

COMMUNITY FINANCIALS, INC. SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 22nd day of May, 2025 by and between Community Financials, Inc. ("Agent"), a Colorado corporation and **Fairway Villas of Miles Grant Association** ("Client"), a [Florida] [not-for profit corporation].

Article 1 Appointment of Agent

1.1 Appointment of Agent: The Client hereby appoints Agent, and Agent hereby accepts such appointment on the terms and conditions hereinafter provided, as financial services agent of **Fairway Villas of Miles Grant Association** located at **5276 SE Sea Island Way, Stuart, FL 34997** (the "Property") commencing on **July 1, 2025** (the "Commencement Date") and continuing until terminated in accordance with this Agreement.

1.2 Status of Agent: Agent shall act on behalf of the Client as an agent with respect to the matters covered by this Agreement, provided, however, Agent shall have no authority to execute or enter into contracts on behalf of the Client unless the appointed Board liaison has been notified and approved.

1.3 Role of Agent: Agent shall assist the Board of Directors of the Client (the "Board") in the financial management (refer to Schedule A of this Agreement) of the Association. Agent shall use its best efforts to perform its duties under this Agreement in accordance with the Client's governing documents, including its declaration, by-laws, rules and regulations and other duly enacted policies and procedures including the adopted budget and reserve study (collectively, the "Governing Documents") as provided to Agent by the Board. Agent shall be available during its business hours to confer with the Board and its representatives regarding the performance of the services set forth herein.

Article 2 Services

2.1 Duties of Agent: Agent shall perform the services set forth on Schedule A (the "Services") and any services required under the service level specified herein and in Schedule B1 ("Service Level") in a professional manner.

2.2 Duties of Client: Client shall timely provide Agent with such information and documentation as provided in this Agreement and as Agent may reasonably request to enable Agent to perform its obligations under this Agreement and any Schedule hereunder.

Article 3 Bank Accounts

3.1 Segregation of Accounts; Account Signatories: All Client operating checking accounts shall be set up by Agent in a financial institution of Agent's choice which shall be a member of the Federal Deposit Insurance Corporation. Client funds shall be maintained in individual Client accounts (collectively, "Client Accounts") and shall not be commingled with Agent's accounts or any other client's funds. Board representatives will be authorized signers on the bank accounts. However, to ensure accurate and properly documented records, only Agent shall deposit funds into, or cause funds to be withdrawn from said accounts, at direction of or under the policies of the Client.

3.2 Invoicing and Collection of Owner Payments:

(a) At the direction of Client, Agent shall bill and use best efforts to collect the (monthly, quarterly, semi-annual or annual) owner fees/ common charges, special assessments, loan payments and other income and receipts of or owing to the Client (as included in the specified service level or per Schedule C of this Agreement) and shall deposit said funds in a Client Account. All checks, debits and withdrawals from Client Accounts must be reviewed and approved by two (2) designated officers (or an officer and manager) of Client using Agent's online bill approval system.

(b) All remittances to Client which are paper checks shall only be mailed to an offsite lock box. Electronic payments and checks will be deposited into Client Accounts shall be made on a daily basis that is not a weekend, bank or Federal holiday. Agent is not responsible for postal or bank delays, holds or errors.

(c) Late fees and/or interest will be assessed after a grace period of 3 days after the late payment date in the collection policy, governing documents or as specified by state regulations (e.g. CA regulations provide for a grace period of 15 days). Late fees and/or interest shall be noted on the ledger.

(d) Although Agent will use its best efforts to bill and invoice owner fees/ common charges, assessments and other funds due Client, Client recognizes and acknowledges that Agent is not a guarantor of collection or payment.

3.3 Accounts Receivable & Collection of Assessments: Bank accounts of Client shall receive all monthly, quarterly, semi-annual, or annual assessments and other monies that are due the Client with respect to the Property and for all rental and other payments from concessionaires, if any. All payments received by the Client bank account will be applied in accordance with the collection policy, Governing Documents and applicable law. Agent shall have no responsibility to collect delinquent assessments or other charges except to send notices of delinquency as directed by Client and in accordance with Schedule C.

