

EXHIBIT D
RENEWABLE MANAGEMENT AGREEMENT

MANAGEMENT AGREEMENT
BETWEEN
TORTUGA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.
AND
MARINER PROPERTY MANAGEMENT, INC.

THIS AGREEMENT, made and entered into on the date last appearing in the body of this instrument, by and between the Florida Corporation whose name appears at the end of this Agreement as the Management Firm, hereinafter called the "Management Firm", and that certain Florida Corporation not for profit whose name appears at the end of this instrument as the Condominium Association, hereinafter called the "Association", which said terms shall be deemed to extend to and include the legal representatives, successors and assigns of the said parties hereto;

WITNESSETH:

THAT, WHEREAS, the Association is the Association responsible for the operation of that certain Condominium to be known as Tortuga Beach Club, a Condominium, and said Association is desirous of entering into a Management Agreement for the management of said Condominium; and

WHEREAS, the Management Firm is desirous of furnishing such management services; and

NOW, THEREFORE, for and in consideration of the mutual promises contained, it is agreed by and between the parties, as follows:

1. That the foregoing recitals are true and correct.
2. That the terms used in this Management Agreement shall be defined as said terms are defined and used in the Condominium Act, or in the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 4.
3. The Association does hereby employ the Management Firm as the exclusive Manager of the Condominium Property and the Management Firm hereby accepts such employment.
- 4(A). The term of this Agreement shall commence as of the date hereof through December 31, 1988, provided, however, that the Management Firm may, upon sixty (60) days written notice given to the Association, terminate and cancel this Agreement as of the last day of such month as is specified in the Notice of Cancellation. Thereafter, it shall be automatically renewed for successive two (2) year periods until terminated at a duly authorized meeting of the Owners by a majority of the total votes of all of the members of the Association, or by the Management Firm notifying the Association in writing that it will not renew this Agreement at such renewal date.
- 4(B). Notwithstanding the foregoing, the Association may terminate this Agreement, as provided under the provisions of F.S. 718.302.
5. The Management Firm shall perform by way of illustration and not of limitation, the following services:
 - (A) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Condominium, including a Manager, who, in each instance, shall be the employees of the Management Firm, as the Management Firm, in its absolute discretion shall determine, and cause to be discharged all persons unnecessary or undesirable.

(B) To maintain and repair the Condominium Property and the Common Elements of said Condominium to the same extent that the Association is required to maintain and repair same, as provided in said Condominium's Declaration of Condominium and Exhibits attached thereto. For any one item of repair, replacement or refurbishing as to the Condominium, the expense incurred as to the Condominium as a whole, shall not exceed the sum of Two Thousand Five Hundred Dollars (\$2,500.00), unless specifically authorized by the Board of Directors of the Association, except, however, in the case of an emergency, the Management Firm is authorized to expend any sum necessary to protect and preserve the Property.

(C) Take such action as may be necessary to comply with all laws, statutes, ordinances, rules and of all appropriate governmental authority, and the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, those of any other body exercising similar functions.

(D) To enter into contracts for garbage and trash removal, vermin extermination, and other services, subject to the approval of the Board of Directors and make all such contracts and purchases in either the Association's or Management Firm's name, as the Management Firm shall elect.

(E) To purchase equipment, tools, vehicles, appliances, goods, supplies and materials as shall be reasonably necessary to perform its duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the Condominium. Purchases shall be in the name of the Management Firm, or the Association, as the Management Firm shall elect.

(F) Cause to be placed or kept in force all insurance required or permitted in the Declaration of Condominium; to act as Agent for the Association, each Unit Owner, and for each Owner of any other insured interest; to adjust all claims arising under said insurance policies; to bring suit thereon and deliver releases upon payment of claims; to otherwise exercise all of the rights, powers and privileges of the insured parties; to receive on behalf of the insured parties, all insurance proceeds, subject to the provisions of the Declaration of Condominium.

(G) Maintain the Association's financial record books, accounts and other records as provided by the Association's By-Laws and pursuant to the Condominium Act; issue Certificates of account to members, their mortgagees and lienors without liability for errors unless as a result of gross negligence. Such records shall be kept at the office of the Management Firm and shall be available for inspection by Unit Owners or their authorized representatives at reasonable times. As a standard procedure, the Management Firm shall render to the Association a statement for each calendar year no later than the April 1st next thereafter. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it. The consent of the Management Firm to an independent auditor shall not be unreasonably withheld.

