



Unparalleled Property Services

NUMBER 1 CONDOMINIUM ASSOCIATION – PALM GREEN AT VILLA DEL RAY, INC. MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into on this 24th day of July 2023 by and between **NUMBER 1 CONDOMINIUM ASSOCIATION – PALM GREEN AT VILLA DEL RAY, INC.**, a Florida not-for-profit corporation ("Association"), and **CASTLE MANAGEMENT LLC**, a Florida Limited Liability Company, ("Management Agent").

WITNESSETH:

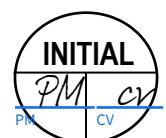
WHEREAS the Association is the entity responsible for administering and operating the Condominium known as **NUMBER 1 CONDOMINIUM ASSOCIATION – PALM GREEN AT VILLA DEL RAY, INC.**, ("Condominium"), located in Delray Beach, Florida, established by the Declaration of Condominium recorded in the Public Records of Palm Beach County, Florida ("Declaration"), which Condominium consists of six hundred and eighty-four (684) units ("Units") and,

WHEREAS Management Agent is active in the management field and is presently operating a management company for the management of Condominium Associations and has available to it management and service personnel experienced in operating projects of similar nature to **NUMBER 1 CONDOMINIUM ASSOCIATION – PALM GREEN AT VILLA DEL RAY, INC.**, and,

WHEREAS the Association desires to retain the Management Agent, and the Management Agent desires to be so retained, to manage the Condominium.

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration received by each party from the other, the receipt, adequacy and sufficiency of which are hereby acknowledged, and in further consideration of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

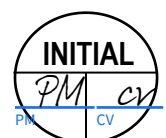
- 1. EXCLUSIVE MANAGEMENT AGENT:** The Association hereby retains and appoints the Management Agent, and the Management Agent hereby accepts such retainer and appointment, on the terms and conditions hereinafter set forth, as exclusive Management Agent of the Association.
- 2. TERM:** This Agreement shall commence on September 1, 2023, and shall continue for an initial term ending August 31, 2024, unless terminated sooner in accordance with the provisions of paragraph 11



hereinafter set forth. Should this Agreement not be amended or extended, in writing, prior to the expiration of the initial term it shall be automatically extended for successive periods of one (1) month upon the expiration of the previous term until such time as it is amended or terminated by one of the parties.

3. MANAGEMENT AGENT'S DUTIES: During the term hereof, the Management Agent shall perform the following services as, when and if needed or as otherwise specified herein, to assist the Association:

- 3.1** Management Agent shall engage and supervise all persons as needed (which person or persons may be engaged on a part-time or full-time basis), including those employees of Management Agent stipulated in EXHIBIT B of this Agreement, necessary to properly maintain and operate the Common Elements, in the Management Agent's reasonable judgment, it being understood that all personnel so engaged shall be engaged by the Management Agent as Management Agents for the Association.
- 3.2** Provide the Financial and Administrative duties as outlined in EXHIBIT C, attached hereto and made a part hereof. All invoices shall be approved for payment by two designees of the Board of Directors of the Association ("Board of Directors") utilizing the online portal provided by the Management Agent (CastleClick). Approval of any invoice by two designees of the Board represents the Association's authorization for Management Agent or a designated service provider to debit the Association's bank account (operating or reserve account as appropriate) via electronic funds transfer/ACH amounts to pay the approved invoice(s) and to initiate, if necessary, credit entries and adjustments that may be required.
- 3.3** Collect all regular and special assessments, as needed or monthly, from the Owners and other revenues which may be due the Association, in accordance the maintenance fee collection procedures approved by the Board of Directors of the Association. The Association hereby authorizes the Management Agent to request, demand, collect, receive and receipt any and all assessments and charges which may be due the Association and to advise the Association's attorney to take such action in the name, and on behalf, of the Association by way of making, recording, satisfying or foreclosing the Association's liens therefore, initiating legal process or taking such other action as the Management Agent shall deem necessary or appropriate, in its reasonable judgment, subject to the Association's approval, for the collection of such assessments. At no additional cost to the Association, Management Agent shall prepare and deliver delinquency letters to Association members pursuant to the Association's collection policy.
- 3.4** Cause those portions of the common elements of the Condominium ("Common Elements") to be maintained and repaired including, but not limited to, landscaping, painting, paving, cleaning and such other normal and extraordinary maintenance and repair work as may be necessary; provided, however, the Management Agent shall not obligate the Association for any single item of repair, replacement, refurbishing or refurbishing, the cost of which exceeds the sum of five hundred (\$500.00) not to exceed one thousand (\$1,000.00) per month in the aggregate without the prior approval of the Board of Directors, unless provided for in the approved budget of the Association. Notwithstanding anything contained herein to the contrary, the Management Agent shall have the right, without first obtaining the approval of the Association, to make emergency repairs and replacements which, according to the Management Agent's reasonable belief, are required to eliminate or avoid danger to persons or to property, or as are necessary



in the Management Agent's reasonable belief for the preservation and safety of the Association or for the safety of persons or in order to avoid suspension of any necessary service to the Association.

