



# Birwood

## PROPERTY MANAGEMENT

### CONDOMINIUM/HOA MANAGEMENT AGREEMENT

3165 E WASHINGTON AVE  
MADISON, WI 53704  
608.241.4449  
WWW.BIRWOOD.NET

Property Management Agreement ("Agreement") made this 17<sup>th</sup> day of July 2023, between Junction Point Condominium Association Inc A CONDOMINIUM ("Association"), and Birwood LLC d/b/a Birwood Property Management ("Manager"). The association, acting through its board of directors (Board) pursuant to its Declaration of Condominium ownership, desire to appoint Manager as its exclusive agent with rights to operate and manage the properties whose addresses are included in the Declaration Exhibit A, City of Madison, County of Dane, Wisconsin ("Property").

#### MANAGER'S AUTHORITY

The Association authorizes Manager to perform the following property management duties and Association agrees to assume and pay all fees and expenses related to the Property and as provided for in this Agreement. In consideration for the Association's agreements, Manager agrees to use professional knowledge and skills and reasonable efforts to fulfill Manager's obligations under this authority.

#### MANAGEMENT SERVICES TO BE PROVIDED

The Manager shall provide the following property management services under the direction of the Board and in accordance with instructions issued by the Board from time to time:

**Administrative:** Manager shall provide a contact person for communication between the Board and the Association unit owners. Manager shall assume and administer current sub-contractor contracts in effect at time of new Management Contract for Services. Manager will set up and maintain a complete roster of unit owners, tenants (if any), and other data necessary to properly administer the association's affairs. Manager will enforce association covenants, conditions and restrictions as outlined in Association by laws. Manager shall keep the corporate record book of the association which shall include all original minutes, contracts, and financial reports. The entire original corporate record book shall be returned to the board upon its written request or upon termination of this contract.

**Financials:** Manager shall deposit into Property Account (an account set up by Association to be solely used as the operating account for the property) all income, (Association fees, dues and special assessments) and any other monies payable to Association under this Agreement ("Property Funds") when such Property Funds are received by Manager. Manager shall make payment for utilities, insurance premiums, repairs and maintenance unless directly paid by the Association. Manager shall maintain full, detailed and accurate records and accounts of all receipts and expenditures with respect to the property, which records and accounts shall be available for review by the members of the Association at any reasonable time. Manager shall send to the Association Board a monthly operating statement and bank reconciliation report of all income and expense receipts incurred during the month. Manager will prepare an annual budget before the beginning of the fiscal year and such budget will be submitted to the Board for final approval. The approved budget shall serve as a supporting document for the schedule of monthly assessments proposed for the new fiscal year. Manager shall operate within the budget unless authorized by the Board except if necessary due to an emergency or lack of sufficient time to obtain such prior consent. After the close of each accounting year of Association (as determined by Association), the Manager shall deliver to Board a detailed statement of all income and expense of such accounting year.

**Federal Filings Required:** Manager shall not be responsible for the preparation of annual tax returns however Manager shall engage a qualified accounting firm to prepare such returns as directed by the BOD.

**Online Payment Abilities:** Manager shall provide each condo owner the ability to make online payments through a secured portal for dues and other fines/assessments.

**Delinquent Accounts:** The Manager will forward a monthly report of delinquencies to the Board. The Manager will issue monthly late fees to condo owners as stated in the condominium documents and attempt to collect dues and fees through letters and phone calls/emails. The Manager is neither responsible nor authorized to initiate collection of delinquent accounts beyond what is stated above unless directed by the Board. The Board shall institute such action as may be required for the collection of delinquent monthly assessments. The Association shall be responsible for legal/court costs.

**Routine Inspections:** Manager shall have its property manager on the premises of Association periodically (at least 2 times per year) to check for cleanliness of the buildings, maintenance needs, violations of condo docs, and common area operations. The cost of inspecting abnormal repairs (i.e. roof replacement and the like) and improvements which exceed a cost of \$10,000 is not included within the managers responsibility or compensation. Should the board desire the manager for these additional services it shall be at the rate listed under extraordinary services as indicated below or upon prior agreement between both parties.