3.4 Maintenance of Reserve Funds:

(a) Reserve funds will be deposited into an account as designated by the Client's Board of Directors. If the Board does not designate an account for reserve funds, at the direction of the Board, and in the amount designated by the approved budget, then Agent will deposit such funds in a separate account at the same bank used for the operating account. The Board of Directors will be authorized signers on all reserve accounts.

(b) If regular reserve funds are maintained at a bank not of Agent's choice, Client shall provide to Agent a copy of the monthly bank statements for such account(s) 5 days of receipt thereof by Board to facilitate Agent's timely and accurate reporting.

3.5 Client Accounts are Sole Property of Client: The above referenced accounts are the sole property of the Client. The Board is the trustee of the Client's assets, property and accounts and Agent operates only at the direction of or policies of the Board. At no time shall Agent be construed as the trustee of the Board of Directors or the Client.

3.6 Miscellaneous Banking Provisions: Notwithstanding any other provisions of this Agreement, Agent shall not be required to advance any of its own funds to meet the obligations of the Client. Client also grants to Agent the right to deposit checks, drafts and other instruments in the name of, or on behalf of, Client. Agent shall not be held liable in the event of bankruptcy, failure or for any other acts, errors, omissions or defaults of any depository.

Article 4 Third-Party Service Providers

4.1 Services Provided by Third Parties During the term of this Agreement, certain services may be provided by third parties. Some of these include software, online payment gateway, online bill approval system, banking partner, mailing partner, etc. The Agent shall use due care in selecting third parties but does not guarantee or warrant the performance of any such third parties.

Article 5 Compensation

5.1 Compensation: Client has selected the **Standard Service Level**, as further described in Schedule B. Client shall pay Agent a monthly fee of **\$439.00**, plus any applicable tax, in accordance with Schedule B (such amount, the “Agent Fees”). The Agent Fees shall be payable electronically and in advance on the first day of each calendar month for the services to be performed in that month.

5.2 Reimbursements: Except for the office supplies, postage, etc. that are part of this Agreement’s bill payment processing (or provided by Client’s Service Level), the Client shall reimburse Agent for the following administrative expenses incurred by Agent in connection with the financial management and operation of the Client:

- (a) Cost of community mailings, including any coupon books, or monthly statements;
- (b) Postage;
- (c) All other services as approved, budgeted, necessary or required.

5.3 Payment of Agent Fees. Agent will withdraw the Agent Fees from Client’s checking account electronically on the first business day of each month. Agent shall invoice Client for all reimbursable expenses as set forth above on a monthly basis. All payments for additional charges made later than fifteen (15) days after submittal into Agent’s online approval system shall bear a service charge of 1-1/2% per month.

5.4 Schedule of Fees & Optional Services: Schedule C (Schedule of Fees) and Additional Services provide a list of additional or optional services which may be performed by Agent at an extra charge to the Client. All such services rendered by Agent on behalf of the Client shall be supported by a statement itemizing the charges.

Article 6 Insurance

6.1 Maintenance of Insurance by Client: The Client shall deliver to Agent a certificate of insurance evidencing the requisite coverage **as recommended by an experienced licensed community association insurance professional at the limits deemed prudent for similar communities in similar locations or as set forth below whichever is less** within ten (10) days of execution of the Agreement, and providing such evidence of insurance shall be a condition precedent to this Agreement. The Agent shall be given thirty (30) days’ written notice of cancellation or diminution in coverage of any of the policies required as set forth below. As a condition precedent to the continuation of this Agreement, the Client shall provide replacement coverage of any cancelled insurance.

(a) Fidelity (Employee Dishonesty) and Crime Insurance: The Client at its sole cost and expense shall obtain and keep in force Fidelity (Employee Dishonesty) and Crime Insurance with a limit of this coverage shall be the total of all operating and reserve accounts plus three months of the average monthly operating expenses determined over the past twelve months.

(b) **Directors and Officers Insurance Coverage:** The Client at its sole cost and expense shall obtain and keep in force Directors and Officers liability Insurance. The limit of liability of the comprehensive directors' and officers' liability insurance shall equal a minimum of \$1,000,000 with defense fees and costs outside the limits. The policy should include coverage for both monetary and non-monetary claims, defense of breach of contract and failure to obtain or maintain insurance, coverage for discrimination, entity v. insured exclusion, and personal injury offense coverage.