- 3.5** Purchase, as needed, on behalf of the Association, all supplies and materials as may be necessary or desirable for the maintenance, upkeep, repair, replacement and preservation of the Common Elements. Such purchases shall be made in the name of the Association. Any such purchases in excess of one thousand dollars (\$1,000.00) shall be subject to the prior consent of the Board of Directors unless provided for in the approved budget of the Association. Notwithstanding anything contained herein to the contrary, the Management Agent shall have the right, without first obtaining the approval of the Association, to make emergency repairs and replacements which, according to the Management Agent's reasonable belief, are required to eliminate or avoid danger to persons or to property, or as are necessary in the Management Agent's reasonable belief for the preservation and safety of the Association or for the safety of persons or in order to avoid suspension of any necessary service to the Association.

The Association specifically agrees to indemnify, save, defend and hold harmless the Management Agent, its directors, officers and employees from all suits, claims, liabilities, or expenses (including but not limited to, reasonable attorneys' fees and disbursements) arising from or in connection with any purchases or contracts made by the Association. This indemnification would include, but not be limited to those circumstances where the Vendor does not hold the necessary license to complete the work they are contracted to provide or terms of the contract with the Vendor does not include sufficient scope so that the Association is compliant with any laws, regulations and best practices relative to the service being supplied by the Vendor. Association further agrees that in the event that Management Agent is required to enforce this Indemnification against the Association, Management Agent shall be entitled to recover from the Association all costs, expenses and attorneys' fees that may be expended or incurred by the Management Agent in successfully enforcing this Indemnification.

- 3.6** Solicit, analyze and negotiate, on behalf of the Association, as needed for services reasonably necessary with respect to the operation, maintenance, upkeep, repair, replacement, and preservation of the Common Elements. All contracts shall be approved and executed by the Board of Directors.

Unless otherwise requested in writing by the ASSOCIATION, MANAGEMENT AGENT shall solicit at least three contract proposals for all subcontracted work, for which the ASSOCIATION will allow the Property Manager at least fourteen days.

- a. Bid requests shall prominently state that bids are to be submitted sealed to the ASSOCIATION president or other person designated by the Board of Directors. When bidding is completed, bids shall be opened by the ASSOCIATION president, not the Property Manager.
- b. If the MANAGEMENT AGENT, or any company in which any of the principals, officers, directors or employees are the same as the principals, officers, directors or employees of the MANAGEMENT AGENT, is to bid on a matter, then the bid specifications shall

be approved by the ASSOCIATION before distribution to bidders. MANAGEMENT AGENT shall disclose any interest in any vendor submitting a bid.

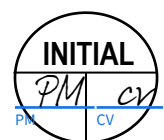
The MANAGEMENT AGENT shall not enter into any contract on the ASSOCIATION's behalf, that authority being reserved solely to the ASSOCIATION.

- 3.7** Approve all bills received by the Association, for services, work and supplies ordered in connection with maintaining and operating the Common Property, and cause to be paid by the Association all such proper bills as and when the same shall become due and payable, but Management Agent shall not be liable for the failure to pay any such bills unless such failure is due to Management Agent's negligence, recklessness, intentional act or failure to act, however, in no circumstances with the Management Agent be responsible for the actual amount of the invoice. The Management Agent will be liable to the Association for any interest, late fees and/or penalties charged if such failure is caused by the Management Agent's negligence, recklessness, intentional act or failure to act. The Association does hereby agree that all invoices including, but not limited to, electric, water & sewer, cable and telephone will be paid by ACH transfer initiated by the Management Agent or direct debit to the Association's operating account.
- 3.8** Maintain, as needed, the Association's financial record books, accounts and other records as provided by the Association's By-Laws and in accordance with Florida Statutes and issue certificates of account/estoppel certificates and/or Lender Questionnaires, to Owners and/or third parties, and charge a fee to the requestor not to exceed that provided under Florida Law, without liability of the Management Agent for errors unless as a result solely of its negligence or willful misconduct. Such records shall be kept at the office of the Management Agent or at a location designated by the Management Agent and shall be available for inspection and for review and audit by the Association. The parties agree that an annual compilation, review or audit of the financial records shall be made by an independent certified public accountant employed by, and at the cost, expense and approval of the Association, and at such times as determined by the Association.
- 3.9** Prepare, annually, an operating budget for the Association setting forth an itemized statement of anticipated receipts and disbursements and taking into account the general condition of the Association and the Condominium. Said budget shall be submitted to the Association not less than sixty (60) days prior to the beginning of each fiscal year. The budget shall include an estimate of reserves based upon a reserve report ref provided by a third party reserve specialist, such as an Engineer, engaged and paid for by the Association. The budget shall serve as a supporting document for the schedule of assessments.
- 3.10** Arrange with the Association's approval and at the Association's sole expense such attorneys, accountants, insurance consultants, tax consultants and other experts and professionals, whose services the Management Agent may reasonably require to effectively perform its duties and exercise its powers hereunder.
- 3.11** Maintain, as needed, appropriate records of all insurance coverage carried by the Association.