**Maintenance and Repairs:** To promptly report to the Board any and all adverse conditions relating to the property which shall require attention. Manager shall place orders, and obtain such equipment, tools, appliances, materials, and supplies which are necessary to maintaining the condominium. At the direction of the Board, make all necessary repairs, improvements, and alterations required to maintain the Property in a good state of repair and appearance. To secure bids, employ outside contractors as necessary and on behalf of the Association, and to verify that final charges comply with the accepted bid. Manager agrees to secure prior approval of the Association on all expenditures more than \$1000.00 for any one item. Manager will provide emergency telephone answering service for communication with Unit owners for emergency service. Manager will promptly notify Association of any needed emergency maintenance or repairs. If Manager does not receive a timely response from Board, Manager may proceed with the emergency maintenance and repairs if they involve manifest danger to persons or property, or immediately necessary for the preservation and safety of the property, or for the safety of persons, or required to avoid suspension of any necessary service to the properties (irrespective of the above cost limitation). The Board understands and accepts that repairs/improvement projects may be performed by corporations/individuals related to the Manager and in all situations, charges will be at competitive prices and all relationships will be disclosed. Manager will ensure that vendors are licensed and insured in the State of Wisconsin. This agreement does not hold Manager responsible for nor are they required to perform the upkeep and repair of the interior of any units, or for areas in which unit owners are responsible as laid out in the condo documents.

**Contractor Bids & Supervision:** When requested by the Board, Manager shall solicit bids for Board authorized contracts. The Board shall select the contractor. Manager shall execute the contract on behalf of the association. Primary contact with independent contractors or personnel shall be through the Manager. Board shall immediately notify Manager of any contact it has had with independent contractors or personnel. After selection, Manager shall generally oversee the activities of the contractor, review the quality of the contractor's workmanship, and enforce the contractual obligation and/or warranties contained therein. The Board shall notify Manager in writing of any observations, complaints, suggestions etc. relating to the quality of the performance of any independent contractor or personnel. Manager will make recommendations to the board for capital improvements and other improvements that would benefit the association.

**Utilities and Service Contracts:** To enter into utility and service contracts as Manager of Association, including but not limited to contracts for electricity, gas, fuel, water, telephone, cleaning, trash removal, lawn care, pest control and other contracts for services and commodities as Manager shall deem advisable and necessary for the efficient operation and maintenance of the Property. Board approval required to exceed 3 year terms. The Association agrees to assume the obligation of any of these contracts at the termination of this Agreement.

**Policies:** Manager will assist the board in the administration of provisions of the condominium instruments and the policies and rules promulgated by the board. Manager will also assist the board in drafting rules and regulations which may from time to time be needed. Manager may charge, at their discretion extraordinary service fee as outlined below for the creation of the handbook of rules and information (plus printing costs) or for revision of handbook created by association.

**Enforcement:** Manager will report to the Board and upon Board directive give notice to the violator of any written complaint Manager receives pertaining to violations of the Condominium instruments, Rules and Regulations. The association agrees that the property shall be managed in full compliance with all applicable laws and regulations. Manager is expressly authorized to take all actions necessary to meet and comply with all such laws and regulations.

**Attorney Liaison:** Property manager shall retain competent legal counsel, as required, upon Association's approval, to institute and prosecute legal actions or suits or to otherwise represent Association's interests related to the Property. Property Manager shall serve as a liaison between the Board and the Association's designated attorney regarding legal matters. The Manager shall be deemed the functional equivalent of an employee and the attorney-client privilege between the Association and its legal counsel extends to the Manager. Property Manager can sign documents upon the behalf of the Association, when necessary and with instruction from the Board. Services for acting as attorney liaison will be billed out according to extraordinary services compensation section.