(c) **Other Policies Deemed Appropriate by the Insurance Professional**

6.2 **Maintenance of Insurance by Agent:** The Agent agrees to purchase and maintain a Fidelity (employee dishonesty) / Crime Insurance policy in an amount equal to or greater than \$2,000,000 single loss; Professional Liability (Errors and Omissions) coverage of \$2,000,000 per claim; and cyber liability coverage of \$2,000,000 per claim.

Article 7 Term, Termination and Renewal

7.1 **Term of Agreement:** The term of this agreement shall be for a period of one (1) year beginning on the Commencement Date and ending on the one (1) year anniversary thereof (the "**Initial Term**"). This Agreement will automatically renew for successive one-year periods unless terminated by either party as set forth below. The initial Term and any successive one-year periods shall be the "Term."

7.2 **Renewal:** At the expiration of the Initial term of this Agreement will automatically renew for successive one-year periods unless terminated by either party as set forth above. The base fee shall escalate every twelve (12) months by the greater of five (5%) percent over the prior year's rate or by the Consumer Price Index for All Urban Consumers (CPI-U); U.S. City Average; All items, not seasonally adjusted, 1982–1984=100 reference base. Notwithstanding anything contained herein, the Agent retains the right to negotiate a higher increase at any time an increased workload can be documented or anticipated.

7.3 **Notice of Termination:** Notice of Termination: Unless the Governing Documents provide for shorter notice, this Agreement may be terminated prior to the automatic renewal date by either party by written notice (including email) to the other party given at least sixty (60) days prior to the end of the then-current term. Notwithstanding the foregoing, prior to termination by Client, Agent encourages Client to contact Agent by telephone to discuss any issues with its Client Manager or Agent's president, Russell Munz, or to contact Agent via email or a letter in an attempt to resolve any issues.

The Agent reserves the right to terminate this Agreement with immediate effect if the Client, through their actions, behaviors, or communications, creates a working environment that is unreasonably hostile, abusive, or difficult to the extent that it impairs the Agent's ability to perform the services under this Agreement. Such behaviors may include, but are not limited to, frequent unreasonable demands, inappropriate or unprofessional communication, failure to cooperate in a timely manner, or any actions that significantly hinder the Agent's ability to deliver the agreed-upon services. In the event of such termination, the Agent shall provide written notice to the Client outlining the reasons for termination. The Client shall be liable for all services rendered up to the date of termination, and any prepayments for services not yet performed shall be refunded, minus any costs incurred by the Agent due to the Client's behavior.

7.4 Cooperation in Transition: Subject to Client's continued payment of any and all amounts due Agent hereunder, Agent shall continue to perform all duties and responsibilities under this Agreement after notice of termination until the termination date. Agent and Client agree to cooperate fully with one another to transfer Client property, to execute whatever documents, and to take all necessary other action may be necessary prior to termination to cause an orderly transition of Client financial management to a new agent. After the termination date, Client shall compensate Agent at the rate set forth in Schedule C for any additional transition services requested by Client.

7.5 Early Termination: In the event the Client terminates this Agreement outside of the 60-day notice period prior to renewal, the Client shall pay Agent as an Early Termination Fee, an amount equal to three months of Agent Fees. *(This helps recoup the onboarding expense that we do not charge extra for and can't amortize over a long relationship)*. Early Termination Fee shall be paid in addition to any other compensation payable under this Agreement.

Article 8 Limitation of Liability; Indemnification

8.1 Disclaimer: Except as expressly provided in this Agreement, Agent makes no other warranty, express or implied, with respect to this Agreement or the services rendered hereunder.

8.2 Limitation of Liability: Agent's entire liability under any provision of this Agreement shall be limited to the fees received by Agent from Client during the term of this Agreement except for losses due to fraud or negligence on the part of the Agent.

8.3 Agent shall have no liability to Client or any third party for the content and use of financial statements, budgets, reserve studies and any other financial documents, prepared or not prepared by the Agent. Furthermore, Agent does not have any liability, duty to determine or responsibility for the sufficiency or adequacy of any budgets, reserve studies or insurance coverages for any Property, as that would be beyond the scope of this Service Agreement. Client agrees that Client and Property should rely on Reserve Study and Insurance Professionals for the preparation and sufficiency of budgets, reserve studies and amount to fund for reserves and the adequacy of all insurance.