(H) Maintain records sufficient to describe its services hereunder and such financial books and records sufficient in accordance with prevailing accounting standards to identify the

source of all funds collected by it in its capacity as Management Firm, and the disbursement thereof. Such records shall be kept at the office of the Management Firm, and shall be available for inspection by Unit Owners or their authorized representatives at reasonable times. The Management Firm shall perform a continual internal audit of the Management Firm's financial records relative to its services as Manager for the purpose of verifying same, but no independent or external audit shall be required of it.

(I) The Management Firm shall determine the budget as to the Condominium for the term of the Management Agreement, subject, however, to the approval of the Board of Directors. Upon said budget's being determined annually, the Management Firm shall submit annually to the Association the operating budget for the ensuing year, setting forth the anticipated income and expenses of the Condominium for the year, and said Management Firm shall specify therein each Unit Owner's share thereof. Should an increase in assessments be required or a special assessment be required during the year, the same shall be determined and made by the Management Firm subject to the approval of the Board of Directors and the Association shall be advised thereof and as to the share thereof payable by each of the Association's members, as the case may be. The Management Firm shall collect the assessments based upon the foregoing. The assessments as to each member of the Association shall be made payable to the Management Firm, or such other firm or entity as the Management Firm shall direct subject to the approval of the Board of Directors; and the Management Firm shall have the right to designate such member or members of the Association, or the Association itself, as it determines, to collect said assessments on behalf of the Management Firm and deliver same to it. The Management Firm shall not be responsible for obtaining the best price available as to any service, material or purchase, but shall, with impunity, purchase or contract for same subject to the approval of the Board of Directors with such person or party as it deems advisable and in the best interests of the Association and the Management Firm, without the necessity of obtaining the best price. Where the Management Firm does not submit an operating budget for the ensuing year to the Association as herein set forth, the operating budget for the current year shall be deemed to apply to the ensuing year and, in such case, each Unit Owner's share of same shall continue in the same amount subject, however, to the right of the Management Firm to increase assessments subject to the approval of the Board of Directors during the year or levy a special assessment subject to the approval of the Board of Directors where it determines that same is necessary or advisable subject to the applicable provisions of the Declaration of Condominium.

(J) Have sole authority and responsibility to maintain and replace the personal property within Units committed to Interval Ownership, and in such capacity to:

1. Determine the maintenance fee, proration of any applicable taxes, and other common expenses applicable to those Condominium Units committed to Interval Ownership, subject to the approval of the Board of Directors as defined in and provided for in the Declaration of Condominium. The Management Firm shall have sole discretion, while this Agreement remains in effect, for making determinations as to replacements of personal property located within such Units, decor, and all other decisions relating to Units committed to Interval Ownership; notwithstanding the foregoing, all

replacements shall be such as to maintain the standard of quality of the furniture, other personal property and decor, as originally contained in such Unit at the time it is committed to Interval Ownership.

2. It is understood by both parties that a portion of the maintenance fee will be set aside as a reserve for future replacements and repairs. The Management Firm shall have sole discretion as to the amounts of such reserves and application of same, subject to the approval of the Board of Directors.

(K) Deposit all funds collected from the Association's members, or otherwise accruing to the Association, in a special bank account or accounts of the Management Firm in banks and/or savings and loan associations in the State of Florida, with suitable designation indicating their source, separate from or co-mingled with similar funds collected by the Management Firm on behalf of other condominiums or entities which the Management Firm manages.

(L) May cause a representative of its organization to attend meetings of the Unit Owners and of the Board of Directors of the Association; however, it is understood and agreed that the Minutes of all the Association's meetings, whether of Unit Owners or of the Board of Directors, shall be taken by the Association's Secretary, and possession of the Minutes Book shall be in the custody of said Secretary, who shall always be responsible for preparing and furnishing notices of all meetings to the required parties.

(M) Promulgate, adopt and amend Rules and Regulations as it deems advisable subject to the approval of the Board of Directors in its sole discretion for the use and occupancy of the Condominium's Common Elements, Limited Common Elements and Units therein, and to enforce same. The Management Firm, in its sole discretion, shall determine all activities and programs to be carried on as to same and shall employ the personnel required therefor as it determines in its sole discretion.

