

**ABARIS REALTY, INC.  
MANAGEMENT AGREEMENT**

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**THIS AGREEMENT made this 1<sup>st</sup> day of June 2024 by and between TANYARD SPRINGS HOMEOWNERS ASSOCIATION INC. and ABARIS REALTY, INC., a Maryland Corporation with offices at 7811 Montrose Road, Suite 110, Potomac, MD 20854.**

**WITNESSETH**

In consideration of the terms, conditions and covenants hereinafter set forth, the parties hereto mutually agree as follows:

**1.**

Unless the context shall plainly require otherwise, the following expressions, as used in this Agreement, shall have the following meanings:

- (a) "Managing Agent" or "Agent" means Abaris Realty, Inc.
- (b) "Association" means TANYARD SPRINGS HOMEOWNERS ASSOCIATION INC., an association formed under the laws of the state of Maryland.
- (c) "Board" means the Board of Directors of the Association.
- (d) "Property" or "Project" means TANYARD SPRINGS HOMEOWNERS ASSOCIATION INC. as the same is now developed on property located in Glen Burnie, MD 21060.
- (e) "Member" means any person, group of persons, corporation, trust or other legal entity, or any combination thereof, who owns a unit.
- (f) "Assessments" means those monthly or other fees established by the Association which the Members are bound to pay as their share of the Common Expenses of the Association.
- (g) "Governing Documents" means the applicable Plats, Articles of Incorporation, Declaration, Bylaws, Rules and Regulations, previous resolutions adopted by the Board of Directors, and any another legal documents as they may apply to the Property.
- (h) "Agreement" means this Management Agreement and all amendments thereto.
- (i) "Effective Date" means **July 1, 2024**.

2.

All other terms used herein shall have the same meaning as they are defined to have in the laws of the jurisdiction in which the property is located and in the Governing Documents of the Association for the Property.

- (a) The Association hereby appoints the Managing Agent, and the Managing Agent hereby accepts the appointment to manage the Property, in accordance with the terms of this Agreement.
- (b) The Managing Agent fully understands that one function of the Association is the operation and management of the Property and of the property and improvements owned or otherwise available for use by the Association; and the Managing Agent agrees, notwithstanding the authority given to the Managing Agent in the Agreement, to confer fully and freely with the Board in the performance of its duties and to attend Board Meetings and to meet and confer with the Board on matters of an emergency nature at any other reasonable time or times requested by the Board. The Managing Agent shall consider the fee provided for in Paragraph Eighth of this Agreement to include compensation for: Attendance at Ten (10) regularly scheduled Board meetings and one membership meeting per year. For Meetings in excess of the above, the Managing Agent shall be additionally compensated, billed in 15 minute increments, at the rate of One Hundred Fifty (\$150.00) per hour for an Abaris Realty senior officer, One Hundred Ten Dollars (\$110.00) per hour for a property manager, and Sixty Dollars (\$60.00) per hour for a property manager's assistant, unless a different hourly rate is mutually agreed upon by the Managing Agent and the Association. The Board's appointed Liaison Officer will be notified via phone or email prior to commencement of billable work at the aforementioned rates. The Association will not be charged for travel time for Managing Agent's principals or employees to travel to the Property for meetings.
- (c) It is further understood and agreed that the authority and duties conferred upon the Agent hereunder are confined to the Common Elements and facilities and the Limited Common Elements and facilities as defined in the Plat and Plans and Declaration for the Association Property and to any other property and improvements owned or otherwise available for use by the Association. Such authority and duties do not and shall not include supervision or management of the Units/ Lots/ special areas except as specifically provided for in the Governing Documents or as specifically requested by the Board in writing and agreed to by the Managing Agent.
- (d) It shall be the duty of the Board to appoint one member (and alternate) of such Board as a liaison with the Managing Agent. The Managing Agent shall be advised in writing of the identity of such liaison officer and, to the extent possible and practicable, all communication with the Managing Agent shall be made by or delivered to such liaison officer.

- (e) Subject to agreement by the Board of Directors, Abaris Realty will have the right to place a sign, the design, size, material, affixation, manner of, and location of which shall have prior approval from the Board of Directors. The sign shall state that the property is managed by Abaris Realty, Inc. and bear management's telephone number. The cost of this sign and its installation (or removal as the case may be) shall be entirely at the expense of the Managing Agent. The sign shall be removed at any time as directed by the Board of Directors.

**3.**

The Association shall furnish the Managing Agent with a complete set of plans and specifications of the Property, if available. The Managing Agent will familiarize itself, to the degree possible, with respect to the layout, construction, location, character, plan and operation of the lighting and other equipment in the Property as applicable. Copies of contracts, guarantees and warranties pertinent to the construction of the Property and in force at the time of or subsequent to the execution of this Agreement, shall be furnished to the Managing Agent as available. In addition, the Board shall provide a copy of the Governing Documents of the Association; and the Managing Agent shall familiarize itself with the provisions therein.