8.4 In addition to the financial services provided by our company, the Board should understand we are not your management company, insurance agent, reserve advisor or lawyer – and that it is the Board's responsibility to make sure they seek the appropriate counsel for:

- a. complying with all state and federal statutes
- b. complying with their governing docs
- c. they have the appropriate insurance and coverages required and/or needed
- d. they understand their reserve requirements and obligations - state/governing docs
- e. they understand all their financial obligations and responsibilities per the state statutes /governing documents-including all year end requirements to homeowners.
- f. all financial policies (for ex: progressive collection policy and fines policies) have been approved by their lawyer as legal.
- g. running their meetings and keeping all required minutes and proper notices.

8.5 Indemnity: The Client shall defend and indemnify and hold Agent harmless from all claims, expenses, actions, liabilities and damages (including attorney's fees, administrative services, and litigation costs) caused in whole or in part by any alleged wrongful act or omission of the

Client, any member of the Client or any party acting at the direction or under the supervision of the Client. The foregoing indemnity obligations shall survive the expiration or termination of the Agreement.

Article 9 Miscellaneous

9.1 Miscellaneous: This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by all parties to this Agreement. No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or any other term of the same or different nature. If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, personal representatives, successors and assigns. This Agreement may be executed in counterpart copies, each of which shall be deemed an original. Electronic signatures shall have the same force and effect as originals. This Agreement shall be interpreted and construed pursuant to the laws of the State of Florida without regard to conflict of laws rules applied in the State of Florida. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the County of Palm Beach, State of Florida with respect to any action or proceeding (including, without limitation, all pretrial proceedings and party depositions) brought with respect to this Agreement.

9.2 Notice Requirement: Any notice required under this Agreement by either party shall be given in writing, and shall be personally delivered or delivered via overnight mail, with written receipt therefor, or by email with read receipt required to each of the parties at their addresses as set forth below. Notice from the Client to Agent shall be addressed to: Russell Munz, Community Financials, 185 E. Indiantown Road, #127, Jupiter, FL 33477 or russell@communityfinancials.com. Notice from Agent to Client shall be addressed to the Client's Board of Directors in care of the President of the Board at the email or physical address of the President or Property.

9.3 Dispute Resolution. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Claims shall be heard by a single arbitrator. The place of arbitration shall be by video conference. The arbitration shall be governed by the laws of the State of Florida. Hearings will take place pursuant to the standard procedures of the Commercial Arbitration Rules that contemplate in person hearings. Time is of the essence for any arbitration under this agreement and arbitration hearings shall take place within 90 days of filing and awards rendered within 120 days. Arbitrator(s) shall agree to these limits prior to accepting appointment. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. Any award in an arbitration initiated under this clause shall be limited to monetary damages and shall include no injunction or direction to any party other than the direction to pay a monetary amount. Each party shall bear its own costs and expenses and an equal share of the arbitrators' and administrative fees of arbitration. Except as may be required by law, neither a

party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

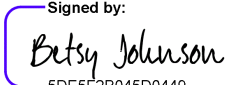
9.4 Communications between Agent & Client – Chain of Command: The Client designates a single point of contact from the Board (preferably the **President**), or in their absence someone else from the Board (preferably the **Treasurer**), as the individual to whom Agent must report and from whom Agent must solicit all consents or approvals required by this Agreement. Agent shall not accede to, nor shall the Client permit any other representative of the Client to provide instructions, consents or approvals to Agent.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement as of the date set forth below.

CLIENT:

Fairway Villas of Miles Grant Association

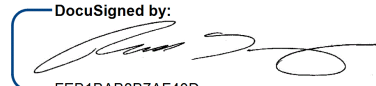
Signed by:

By: _____
Name: Betsy Johnson
Title: President
Date: 5/30/2025

Signed by:

By: _____
Name: Cathy Donovan
Title: Treasurer
Date: 5/30/2025

AGENT:

Community Financials, Inc.

DocuSigned by:

By: _____ 5/22/2025
Russell Munz, President Date

SCHEDULE A

Basic Services

Standard Business Hours: Office hours are from **9:00AM to 5:00PM** Monday through Thursday **9:00AM – 12:00PM** on Friday (Eastern Standard Time), except for select holidays.

