. The BOARD shall authorize the MANAGING AGENT to place or keep in force the required or preferred insurance coverage, as appropriate. All of the various types of insurance coverage required shall be placed with such companies, in such amounts and with such beneficial interests appearing therein, as shall be acceptable to the BOARD. Further, the MANAGING AGENT shall cooperate with the BOARD and the Insurance Carrier (or the Carrier's adjusters and agents) in investigating and reporting all accidents or claims for damage or destruction relating to the management, operation, or maintenance of the Common Elements or other insured property. Management Company and agents carry E&O Insurance as required by State Law. The ASSOCIATION at its cost must carry a FIDELITY INSURANCE to meet state law requirements and list Managing Company as an additional Insured and a Named Insured.



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- 18.9 NEWSLETTERS AND NOTICES. The MANAGING AGENT may supervise the drafting, preparation, composition, and editing of notices and newsletters. However, the BOARD or its appointed committees shall be encouraged to participate in the process by submitting text, outlines, photographs, artwork, or other graphic material suitable for publication. All materials and services necessary for the production of such notices or newsletters, such as paper stock, envelopes, letterhead stationery, costs for necessary computer publishing programs or graphic art supplies and services, the cost of printing and duplication, and the cost for required postage shall be at the expense of the ASSOCIATION.
- 18.10 MANAGEMENT AGENT INSPECTIONS. The MANAGING AGENT or designee shall inspect the PROJECT at least once per month in the summer and once per month in the winter and follow the ASSOCIATION's covenant enforcement policy per the DECLARATION. THE MANAGING AGENT shall provide a written report to the board at the regular meeting outlining their assessment of the condition of the PROJECT and tasks that need to be completed.
- 18.11 FIDELITY INSURANCE. Those officers, directors, agents, contractors, or employees who handle or are responsible for the handling of the ASSOCIATION's monies shall be covered by a fidelity insurance protecting the ASSOCIATION in an amount, and with a carrier, determined by the MANAGING AGENT. Said fidelity insurance shall be obtained at the expense of the ASSOCIATION.
19. INDIVIDUAL DWELLINGS OR UNITS. The authority and duties conferred upon the MANAGING AGENT hereunder regarding the physical aspects of the PROJECT are generally confined to the Common Elements and other duties specified in the DECLARATION. Such authority and duties do not and shall not include the supervision, maintenance, management or repair of individual homes or units except as specified herein or directed by the BOARD.
- 19.1 SEPARATE SERVICES. Nothing in this Agreement shall preclude the MANAGING AGENT from executing separate and independent agreements with individual Homeowners for the provision of services not furnished by the ASSOCIATION, or not otherwise provided for in the DECLARATION. Such independent agreements shall not be considered as a conflict of interest. The MANAGING AGENT may act separately from the terms of this Agreement to handle real estate sales, lease or rental agreements, the management of individual dwellings, or such other services as may be agreed upon between the MANAGING AGENT and the Homeowner, and which are not otherwise expressly precluded by the Agreement between the MANAGING AGENT and the ASSOCIATION.



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- 19.2 SEPARATE ACCOUNTING. Payment of any costs or invoices resulting from such separate agreements as referred to in the subparagraph above shall be the sole responsibility of the individual Homeowner. All billing, accounting and record-keeping for agreements or transactions with individual Homeowners shall be kept entirely and completely separate from the records of the ASSOCIATION, and the ASSOCIATION shall in no way be obligated to, or charged for, the resolution of any matters arising out of the separate agreements in the context of the aforementioned subparagraph.
20. COMPENSATION. The compensation to which the MANAGING AGENT shall be entitled, for the basic services performed under this Agreement, shall be payable not later than the 1st^h day of each month, in the amount of \$1,050.00.
- 20.1 ONE-TIME SETUP FEE. A one-time setup fee of N/A shall be charged to cover the costs of transferring account data, moving files, etc.
- 20.2 ADDITIONAL CHARGES. Additional compensation to the MANAGING AGENT shall be such other fee or fees as may be agreed to by the parties to this Agreement, from time to time, to compensate MANAGING AGENT for services which are not usual or normal. The MANAGING AGENT's monthly statement shall include a summary of charges for reimbursement of costs or fees as authorized by this Agreement or approved by the BOARD.
- 20.3 HOURLY RATES. The hourly rates described in this Agreement shall accumulate at the rates indicated below and shall be billed in quarter-hour increments for any period of 1 to 15 minutes and shall be itemized on the MANAGING AGENT's monthly statement.
- 21.3.1 \$200.00 - CEO, COO, or Director of CAM
 - 21.3.2 \$150.00 - Professional Community Association Manager (PCAM)
 - 21.3.3 \$100.00 - Credentialed Manager (CMCA, AMS)
 - 21.3.4 \$ 75.00 - Administrative Staff/Non-credentialed Manager
- 20.4 SCHEDULE OF FEES. A schedule of fees is provided as Attachment 1 of this Agreement for any services not specifically covered.
21. TERMS. This Agreement shall be in effect commencing on **January 1, 2020** with provisions for termination as follows:
- 21.1 RENEWAL OR TERMINATION. This Agreement shall continue for a period of one year from the commencement date entered above, and shall be automatically renewed for one- year extensions, provided however that this Agreement may be terminated without cause by the BOARD or the MANAGING



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AGENT, upon the last day of any calendar month, if either party serves the other with a written Notice of Termination thirty (30) days in advance. Upon termination, the parties to this Agreement shall account to each other with respect to matters outstanding as of the date of termination.

