

**Z & R PROPERTY MANAGEMENT  
PROFESSIONAL MANAGEMENT AGREEMENT WITH  
HARTSOCK VILLAGE CONDOMINIUM HOA**

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**WE DO NOT CHARGE TRANSITION OR SETUP OR DEPARTURE FEES**

**1. PARTIES:** This Agreement, made this 1st day of June, 2021, by and between Hartsock Village Condominium HOA, Inc., hereinafter called the "Association", and Z&R Realty, Inc. d.b.a. Z&R Property Management, hereinafter called the "Manager". Said contract shall become effective the 1st of June, 2021. In consideration of the terms, conditions, and covenants hereinafter set forth, the parties hereto agree as follows:

**2. CONTRACT:** The Association hereby contracts with the Manager and the Manager hereby accepts this contract on the terms and conditions hereinafter provided, as exclusive Manager of the Association, located in Colorado Springs, El Paso County, Colorado.

**3. ASSOCIATION FUNCTION:**

A. The Manager fully understands that the function of the Association is the affordable operation and management of the Association, including the general common elements, and the limited common elements appurtenant thereto, and Manager agrees, notwithstanding the authority given to the Manager in this agreement, to confer fully with the Board of Directors of the Association in the performance of its duties as herein set forth and to attend all Association or Board meetings as required in Attachment "A". The Manager will prepare and provide a meeting packet to the Board at least 3 days prior to regularly scheduled meetings. The packet will include all items requested by the Board but at least the items requested in Attachment "A". Manager will email the packet to the Board in .pdf format and provide paper hard copies if requested.

B. The Association hereby agrees to give notice to Manager of each Association and Board meeting. Upon its own initiative, Manager may request a meeting of the Association or the Board by written request to appropriate officers, directors, or members of the Association; where authority of the Association is required to do some act or where matters within their authority must be resolved, then the Board shall forthwith convene to act upon such matters. It is further understood and agreed that the authority and duties conferred upon the Manager hereunder regarding the physical aspects of the Association are generally confined to the general and limited common elements as defined in the recorded Declaration of Covenants, Conditions and Restrictions for the Association. Such authority and duties do not and shall not include supervision or management of individual Homeowners units except as specified herein or as directed by the Association.

**4. INFORMATION:** In order to facilitate efficient operation and if they are available, the Association will furnish the Manager with a set of the plans and specifications of the Association as available to the Association, and, with the aid of these documents and inspection made by competent personnel, the Manager will inform itself with respect to the layout, construction, location, character, plan, and operation of the various utility systems and other mechanical equipment relating to the common elements and overall operation of the Association. Copies of guarantees and warranties pertinent to the common elements, roofs, and exterior walls of the Association, if any, which are in force and available to the Association at the time of the execution of this Agreement, shall be furnished to the Manager by the Association. Manager will safeguard these documents and return them to the Association in the event of termination or resignation.

5. **EMPLOYEES:** All employees and personnel necessary for the efficient discharge of the duties of the Manager shall be employees of the Manager, or insured independent sub-contractors. Those employees of the Manager who handle or are responsible for the handling of the Association's money shall be fully insured in accordance with the Declarations and Bylaws of the Association and Colorado State law.

6. **SERVICES AND DUTIES:** Manager shall render services and perform duties as follows:

A. On the basis of an operating schedule, job standards, and budget previously approved by the Board on the recommendation of the Manager, Manager shall investigate, contract (in the name of the Association), pay and discharge the personnel necessary to be employed in order to properly maintain and operate the Association at the expense of the Association. The Manager shall be an independent contractor and compensation for the services of such personnel shall be considered an operating expense of the Association, but personnel shall not be employees of the Association. The Association shall not pay for the salaries of the Manager's office staff. Personnel hired by the Manager shall be independent contractors to the maximum extent possible and shall not be employees of the Association.

B. Manager shall ascertain the general condition of the Association.

C. Manager shall maintain businesslike relations with Owners and Guests, whose service requests shall be received, considered, and recorded in a systematic fashion in order to show the action taken with respect to each. Complaints of a serious nature shall, after investigation, be reported to the Board with appropriate recommendations. The Manager, in addition, shall have the authority and the responsibility to monitor and enforce compliance with Declarations, Articles, Bylaws, Rules and Regulations and any other Association guidelines or policies.