General Administration and Financial Services

1. Organization of Client Records and Governing Documents, including (a) preparation of financial statement compiled from said records showing Client's financial situation, or (b) a written recommendation that the Client's records are incomplete and need to be audited by a Certified Public Accountant.
2. Maintenance of Client's Financial Records.
3. Maintenance of List of Client's Property Owners, as reported by Client to Agent.
4. Storage and Transfer of electronic records of Client for term of Agreement, but not to exceed seven years.
5. Assistance in preparation of annual operating budget per service level, incorporate items from reserve study if you hire a reserve specialist and pay insurance bill / renewal after you consult with an insurance professional.
6. Assistance in tax preparation and annual audit by providing Client with records for the preparation of the Client's annual tax return and/or annual audit provided that Agent is not responsible for the preparation of audited financial statements and federal and state tax returns. Payment of estimated tax payments per Client's or its accountant's instructions. Coordination with the CPA
7. Payments to Vendors with online review and approval of vendor bills by designated board members prior to payment. Provide Client with a monthly list of payments to vendors with the financial statement. Payments required outside of the normal online payment process will incur an additional charge per Schedule C.
8. Preparation of 1099 Forms as required by law at a rate per vendor (billed separately per Schedule C).
9. Filing of Annual Report to Secretary of State's Office for a service fee plus the state's filing fee (either included in Client's Service Level or billed separately per Schedule C).

Financial Services

1. Billing, recording of receipts and financial reporting of the owner dues/common charges, special assessments and the other periodic income to which the Client is entitled.
2. Maintenance of financial books and records for the Client on the modified accrual basis, a basis other than GAAP, submitted to the Board each month between the fifteenth (15th) and the twenty- fifth (25th) of the following month in accordance with Client's Service Level. Fiscal year end financials will be completed by the last day of the following month.
3. Submission of cumulative general ledger, cumulative aged receivables and cumulative aged payable reports to the Board on an annual basis.
4. Bank Account Reconciliations, monthly, including one checking account statement and one savings or investment account statement for Client's reserve account (or as indicated in schedule B-2).
5. Preparation and maintenance of Owners' Ledgers, and provision to each verified owner a billing statement for payment of assessments to the Client, if requested. Billing errors may be corrected without liability to Agent. Agent will provide assistance to owners regarding billing statements.
6. Preparation of monthly Aged Delinquency Report.
7. Provision of a dedicated Client Manager for all Board inquiries.

SCHEDULE B-1

Client's Proposal Showing Selected Service Level's Optional Services

Quote for Services & Systems

We Make Operating Your Community SIMPLE



HOA & Condo Financial Services Nationwide

Date Prepared 5/21/25 Name of Association Fairway Villas of Miles Grant
 State Florida # of Homes 46 Collect Fees: ☐ Monthly ☒ Quarterly ☐ Annually

Quote expires in 90 days

*Don't want to spend hours on community accounting, administrative & communication chores?
 Our solution makes it easy AND we do a lot of the work so you don't have to.*

PREMIUM SERVICE

For communities that want more insight,
guidance and even faster service

STANDARD SERVICE

For communities that want to save time. It offers
additional services, that will make your role easier.

ESSENTIAL SERVICE

For smaller communities or those on a budget; we do
the accounting but you handle owner support.

ALL SERVICE LEVELS INCLUDE:

- ✓ **Collect Assessments & Pay Bills**
- ✓ **Review Community Collection Policy:** Ensures late fees, late notices and delinquency protocols are followed correctly
- ✓ **Bank Management:** Including deposits, transfers, monthly bank statements and reconciliation
- ✓ **Homeowner Online Portal:** View payment history, account balance, make a payment, view up to 6 community documents, and select mail /email preference
- ✓ **Board Portal Lite:** Owner list, payment delinquencies & banking info
- ✓ **Communication Center:** Email, text and voice broadcast owners
- ✓ **Resale & Refinance Support:** Process paperwork in compliance with regulations - fee paid by owner at closing
- ✓ **Board Academy:** Online learning with guides and videos
- ✓ **Board Discussion Board:** Ask your peers (our Board member clients) questions to help make better decisions at your property
- ✓ **Board Financial Services Support:** Dedicated Client Manager (limited)
- ✓ **Board Transitions:** Update systems & bank signature card
- 🏆 **Value Guarantee:** If you are not completely delighted with the work performed by us, we will either refund the price or accept a portion of the price that reflects your level of value received.