- 3.12 Accept applications and references of prospective Owners and facilitate transfers and leasing of Units, all as needed; provided, however, that the actual approval or disapproval of same shall be given and executed by a proper officer of the Association. . If applicable, set up interviews between the Association and prospective purchasers or new purchasers and prospective tenants.
- 3.13 Prepare and send, as needed, all letters, reports and notices as may be reasonably requested by the Board of Directors, and attend monthly meetings of the Board of Directors, annual meeting, budget meeting and any other general membership meetings of the Association and file minutes thereof, which unless directed otherwise by the Association, minutes shall be prepared and recorded by the Management Agent .
- 3.14 Deposit all funds collected from Owners and others into a bank account ("Account") established by the Association so that said funds may be withdrawn therefrom to pay all expenses of operation and maintenance of the Community as contemplated herein. The Account will be styled so as to indicate the custodial nature thereof and the funds therein will not be commingled with other funds collected by the Management Agent as Management Agents for others or otherwise. Management Agent or its affiliates may provide banking related services for the bank selected by the Association (included but not limited to printing & mailing costs, processing bank account opening paperwork, lockbox administration services, and computer equipment and software costs) and may receive compensation from the bank for such services. The Management Agent shall not be liable for any loss resulting from the insolvency of such depository.
- 3.15 Perform routine property inspections and make recommendations to the Board of Directors as to maintenance and improvements to the Common Elements.
- 3.16 Provide regular reports to the Board of Directors of the status of pending and completed operations affecting the Association.
- 3.17 Maintain the Association's books and records in accordance with Florida Statute Chapter 718

4. AGENCY: All actions taken by the Management Agent with respect to management and maintenance under the provisions of this Agreement shall be taken as Management Agent for the Association and all obligations or expenses incurred in the performance of the Management Agent's duties and obligations shall be for the account, on behalf, in assistance and at the expense of the Association, except as is otherwise expressly provided herein. The Management Agent shall not be obligated to make any advances to or for the account of the Association or to pay any sum, except out of funds held or provided by the Association or by its members or occupants, nor shall the Management Agent be obligated to incur any liability or obligation on behalf of the Association without absolute and unconditional assurance that the necessary funds for the discharge thereof are immediately and presently available.

5. INSURANCE: The parties agree that, at all times during the term of this Agreement, each will keep in force, with an insurance company licensed to do business in Florida, a comprehensive insurance program. The Management Agent hereby agrees to maintain at all times and to provide evidence of the following insurance coverages.



A. Commercial General Liability Insurance, including: (1) a minimum of \$1,000,000 each occurrence and (2) a minimum of \$2,000,000 general aggregate.

B. Commercial Auto Liability Insurance, including: (1) a minimum of \$1,000,000 combined single limit and (2) a minimum of \$1,000,000 non-owned and hired automobile liability.

C. Workers' Compensation Insurance according to state statutory limits covering all employees and subcontractors of Management Agent, with employers' liability including: (1) a minimum of \$500,000 each accident for bodily injury, (2) a minimum of \$500,000 each employee for bodily injury caused by disease, and (3) a minimum of \$500,000 bodily injury caused by disease.

D. Umbrella or Excess Liability Insurance, including: (1) a minimum of \$5,000,000 each occurrence and aggregate and (2) providing follow-form coverage over the General Liability Policy.

E. Errors and Omissions: \$1,000,000 each occurrence and aggregate.

F. Employment Professional Liability: \$1,000,000 each occurrence and aggregate.

G. Fidelity Insurance in amount of not less than \$2,000,000 aggregate.

The Management Agent's policy shall name the Association as an additional insured and will provide that it may not be canceled or changed without at least thirty (30) days prior written notice from the insurer to the Association.

The Association hereby agrees to maintain, at its expense, at all times and to provide evidence of the following coverages:

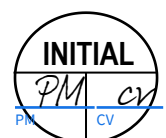
A. Commercial General Liability Insurance, including: (1) a minimum of \$1,000,000 each occurrence for bodily injury and property damage, (2) a minimum of \$2,000,000 general aggregate

B. Umbrella or Excess Liability Insurance, including: (1) a minimum of \$5,000,000 each occurrence and aggregate and providing follow-form coverage over the General Liability policy.

C. Workers' Compensation Insurance according to state statutory limits covering all employees or subcontractors of the Association, with employer's liability limits of not less than \$500,000 each accident for bodily injury, \$500,000 each employee for bodily injury caused by disease and \$500,000 policy limit for bodily injury caused by disease. If the association has less than 3 employees, a "minimum premium insurance policy" must be purchased.

D. Directors and Officers Insurance with limits of not less than \$1,000,000

E. Fidelity Insurance or fidelity bonding of all persons who will control or disburse funds of the Association. The insurance policy or fidelity bonding must cover the maximum funds that will be in the custody of the Association or its Management Agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association, includes but is not limited to, those individuals authorized to sign checks on behalf of the Association, the President, Secretary and Treasurer of the Association.



The Association's policy shall name the Management Agent as an additional insured and will provide that it may not be canceled or changed without at least thirty (30) days prior written notice from the insurer to the Management Agent.