(N) The Management Firm shall cause such alterations and/or additions to the Common Elements or Limited Common Elements of the Condominium Property, to be made as authorized by the Board of Directors of the Association and its members where required, pursuant to and in accordance with said Condominium's Declaration of Condominium and Exhibits attached thereto. As to the foregoing, the Management Firm shall be paid for the cost of its personnel and overhead, materials and equipment in regard thereto, and any and all contractors, subcontractors or materialmen as are required therefor.

(O) Retain and employ such professionals and such other experts whose services may be reasonably required to effectively perform its duties and exercise its powers hereunder, and to employ same on such basis as it deems most beneficial.

(P) Enter into Agreements upon such terms and conditions and for such purpose as the Management Firm determines in its sole discretion necessary subject to the approval of the Board of Directors as to the Common Elements of and the Condominium, and by agreement grant concessions and licenses subject to the approval of the Board of Directors to persons to provide facilities and

services as to and within the Condominium and cause coin vending machines and coin operated equipment and pay telephones to be installed within the Condominium and to purchase same on behalf of and at the cost and expense of the Condominium Association, or rent same or enter into agreements regarding same; however, all income derived by the Management Firm from the foregoing shall inure to the benefit of the Condominium Association; and all expenses appertaining thereto shall likewise be borne by said Condominium Association. The parties hereto recognize that agreements, concessions and licenses may be entered into to provide facilities and services as specified herein for very nominal or no compensation whatsoever. The Management Firm may enter into same in its sole discretion, and it shall use its best judgment; however, it shall not be responsible for same nor the fact that a greater sum might have been obtained nor a shorter period contracted for.

(Q) Make and collect special assessments for such purposes and against such parties as the Management Firm determines, subject to the provisions of the Declaration of Condominium.

(R) Exercise such powers and rights delegated to it, if any, under the terms and provisions of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and all Exhibits attached to said Declaration.

(S) If maintenance of the Condominium referred to in the Declaration of Condominium to which this Management Agreement is attached as Exhibit No. 4, or any portion thereof, including any Unit, Units and/or the Common Elements, is required due to loss by Act of God or other cause, which is other than normal wear and tear, and which loss is less than "major damage", as defined in the Condominium's Declaration of Condominium to which this Agreement is attached, then in such event, the Management Firm shall be authorized and empowered, subject to the approval of the Board of Directors, to determine, assess, charge and levy the costs of repairing and restoring such loss among the Unit Owners in such proportions as it deems advisable, pursuant to the Declaration of Condominium to which this Agreement is attached, notwithstanding the fact that said loss or damage was, or was not, covered by insurance, and said total assessment shall be equal to the cost of said repair which shall include the costs of the Management Firm's personnel and overhead, materials and equipment, and any and all other contractors, subcontractors, or materialmen as are required. Should the loss be covered by insurance, the proceeds thereof shall be applied as a credit against the total costs of said repair and restoration in such proportions as hereinbefore set forth in this paragraph. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration, shall be from insurance proceeds, where such are received, and then from assessments collected, and, should there be a surplus of such funds, the said surplus shall be distributed to or on behalf of the Unit Owners, as provided in the aforesaid Declaration of Condominium.

(T) A schedule is attached hereto as Exhibit A, which schedule indicates how often the Management Firm will perform the various services referred to in this Agreement and said schedule further indicates the method for determining the amount or cost of each service.- Said schedule also specified the minimum number of personnel to be employed by the Management Firm.

6. Notwithstanding the delegation by the Association to the Management Firm of its power to determine and collect assessments and maintenance fees during the term of this Agreement, the

Association retains the power to make those assessments as are specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and the By-Laws which are attached thereto as Exhibit No. 2.

7. The Management Firm shall apply assessments and maintenance fees collected as it determines in its sole discretion as to those items specified in the By-Laws of the Association including the Management Firm's fee and its overhead and expenses, which shall be deemed common expenses. The Management Firm, during the term of this Agreement, may file a lien against a Unit Owner's Condominium Parcel should he fail to pay his assessments or maintenance fee as required and provided in the Declaration of Condominium to which this Agreement is attached and Exhibits attached to said Declaration, and take such other action as provided in said documents, either in its name or in the name of or as agent of the Association whose name appears at the end of this instrument. The Management Firm may render statements as to the current status of a Unit Owner's assessments or maintenance fees. In the case of a Unit committed to Interval Ownership, any lien against an Owner of Unit Weeks in such Unit, shall be limited to the Unit Weeks owned by the defaulting Owner and shall, in no case, be filed so as to encumber the Unit Weeks owned by any other Owner in such Unit.