**Insurance:** At the Boards direction and under its control, manager shall assist in selection of all association insurance policies at the Associations expense, for the various coverages enumerated in the declaration. The manager assumes no liability for the adequacy or types of coverage. Manager shall properly investigate and make full written report as to all accidents or claims for damage relating to the management, operation and maintenance of the Condominium, including any damage or destruction to the Condominium and the estimated cost of repair and shall cooperate in having made any and all repairs required by any insurance company in connection therewith. Agent shall not be responsible for insurance claims or other matters which are outside the scope of Associations coverage as defined by Associations master or other policies of insurance as defined by its Underwriter. Services for reporting and repairing such claims by Manager will be billed out according to extraordinary services compensation section.

**Meetings:** Manager will attend at least 4 regularly scheduled Board meetings as well as one Annual Meeting of the Association. Manager will assist or chair any or all meetings listed above as requested by the Board. Manager will assist in preparing agendas for the meetings when requested and send notification of such meetings (at the expense of the Association not to exceed postage and copying costs). All papers, packets, reports etc relating to such meetings shall be delivered to the board not less than 48 hours in advance of said meetings. Boards will provide meeting minutes to Manager after meeting to distribute and keep a copy for Association records. Manager will advise the board in an attempt to operate and maintain the condominium according to generally accepted industry standards.

**Mailings:** Routine costs of monthly billings and mailings to owners as needed, not to include annual meeting packets or large mailings. At the cost of the copies and mailing, manager in its discretion shall maintain current association newsletter by typing, copying, stuffing, and distributing to association owners.

#### **COMPENSATION**

**Base Fee:** The base compensation which the Manager shall be entitled to receive from the Association for services performed under this Agreement shall be a one-time onboarding fee of \$2000 and a continued monthly fee payable in the amount of \$26/unit per month and shall be payable by the 15<sup>th</sup> of any given month. The Association hereby expressly authorizes Manager to deduct all fees due Manager from collections received. Normal property management does not include providing on-site management services, refinancing, preparing Property for sale or refinancing, fire, or major damage restoration, rehabilitation, obtaining income tax, unit sales, accounting, or legal advice, representation before public agencies, advising on proposed new construction, or insurance claims. If Association requests Manager to perform services not included in normal property management as specified above, a fee shall be agreed upon for these services before the work begins.

**Late/NSF fees:** Association agrees to pay any late fees and NSF fees as collected from the offending condo owner by Manager.

**Additional Mailings:** Annual meeting packets and large mailings will be billed out at actual cost of postage and printing (\$0.25/page if done in house).

**Extraordinary Service:** In addition to the monthly remuneration, Manager shall be compensated at a rate of not more than \$65/hour for services provided that are outside the terms of this agreement, provided however, such services are authorized in advance by the Board. Examples of extraordinary service include but are not limited to: unit sales, inspection of repairs or capital improvements, acting as attorney liaison, insurance claims, etc. All charges for extra services will be billed to the association within 60 days of rendering such services.

#### **PROPERTY ASSOCIATION RESPONSIBILITIES**

The Property Association shall be exclusively responsible for the following matters:

1. Determination of insurance policies to be purchased.
2. Approval of all improvement plans;
3. The Manager shall not be required to advance any monies for the care or management of the said property, and the Association specifically agrees to advance promptly all monies necessary therefore, including disbursements and charges in excess of monthly receipts.

#### **INDEMNITY**

Association agrees to indemnify and hold Manager harmless for final losses, damages, costs and expenses arising out of this agreement unless caused by gross negligence or intentional wrongdoing by Manager. It is understood and agreed that the

Manager, its corporate officers, employees and sub-contractors, shall have no liability whatsoever for final losses, damages, costs and expenses arising out of this agreement unless caused by its or their gross negligence or intentional wrongdoing.

The Association agrees to pay all expenses incurred by the Manager, including, but not limited to, reasonable attorney's fees and Manager's costs and time in connection with any claim, proceeding, or suit involving an alleged violation by the Manager or the Association, or both, of any law pertaining to fair employment, taxes, or fair housing, including, but not limited to any law prohibiting, or making illegal discrimination on the basis of race, sex, creed, color, religion, national origin, familial status, or physical handicap, provided, however, that the Association shall not be responsible to the Manager for any such expenses in the event the Manager is finally adjudicated to have personally, and not in a representative capacity, violated any such law. Nothing contained herein shall obligate the Manager to employ counsel to represent the Association in any such proceeding or suit. The Association also agrees to pay reasonable expenses (or an apportioned amount of such expenses where other employers to the Manager also benefit from the expenditure) incurred by the Manager in obtaining legal advice regarding compliance with any law affecting the Premises or activities related thereto

Similarly, the Manager agrees to indemnify and hold harmless the Association from and against any and all claims, actions and judgments arising directly from the negligence, gross negligence, or intentional wrongdoing of the Manager.