D. Manager shall cause the buildings, appurtenances, and grounds of the Association to be maintained according to all applicable standards and or restrictions acceptable to the Board, including but not limited to cleaning, painting, decorating, elevator maintenance, cutting and irrigating lawns, landscaping, hauling trash, repairing, replacing, constructing, altering, and improving real and personal property, and such other normal maintenance and repair work as may be necessary, subject to the limitation imposed by the Board in addition to those contained herein. For any one item of repair or replacement, the expense incurred shall not exceed the sum of \$500.00 unless specifically authorized by the Board; provided, however, that emergency repairs involving manifest danger to life or property, or immediately necessary for the preservation and safety of the Owners and Guests, or required to avoid the suspension of any necessary service to the Association, may be made by the Manager irrespective of the cost limitation imposed by this paragraph.

Notwithstanding this authority as to emergency repairs, it is understood and agreed that the Manager will, if possible, confer immediately by telephone or e-mail with the President of the Board or highest-ranking available Board member regarding every such expenditure. Major repairs will be on a competitive bid basis from contractors in the relevant field. It is understood that the manager's current spending authority is intended for regular work orders, routine maintenance and other incidentals that may arise while managing the Association's business affairs and upkeep of the property.

In addition to the approved spending authority for any single non-emergency expenditure, Manager is hereby authorized to distribute funds and pay expenses over and above this limit for the following:



- To be reviewed*
1. Board approved and contracted, or non-contracted and Covenant required, recurring or one-time operating and reserve expenses including, but not limited to, Utilities (Electric, Gas, Water, Metro District Fees), Master Association Dues, Phone and Internet Service, Landscaping Contracts, Snow Removal Contracts, Gutter and Roof Repair, Painting, Tree and Shrub Care, Management Contracts, Insurance Premiums, Security Contracts, and Applicable Expenses for Maintenance of Amenities including, but not limited to, pools, spas, parks, janitorial services, light sweeps, pest control, alarm or fire suppression monitoring, gate maintenance, etc.).
  2. Board approved and contracted expenses billed on a time and materials basis including, but not limited to, snow and ice removal and chemical treatments such as magnesium chloride or salt and sand, engineering fees, and legal fees (including, but not limited to, collections of delinquent funds, defense of litigation, legal opinions, etc.).

E. Manager shall take such action as may be necessary to comply promptly with any and all orders or requirements affecting the Association placed thereon by any federal, state, county, or municipal authority having jurisdiction thereover and orders of the Board of Fire Underwriters or other similar bodies, subject to the same limitation contained in subparagraph 6-D in connection with the making of repairs and alteration. The Manager, however, shall not take any action under this subparagraph 6-E so long as the Association is contesting, or has affirmed its intention to contest, any such order or requirements, and Manager shall promptly, and in no event later than 72 hours from the time of their receipt, notify the Board in writing of all such orders and notices of requirements.

F. Subject to approval by the Board, and in the name of the Association, Manager shall make all applicable contracts for water, electricity, gas, telephone, landscape service, accounting, vermin extermination, light maintenance and all other necessary services, or such of them as the Board shall deem advisable. All such contracts and orders shall be made in the name of the Association and signed by the Association President (when possible) and shall be subject to the limitations set forth in subparagraph 6-D. When taking bids or issuing purchase orders, the Manager shall be under a duty to secure for and credit to the Association any discounts, commissions, or rebates reasonably obtainable as a result of such purchases and to obtain the best possible price and terms.

G. On an annual basis, at a reasonable time prior to expiration of insurance coverage, the Board shall authorize Manager to place or keep in force insurance, or the Board shall relieve Manager of the obligation to place or keep in force insurance for the Association. When authorized by the Board in writing, Manager shall cause to be placed and kept in force all forms of insurance needed to meet secondary lender standards and adequately protect the Association, as its interest appears, or as required by law, including, but not limited to, worker's compensation insurance, public liability insurance, boiler insurance, fire and extended coverage insurance, officer and director errors and omissions insurance and burglary and theft insurance. All insurance coverage shall be subject to the conditions, restrictions and limitations as contained in the recorded Declaration of Covenants, Conditions and Restrictions, and all amendments thereto, for the Association.