8. The Association shall aid and assist the Management Firm in any reasonable manner requested by the Management Firm as to the collection of assessments and maintenance fees, and the said Association shall further aid and assist the Management Firm in any reasonable manner required by the Management Firm so as to simplify the method of collecting the assessments and maintenance fees, due from Unit Owners.

9. It is specifically understood that the Management Firm does not undertake to pay common expenses from its own funds and shall only be required to perform its services and make disbursements to the extent that, and so long as, payments received from assessments and maintenance fees, or other revenue, if any, of the Association whose name appears at the end of this instrument, are sufficient to pay the costs and expenses of such services and the amounts of such disbursements. If it shall appear to the Management Firm that the assessments, maintenance fees, and other revenue, if any, of the said Association and its members are insufficient, the Management Firm shall forthwith determine such additional assessment or maintenance fee as is required and advise the said Association and its members.

10. It is specifically understood and agreed that the Management Firm shall perform all of the services required of it hereunder at no cost and expense whatsoever to itself, but solely at the cost and expense of the Association and its members. As compensation, fee or profit for its services hereunder, the Management Firm shall receive a net fee, free from all charges and expenses, of fifteen (15%) percent of the common expense assessment, or in the case of a Unit committed to Interval Ownership, seven dollars and twenty cents (\$7.20) per Unit Week, per year, such amount to be designated the "Management Fee". The Management Fee shall be taken into consideration in setting the common expense and maintenance fee assessments. The Management Firm's fee from each Condominium Unit or Unit Weeks shall commence as of the first day of the month following the date of a Deed from the Developer to the initial purchaser. The Management Fee is subject to renegotiation during each year of this Agreement.

11. The Association shall not interfere nor permit, allow or cause any of the Officers, Directors or members to interfere with the Management Firm in the performance of its duties or the exercise of any of its powers hereunder.

12. The Management Firm shall not be liable to the Association and its members, for any loss or damage not caused by the Management Firm's own gross negligence or willful misconduct, and said Association and its members will and do hereby indemnify and save harmless the Management Firm from any such liability for damages, costs and expenses arising from injury to any person or property in, about and in connection with the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, from any cause whatsoever, unless such injury shall be caused by said Management Firm's own gross negligence or willful misconduct.

13. The Association on behalf of its members, or the Management Firm, shall both have the right to assign this Agreement as herein set forth. The Association may assign its right, title and interest herein to another Condominium Association operating and existing under the laws of the State of Florida, and the Management Firm may assign its right, title and interest herein to another management firm operating and existing under the laws of the State of Florida. However, said assignment shall not be valid unless and until the assignee thereunder expressly assumes and agrees, in writing to perform each and every covenant and term of this Agreement. The said Agreement shall be duly recorded in the Public Records of the County wherein the Condominium is located and an executed duplicate of said assignment shall be delivered to the other party of this Agreement by certified mail or its equivalent. The Management Firm may also sub-contract all/or portions of its duties and powers under this Management Agreement.

14. The Management Firm shall be authorized to assess a Condominium Unit Owner for those items of special assessments subject to the approval of the Board of Directors, as set forth in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and the Exhibits attached to said Declaration, and in this Agreement - i.e., maintenance, repairs or replacements caused by the negligence or misuse by a Unit Owner, his family, servants, guests or invitees, or lessees; or failure of a Unit Owner to maintain those portions of his Condominium Unit and Limited Common Elements assigned to his Unit, as he is required to repair and maintain; or violation of the provisions of the aforesaid Declaration of Condominium and Exhibits attached thereto which require the removal of same by the Management Firm and/or which increase the costs of maintenance and/or repair upon the Management Firm, or increase insurance rates and premiums, etc.

15. The power and authority of the Association to amend the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, and the Exhibits attached to said Declaration, is subject to the specific provisos applicable thereto set forth in the aforesaid instruments.