**4. (As Applicable).**

The members of the Association and the Managing Agent who handle or are responsible for handling the funds of the Association, shall, at the expense of the Association, be insured by fidelity insurance. The Association shall be the insured party under such insurance. The Agent's employees and principals shall also be separately insured by the managing agent's fidelity insurance obtained at the Agent's expense in an amount in accordance with the requirements of section 11B-111.6 of the Maryland Homeowners Association Act. Additionally, Agent will at all times and at its sole cost and expense, maintain in full force and effect general liability insurance, cyber security insurance, workers compensation insurance and other applicable business insurance related to Agent's services in this Agreement in coverage amounts no less than the amounts listed below or per applicable law, whichever is greater:

- **General Liability-** \$6,000,000 (\$3,000,000 per occurrence)
- **Liability Umbrella** - \$5,000,000
- **Directors and Officers Liability-** \$1,000,000
- **Data Defender** - \$50,000
- **Network Defender / Cyber Security** - \$100,000
- **Errors and Omissions** - \$1,000,000
- **Employment Practices** - \$1,000,000
- **Fidelity Bond (Covering Principles and Employees)-** \$2,000,000

Agent shall furnish proof of insurance to the Board upon request.

**5. (As Applicable).**

The Managing Agent shall render services and perform duties as follows:

circumstances, from the time of their receipt by the Managing Agent, notify the Board Liaison of all such orders and notices or requirements.

- (d) Subject to direction of the Board, and in the sole name of the Association, the Managing Agent shall make contracts for electricity, vermin extermination, trash and snow removal, and all other necessary services, or such of them as the Board shall deem advisable. Also, place orders for such equipment, tools, appliances, materials and supplies as are necessary properly to operate and to maintain the Association Property. All such contracts and orders shall be subject to the limitations set forth in paragraph (b) of this Article. When taking bids or issuing purchase orders, the Managing Agent shall act at all times under the direction of the Board and shall be under a duty to credit to the Association any discounts, commissions, or rebates reasonably obtainable as a result of such purchases. There will be no overrides to work performed for the Association.
- (e) Subject to direction of the Board, the Managing Agent shall cause to be placed and kept in force all forms of insurance as required in the Governing Documents or requested by the Board of Directors for the Property. The Managing Agent shall, from time to time, in consultation with the Property's insurance agent, advise the Board of Directors of the insurance requirements for the Property. All of the various types of insurance coverage required shall be placed with such companies, in such amounts and with such beneficial interest appearing therein as shall be acceptable to the Board. The Managing Agent shall assist the insurance agent/adjuster in promptly investigating and making full written reports as to all accidents or claims for damage related to the management, operation and maintenance of the Association Property, including any damage or destruction to the Association Property and the estimated cost of repair or replacements, and shall cooperate and make any and all reports required by any insurance company in connection therewith.
- (f) For all time spent in connection with any and all insurance claims, the Managing Agent shall be additionally compensated, billed in 15 minute increments, at the rate of One Hundred Fifty (\$150.00) per hour for an Abaris Realty senior officer, One Hundred Ten Dollars (\$110.00) per hour for a property manager, and Sixty Dollars (\$60.00) per hour for a property manager's assistant, unless a different hourly rate is mutually agreed upon by the Managing Agent and the Association. The Board's appointed Liaison Officer will be notified via phone or email prior to commencement of billable work at the aforementioned rates.
- (g) Upon the request and with prior approval of the Board of Directors, the Managing Agent shall assist in the preparation and pursuit of litigation, other than the collection of assessments and dispute mediation and resolution between the Association and third parties undertaken by or defended on behalf of the Association.
- (h) For all time spent in connection with any litigation or dispute mediation and resolution approved in accordance with subsection 5(g)-including but not limited to time spent conducting court appearances, depositions, or consultations with attorneys (not including

board members who are also attorneys), including travel time to and from the office—such time will be billed to the Association in 15 minute increments at the rate of One Hundred Fifty Dollars (\$150.00) per hour for an Abaris Realty senior officer, One Hundred Ten Dollars (\$110.00) per hour for a property manager, and Sixty Dollars (\$60.00) per hour for a property manager's assistant, unless a different hourly rate is mutually agreed upon by the Managing Agent and the Association. The Board's appointed Liaison Officer will be notified via phone or email prior to commencement of billable work at the aforementioned rates.