It is understood that the Manager shall be included on all Association insurance policies as an additional insured and that the Association (and not the Manager) is responsible for maintaining fidelity coverage to secure all its financial assets. In addition, Manager shall maintain fidelity insurance of no less than \$500,000 for the protection of the Manager, general liability coverage of not less than \$1,000,000 and Errors and Omissions insurance of not less than \$1,000,000 with a deductible not to exceed \$5,000 per occurrence. Association will also include Manager as additional insured on its mandatory fidelity policy.

All the various types of Association 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. The Manager shall fully investigate and make a full written report as to all accidents and claims for damage relating to the management, operation, and maintenance of the Association, including any damage or destruction thereof, the estimated cost of repair, and shall cooperate and make any and all reports required by any insurance company in connection therewith. Manager shall assist in settling insurance and all other claims including, but not limited to, litigation. Manager shall be compensated for work on insurance claims, loss assessments, special assessments, settlements (construction defect, etc.) and/or litigation (non-collections related), mediation or arbitration awards or any other award at the rate of 4% of the gross award, settlement or adjustment prior to expenses, fees or deductibles are accounted for.

H. Manager shall attend up the number of meetings through the course of the year, as specified in Attachment "A", not to exceed 90 minutes each meeting or as otherwise specified in accordance with Attachment "A". Meetings should be scheduled in advance at the beginning of the year. Additional special meetings (up to 1) or time deemed necessary by the Board may be charged at the Manager's hourly rate of \$100 for meeting preparation, travel and meeting time. Should the Board schedule more than two additional special meetings over the present schedule for the year or change the meeting times, the most applicable Option # of Attachment "A" will automatically be enacted vs. extra hourly charges. In the event the Board of Directors schedules a meeting and business cannot be conducted at that meeting due to the lack of a quorum, the Association will be charged for a minimum of 1 hour of meeting time. This paragraph only applies to meetings the Manager is required to attend.

**7. ASSESSMENTS:** Manager shall receive all assessments and other monies payable to the Association by the Owners, whether the assessments payable are annual, quarterly, or monthly assessments, special assessments, fines, interest, attorney fees, court costs or others. This includes the responsibility to retain and coordinate with legal counsel to collect delinquent assessments, etc. including the institution of lawsuits or foreclosures. The Manager shall also handle the initial phases of the collections process to include the initial 6-month payment plan letter (required by State Statutes as of 1/1/2014), the formal demand letter and the filing of a lien on behalf of the Association. Manager offers these services at an extra rate for the purpose of saving both the Association, and any delinquent owner, legal fees.

**8. DISBURSEMENTS:** From the funds collected and deposited in the Association's Operating/Reserve accounts, Manager shall cause to be disbursed regularly and when due, all utility and metro district fees, master association fees, insurance premiums, sums otherwise due and payable by the Association as operating expenses authorized to be incurred under the terms of this Agreement, including the Manager's fee, and salaries and any other compensation due and payable to the independent contractors or employees of the Association.

**9. RECORDS:** Manager shall maintain a comprehensive system of office records, books, and accounts in a manner satisfactory to the Board, including but not limited to, full financial statements, owner correspondence, independent owner files, warranty deeds, bids, contracts, warranty paperwork, etc., which records shall be subject to examination and copying by authorized members of the Association by appointment during regular business hours or distributed via 1<sup>st</sup> class or email when possible at the request of the member. Records shall be maintained in digital format and printed when necessary. Pursuant to Chapter 5, Rule F-1) Subsection 2), upon the event of resignation or termination, Manager shall keep all Association records in digital format for a period of no less than 3 years from the date of separation. There will be no charge for this storage period unless hard copies are required to be produced during the 3-year period. The printing cost will not exceed \$.20 per page (NTE 8.5" X 11") for black and white copies and \$.35 per page for color copies.

All records, including all correspondence, books, reports, photos, and other data pertaining to the Association or its members maintained by the Manager or located within the Manager's premises, whether existing in hard copy or digital (electronic) format on computer disk or other information storage system, shall be deemed the exclusive property of the Association, and shall be suitable to accurately show the supervision, management, and operation of the Association. As a standard practice, the Manager shall render to the Association a statement of receipts and disbursements no later than the 20th day of the following month. The Manager is authorized to conduct "modified accrual" accounting whereby assessment income is accrued while expenses are handled on a cash basis. The Association recognizes that modified accrual accounting is a long-time industry standard practice.