16. Should any dispute arise as to the rights, powers and duties of any of the parties under this Agreement other than the Association's right to terminate this Agreement pursuant to F.S. 718.302, and said dispute cannot be amicably settled and resolved between the parties, then either party shall have the right to submit the matter in controversy for arbitration under the applicable Rules of The American Arbitration Association or its successor. The Association and the Management Firm agree that the arbitration shall take place in Lee County, Florida, and shall be governed by Florida law. The award rendered by the Arbitrator(s) shall be final, and judgment may be entered on it in accordance with applicable law in any court having jurisdiction

thereof. The Arbitrator(s) shall have the right to assess costs and attorneys' fees in such amount and against such party as is determined just and proper under the circumstances.

17. 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 covenant.

18. Time is of the essence in every particular, and especially where the obligation to pay money is involved.

19. No modification, release or discharge or waiver of and provision hereof shall be of any force, effect or value, unless in writing, signed by the parties to this Agreement - i.e., the Management Firm and the Association or their respective successors or assigns.

20. This instrument, together with the Declaration of Condominium to which this Agreement is attached, and the Exhibits attached to said Declaration, including this Agreement, constitute the entire agreement between the parties hereto, as of the date of execution hereof, and neither has been induced by the other by representations, promises or understandings not expressed herein, and there are no collateral agreements, stipulations, promises or understandings whatsoever, in any way touching the subject matter of this instrument, or the instruments referred to herein, which are not expressly contained therein.

21. The invalidity in whole or in part of any covenant, promise or undertaking, or any section, sub-section, sentence, clause, phrase or word, or of any provision of this Agreement or the Exhibits attached hereto, and the Declaration of Condominium to which this Agreement is attached and the Exhibits attached to said Declaration, shall not affect the validity of the remaining portions thereof. The provisions of this Agreement shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted; otherwise the provisions of said Condominium Act shall prevail and shall be deemed incorporated herein.

22. The definitions of the words, terms, phrases, etc., as provided in Article I, of the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

23. The words, "Condominium Association", "member(s)", "Unit Owner(s)" and "Parcel Owner(s)", wherever and whenever used herein, shall include the singular and plural thereof, and the use of any gender shall include all genders, wherever the same shall be appropriate. The term, "Condominium Parcel", or "Condominium Unit", or "Unit", or "Parcel", or "Unit Weeks", or "Unit committed to Interval Ownership", or "Interval Ownership", or "Parcels" and the Owners thereof shall be defined Pursuant to the Declaration of Condominium to which this Agreement is attached, and same are Condominium Parcels and/or Units of such Condominium as is created by the aforesaid Declaration of Condominium, or ownership or parts of such Parcels or Units.

24. When either party hereto, and the Association's members, desire to or are required to give notice unto the other, or others, in connection with and according to the terms of this Agreement, such notice shall be given to the Association, its members, and the Management Firm, as provided in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4.

25. If the Association or its members, shall interfere with the Management Firm in the performance of its duties and exercise of its powers hereunder, or if the said Association shall fail to promptly do any of the things required of it hereunder, then the Management Firm - fifteen (15) days after having given written notice to said Association of said default by delivering said notice to any officer of the Association, or in their absence, to any member of the said Association, may declare this Agreement in default unless such default be cured by the said Association within fifteen (15) days after such notice. Upon default, the Management Firm may, in addition to any other remedy given it by this agreement or in law or in equity, bring an action against the said Association and its members for damages and/or specific performance and/or such other rights and remedies as it may have, and the said Association and its members shall be liable for the Management Firm's reasonable attorneys' fees and costs incurred thereby. All of such rights of the Management Firm upon default shall be cumulative and the exercise of one or more remedies shall not be deemed to exclude or constitute a waiver of any other or additional remedy.

26. Failure by the Management Firm to substantially perform its duties and obligations under this Agreement for a continuous period of forty five (45) days after written notice of default from the Association specifying the default complained of shall be grounds for the said Association's cancellation of this Agreement.

27. If the Condominium specified in the Declaration of Condominium to which this Agreement is attached as Exhibit No. 4, shall be terminated, as is provided in its Declaration of Condominium, then each of the Condominium Unit Owners shall thereby become a tenant in common and shall, as to his separate interest, continue to be a party to this Agreement and bound by the provisions hereof, and the Management Firm shall manage such interest pursuant to the Provisions of this Agreement as the nature of such interest and the context of this Agreement shall Permit.