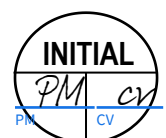
6. COST REIMBURSEMENT:

- 6.1** Except as is otherwise expressly provided herein, the Association shall pay or reimburse the Management Agent for all costs (which shall include but not be limited to those costs specifically set forth by illustration only in **EXHIBIT D** hereto, made a part hereof by this reference), actual postage and courier costs, which may be incurred by the Management Agent in providing services, materials and supplies, immediately upon receipt of an invoice therefore, except that the Management Agent shall not be entitled to reimbursement for salaries of officers of the Management Agent and general office overhead of the Management Agent, as said items are actually included within the Contract Price, as that term is defined under paragraph 9 hereof.
- 6.2** Without limiting the provisions of paragraph 6.1, for restoration of common elements after Acts of God and other insurable claims such as, without limitation, hurricanes, fire or floods Management Agent shall coordinate and manage the restoration project and contractors retained by the Association. However, if restoration project is extensive and requires additional administrative work which cannot be completed by the on-site team, then Management Agent shall be entitled to an additional fee for such services which shall be negotiated by the parties prior to the work being undertaken, The Association is under no obligation to engage the Management Agent for these services and may, at its discretion, engage an outside manager or company to manage these services described herein.

7. MANAGEMENT AGENT'S UNDERTAKING: The Management Agent, by the execution of this Agreement, assumes and undertakes to perform, carry out and administer all management, operational and maintenance responsibilities set forth in paragraph 3 hereof. Such assumption of obligations is limited, however, to operation, management and maintenance as Management Agent and does not require the Management Agent to pay any of the costs and expenses which are the obligation of the Association, except as specifically assumed by the Management Agent in this Agreement.

8. RIGHT OF ACCESS: The Management Agent shall have access to all elements of the Common Elements at all times as may be necessary for the maintenance, repair or replacement of any portion of the Common Elements, or for the making of emergency repairs therein necessary to prevent damage to any portion thereof.

9. COMPENSATION: Management Agent shall provide an invoice to Association monthly. The Association agrees to pay the Management Agent in equal monthly installments, in advance on the first day of each month, the fee for financial and administrative management as stipulated in EXHIBIT A, all payroll reimbursement charges in accordance with Exhibit B bi-weekly, in addition to all actual costs for which the Association shall pay the Management Agent, pursuant to Exhibit D and paragraph 6 and other pertinent paragraphs hereof, by Automatic Funds Transfer from Association operating account only. A copy of the payroll reimbursement invoice will be sent to the Association forty eight (48) hours prior to the AFT being processed..

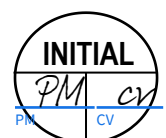


10. DESIGNATION: The Association shall designate in writing a single individual who shall be authorized to deal with the Management Agent on any matter relating to this Agreement. In the absence of any such designation, the President of the Association shall have this authority. The Association shall not interfere nor permit, allow or cause any of its Officers, Directors or members to interfere with Management Agent in the performance of its duties or in the exercise of any of its powers hereunder.

11. TERMINATION: During the first six months after the effective date of this Agreement, either Party may cancel this agreement if there is a default in the provision of services detailed in the Agreement by notifying the other Party, in writing, of the default. If the default is not cured within sixty (60) days after receipt of the default notice or in the case of default requiring more than sixty (60) days to cure, unless reasonable steps have been taken to cure such default and such cure is diligently pursued thereafter, the notifying Party may terminate the Agreement. After the first six (6) months after the effective date of this Agreement, this Agreement may be canceled at any time, with or without cause, by the Association or Management Agent with thirty (30) days written notice to the other party. Such notification must be sent by certified mail, return receipt requested and regular U.S. mail. Upon the effective date of any termination or cancellation, the Association shall not be obligated for any additional fees to the Management Agent but shall be responsible for all accrued and unpaid fees and all costs incurred or contracted for by Management Agent pursuant to this Agreement through such date.

Upon receipt of a termination notice Management Agent shall:

- a. Stop work under this Agreement on the date and to the extent specified in the notice;
- b. Place no further orders or hire any additional subcontractors with a relation to the work terminated except as may be reasonably necessary to complete the work under the Agreement;
- c. Within forty-eight hours of the notice, permit the Association access to Management Agent's office at the Association to review the Association's records and make an itemized claim for the delivery of the Association's records. Management Agent shall turn over to the Association all Association books and records after termination even if there is an existing dispute as to amounts owing to Management Agent. Books and records shall be provided to Association in both electronic format and hard copies; and
- d. Provide the Association:
 1. With a meeting with the successor entity responsible for management of the Association to complete the transition of responsibility in a comprehensive and businesslike manner;
 2. An itemized statement of the estimated amounts due from the Association to the Management Agent;
 3. An expedited date for a meeting at the Association's offices for turning over to the Association all records, funds and deposit accounts and to conclude contractual obligations



It is understood and agreed to by the Association that, in the event the Association shall fail to tender payment, in good funds, of the described monthly installment as is due Management Agent (as detailed in Paragraph 9 entitled Compensation in accordance with EXHIBIT A attached hereto) on or before the 10th day of each month the installment is due, then, in that event only, Management Agent may, after providing written notice of the failure to pay and giving five days to cure the non-payment at its sole option, elect to immediately cease to provide any and all services as detailed herein and consider any such agency agreement between Association and Management Agent immediately terminated. Management Agent shall inform Association of its election to immediately terminate agreement in conformity with Paragraph 13 entitled Notices and upon the mailing of such notice all records of the Association in possession of Management Agent shall be immediately available for pick-up by the Association. Association shall be liable for a pro-rated amount of the monthly fee due Management Agent through and including the date of such notice of immediate termination as detailed above.