Additionally, Manager shall provide a budget comparison report for the month and year-to-date. Annually, at such times as the Board shall request, such records, books and accounts shall be reviewed or audited by a certified public accountant whose report will be submitted to the Board. The Association shall pay the costs of such report or audit as set forth in its documents. Manager's operational software includes web portal access to Owner's and Board Members, with varied levels of access, in order to provide 24/7 access to individual accounts, expense reports, credit card payments, financial reports, work order reports, etc. Owners will also be able to make changes to their individual accounts on items such as mailing addresses, phone numbers and email addresses.

**10. TAXES:** Working in conjunction with an accountant, Manager shall oversee and ensure that the accountant prepares the following forms and reports. All forms, reports, and returns required by law in connection with payroll tax reporting, unemployment insurance, worker's compensation insurance, disability benefits, social security, and other similar taxes now in effect or hereafter imposed, relating to employment of personnel and the Association Corporate Tax Return.

**11. BUDGET:** Manager shall prepare an annual operating budget reflecting anticipated receipts and disbursements for the new fiscal year based upon the then current or proposed schedule of monthly assessments. The budget, together with a statement from the Manager outlining a plan of operation and justifying the estimates made in every important particular, shall be submitted each year to the Board at the time set forth in the Board's written budget request. Upon Board and Owner approval, the budget shall serve as a supporting document for the schedule of monthly assessments proposed for the new fiscal year. It shall also constitute a major control under which the Manager shall operate, and there shall be no substantial variances therefrom, except such as may be sanctioned by the Board. This means that no expenses may be incurred or commitments made by the Manager in connection with the maintenance and operation of the Association in excess of the amounts allocated to the various classifications of expense in the approved budget year without the prior consent of the Board, except that, if necessary because of an emergency or lack of sufficient time to obtain such prior consent, an overrun may be experienced, provided it is brought promptly to the attention of the Board in writing.

**12. OPERATIONS:** It shall be the duty of the Manager at all times during the term of this Agreement to operate and maintain the Association in a prudent manner, consistent with the overall plan of the Association and the Declaration of Covenants, Conditions and Restrictions, Bylaws, Articles of Incorporation and any adopted Rules and Policies, to include the Responsible Governance Policies. Manager shall recommend to the Board adoption of rules and regulations for the Association. The Manager shall see that all Owners are informed with respect to such rules, regulations and notices as may be promulgated by the Association from time to time. During normal business hours, the Manager shall be expected to perform such other acts and duties as are reasonable, necessary and proper in the discharge of its duties under this Agreement.

**13. NEWSLETTERS / WEBSITE:** The Manager shall have responsibility for distribution of the Association newsletters; to include preparation for printing, printing, and distribution as may be required. Administration of the website (if applicable) is included in the flat monthly fee. Writing newsletters will be \$75 each if the Board or Owners do not provide input.

**14. INDEPENDENT CONTRACTOR RELATIONSHIP:** Everything done by the Manager under the provisions of paragraph 6 shall be done as an independent contractor employed by the Association, and all obligations or expenses incurred thereunder shall be for the account, on behalf, and at the expense of the Association, except as otherwise provided herein and except that the Association shall not be obligated to pay the overhead expenses of the Manager's office as limited herein. Any payments to be made by the Manager hereunder shall be made from such sums as are available in the Association's account or as may be provided as aforesaid, nor shall the Manager be obliged to insure any liability or obligations for the account of the Association. Neither Manager nor the Association shall represent to anyone that the Manager's relationship to the Association is other than an independent contractor.

**15. MONIES:** The Manager shall establish and maintain accounts in a financial institution or institutions whose deposits are insured, and which are approved by the Association. The Manager shall draw on such accounts for any payments owed by the Association and to be made by the Manager to discharge any liabilities or obligations incurred pursuant to this Agreement, and for the payment of the Manager's fee, all of which payments shall be subject to the limitations of the Agreement. Written authorization from the Board is required for single expenditures exceeding \$500.00. After individual expenses are authorized by the Board of Directors or authorized Board representatives, the Association does authorize Z&R Property Management, to withdraw funds from necessary Association accounts using the managing broker's signature.

**16. COMPENSATION:**

A. Compensations which the Manager shall be entitled to receive for all services performed under this Agreement shall be computed and payable monthly. Please see Attachment "A" for charges described for management fee. Pursuant to CCIOA, Manager shall comply with the annual disclosure requirements by providing the Board an annual fee schedule prior to the end of each fiscal year and any other requirement currently covered by The Act or adopted in the future.

