

MANAGEMENT AGREEMENT

This Agreement made and entered into this _____ day of _____, 20___, by and between _____ Condominium ("Association") located at _____ and EJF Real Estate Services, Inc., a District of Columbia Corporation having offices at 2639 Connecticut Avenue, NW, Washington, DC 20008 ("Agent or EJF").

WITNESS TO THAT:

ARTICLE I - DEFINITIONS

The following expressions as used in this Agreement shall have the following meanings:

- (a) "Association" shall be _____ Condominium Association.
- (b) "Agent" shall be EJF Real Estate Services, Inc. and/or its agents, representatives and employees.
- (c) "Board" shall be the Board of Directors of the Association.
- (d) "Owner" or "Member" shall be any person/group of persons, trust or other legal entity, or any combination thereof that holds legal title to a unit in the Association.
- (e) "Property Manager" shall be the Agent's employee assigned to manage the Association.
- (f) "Governing Documents" shall be the Articles of Incorporation, Declaration, By-Laws, Rules and Regulations of the Association as the foregoing may be amended from time to time.
- (g) "Property" shall be the building and grounds which is the responsibility of the Association to maintain pursuant to the Corporation Documents.

ARTICLE II – APPOINTMENT

In consideration of the terms, covenants and conditions set forth herein, the Association hereby appoints Agent as exclusive managing agent for the Property, and Agent hereby accepts that appointment.

ARTICLE III - MANAGEMENT DUTIES

Association acknowledges and agrees that the duties conferred upon the Agent are confined to the Property which is to be maintained for the common good of all Owners as defined in the Governing Documents. Agent agrees to furnish Association with financial, administrative and physical management and perform duties as described in Schedule A attached hereto. The Association agrees that it will not unreasonably interfere with the Agent's discharge of its duties and, specifically, agrees that no person other than those designated by Agent shall supervise or direct the activities of staff, if any, contractors or vendors.

ARTICLE IV – AGENCY RELATIONSHIP

4.01 Indemnification

(a) Association hereby agrees to defend, indemnify and hold Agent harmless from all losses, claims, actions and damages arising from any and all third party claims or legal, administrative or regulatory actions and proceedings asserted or brought against Agent in connections with (1) Agent's performance of its obligations or responsibility under this Agreement, (2) Agent's actions pursuant to the express or implied direction of the Associations and (3) the operation, maintenance, physical condition, ownership of or any alleged acts, omissions or incidents occurring in or related to the Property managed by Agent under this Agreement; provided, however, that the foregoing indemnification shall not extend to any case in which Agent's criminal acts, intentional misconduct or gross negligence is the cause for such claim, action or proceeding. The Association further agrees to defend, promptly and diligently, at its sole expense, any such claim, action or proceeding brought against Agent or against Agent and the Association jointly.

(b) Agent shall reimburse, indemnify and hold the Association harmless for any and all sums paid (including reasonable legal fees and court costs) by the Association to defend or settle any claim, action, suit or proceeding brought against the Association which are paid by the Association in connection with any case in which Agent's criminal acts, intentional misconduct or gross negligence is the cause for such claim, action, suit or proceeding. This section shall not in any way be construed to relieve any insurance company from any obligations under the Agent's insurance.

The indemnification protections contained in this Agreement shall survive any termination of the Agreement.

4.02 Association's Insurance

Association shall name Agent as an additional named insured on its insurance policies and provide Agent with a certificate of each such insurance policy.

4.03 Agent's Bond

All of Agent's employees (excluding on-site employees) who handle or are responsible for handling the Association's monies shall, without expense to the Association, be covered by a fidelity bond of not less than One Million Dollars (\$1,000,000).

4.04 Role of Agent

Everything done by the Agent in accordance with the provisions of this Agreement shall be done as exclusive managing agent for the Association and all obligations or expenses incurred thereunder shall be for the account, on behalf, and at the expense of the Association.

ARTICLE V - COMPENSATION

5.01 Recurring Routine Services And The Management Fee

The Association shall pay to the Agent a Management Fee for Recurring Routine Services at the rate of _____ Dollars (\$____.00) per month for each month of the first twelve (12) months ("Initial Term") of this Agreement. The Management Fee shall be due and payable in advance on the first day of each and every month from the current assessments collected from the Owners. The Management Fee includes the overhead expenses of Agent, including salaries of Agent's employees, general and administrative expenses, and travel expenses of Agent's officers and employees incurred under this Agreement and covers fees for the basic services delineated in Schedule A.