The right of the Management Agent to initiate an ACH payment for its Management fees, payroll reimbursement charges or any other proper fees charged pursuant to this Agreement shall survive any termination of this Agreement but in no event longer than forty-five (45) days after termination to allow Management Agent to process the last set of invoices. This provision shall not apply to any fees, which, at the time of termination are disputed by the Association.

12. ENGAGEMENT OF EMPLOYEES BY ASSOCIATION: The Association recognizes that Management Agent is engaged in the specialized and competitive property management and maintenance business and Management Agent invests time and money in the hiring, training and development of its employees at all levels, which promotes productivity, efficiency and the employment of a competent and specialized workforce. Accordingly, the Association covenants and agrees that it shall not directly hire, employ, or otherwise engage any employees, or former employees who directly provided services to the Association and whom the Association knew provided services, while this Agreement remains in force and continuing for a period of twenty-four (24) consecutive calendar months following the expiration or earlier termination of the Agreement between the Parties hereto. For this purpose, “employees and former employees” are limited to those individuals employed by Management Agent who directly provided significant services to the Association and whom the Association’s Board of Directors was aware provided such services, at any time during the twenty-four (24) consecutive month period prior to the expiration or earlier termination of the Agreement between the Parties hereto. Should the Association violate this paragraph, it agrees to pay, as liquidated damages, and not a penalty, the sum of fifty percent (50%) of the annual salary/wages of said employee(s) (not including labor burden, vacation, medical and other benefits) at time of termination or resignation of said employee(s) by or from Management Agent. The provisions set forth in this paragraph shall survive the termination or expiration of this Agreement for twenty-four (24) consecutive months and the transfer of any such staff to another community association represented by Management Agent must first be approved by Association, such approval not to be unreasonably withheld, unless such transfer was requested by the employee.

13. NOTICES: All notices required hereunder shall be in writing and shall be effective when deposited in the United States mail, with proper postage prepaid, certified mail, return receipt requested, and shall be properly addressed:

If to the Association:

Number 1 Condominium Association – Palm Greens at Villa Del Ray, Inc.

To the Association's address on record
Attn: President

If to the Management Agent:

Castle Management LLC
12270 S.W. 3rd Street, Suite 200
Plantation, Florida 33325
Attn: Mr. Craig Vaughan

or to such other address as either party shall, from time to time, designate for itself, in writing, to the other party, provided that notice of any change of address shall not be effective until received.

14. INDEPENDENT CONTRACTOR: Except to the extent otherwise expressly provided herein, the Management Agent shall be deemed to be an independent contractor and not an employee of the Association. The Management Agent shall be free to contract for similar services to be performed for other entities, wherever located, while it is under contract with the Association.

15. LIABILITY AND INDEMNIFICATION: Management Agent shall be liable for damages resulting to the Association upon the negligence or fault, wrongful acts, intentional misconduct, or material breach of this Agreement of or by Management Agent, its officers, directors, employees, servants, contractors or subcontractors. Management Agent shall indemnify and hold harmless the Association for all claims or causes of action for damages, costs and expenses, including reasonable attorneys' fees and associated costs on the trial and appellate levels, as a result of the negligence, wrongful acts, intentional misconduct, or material breach of this Agreement of or by Management Agent, its employees, agents or servants, and contractors and subcontractors arising out of or connected to the administration of Management Agent's duties hereunder.

However, in no event will Management Agent be liable to the Association for any consequential, special, punitive or exemplary damages, which result from or are caused by Management Agent's negligence, wrongful acts, intentional misconduct, or material breach of this Agreement of or by Management Agent, its employees, agents or servants, and contractors and subcontractors whether such damages are labeled in contract, tort or indemnity. For any such breach or negligence by the Management Agent, the Management Agent's liability and the sole remedy for the Association, shall be limited to the direct compensatory damages resulting therefrom.

The Association shall indemnify and hold harmless Management Agent for all claims or causes of action for damages, costs and expenses, including reasonable attorneys' fees and associated costs on the trial and appellate levels which incurred to any person and entities not caused by negligence, wrongful acts, intentional misconduct, or material breach of this Agreement of or by Management Agent, its employees, agents or servants, and contractors and subcontractors, arising out of or connected to the administration of Management Agent's duties hereunder or damages incurred due to the Association entering into a contract with a third party not properly licensed or insured, if applicable, or damages incurred due to the Association entering into a contract with a third party to provide services to the Association.

However, in no event will Association be liable to the Management Agent for any consequential, special, punitive or exemplary damages, which result from or are caused by Association's breach of the

Agreement or its negligence, whether such damages are labeled in contract, tort or indemnity. For any such breach or negligence by the Association, the Association's liability and the sole remedy for the Management Agent, shall be limited to the direct compensatory damages resulting therefrom.