	PREMIUM SERVICE	STANDARD SERVICE	ESSENTIAL SERVICE
Provide Financial Reports: Delivered on time the following month	✓ the 15th - 16th	✓ the 20th - 22nd	✓ the 25th
Board Financial Services Support Response Time: by Client Manager	.5 Business Day	1 Business Day	2 Business Days
Homeowner Accounting Support: Phone and email support (Essential is handled by Board/Manager)	✓	✓	✗
Bank Balance Monitoring: Check low balances and alert so bills paid as scheduled	✓	✓	✗
Budget Assistance: Standard includes a worksheet with prior 3 years of income & expenses to help	✓ draft budget	✓ provide worksheet	✗
Financial Excerpt Posted to Homeowner Portal: Balance sheet plus income & expense report	✓	✓	✗
Board Portal Plus: Board restricted folders; unlimited document storage & upload	✓	✓	✗
Violations, Task Management, Maintenance & ARC System: Request, tracking & reporting	✓	✓	✗
Software Advanced Set Up and Education: Use for Board portal, maintenance tracking & violations; beyond the basic training included for every client	✓ 1.5 days/year	✓ .5 day/year	✗
File Annual Report: Update corporation information with Secretary of State to maintain your legal and tax status. (don't jeopardize the ability to file law suits or get a bank loan)	✓	✓	✗
Special Assessment: Set up and billing administration (includes one active at a time)	✓	✗	✗
Advanced Reporting Package: 12-month income & expense; 12-month forecast; vendor bill copies for the month; customize financial reports within software's capabilities	✓	✗	✗
Board Meeting Attendance: Join by phone or video call after hours	✓ 1 Board meeting/year	✗	✗
Accounting Observations, Guidance & Planning Session	✓	✗	✗
Monthly Price:	679	439	349

NO EXTRA FEES FOR:

- ✓ Onboarding
- ✓ Offboarding
- ✓ Portals
- ✓ Emailed statements to home owners
- ✓ Owner online e-payments (ACH)
- ✓ Owner check payments to bank lockbox
- ✓ Vendor payment by check or e-payment
- ✓ Board accounting question support (limited)
- ✓ No monthly bank fee from partner bank

Soon you'll be more organized, with less frustration and worry, plus more free time!

For those who appreciate detail, here are more specifics

MONTHLY FINANCIAL MANAGEMENT ACTIVITIES (Included in all 3 Service Levels)	
COLLECT	<i>Payment systems improve cash flow</i>
Based on dues frequency, either statements emailed to owners, itemized, showing past due balance (included) OR mailed statements or mailed coupon books are available (mailed options incur a per item extra cost)	✓
Collect assessments as required: Owners can pay online by e-check/direct debit (included) or by credit/debit card (owner pays processing charge), or can pay by mailing a check directly to the bank's lockbox for security and faster depositing (included)	✓
Apply late fees and send late notices* per your collection policy to proactively reduce delinquencies	✓
Work with your attorney or our collection agency partner on delinquent payers*	✓
Fines & violation billing adjustments to owners accounts	✓
PAY BILLS	<i>Fast bill payment keeps good vendors coming back</i>
Provide paperless expense & receipt processing system	✓
Review and approval of bills by 2 board members online prior to payment (for added transparency)	✓
Pay all approved vendor bills daily in the online Strongroom system by check or e-payment (ACH) at no extra charge	✓
Resolve all vendor payment questions	✓
REPORT	<i>Accurate & timely financial information helps you make better decisions</i>
Customize financial reports as software allows - initial setup	✓
Produce the financial reports for the community including: balance sheet, comparative income & expense report (shows any variance between budgeted and actual expenses to help stay on budget), check register, general ledger & aged delinquencies (to help you enforce your collection policy), bank reconciliation report and more	✓
Post all bank account, debit & credit card transactions and reconcile accounts, and post payroll entries (if applicable)	✓
Cash, modified cash or accrual accounting available	✓
Checklist process by staff ensures reporting is done correctly	✓
Maintain an owner's roster (to comply with some state's statutes)	✓
PROTECT	<i>Peace of mind</i>
All payments are mailed to the bank's check processing lockbox or paid online and deposited directly into your bank account	✓
Provide a new segregated operating & reserve checking accounts (with no monthly bank fee) from a 5 star rated banking partner. Board members are signers on the accounts	✓
Include bank statements as part of the monthly financial report package.	✓
Provide online bank account viewing access to your board or staff (for added transparency)	✓
Reconcile all bank accounts monthly to "prove" the bank assets and financial reports are accurate	✓
Bank transfers require separate approval from the staff that initiated	✓
Reserve fund transfers require written authorization by 2 Board Members	✓
Employees undergo criminal background checks upon hiring	✓
Professional liability and criminal (fidelity) insurance coverage	✓
Third-party encrypted payment systems handle sensitive homeowner and vendor bank account information	✓
Positive pay to detect fraudulent checks before payment (validates check #, account # and amount)	✓
TAX & AUDIT	<i>Compliance</i>
Produce year end 1099 tax forms for vendors, state and federal agencies (fee per vendor)	✓
Provide year-end financial reports to your CPA to file annual tax returns as required	✓
Work with your Auditor and make any adjustments	✓
COMMUNICATE	<i>Responsive support and access to information reduces frustration</i>
Provide a dedicated Client Manager for all board inquiries	✓
Provide online access to board and owners to see account history, pay bills, view documents and more 24/7	✓