5.02 Periodic Routine Services

Agent shall perform certain periodic, routine services relating to mailings, photocopying, sending of registered notices to the Owners in breach of the Governing Documents and other related items and activities. Charges for Periodic Routine Services will be reimbursed to Agent by the Association at actual out of pocket costs to be paid to Agent out of the assessments collected.

5.03 Non-Routine Services

Agent shall maintain availability for services related to certain non-routine activities for which the need may or may not arise. Non-routine services shall be performed only with the prior authorization of the Board or an officer designated by the Board to give such authorization. Charges for non-routine services will be billed at the rate of Seventy Five Dollars (\$75.00) per hour unless otherwise stated which are to be paid to Agent out of the assessment collected. Non-routine services may include the following:

(a) Research, court appearances, depositions and consultation with attorneys related to the Association's role as plaintiff, defendant, or witness in any action. Initial assessment collection activity prior to involvement of Association's attorney and consultation with Association's attorneys with respect to each collection action, however, are Periodic Routine Services.

(b) Insurance claim administration in cases involving property damage and personal injury items covered under the Association's insurance policies in cases where Agent is required to spend more than five (5) hours per case. Such charges by Agent under this provision shall be considered a normal expense item in filing a claim and administering the application of insurance proceeds and shall accordingly be submitted with the claim. To the extent not covered by insurance, such charges shall be an expense of the Association.

ARTICLE VI - COMMENCEMENT AND TERMINATION

6.01 Commencement And Term

This Agreement shall commence on _____ and remain in effect for one (1) year from date of commencement ("Initial Term"). The term of the Agreement is subject to termination as set forth below in Section 6.02. Unless either party gives notice earlier than thirty (30) days prior to expiration of the Agreement of an intention not to renew or renegotiate the Agreement, the Agreement shall remain in force on a month-to-month basis.

6.02 Termination

(a) This Agreement may be terminated on thirty (30) days written notice by either party, such termination to be effective at the end of a calendar month.

(b) Upon termination, the contracting parties shall account to each other with respect to all matters outstanding as of the date of termination, and the Association shall furnish the Agent security, reasonably satisfactory to the Agent, against any outstanding obligations or liabilities which the Agent may have incurred pursuant to the provisions hereof. The Agent upon termination promptly, but not later than fifteen (15) days after the date of termination, turn-over all Association books and records directly to the Association’s new designated agent. Agent, for its own archives, and at its own expense, may retain copies of any such books or records.

ARTICLE VII - CONFLICTS AND NOTICES

7.01 Conflicts

In the event of any conflict between the provisions of this Agreement and any provision of the Governing Documents, then the provisions of the Governing Documents shall control.

7.02 Notices

All notices pursuant to the provisions of this Agreement shall be in writing and may be mailed to the Association c/o the President of the Board of Directors at his/her place of residence, or at the official business address of the Association, as the case may be, and to Agent at 2639 Connecticut Ave., NW, Suite C-113, Washington, DC 20008, or such other address as may be made know to the Association. Notice shall be effective upon receipt.

ARTICLE VIII - MISCELLANEOUS

The laws of the District of Columbia shall apply to this Agreement, and the D.C. Superior Court shall have exclusive jurisdiction.

This Agreement and attached schedules contain the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WITNESS:

_____ By: _____
President, Board of Directors

WITNESS: EJJ Real Estate Services, Inc.

By: _____
Peter A. Greeves, President

SCHEDULE A MANAGEMENT SERVICES

I FISCAL

1.01 Collections

Agent shall collect all general and special assessments as they become due and payable from all Owners as identified on the rolls initially provided to Agent by the Association, and as such that are changed from time to time by notification to Agent of changes in individual ownership, and all monies due from any source which are obligated to or for the benefit of the Association. The Board hereby authorizes Agent, as its agent to request, demand, collect, receive, and receipt for any and all charges, assessments, or rents due the Association which may at any time become due in accordance with the policy and procedures established by the Board for the collection of assessments and delinquent assessments from Owners. Costs of delinquent account processing including legal, postage and returned check costs shall be an expense of the Association. Attorney's fees and related expenses shall be an expense of the Association, notwithstanding the Association's right to recover some or all of those expenses pursuant to the Governing Documents.