B. Additional compensation to Manager shall be such other fee or fees as may be agreed to by the parties from time to time, to compensate Manager or Manager's services, which are not usual or normal, shall be billed at \$100 per hour. This will include time spent on renewing any FHA or VA approval status with the assistance of an outside professional firm.

Examples include, but are not limited to, after-hours or weekend responses to communications, property inspections outside of regular business hours (8:30 a.m. – 5 p.m., Mon.–Thurs. and 4 p.m. on Fridays) or on holidays. Also, assistance in new construction warranty work (regardless of whether or not the warranty is still in place), any administrative proceedings including, but not limited to, civil rights, fair housing CFHA or FHA or ADA hearings, DORA complaints or investigations (unless proven to have been completely merit based on the original complaint), mediations, arbitrations and court cases or court time. ESA and Service Animal requests will be billed at \$75 per hour.

1. Office Supplies: Manager is not expected to pay for postage; copying or other such office expenses from its funds but will be reimbursed and will keep a detailed accounting of such expenses and any markups. Manager uses an almost paper free management system, so copies and postage will only be required by State Law required notices and Board required notices through the USPS. Specific fees are listed in Attachment "B".
2. During the normal course of retaining bids for the Association, it is understood the Manager will solicit bids using specifications given to him by the Board of Directors.

After Manager provides an initial set of two bids (minimum) for any single project, one amendment to the original specifications requiring new bids will be considered as normal. Further changes to the original or amended specifications which will require new or amended bids will be considered unusual and require compensation to the Manager at a rate of \$100 per hour for work on said Association.

3. In the event the Manager is served a summons, subpoenaed or required to assist the Association in any legal matter or matter listed in Paragraph 16B, Manager will be compensated \$100 per hour as an expert witness for any trial time and/or time in preparation of documents, records or testimony regarding said case. This paragraph will also apply to any case involving Z&R Realty, Inc. or Z&R Property Management and its subsidiaries and/or employees as a result of acting on behalf of the Association. This paragraph will not apply if case arises out of Manager's willful misconduct or gross negligence.

17. **TERM:** Unless canceled pursuant to this paragraph, this Agreement shall be in effect commencing on the date of this Agreement, and ending on the 31st day of May, 2022. Unless terminated, this agreement will renew thereafter for annual periods. Termination or resignation, for whatever reason, will be 30 days after written notice is received.

A. Adjustments to the terms or fees in this contract agreed to in writing by both parties may be added at any time as amendments without having to accomplish a new contract.

B. 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 subparagraph, the Association shall immediately and automatically have a lien upon all funds held by the Manager 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.

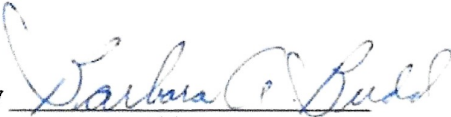
C. Any notice required or permitted to be served hereunder may be served via email, certified mail or in person as follows: If to the Manager, Z & R Property Management, 6015 Lehman Drive, Suite 205, Colo. Springs, Co. 80918 or [Darren@zandrmgmt.com](mailto:Darren@zandrmgmt.com) and signed by the acting Board President. If to the Association, the acting Board President.

D. In the event of termination or resignation, the Manager shall provide an accounting of the books, records and monies of the Association and shall within ten (10) days after the termination date, turn over to the Association all records and property of the Association. This includes all hard copy and digital versions, at no cost to the Association and shall be cooperative and act in a reasonable manner. In the event of any dispute between the parties to this Agreement, Management agrees not to retain or withhold from the Association any of its records or property.

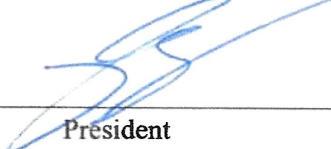
18. **CONDUCT:** Except as otherwise provided herein, the Manager shall be required to act in accordance with the Declarations and Bylaws of the Association.
19. **DUTIES:** The Board shall designate an individual who shall be authorized to deal with the Manager on any matter relating to management of the Association. The Manager is not to accept directions regarding the management of the Association from anyone else. In absence of designation by the Board, the Board President shall have this authority.
20. **DEFINITIONS:** Words used in this Agreement shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions of the Association.