No Start-up Fee

Trusted.



Licensed

Risk Free.



Insured

Easy On-boarding.



EZ 30 day transition

MEMBERS OF CAI



Note: Frequencies stated above are based on a calendar year and do not carry over if not used

*** Potential Owner Reimbursements:** Returned check fee, late notices, certified mail delinquency notices, collection admin. fee, resale certificates (for unit sales) and lender questionnaires (for refinancing)

SCHEDULE B-2**Client's Accounting Activity / Initial Request for Quote Intake Form**

Jeanne Price → Sales Team CF Apr 18, 7:41 AM

First name

Jeanne

Last name

Price

Board Position

VP

Emailjpricerealtor@gmail.com**Mobile phone number**

(772) 631-9933

Property Name

Fairway Villas of Miles Grant

Property Type

Other

City

Stuaryl

State/Region

FL

Zip Code

34997

How Currently Managed

Self-Managed and Accounting by Others Offsite

of Units

46

Dues Collection Frequency

Quarterly

Have a current or planned special assessment / loan

No

Avg Amount of Dues / Home / Payment

1125.00

of Homes Delinquent over 60 days

0

Avg # of Vendor Bills Paid / Month

?

of Bank Accounts

1

of Investment Accounts

1

of Credit /Debit Cards to Reconcile

0

of W2 Employees on Payroll

0

of Cost Centers Tracked (over 1 set of books)

N/A

Problems Paying Bills Due to Cash Flow Issues

No

Current Quality of Reports

1

Current Software Used

Other

What are 3 issues you hope our service will solve?

Reconciliation

Check issuing

Better reporting

SCHEDULE C

PRICE SCHEDULE

ITEMIZED CHARGES FOR SERVICES NOT INCLUDED IN CLIENT'S SERVICE LEVEL:

(Rates shown are current at time of agreement signing and are subject to change)

Note: Most Clients opt for basic emailed payment reminders which are no charge. Typically, the main charges are for the initial vendor letter, owner welcome letter or for owners that want to pay by check & receive a mailed statement / coupon book.

<u>Description of Services</u>	<u>Charge (in \$)</u>
Vendor change of address letter – update address to CF (emailed are free)	1.59 each
Owner welcome letter – payment info, online portal instructions, etc. (color) (emailed are free)	2.99/unit
Clean up work – if you don't have complete financial info or are in bad shape lets discuss	Hourly TBD
Basic emailed statement	No charge
Monthly Statement (produced & mailed with return envelope; including postage)	1.99/unit
Annual coupon book (produced & mailed; including postage)	6.99/unit
Expedited payment/wire/ACH/Overnight emergency check (if not regular AP process)	95.00 each
Stop payments	50.00 each
1099 processing (3 copies sent to the applicable vendor, State and Federal agencies)	30.00 per 1099
Additional bank/investment accounts, CDs or debit/credit cards to reconcile (not incl. in your RFP)	35.00 each/month
Debit / credit card set up	35.00 each
Community mailings, certified letters & overnight handling	TBD
Special assessment	TBD
Bank loan coordination & administration	TBD

POSSIBLE FEES REIMBURSED BY OR PAID BY A HOMEOWNER

As Agent does not have a contract with the individual unit owners, any work with respect to unit owners are on behalf of the Client, who will be billed by Agent for such work (except credit agency reporting). The unit owner's account is then assessed the fees charged to the Client or charged directly.