As a standard practice, Agent shall send to the Board an itemized list of all delinquent accounts monthly as part of the financial reports. Agent shall issue payment coupons to each Owner for the monthly collection of fees and assessments as prescribed by the Board.

1.02 Deposits

Agent shall promptly deposit all receipts from whatever source, including assessments, in a financial institution or institutions insured by the Federal Government and as approved or designated by the Board, in an account or accounts in the name of the Association, established and maintained in a manner to indicate the custodial nature thereof and not commingled with funds of any other party. Agent shall not be liable for any loss caused by the bankruptcy or failure of the bank or institutions in which Association's funds are deposited.

1.03 Disbursements

A. From the funds deposited in the Association account or accounts, Agent shall cause to be disbursed regularly and punctually according to procedures mutually agreed upon by the Association and Agent; (1) salaries and any other compensation due and payable to the employees or to independent contractors hired by the Board or Agent pursuant to the authority herein contained; (2) any taxes payable; (3) fire and other insurance premiums; (4) the amounts specified in the approved operating budget for allocation to any reserve fund for replacements or to any other reserve accounts; (5) sums otherwise due and payable as expenses in the approved operating and capital budgets or authorized to be incurred under the terms of this Agreement or otherwise, including Agent's compensation.

B. Except for disbursements noted above, the expenses shall not exceed the sum of One Thousand Dollars (\$1,000.00) for any one expense or series of expenses related to one event

unless specifically authorized by the Board, provided, however, that emergency repairs involving manifest danger to life or property, or immediately necessary for the preservation and safety of the Property or for the safety of residents, or required to avoid the suspension of any necessary services to the Association, may be made by the Agent irrespective of the cost limitation imposed by this section. Notwithstanding this authority as to emergency repairs, it is understood and agreed that Agent will, if at all possible, confer immediately with the Board regarding every such expenditure.

C. Agent shall have no authority to withdraw or transfer funds from any of the Association's reserve or investment accounts.

1.04 Financial Reports

Agent shall maintain a record of all income and expenses, utilizing the cash method of accounting, providing a monthly summary statement of the aforementioned items, including an income and expenditure statement reflecting actual versus budget activity on a cumulative basis from the commencement of the fiscal year until the date of the report to the Board.

1.05 Budget Preparation

Agent shall assist the Board and Treasurer in the preparation of the operating and capital budgets of the Association, including, but not limited to, the following:

A. At the request of the Board, Agent shall submit to the Treasurer a baseline "operating budget" including narrative for the ensuing fiscal year. This proposed budget shall reflect prior years' financial history of the Association and shall include an analysis of repair and maintenance needs and operating expenses anticipated for that period. Reserve fund recommendations shall also be included on an updated basis.

B. At the request of the Board, Agent shall submit to the Treasurer a "capital budget" identifying certain capital improvements anticipated for the ensuing fiscal year; however, this capital budget shall be limited to areas not requiring the expertise of an architect, engineer or other professional. The Association shall pay for appropriate consultants to provide budget estimates related to capital improvements requiring such expertise as recommended by Agent and approved by the Board. These estimates for capital improvements shall constitute the "major capital improvements budget" to be approved by the Association.

1.06 Annual Budget And Variances

The current fiscal year operating budget adopted by the Board shall serve as the supporting document for the schedule of assessments of the Owners for the new fiscal year. The Budget shall also constitute the major control under which Agent shall operate, and Agent shall make no substantial deviations there from, excluding such expenses as utilities, fuel, license fees, insurance and other expenses not within the control of Agent, except as may be approved by the Board.

1.07 Annual Audit

At the direction of the Board, Agent shall cooperate with the independent certified public accountant in the event of the conduct of an annual audit and the preparation of the Association's tax returns including making all records, books and accounts available for inspection and review, and shall do such at no additional expense to the Association.