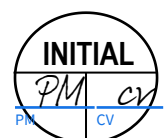
Both Parties acknowledge that the possibility exists that a claim may be made against either on or both parties for which, only one party or some other third party is actually liable. As such, and wherever possible, the parties desire to work together and with their insurance carriers, to resolve those claims. To that end, in the event that a claim in equity, in law, or by means of Administrative complaint is brought against either or both parties, the party receiving the claim shall promptly and without hesitation, notify each party to this Agreement. Each party (the Association and the Management Agent) shall immediately and without hesitation, notify all parties' insurance carriers of said described claim and shall set upon following the instructions of the carriers as well as the counsel who is appointed to represent them by the insurance carrier, it being understood that, pursuant to the indemnifications contained in this paragraph 15 and paragraph 3.5 the Association will defend the Management Agent in all cases until it is finally adjudicated that the Management Agent is liable to the Association. Each party to this Agreement recognizes its duty to cooperate fully with insurance counsel and its carrier's instructions. Management Agent shall maintain with Association Official records, complete and current copies of all Association insurance policies, including those which the Management Agent has named the Association as an additional insured.

The provisions set forth in this paragraph 15 shall survive the expiration or earlier termination of this Agreement.

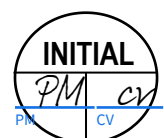
Notwithstanding anything herein contained to the contrary, the financial liability of any indemnifying party to the other shall be limited to the maximum payable under the terms of each respective parties' insurance policies, or the policy limits identified in paragraph 5 if the policy is not properly maintained, or the party has arranged for lesser insurance limits

16. MISCELLANEOUS:

- 16.1** In any litigation arising from this Agreement or connected herewith the prevailing party shall be entitled to recover all costs and attorneys' fees (including fees for appellate proceedings) incurred.
- 16.2** In any litigation arising from this Agreement, venue shall be Palm Beach County, Florida. The parties mutually agree that any trial shall be before a judge only and the parties hereby waive any trial by jury in any action, suit or counterclaim arising in connection with, out of or otherwise relating to this agreement. The provisions of this paragraph shall survive the expiration or earlier termination of this agreement co-extensively with other surviving provisions of this agreement. each party shall waive the right to sue for special, consequential or punitive damages.
- 16.3** No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding breach of the same or any other covenant.



- 16.4** No modification, release, discharge or waiver of any provision hereof shall be of any force, effect or value, unless in writing, signed by both of the parties to this Agreement, their respective successors and assigns.
- 16.5** If any term or condition of this Agreement is, to any extent, invalid or unenforceable, the remainder of this Agreement is not to be affected thereby and each term and condition of this Agreement is to be valid and enforceable to the fullest extent permitted by law. This Agreement will be construed in accordance with the laws of the State of Florida.
- 16.6** Management Agent represents and warrants that the person or persons employed by Management Agent to directly provide any community association management services as defined in Chapter 468 of the Florida Statutes shall have at all times a Community Association Manager's License from the Florida Department of Business and Professional Regulation, and that the Management Agent shall otherwise comply with the provisions of Chapter 468 of the Florida Statutes. If a violation of this paragraph is not cured within ten (10) days of Management Agent's receipt of written notice, the Association shall have the power to immediately terminate this Contract without penalty.
- 16.7** This Agreement constitutes the entire understanding and agreement between the parties hereto, supersedes all prior written or oral agreements with respect to its subject matter. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.
- 16.8** The Association represents and warrants that the execution, delivery and performance of this Agreement by the Association will not conflict with, nor result in the breach of, any agreement, whether oral or written, document, indenture or other instrument to which the Association is a party or under which it is bound. The Association further represents and warrants that it has full power and authority to execute and deliver this Agreement, and to perform the obligations hereunder, and that it has taken all actions necessary to authorize the execution, delivery and performance of this Agreement.
- 16.9** All parties hereto agree that each has either received or had the opportunity to obtain independent legal counsel with respect to this Agreement. The parties further agree that this Agreement is the joint product of all parties herein and shall not be construed against any individual party as drafter of this Agreement.
- 16.10** Any special or other assessment or levy made by a governmental entity, which is imposed upon the services rendered by Management Agent pursuant to this Agreement shall be added to the compensation and/or fee of the Management Agent. If at any time during the term of this Agreement the methods of taxation prevailing on the date hereof shall be altered, such additional or substitute tax, assessment, levy, imposition or charge shall be added to the compensation and/or fee of Management Agent. Association shall be responsible to pay any additional charges determined as a result of these assessments, levies or taxes and shall agree to indemnify Management Agent against any nonpayment of same in addition to the fee or compensation payable to Management Agent under this Agreement.



- 16.11** Management Agent will give the Association all discounts, rebates or commissions provided by any supplier or service contractor to Management Agent or the Association for any services, supplies or materials purchased with Association funds or otherwise used in connection Management Agent's duties hereunder.
- 16.12** Assignment. Recognizing the personal nature of the contracted services, Management Agent may not assign this Agreement without the prior written approval of the Association which approval may be withheld in the Association's arbitrary discretion. In the event of a merger, acquisition or other change in the corporate structure or ownership of Management Agent, the Association, at its sole option, may terminate the Agreement effective upon delivery of written notice.
- 16.13** Directory. If a community directory is published or coordinated by Management Agent, then all advertising shall be subject to the Association's prior written approval before publication, which approval may be arbitrarily withheld. All advertising revenues shall accrue to the Association's account. Management Agent shall not disclose, to any third party, Association information, including mailing lists, without the Association's prior written approval.
- 16.14** Parking. Management Agent's employees, agents and all independent contractors shall park their vehicles (including any golf carts) in areas designated by the Association.
- 16.15** Each person signing this Agreement represents and warrants that he or she is duly authorized and has the legal capacity to execute and deliver this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written:

Number 1 Condominium Association – Palm Greens at Villa Del Ray, Inc., a not-for-profit Florida Corporation

By: *Paul Milowe*
Paul Milowe (Jul 27, 2023 11:21 EDT)
 Lisa Defabritiis
 President

Castle Management LLC, a Florida Limited Liability Company

By: *Craig Vaughan*
Craig Vaughan (Jul 27, 2023 19:42 EDT)
 Craig Vaughan
 Founder and CFO

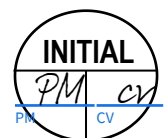


EXHIBIT A
SCHEDULE OF FEES

	ANNUALLY
FINANCIAL AND ADMINISTRATIVE MANAGEMENT (EXHIBIT C)	\$36,000
PERSONNEL (EXHIBIT B)	PAYROLL REIMBURSEMENT

The fee for Financial and Administrative Management shall increase by five percent (5%) on the anniversary date of each year. Compensation to the personnel cannot increase without the Association's agreement.

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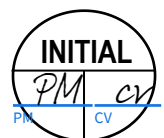


EXHIBIT B

ON-SITE PERSONNEL

The Management Agent will provide on-site personnel as required by the Association. Initially, the following on site personnel shall be provided to the Association:

One (1) full time Property Manager
One (1) full time Assistant Manager
One (1) full time Maintenance Lead
Three (3) full time Maintenance Technicians

The Association and Management Agent will agree on any changes to the above staff, including any agreement to add or reduce personnel or changes to pay rates. The Association may provide reasonable notice to the Management Agent its desire to replace/change any particular employee of the Management Agent working at the Association pursuant to this Exhibit. The Management Agent will utilize its' best efforts to replace the employee dedicated for replacement, within a reasonable time period. Notwithstanding the above, the Management Agent shall not be required to replace any employee who is protected by Federal Law, has taken leave pursuant to the Family Medical Leave Act or who is unable to work at full capacity as a result of injury suffered at the Association, until the employee can be placed at another Association so as to not expose the Management Agent to any liability relative to that employees' leave or work status.

Association is responsible to reimburse Management Agent for employees' paid time off ("PTO") provided pursuant to the standard PTO policies of the Management Agent, including PTO earned but unused up to the earlier of the termination of this contract or the transfer of the employee from the Association. Paid time off includes holidays, vacation and any other personal time off.

The cost of all personnel shall be reimbursed to Management Agent at actual wages plus twenty nine percent (29%) for payroll related costs. Payroll related costs shall include, but not be limited to, social security tax, federal/state unemployment tax, worker's compensation insurance, Management Agent contribution to 401(k) plan, criminal background checks, recruitment expense, payroll processing and human resource administration. The burden charged on salaries shall be automatically increased due to any increases in social security, Medicare, unemployment, and/or due to any increases in worker's compensation insurance rates as stipulated by NCCI and/or any other costs of employment mandated by any government entity including but not limited to the cost of providing health care to employees that may be imposed upon Management Agent as an employer, shall be a direct pass through to the Association on the effective dates of such changes. Such reimbursement shall be paid by automatic funds transfer following each pay period. The cost reimbursement fee stated above does not include health insurance coverage that may be granted by the Association to any of the employees.

The Management Agent provides a Group Health Insurance Plan for the employees above. The Association will be invoiced for the portion of the health insurance premium (single person coverage) not paid directly by the employee. The Associations share at this time is five hundred and ninety-five dollars (\$595) per month. The amount adjusts on the anniversary date of the plan.

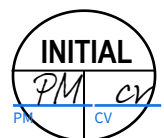
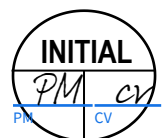


EXHIBIT C

FINANCIAL AND ADMINISTRATIVE DUTIES

C1: FINANCIAL DUTIES

1. Review the financial status of the Association including the current budget and make recommendations to the Board of Directors.
2. Review the present accounts payable and accounts receivable of the Association to suggest any immediate action.
3. Set-up the billing and collection system for the maintenance assessments of the Association.
4. Establish the bank accounts of the Association at a bank approved by the Association.
5. Receive and take custody of monies payable to the Association in the Association's account. All Association funds shall be held in solely in the Association's name.
6. Maintain a complete set of accounting records. These records will belong to and be open for review by the Board of Directors and members of the Association.
7. Pay all bills and other obligations of the Association with a procedure approved by the Board of Directors.
8. Prepare a monthly financial statement which will include a balance sheet, income statement (with budget versus actual comparisons), listing of checks written during the month, and a delinquency listing.
9. Establish and enforce a Board of Directors approved policy for collecting delinquent accounts. Send collection letters in accordance with the procedure.
10. Obtain an engagement letter from a CPA firm approved by the Association for the annual review of the Association's books and records if required by the Association.
11. Prepare a proposed annual budget each year for the ensuing year for the review of the Board of Directors.