<u>Description of Services</u>	<u>Charge (in \$)</u>
Debit & credit card processing fees (no fee for payments with a bank account)	6.95 / 3.5%
Return Check Charges (additional banking fees may be charged to the owner)	25.00
Late Courtesy Notifications Sent (subsidized by late fee charged)	20.00
Pre-Lien / Final Notice Letter & FL 30-day Notice of Late Assessment	85.00
Collection Action File Transfer (when a unit is turned over to collections)	299.00
Resale Certificates & Lender Questionnaires (closing costs paid by unit owner)	Market Rate
If Board/Mgt handles resale & CF provides updated accounting info & software ownership transfer	Market Rate

Additional Services



If Not Included in Your Service Level & Requested by the Board

HOA & Condo Financial Services Nationwide

- **Community Mailing**..... contact us for a quote for your mailing
- **Violation Enforcement Notices**
 - Board/Manager handles using software
..... emailed notice free; Letter mailed first class (FC) \$3 each; mailed certified \$12.00 each
 - Community Financials prepares letter (board provides info) and we mail. . . .first class \$25 or certified \$34 each
- **State Filing** - Necessary updates for Secretary of State corporate filings \$95
- **Board Meeting Attendance** (1-hour maximum) \$150
- **Draft Basic Budget Preparation** (we prepare the basic budget with your input). \$425
- **Draft Complex Budget Preparation** (we prepare the complex budget with your input) \$850
- **Special Assessment** set up and monthly billing administrationpriced on complexity
- **Loan Administration** set up, bank draws, payments, monthly administrationpriced on complexity
- **Software Management Tools** - (added functionality to our Essential Service level) TBD
- **Advanced Reporting Package** - 12-month P&L; 12-month forecast; paid bills images for the month\$199/mo
- **Custom Financial Report Production** (if software capable of output - one time fee) \$199
- **Accounting Observations, Insights & Guidance** \$500
- **FDIC Over \$250,000 limit & tool set up** (CDARS, ICS, etc; one-time fee) \$500
- **Education & Support** (additional virtual training on our systems, software, services, etc.)
1/4 day, 1/2 day or 1 day/ year\$250/ \$475/ \$800
- **Manager Consulting / Advisory** (administrative, operational, and other support)
1/4 day, 1/2 day or 1 day/ year\$250/ \$475/ \$800

SERVICES DONE BY PARTNERS

- **Newsletter** – Content provided with your input,1 round of edits, (1 page double-sided) mailing not incl. . . \$199/each
- **Collection Help**
 - National HOA Collection Agency – includes reporting delinquent owner to credit rating agency, setting up payment plans, portal for board to view collection activity, liens, foreclosure, etc. (fee: late fees & interest charges and only paid if successful collecting from delinquent owner)
 - Or Report delinquent payers to credit rating agency using your existing attorney . (billed to owner) \$25 each
- **Insurance** We refer you to a licensed HOA Agent
 - Shop for pricing alternatives, advise on coverage
 - Vendor insurance certificate coverage analysis and advising
- **Reserve Study** Ask for a referral
- **24/7 Emergency Maintenance Answering Service**

1-29 Units.	\$59/month	70-99 Units.....	\$99/month
30-69 Units.	\$79/month	100+ Units.....	\$49/month + \$2.75/minute
- **Payroll** - We'll get a quote for you from ADP with our preferred pricing or we will quote & process (State of FL only)
- **Buyer & Tenant Screening** - Application, criminal check, credit score, reference checks. . . paid by Tenant/Buyer
- **Short Term Rental Alert** - Notification when an owner posts their unit for rent on Air BnB, etc... Ask for a referral
- **Community Minutes** Coming soon

For more info contact your Community Financials Senior Client Manager

Prices shown are current as of 5/1/2023 and subject to change.