II ADMINISTRATIVE/CLERICAL

2.01 Meeting Attendance

Agent shall consider the Management Fee provided for in Article 5.01 of the Agreement to include compensation for attendance by Agent's designee at a meeting of the Board twelve (12) times annually.

At the request of the Association, Agent's designee shall attend more frequent meetings for additional compensation at rates mutually approved by the Board and the Agent on a case-by-case basis as provided for in Article 5.03 of the Agreement. There shall be no limitations placed on the meeting time between the President of the Board or the Treasurer and professional level representatives of Agent who have been assigned responsibilities on behalf of the Association, provided that such meetings are held on a scheduled appointment basis at Agent's offices during business hours.

2.02 Files And Rosters

Agent shall maintain a record file containing papers relative to administration and ownership and update the file as circumstances warrant. Such file shall include a roster of Owners, renters and absentee Owners among other data necessary to properly administer the Association's affairs to the extent such data has been provided Agent by the Association, closing attorneys, mortgagees and others.

2.03 Owner Communications And Participation

Agent shall assist the Board in the development of communications with the Owners and other residents and in developing Owner participation in the affairs of the Association. These actions shall include, but not be limited to, assisting in the preparation of orientation material for new Owners and mailing of notices and meetings and reports. Communications with absentee Owners shall also be maintained. Also, Agent shall cause all notices required by law and the Governing Documents or as directed by the Board to be sent to the appropriate or designated recipients. The cost of postage, printing and reproduction of these materials is to be borne by the Association.

2.04 Contract Supplies And Services Procurement

Agent shall develop and maintain procurement procedures including the creation of standard specifications for bids and procurement activities in matters of a routine, recurring nature. Agent shall obtain at least two bids for any work exceeding One Thousand Five Hundred Dollars (\$1,500). Such matters shall include as applicable the following: Routine cleaning, painting, decorating, plumbing, electrical repair, carpentry, plastering, landscaping and other such normal maintenance and repair work as may be necessary, subject to any limitations imposed by the Board. Specifications and contracts for major capital repairs and replacements, capital improvements or other work requiring professionals shall be developed at the expense of the Association. The

exercise of any obligations and authority under the provisions of this Section shall be in the name of the Association which shall be the sole beneficiary of any discounts, commissions or rebates obtainable as a result of any such purchases.

2.06 Operating Procedures

Agent shall provide the Board, from time to time, or whenever requested by the Board, with recommended standard procedures, specifications and policies for procurement and operations and other items relating to the operation of Association's affairs.

2.07 Inventory System

To the extent that the Association has goods and property of significant value, develop and maintain a personal and business property inventory of major items.

2.08 Consultation Services

Agent shall fully cooperate with consultants that may be retained by the Board to accomplish specialized functions for the Association in the areas of law, public accounting, or other areas when the activities of such specialists relate directly to routine operations. Specialized, "one-time" type activities, (e.g., reconstruction, new construction) may entail additional charges as provided for in Article 5.03 of the Agreement.

2.09 Jurisdictional Services

Agent shall take action as may be necessary to comply with any and all laws, regulations, orders or requirements placed thereon by any Federal, state, county or municipal authority having jurisdiction there over, and orders of the Association of Fire Underwriters or similar bodies, subject to the same limitations contained in Section 1.03 of this Schedule. Agent shall not be obliged to take any action under the provisions of this section in any event for which Board approval has been requested and not provided, nor whenever the Association has affirmed its intent to contest, or is contesting, any jurisdictional order or requirement. In the event Agent is so relieved of its obligations, the Association shall defend, indemnify and hold Agent harmless from all claims, actions, and damages arising from any and all consequences of such failure to comply.

2.10 Administration Of Rules

Agent shall assist the Board in the administration of the provisions of the Governing Documents. Agent, in accordance with Board-adopted policies, shall inform Owners and other residents who may be in violation of the Governing Documents, and shall take such actions to cause cures to such violations as are consistent with Board policy.

2.11 Insurance Administration

Association agrees, at its expense, to obtain and keep in force during the term of this Agreement all forms of insurance required by Association's By-Laws and such other forms of insurance as are needed to adequately protect the interests of Association and Agent concerning the operation of the Property as residential buildings, including but not limited to, general liability insurance, real and personal property coverage, workers' compensation insurance, public liability insurance and boiler

and machinery insurance. In each such policy of insurance, Association shall add EJV Real Estate Services, Inc. as an additional named insured on its insurance policies.