- (i) From the funds collected and deposited in the operating account hereinafter provided, the Managing Agent shall cause to be disbursed regularly and punctually: (1) salaries and other compensation due and payable to employees of the Association or to independent contractors hired pursuant to the authority herein contained; (2) fire and other insurance premiums and the amount specified for allocation to any reserve fund for replacements or to any general operating reserve; (3) sums otherwise due and payable by the Association as operating expenses authorized to be incurred under the terms of this Agreement or otherwise, including the Managing Agent's compensation. After disbursement herein specified, any balance remaining in the Association's operating disbursement account may be transferred from time to time to an Association savings account. Monthly, the Managing Agent shall provide the Board of Directors with an itemized listing of where funds are on deposit.
- (j) The Managing 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 now in effect or hereinafter imposed, if any, and also other requirements relating to the employment of Association employees; and provide to such accountants as may be retained by the Association all necessary information for the filing of any income tax or personal property tax returns.
- (k) The Managing Agent shall maintain a comprehensive system of office records, books and accounts in a manner reasonably satisfactory to the Board and to such accountants as may be retained by the Association. These records shall be subject to reasonable examination by the Board, its authorized agents and Members, at all reasonable hours which, at a minimum, shall be between the hours of 9:00 a.m. and 5:00 p.m. on business days. Agent shall back up all Agent's electronic files on a web-based storage system no less frequently than daily with all backups going offsite or to the cloud. As a standard practice, the Managing Agent shall render to the Association/Auditor, by not later than the sixtieth (60th) day following the end of the fiscal year and shall annually cooperate to the extent reasonably required by the Board in the preparation by a Certified Public Accountant designated by the Board of a complete annual financial report based upon examination of the Association's books and records. As a standard operating procedure, the Agent shall endeavor to render to the Board by no later than the twentieth (20th) day of each succeeding month a financial statement. The financial statement shall contain a record of all income and expenses, a monthly summary expenditure statement reflecting actual versus budget activity on a monthly and cumulative basis, from the beginning of

the fiscal year through the last date for the month of the report. All reports will comply with generally accepted accounting practices. The Board will be provided with copies of all paid invoices on a monthly basis.

- (l) At least ninety (90) days before the beginning of each new fiscal year, or as requested by the Board of Directors, the Managing Agent shall prepare, with the assistance of the finance committee, if any, and after consultation with the Board, a budget setting forth an itemized statement of the receipts and disbursements for the new fiscal year based upon the then current schedule of assessments, and taking into account the general condition of the Association Property. Following its adoption by the Board, copies of the annual budget shall be made available to the Members as directed by the Board of Directors but not less than fourteen (14) days prior to the commencement of a new assessment amount. The budget shall serve as the supporting document for the schedule of the assessments of the Members proposed for the new fiscal year.
- (m) If directed by the Board of Directors, Managing Agent will coordinate the payroll and benefits for the Association's employees. Managing Agent outsources payroll processing for its clients to a third-party service provider which will administer the payroll tax, compliance, and other filings, as well as the direct deposit to employees. The service provider charges a nominal monthly fee which will depend on the number of employees and frequency of payroll which would be a direct pass-through to Association. Additionally, Managing Agent will charge the Association a separate fee to administer the Association's payroll and benefits at the amount of one and one half percent (1.5%) of gross payroll and benefits costs, as verified by the annual independent audit report. This fee is based on the assumption that the payroll and benefits will be under Association's EIN. In the event the Association elects to place their employees under Managing Agent's EIN, Managing Agent will charge the Association a separate fee to administer the Association's payroll and benefits at the amount of six percent (6%) of gross payroll and benefits costs incurred by the Managing Agent and Association shall be subject to any and all benefits Management Agent offers to their employees.
- (n) The Managing Agent shall make recommendations to the Board for repairs of all types and for capital improvements, providing cost estimates for all such recommendations.
- (o) The Managing Agent shall cause Association equipment to be maintained in good operating order in accordance with preventive maintenance programs and maintain adequate inventories of parts to perform routine maintenance to the Building and Units.
- (p) As may be directed by the Board, the Managing Agent shall make all necessary arrangements for meetings (annual and budget hearing) of the membership. The cost of all such meetings shall be borne by the Association.
- (q) The Managing Agent shall perform such other acts and deeds as are reasonable, necessary and proper in the discharge of its duties under this Agreement. This may include assisting in the drafting of community rules and regulations and enforcement when necessary.

- (r) The Managing Agent shall monitor all operations of contractors performing work for the Association; and solicit contractors for non-routine matters as requested by the Board of Directors. The Managing Agent shall make reasonable efforts to ensure contractors are licensed to do business in the State of Maryland and carry liability insurance.
- (s) Abaris Realty maintains after hours emergency service; the telephone number is 301-421-4530. Emergency calls are returned by the on-call manager.
- (t) The managing agent shall prepare a management report, copies of which shall be furnished to the Board of Directors no less than five (5) days preceding each regularly scheduled board meeting to be attended by the Managing Agent that contains a minimum of the following information:
  - A summary of actions taking by the Agent pursuant to requests or directives of the Board discussed at previous Board meetings;
  - The status of any work performed by retained contractors, if any;
  - A report of periodic inspections of the property;
  - A list of problem areas and recommended actions; and
  - A report of delinquent fees and other payment.