21. **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 Manager shall not assign its interest under this Agreement without the prior written approval of the Association.
22. **INDEMNIFICATION:** The Association shall indemnify and hold Manager harmless from any claims arising out of any actions the Manager does on behalf of the Association, except for claims arising out of Manager's gross negligence or willful misconduct. Association and/or its insurance company will pay all costs to defend Manager from any and all claims under the terms of this paragraph and paragraph 16, subsection B-3. All Association insurance policies will include the Manager as an additional insured and be primary before any of Manager's coverage is triggered. Manager shall indemnify and hold the Association harmless from any claims or costs arising out of Manager's gross negligence or willful misconduct.
23. **ENTIRE AGREEMENT:** This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing executed and approved in the same manner as is this Agreement.
24. **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.
25. **EXECUTION:** The parties hereto have executed this Agreement the day and year first above written.

**Hartsock Village Condominium HOA, Inc.**

By   
President

**Z & R Property Management**

By   
President



**Z & R PROPERTY MANAGEMENT**  
**MANAGEMENT AGREEMENT WITH**  
**Hartsock Village Condominium HOA, Inc.**  
“ATTACHMENT A”

The following is a list of prices and services included under full management contract of the Association (unless otherwise specified) and is meant to summarize the duties listed in the contract:

- ~ Management of all the Association's receivables and payables;
- ~ Contract coordination and oversight on Association contracts and vendors;
- ~ Responsibility for keeping the resident database up to date;
- ~ Supervision and coordination with all Association vendors for all maintenance and repair contracts;
- ~ Maintaining trust accounts in the name of the Association with separate reserve fund(s);
- ~ Maintaining all the Association's financial and administrative files;
- ~ Preparation of an annual budget for the Board's review in advance of the Board's budget meeting;
- ~ Compilation and distribution of a full monthly financial report;
- ~ Coordination with an independent certified public account for the Association's year-end tax preparation, reviews or audits pursuant to the direction of the Board;
- ~ Coordination of any collection actions with the Association's attorney; preparation of demand letters and liens on behalf of the Association. \$60 per 6-month payment plan letter required by State Statute, \$120 per demand letter and \$240 per demand/lien package (intended to save the Association AND the delinquent owner approx. 40% compared to attorney rates). **Credit reporting NTE \$20 per month per delinquent account.**
- ~ Attendance at regular, special and annual meetings in accordance with the price schedule below;
- ~ Preparation of Board packets in advance of regular meetings to include minutes, finances, bids, etc.;
- ~ Distribution of newsletters;
- ~ Preparation of SOA's and PUD letters for lenders and title companies NTE \$305 each with price reductions based on length and type of required forms. These fees are NOT billed to Association, but to the title companies and lenders and include all correspondence and communications with prospective buyers and providing access to all required Association documents (minutes, finances, Covenants, etc.) to assist sellers in complying with required disclosures. Requests demanded in less than 24 business hours are up to double.
- ~ Administration of Association website, if applicable (not including programming and design changes);
- ~ Receipt and processing of all Association correspondence within 3 business days (24 business hours);
- ~ Preparing specifications and collecting bids on all major maintenance and insurance contracts;
- ~ Liaison with any neighboring communities and or entities/businesses;
- ✳ ~ 24 hours per day 7 days per week on call with a Z & R employee (no answering services!);
- ~ Responsibility for receiving all Association phone calls, faxes and emails from owners/residents, primary contact for all owners, contractors, Realtors, Title Companies, prospective buyers, City agencies, etc.;
- ~ Preparing any necessary work orders and follow up on completion of those work orders;
- ~ Responsibility for monitoring and assisting the Association with remaining in compliance with all applicable local, state and federal statutes governing community associations to include registering with DORA and filing biennial corporate reports with the Colorado Secretary of State;
- ~ Monitoring compliance with the covenants, issuing all necessary covenant, rule or resolution, policy violation letters that do not require the services of an attorney; providing correspondence reports to the Board with dates of receipt and dates of resolution of any outstanding issues;
- ~ Preparation and mailing of all meeting notices (board, annual, special), post cards, and email alerts;
- ~ All copies, postage, envelopes, and other administrative supplies will be charged as shown on Attch. "B"
- ~ Act as Association historian / Oversight and updating of the Rules;
- ~ Access to Management Company's web portal to allow Board Members and Owners online access to their individual accounts, financial reports, etc.;
- ~ Property visits no less than monthly. Covenant violation follow ups within 14 days of notice.