A certificate of each policy issued by the carrier shall be delivered promptly to Agent by the Association. In any event, Agent will assist the Association in obtaining insurance to meet the Association's requirements, including without limitation that the definition of "employee" under the Association's employee dishonesty insurance shall include Agent and Agent's principals and employees.

Agent shall provide the Board with comprehensive and timely reports on all accidents, fires and any and all claims relating to the management, maintenance and operation of the Property. The Board shall authorize any proof of loss or other claim statements prior to their submission to an insurance company or agent.

2.12 Correspondence

Agent shall advise the Board of, or initiate itself, general correspondence dealing with routine and necessary business matters of the Association between governmental officials, independent contractors, Owners and other entities with which the Association or its representatives have a business relationship, and maintain a file thereof.

2.13 Administration Of Personnel

Agent shall on the basis of, and within the limitations of, the annual operating budget, job standards and/or wage rates, investigate, hire, pay, supervise and, with the Board's approval, discharge the Association's on-site personnel, if any. Agent shall obtain the written approval of the Board before the hiring and firing of these on-site personnel. With respect to costs and liability, such personnel shall, in every instance, be in the Association's and not Agent's employ. Agent shall pay wages and required payroll taxes for such personnel from Association's funds and shall make provision for employee group benefits provided. The cost of worker's compensation insurance and all employee benefits shall be borne by the Association for on-site personnel.

2.14 Required Filings And Reports By Agent

Agent shall prepare for execution and filing by the Association all forms, reports and returns required by law in connection with unemployment insurance, disability benefits, social security and other similar taxes in effect or hereafter imposed, if any, (but specifically excluding any income tax returns).

2.15 Resale Documents

Agent shall promptly provide to Owners, upon request, a complete resale package in accordance with the D.C. Condominium Act. Agent may charge a fee not to exceed One Hundred Dollars (\$100.00) for preparing and providing the documents. The fee is to be charged to the person requesting the documents, not to the Association.

III BUILDING MAINTENANCE

3.01 Contract Services

Agent shall assist and/or advise the Board and/or employees and contractors of the Association in all matters related to the maintenance of the Property, specifically:

Cause the Property to be maintained according to standards established by the Governing Documents and the Board. The standards and actions related thereto shall include the following:

(a) Except as approved by the Board or permitted herein, contractors shall be solicited pursuant to competitive bidding procedures and written specifications. Agent shall submit recommendations to the Board containing evaluation of the bids and their adherence to the specifications, information on past experience and such other information as may be helpful to the Board in making a final selection.

(b) After selection, and at the request of the Board, Agent shall oversee the activities of all contractors, including but not limited to, the receiving of certificates of insurance, copies of bonds, manufacturers' warranties and releases of liens.

3.02 Facilities Care

Agent shall assure the cleanliness and working conditions of all common building areas and equipment including, as applicable, central systems, light fixtures, fire extinguishers, entry doors, laundry room, common facilities and areas, etc. Agent shall up-date resident directory in lobby and code security telephone system as required. Regular inspections shall be made of these items as appropriate.

3.03 Preventive Maintenance Program

Agent shall assist the Association in establishing and implementing a preventive maintenance program for all major physical systems, as approved by the Board, with this program to be developed and maintained on a regular basis reflecting useful life cycles of common components establishing and monitoring a seasonal maintenance program for any common heating and cooling systems not only to insure working operations, but to conserve utility consumption. To facilitate knowledgeable and efficient operation, Association shall furnish the Agent with a complete set of plans and specifications for the Property and its improvements, to the extent such are reasonably available.

3.04 Capital Improvements

Agent shall make recommendations for capital improvements and any other recommendations as may be appropriate for the improvement of the community, subject to budgeting provisions of Section 1.05 of this Schedule.

3.05 Environmental Conditions

Association is responsible for providing Agent with all information known regarding the presence of radon, asbestos or of lead based paint which exists in the Property.

3.06 Emergency Service

Agent shall provide an emergency answering service or system during all of Agent's non-business hours and an on-call manager who will respond to after hours emergency calls.