C2: ADMINISTRATIVE DUTIES

1. To receive in writing or by telephone maintenance problems or other requests of unit owners or renters and to fulfill these requests on a timely basis.
2. Review the property and make recommendations to the Board of Directors. Architectural and other rule and regulation violations will be noted during this review.
3. Obtain bids and proposals for any major work to be performed for review by the Board of Directors.
4. To attend monthly Board of Directors and/or Annual meeting for presentation of the financial and operations review.
5. To provide twenty-four hour service for emergencies 365 days per year. Management Agent shall provide live answering service 24 hours per day, seven days per week.
6. To maintain an up-to-date listing of unit owners and contact information.
7. To assist in the screening process for sales and leases of units. Obtain a credit report if required by the Association. The Association will utilize a third party vendor to process lease and sale applications (i.e. Tenant Evaluation)
8. To maintain a complete set of office files including legal documents, owner correspondence, insurance and rules and regulations.
9. To prepare notices of meetings, proxies and agendas and organize meetings of the Association. Assist in the election of officers and tabulation of votes; assist in the first meeting of the Board to elect officers for the Association. Prepare draft of minutes of board meetings and submit to the Board for approval.
10. To administer the Association to ensure that all residents, owners and tenants alike, conform with adopted house rules, pool rules, By-laws and promote a pleasant and harmonious relationship within the property at all times.
11. To exercise close supervision over hours and working conditions of employed personnel, if any, to ensure compliance with wage and hour and Workman's Compensation laws.

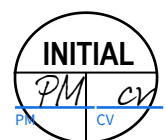


EXHIBIT D

COSTS AND EXPENSE REIMBURSEMENTS

The Management Agent acknowledges that the Association maintains a fully functioning on-site office equipped for handling copying and mail out of certain correspondence to the membership. However, to the extent that printing/ mailing are generated at the office of the Management Agent,(including official mail-outs as required by Florida Statutes, annual and budget mailouts, late letters) the Association agrees to reimburse the Management Agent for those costs as indicated below, in addition to certain other costs and expense reimbursement as follows:

Association costs:

Printing/Photocopying	\$0.15 per page
Postage/courier	actual cost
Envelopes	\$0.10 per envelope
Coupons and statements/Autopay	\$5.00 per book/unit
Ownership transfer admin fee	\$125.00 per unit sold
Loan arrangement and administrative fee	.25% of loan amount,
The Association is not obligated to use Management Agent to obtain or	
Arrange for a loan and if Management Agent is not used for this purpose, then no	
Fee will be due to Management Agent.	
Special assessment administration charge	the lesser of 1% of total special assessment amount or \$2,000 a month for the duration of the project funded by the SPA
Software Licensing	actual cost (currently \$49 per user per month)
Association Technology platform (Web, Violations, ARC's, mobile, asset mgt)	\$595/month

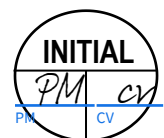
Pass through charges (*):

NSF handling fee	\$45.00 per check
Late fee administrative charge	\$25.00 per late letter
Collection administration charge	\$145.00 per file

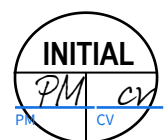
(*) these charges are passed through to the unit owners. The Management Agent shall refund to the Association any of these charges to the extent that they cannot be ultimately collected by the Association.

Any and all such office expenses shall be substantiated with documentation itemizing each charge.

The above referenced list of costs is provided for informational purposes only and represents the costs charged by the Management Agent at the time the contract is signed. The cost reimbursements are subject to change. The Association will be notified, in advance, of any changes in the cost reimbursement schedule noted above.



Litigation, court appearances, depositions, evictions and research regarding legal matters (including record inspections) and/or insurance claims and any other matter not anticipated in this Agreement that cannot be provided by the onsite team, are an additional expense and not included in the monthly charge. There will be an hourly charge of one hundred dollars (\$100.00) for these services (if performed by other than the on-site staff identified in this contract or if performed other than during such on-site staff's regular working hours) and other services not specifically detailed in this Agreement. To the extent the Management Agent anticipates these additional charges will be required it will obtain the written authority of the Association to undertake the work. This provision shall survive the expiration and/or termination of this Agreement.












Castle Condo - Palm Greens at Villa Del Ray 2023vfinal


Final Audit Report


2023-07-27


Created:	2023-07-24
By:	Annette Ordonez (aordonez@castlegroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAy2yYdZVInISkHbvFOV5Oo-mHpJ2CK2ob

"Castle Condo - Palm Greens at Villa Del Ray 2023vfinal" History

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-  Document emailed to Lisa Defabritiis (amici.sperlonga@gmail.com) for signature
2023-07-24 - 2:58:51 PM GMT
-  Email viewed by Lisa Defabritiis (amici.sperlonga@gmail.com)
2023-07-24 - 4:13:34 PM GMT- IP address: 74.125.210.66
-  Annette Ordonez (aordonez@castlegroup.com) replaced signer Lisa Defabritiis (amici.sperlonga@gmail.com) with Paul Milowe (milowe.pm@gmail.com)
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-  Document e-signed by Paul Milowe (milowe.pm@gmail.com)
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 Document e-signed by Craig Vaughan (cvaughan@castlegroup.com)
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 Agreement completed.
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