#### **DEFAULT**

In the event of a material default by either party to this Agreement, this Agreement may be terminated by the non-defaulting party if such default is not cured within ten (10) days after delivery of written notice of such default to the defaulting party. In the event any legal proceeding (including appellate proceedings) arises as a result of any default under this Agreement, the prevailing party shall be entitled to reimbursement of any costs and expenses, including reasonable attorney fees, incurred by the prevailing party in connection therewith.

#### **INSURANCE**

Association agrees to carry comprehensive insurance covering the Property in the amount Association deems appropriate for replacement coverage in its sole judgement, with a minimum of Two Million Dollars (\$2,000,000.00) liability coverage, and to direct the company issuing the insurance to name Manager and all on-site managers, maintenance staff and other employees as additional insured's under the policy's liability coverage.

#### **BONDING**

The Manager on behalf of the Association and at the Associations expense shall obtain and maintain adequate insurance of fidelity bonding on all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or Manager at any one time, against theft, embezzlement, misappropriation, or any other unauthorized taking or loss of Association funds. As used in this paragraph, the term "persons who control or disburse funds of the Association" refers to any individual with authority and/or access to sign checks, conduct electronic transfers, or otherwise withdraw funds from any Association account or deposit, including but not limited to the Managers principals and employees, and the president, secretary and treasurer of the Association.

#### **TERM OF AGREEMENTS**

The term of this Agreement shall commence with the date of its execution, and shall be for a term of one year. This agreement shall be automatically renewed for additional one-year periods each year thereafter unless either party gives notice of termination not less than sixty days prior to the end of the contract year. Either party has the option to renegotiate the terms of this contract 60 days prior to the renewal of the contract, or upon mutual agreement of both parties. Where the agreement is cancelled by the Association, such notice in order to be effective must be accompanied by payment to the Manager of the final two months of management fees.

Such cancellation shall not release the indemnities of the Association as set forth above and shall not terminate any liability or obligation of the Association to the Manager for any payment, reimbursement, or other sum of money then due and payable to the Manager there under.

Within 30 days of the expiration or termination of this agreement, Manager shall deliver to Association all books, accounts, and records pertaining to the Property and/or this agreement under Manager's possession, custody, or control.

#### **NOTICES**

Any written notice to Association or Management required under this Agreement shall be served by sending such notice by delivery in person or mailing by certified or registered mail to that party at the address below, or at any different address which the parties may later designate for this purpose.

### BINDING AGREEMENT

This agreement shall be binding upon Association and Management and their respective heirs, administrators, executors, successors, and assigns. This agreement may not be amended, altered, or modified except by a writing signed by all parties to the agreement. Should any part of this agreement be deemed void by a court of law, the remaining parts shall remain in full force. All or part of the rights of the Manager under this agreement may be assigned by the Manager upon prior written approval of the Association.

DocuSigned by:  
Joanna Storm Joanna Storm, President, HOA Board of Directors 7/14/2023 | 11:41 AM C  
D40C88CB1875404...

Association's Signature ▲ Print Name ►

Date ▲

Association's Signature ▲ Print Name ►

Date ▲

Junction Point Condominium HOA, 301 Harbour Town Drive, Suite #335, Madison, WI 53717

Association Address ▲

608-575-6917

Phone # ▲

Taxpayer ID Number ▲

Doris D Birrenkott Doris D Birrenkott 7/14/2023  
Manager's Signature ▲ Print Name ► Date ▲

3165 E Washington Avenue Madison WI 53704

608-241-4449

Manager Address ▲

Phone # ▲