The prices listed below all include the services listed above and are varied by the time and frequency of the Board's meetings and any general membership meetings to include the annual (excluding holidays). All prices assume the annual meeting will be held in the evening (Mon. – Thurs.) Daytime meetings begin between 6:30 a.m. and 3:30 p.m. There are 52 homes in the Community.

**Option #1: Up to 4 meetings per year on Mon. – Thurs. (3 Daytime Board & 1 Annual)**

\$1000 per month

**Option #2: Up to 6 meetings per year on Mon. – Thurs. (5 Daytime Board & 1 Annual)**

\$1150 per month

**Option #3: Up to 10 meetings per year on Mon. – Thurs. (9 Daytime Board & 1 Annual)**

\$1400 per month

**ATTACHMENT "B"**

<b>Records Storage</b> (Boxes) - Monthly up to 5 boxes. If no boxes, no fee.	\$ 10.00
<b>CC Usage</b> - Manager is entitled to keep and use any points earned on CC Purchases on behalf of Association.	Variable
<b>Account Access</b>	N/A
<b>Government Admin</b>	N/A
<b>Statements</b> - Incl. 1 <sup>st</sup> class postage	\$ 2.00
<b>Checks Written</b> - Incl. 1 <sup>st</sup> class postage	\$ 0.95
<b>Deposits Made</b>	\$ 0.20
<b>Bank Rec's done</b> – per account	\$ 10.00
<b>Monthly Reports-file copies</b>	\$ 0.20
<b>Copies/Envelope</b>	\$ 0.20
<b>Postage</b> - Per item mailed	Cost plus \$0.12
<b>DORA or SOS Registration</b> - Z&R online CC charge required then reimb.	Cost plus \$10.00
<b>Ann Coupons</b> (Prorated if not full year).	N/A
<b>Large Envelope</b>	\$ 0.50
<b>News/Letters</b>	\$ 0.82
<b>Parking Stickers</b>	\$ 3.00
<b>Meeting Minutes</b>	\$ 75.00
<b>Photos</b> - If printed – Digital no cost	\$ 2.00
<b>Annual Notice</b> - Per item mailed	Cost plus \$3.00
<b>Notary</b>	\$ 5.00
<b>EFT Setup</b>	\$ 2.00
<b>1099's Printed</b>	\$ 8.00
<b>Certified RRR Mail</b> - Per item	Cost plus \$3.00
<b>Quarterly/Annual Statements</b>	\$ 2.75
<b>Post Cards</b> - Incl. 1 <sup>st</sup> Class postage	\$ 0.58

May 31, 2021

Mr. Arthur Beisner,  
Director of Community Management  
RowCal  
3720 Sinton Road Suite 200  
Colorado Springs, CO 80907

This notice is being serviced by email, which qualifies as a "reasonable means" of notice.

Notice is hereby given that service with RowCal will end, effective immediately.

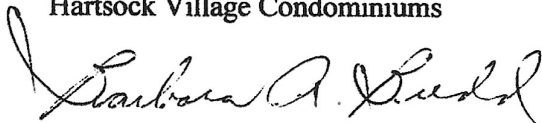
The Board of Directors has selected Z&R Property Management to assume the management responsibilities as of June 1, 2021. Please:

1. Cooperate with Z&R in all facets of the transition.
2. Immediately provide Z&R a contact list for all owners to include names, phone numbers, emails, unit addresses and mailing addresses if they are different from the unit addresses.
3. Immediately provide Z&R electronic copies of all the Association's files, preferably via a USB drive.
4. Immediately provide a full copy of the May 31, 2021 financial statements with all supporting documentation.
5. Make all outstanding invoice payments for May 31, 2021 no later than May 31, 2021.
6. Make no further deposits after may 31, 2021.
7. Issue Cashier checks for any remaining balances in the operating and reserve accounts.

If you have any further questions, contact: Darren Burns, Z&R Property Management, 6015 Lehman Dr., #205, Colorado Springs, CO 80918, (719) 594-0506, [darren@zandrimgmt.com](mailto:darren@zandrimgmt.com).

Thank you for your cooperation,

On Behalf of the Board of Directors,  
Hartsock Village Condominiums



Barbara A. Budd  
President