28. It is specifically recognized that the Developer of Tortuga Beach Club, a Condominium, or some or all of the persons comprising the original Board of Directors of the Association, are or may be stockholders, officers or directors of the Management Firm or may have some other financial or ownership interest in the Management Firm, and that such circumstances shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate this Management Agreement, in whole or in part.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, and have caused these presents to be signed respectively by their proper Officers, and their respective Corporate Seals have been duly affixed, this _____ day of _____, 19 _____.

Signed, sealed and delivered in the presence of:

MARINER PROPERTY MANAGEMENT, INC., a Florida corporation

By: _____ (SEAL)

Attest: _____ (SEAL)

"MANAGEMENT FIRM"

TORTUGA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

By: _____ (SEAL)

Attest: _____ (SEAL)

"ASSOCIATION"

STATE OF FLORIDA)
)
) SS:
)
COUNTY OF)

BEFORE ME, the undersigned authority, personally appeared and to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary of MARINER PROPERTY MANAGEMENT, INC., a Florida corporation and they acknowledged before me that they executed such instrument as such officers of said corporation and that the seal affixed thereto is the corporate seal of said corporation, and that same was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal at the County and State aforesaid, this day of , 19 .

Notary Public, State of (SEAL)
Florida

My Commission Expires:

STATE OF FLORIDA)
)
) SS:
)
COUNTY OF LEE)

BEFORE ME, the undersigned authority, personally appeared Allen G. Ten Broek and Timothy R. Bogott, to me well known to be the persons described in and who executed the foregoing instrument as President and Secretary respectively, of TORTUGA BEACH CLUB CONDOMINIUM ASSOCIATION, INC., a Florida Corporation not-for-profit, and they severally acknowledged before me that they executed such instrument as such officers of said corporation, and that the seal affixed thereto is the corporate seal of said Florida corporation, and that same was affixed to said instrument by due and regular corporate authority, and that said instrument is the free act and deed of said corporation.

WITNESS my hand and official seal, at the County and State aforesaid, this day of , 19 .

Notary Public, State of (SEAL)
Florida

My Commission Expires:

EXHIBIT A

The MANAGEMENT FIRM shall employ a minimum of one (1) part time employee to perform and/or supervise the performance of the services of the MANAGEMENT FIRM pursuant to the MANAGEMENT AGREEMENT.

<u>Services to be performed and/or supervised by Management Firm pursuant to paragraph 5</u>	<u>To Be Performed</u>	<u>Cost Basis</u>
Hire & supervise necessary employees to maintain and operate condominium property	As Required	Actual Cost Incurred
Maintain & repair condominium property	As Required	Actual Cost Incurred
Promulgate rules & regulations for the Condominium property	Annually More often if necessary	Included in Management Fee
Initiate necessary action to force residents to comply with rules and regulations, statutes, laws and ordinances	As Required	Actual Cost Incurred
Purchase tools, equipment and supplies necessary to maintain and operate the condominium property	As Required	Actual Cost Incurred
Keep insurance in force	As Required	Actual Cost
Maintain Association's financial records, books and accounts	Quarterly More often if necessary	Actual Cost Incurred
Maintain records to describe services hereunder	Quarterly More often if necessary	Included in Management Fee
Prepare operating budget for condominium property	Annually	Included in Management Fee
Maintain and replace personal property in Units committed to Interval Ownership	As Required	Actual Cost Incurred

Services to be performed
and/or supervised by
Management Firm pursuant
to paragraph 5

	<u>To Be Performed</u>	<u>Cost Basis</u>
Collect all funds and maintain bank accounts	As Required	Actual Cost Incurred
Attend meetings of Unit Owners and Board of Directors	As Required	Included in Management Fee
Enforce rules and regulations	As Required	Actual Cost Incurred
Cause alterations and/or additions to be made to the condominium property	As Required	Actual Cost Incurred
Retain and employ persons, corporations, firms and professionals to perform duties	As Required	Actual Cost Incurred
Make and collect special assessments	As Required	Actual Cost Incurred

The foregoing only relates to the services supervised or performed by the Management Firm for and in consideration of the Fee paid it under the Management Agreement. For the estimated cost of maintaining, operating and administering the Condominium, reference should be made to the budget for the Condominium and the Condominium Association.