21.2 **BANKRUPTCY.** In the event a petition in bankruptcy is filed by or against the MANAGING AGENT, or in the event that it shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party hereto may terminate this Agreement without notice to the other. In the event this Agreement is terminated pursuant to this, the ASSOCIATION shall immediately and automatically have a lien upon all funds held by the MANAGING AGENT for the benefit of the ASSOCIATION in accordance with the terms of this Agreement. The ASSOCIATION shall have the right and power to do all things necessary for the enforcement and foreclosure of said lien.

22. **DEFINITIONS.** Words used in this Agreement shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions of the ASSOCIATION, in the Office of the Clerk and Recorder of El Paso County, Colorado.

23. **BENEFIT.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors, and assigns. Notwithstanding the preceding sentence, the MANAGING AGENT shall not assign its interest under this Agreement without the prior written approval of the BOARD, except in connection with the sale of all or substantially all of the assets of its business to another qualified company or person, which shall be determined in the sole and absolute discretion of the MANAGING AGENT; in the event of such a sale, the MANAGING AGENT shall be released from all liability hereunder upon the express assumption of such liability by its assignee.

24. **NOTICE.** Any notice required or permitted to be served hereunder may be served by reasonable electronic means or certified mail or in person as follows:

24.1 If to the MANAGING AGENT:

BSR COMMUNITIES
1710 E. Pikes Peak Ave., Suite 200
Colorado Springs, CO 80909

24.2 If to the ASSOCIATION, said notice or mail shall be delivered to the private residence of the President of the Board, serving the ASSOCIATION at that point in time. If for any reason the BOARD's President is not available to receive such notice or correspondence, then said notice or mail shall be delivered to the next Board Member in succession.



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24.3 Either party may change the address for notice by notifying the other party. Such changes shall not require or constitute a change to this Agreement. Notice served by mail shall be deemed to have been served when deposited in the mail.

25. ENTIRE AGREEMENT. This Agreement shall constitute the entire Agreement between the contracting parties, and no variances or modifications thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement.

26. INVALID PROVISION. Should any provision of this Agreement be declared invalid by any court of competent jurisdiction, the remaining provisions hereof shall remain in full force and effect.

27. ARBITRATION. With the exception of either party's right to bring a legal or equitable action in court to enjoin a violation of any provision of this Agreement, the parties agree that any controversy, claim, or dispute arising out of or relating to this Agreement shall be submitted to final and binding arbitration pursuant to the rules of the American Arbitration ASSOCIATION, before Judicial Arbitrator Group ("JAG") in Colorado Springs, Colorado. The arbitration hearing shall be held in Colorado Springs, Colorado, must be commenced within one year of the date when the claim accrued by a written demand of arbitration filed with JAG, and shall be confidential, except to the extent necessary to enforce an award. The parties waive their rights to jury trial to the fullest extent possible. The parties agree to be bound by all decisions and awards in such proceedings. Such decisions and awards shall be final and conclusive and may be entered in any court having jurisdiction thereof for judgment. The arbitrator shall not have the right to award punitive damages, damages for non-pecuniary loss, lost profits, or consequential damages. Any award of costs or fees of the arbitrator or arbitration organization are discretionary with the arbitrator. However, arbitrator shall award reasonable costs and attorney's fees to the prevailing party.

28. EXECUTION. In WITNESS WHEREOF, the parties hereto have executed this Agreement this 12 day of December, 2019

"ASSOCIATION"

"MANAGING AGENT"

Hartsock Village Condominiums

**BSR Communities,
a Division of Bennett-Shellenberger
Realty, Inc.**

By: Barbara A. Budd

[Signature]

Barbara A. Budd

Print Name

**Steve Kouri, CAM, CMCA®, AMS®, PCAM®
Director of Community Management**

Title: President



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ATTACHMENT 1

COSTS IN ADDITION TO MONTHLY MANAGEMENT FEE IN AGREEMENT:

Administrative Costs

- Check Processing \$10.00 per month
- Copies \$0.25 bw / \$.0.35 color
- Coupon Books \$5.00 per book
- Envelopes-Large (9x12) envelopes \$0.30/envelope
- Envelopes-Regular (#10 envelopes) \$0.10/envelope
- Labels (30/sheet) \$0.25/sheet or partial sheet
- Postage Current rate
- Certified Mail \$10.00 per letter
- Shredding \$10.00 per month
- Storage (paperless and paper storage) 1-200 units \$25.00 per month
- Storage 201-500 units \$35.00 per month
- Storage 501-1000 units \$55.00 per month
- Storage 1001+ \$75.00 per month
- Website hosting services \$40.00 - \$100.00/month
- Caliber Portal \$10.00 per month

Collection Costs

- Demand Letter \$25.00 per letter



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Resale Fees:

User Type: Escrow

- Status Letter and Seller Required Disclosure Package
(Includes all REQUIRED Association Documents)
- Cost: \$302
- Additional Fees
 - Status Letter Update Fees
 - 1-60 Days \$0
 - 61-90 Days \$25
 - 91-120 Days \$35
 - 121-180 Days \$45
 - Rush Fees
 - Status Letter (1 Business Day) \$65
 - Status Letter (3 Business Days) \$50
 - Status Letter (5 Business Days) \$35
 - Questionnaire (1 Business Day) \$65
 - Questionnaire (2 Business Days) \$40
 -
- New Account Set up Fee (Transfer Fee) \$275

User Type: Homeowners

- Homeowners Annual Disclosure
- Cost: \$0

User Type: Realtor

- Association Documents for Realtors
- Cost: \$0

User Type: Lender

- Premium Lender Bundle
 - Cost: \$177
- Standard Lender Bundle
 - Cost: \$152