



ATTACHMENT A TO THE MANAGEMENT CONTRACT FOR:
CONDOMINIUM ASSOCIATION

STANDARD SERVICES (Included in the monthly fee):

Bookkeeping:

- Collect, deposit and account for all regular and special assessments (See additional fee services)
- Pay association obligations
- Maintain and reconcile association bank accounts
- Provide monthly financial data to the board consisting of bank statements, profit and loss reports, balance sheets, budget analysis, bank account register, delinquency reports and invoice copies
- Execute transfers in/out of reserve account per board direction
- Invoice co-owners for delinquent obligations
- Provide co-owners with access to association financial data as required by the association governing documents

Professional Services Liaison:

- Arrange for preparation of the annual tax return and provide accountant with data
- Provide association accountant with financial reports for reviews
- Initial contact with legal counsel on collection activity and liens

Financial Planning:

- Coordinate with the board and prepare the annual operating budget
- Assist the board in securing the services of a reserve study firm and implementing study recommendations
- Assist board in obtaining insurance proposals

Record Keeping:

- Organize and maintain association records - financial and administrative
- Maintain co-owner and renter lists
- Maintain proxy lists and retain proxies
- Provide co-owner access to association documents as required by the governing documents, the Michigan Condominim Act, the Michigan Non-Profit Corporation Act as well as Association policy

Annual Co-owners' Meeting:

- Attend the annual co-owners meeting
- Assist the board of directors in establishing an agenda for the annual co-owners meeting
- In conjunction with the board of directors, prepare and distribute annual meeting packets to co-owners
- Obtain attendance record and collect proxies, determine if quorum achieved
- Provide ballots and tabulate co-owner votes
- Provide a management company presentation to co-owners and be available to answer co-owner questions
- Take, prepare and distribute annual meeting minutes

Governance:

- Assist the board with understanding the association's governing documents
- Assist the board with governing document compliance and implementation
- Assist the board in the preparation of association rules and regulations
- Publish and distribute new co-owner welcome packets
- Relay notice of potential violations to the board and assist the board with co-owner violation issues (See also "Additional Services" in this Attachment A).
- Field co-owner issues and assist the board in resolution
- Serve as association registered agent - if appointed by the board
- Contact with the association's attorney on legal issues, as directed by the board
- Provide ordinary course of business information and documentation to the association's attorney

Board Meetings:

- Attend up to four board of directors meetings
- Distribute meeting notices to directors
- In conjunction with the board of directors, prepare and distribute meeting agendas and other documents
- Distribute meeting minutes as submitted by the secretary

Maintenance Services:

■ Monitoring and Analysis:

- Conduct quarterly on-site inspections and report findings to the board (we strongly encourage that a board member(s) attend the autumn and spring inspections)
- Assist the board in analyzing annual maintenance needs and specifications
- Serve as primary co-owner/board contact for maintenance and repair issues
- Inform and coordinate with the board on maintenance and repair issues
- Presence on property if required secondary to a maintenance and repair matter
- Inform and coordinate with the board on safety issues
- Provide 24 hour emergency contact telephone number

■ Coordination with Vendors

- Manage & coordinate all work order requests
- If needed, attend annual fire & elevator inspections
- Contract with vendors to address issues
- Prepare requests for proposal, analyze responses and present for board approval
- Execute service contracts on behalf of the association
- Coordinate access with service personnel for common element maintenance and repair
- Monitor contract performance
- Coordinate emergency access

ADDITIONAL SERVICES (not included in standard fee. Costs incurred and hourly rate will apply)

Non-standard Administrative, Financial and Maintenance Services/Expenses:

- Administration of insurance claims beyond initial presentation to agent
- Making bank deposits at banks other than Independent Bank, Honor Bank, West Shore Bank, Alliance Bank and First Community Bank = \$25/month fee
- Provide claim or litigation assistance to the association's attorney beyond that noted above
- Preparation for and testimony at deposition, trial or other hearings on behalf of the association
- Conduct inspections for governing document violations and prepare violation reports to the board.
- Issuing official notices of violation (\$25) and attendance at violation hearings (hourly)
- Attendance at board and co-owner meetings beyond the agreed number
- Drafting meeting minutes other than those of the annual meeting
- Time at board meetings exceeding two hours in length and at the annual meeting exceeding three hours in length
- Conversations (outside of normal meetings) with Board and/or co-owners lasting more than 30 minutes
- Oversight of co-owners during their inspection of any association documentation
- Conduct inspections for governing document violations, subsequent reports to the board, drafting official notices of violation, scheduling and attending violation hearings
- Expense of photocopies (\$.15), envelopes (\$.15 standard \$1.00 for large) and postage (cost)
- Shredding documents generated prior to SRM Management
- Scanning historical documents created prior to SRM management
- Storage of more than one banker's boxes of documents, \$5/month for each additional banker's box

- Preparing customized reports not available directly from SRM's management software
- Researching common element historical information including maintenance, repair and replacement issues prior to SRM management
- Beyond securing the services of a firm, all other efforts in conjunction with a reserve study
- Collection activity beyond initial contact with association legal counsel. (Sending statements of delinquency and calls to delinquent co-owners is include in the standard fee)
- The cost of assessment coupon books, parking passes, etc.
- Provide association accountant with information and documentation for an audit and efforts secondary to a review beyond providing the CPA with standard financial reports
- Administration of major repairs or capital replacement/improvement contracts
- After hours presence at property for emergency issues
- Presence at the property for more than an hour during a business day in conjunction with a maintenance and repair matter
- All other services not otherwise specified above as a Standard Service

MAINTENANCE AND REPAIR QUALIFIER:

Schmidt-Rogers Management is not an engineer, licensed building inspector or building/trades contractor. Our ability to outline scope of work, draft requests for proposal, monitor performance and evaluate adequacy of the completed work is limited based upon the nature of the project. The services of an appropriate professional may be required at an additional cost to the association.

MAJOR PROJECTS

Major repair and capital improvement projects are generally those for which costs exceed \$10,000. The nature of such projects vary in scope and magnitude and, hence the amount of Manager time required. For such projects Manager and the Association shall discuss and negotiate in good faith as to Manager's role and whether Manager's efforts reasonably fall within the scope of Standard Services or warrant of additional charges.