## 6.

Everything done by the Managing Agent pursuant to the provisions hereof shall be done as Managing Agent of the Association and, except as herein elsewhere specifically provided, all obligations or expenses of the Managing Agent incurred or paid pursuant to the provisions hereof (including charges for postage, photo copying, and court appearances) shall be obligations and expenses of the Association. The Association shall reimburse the Managing Agent promptly for any monies which the Managing Agent may elect to advance for the account of the Association pursuant to the authority contained in the Agreement, or pursuant to a resolution of Board; provided, however, that nothing contained in this Agreement shall be construed to obligate the Managing Agent to make such advances. Legal fees and expenses incurred for the direct benefit of the Association, to the extent the same are incurred pursuant to the provisions of this Agreement, and subject to the limitations of paragraph FIFTH (b) of this Agreement or to the extent the same are incurred pursuant to a prior resolution of the Board, shall be paid by the Association. Any payments to be made by the Managing Agent hereunder shall be made out of such sums as are available in the special account of the Association or as may be provided by the Association. The Managing Agent shall not be obligated to make any advance to or for the account of the Association or to pay any sum, except out of funds held or provided as aforesaid, nor shall the Managing Agent be obliged to incur any liability or obligation for the account of the Association without assurance that the necessary funds for the discharge thereof will be provided.

## 7.

The Managing Agent shall establish and maintain, with prior approval of the Board, in banks whose deposits are insured by the FDIC and in a manner and in an account designated to indicate the custodial nature thereof, separate bank accounts in the name of the Association. Funds of the

Association shall not be comingled with funds of the Managing Agent or any other person. Under these bank accounts, Abaris Realty shall be named as the Managing Agent of the Association, with authority to deposit monies of the Association, draw thereon for any payments to be made by the Managing Agent to discharge any liabilities or obligations incurred pursuant to this Agreement, and for the payment of the Managing Agent's compensation, all of which payments shall be subject to the limitations set forth in this Agreement. Reserve funds of, or capital contributions to the Association shall be invested by the Managing Agent at the direction of the Association Treasurer or pursuant to the resolution of the Board. Any and all accounts established and/or maintained by the Managing Agent for, or in any way for the benefit of, the Association may be examined as provided by state law or the governing documents of the Association upon reasonable notice to the Managing Agent and during normal business hours. The Board shall cause an audit of such accounts, at Association's expense, on an annual basis.

**8.**

The sole compensation which the Managing Agent shall be entitled to receive for all services performed under this Agreement shall be a fee computed on an annual fee of Two Hundred and Forty Seven Thousand, Five Hundred and Ninety Six Dollars (\$247,596) which equates to a monthly fee of \$20,633. In addition to the above, there may be such extra charges as noted in this contract and Attachment "A" at any time during the contract term.

**9.**

This Agreement, subject to the provisions for termination as hereinafter provided, shall be for a one-year term from July 1st, 2024 through June 30<sup>th</sup>, 2025. Thereafter, this Agreement shall renew automatically from year to year unless terminated as provided below. An increase in the base monthly management fee may be negotiated for renewal years subject to mutual agreement.

- (a) Either party may immediately terminate this Agreement upon written notice to the other party in the event a petition in bankruptcy is filed by or against the Managing Agent, or in the event the Managing Agent shall make an assignment for the benefit of creditors to take advantage of any insolvency act.
- (b) Either party may terminate this Agreement upon thirty (30) days' written notice to the other party in the event the duties of the other party are performed and/or carried out in a negligent manner and/or for other good cause shown.
- (c) Notwithstanding anything contained in the Agreement to the contrary, either party shall have the right to cancel this Agreement upon sixty (60) days' written notice to the other party at any time without cause and without any cancellation fee.
- (d) 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

**10.**

Managing Agent security, reasonably satisfactory to the liabilities which the Managing Agent may have incurred pursuant to the provisions hereof. The Agent and the Association shall each furnish to the other copies of all pertinent books of account, contracts, leases, personnel files, and other business records relating to the management of the Association.

**11.**

Association Indemnification. The Association hereby agrees to indemnify, and thereby hold and save harmless, Agent and Agent's officers, directors, stockholders and employees (collectively, "Agent") from any and all losses, damages, judgments, rulings or settlements, and all cost and expenses, incurred by Agent related to or resulting from any and all third party claims or legal, administrative or regulatory actions and the proceedings asserted or brought against Agent in connection with (1) Agent's performance of its obligations or responsibilities under the terms of this Agreement; (2) Agent's actions pursuant to the express or implied direction of the Association; and (3) the operation, maintenance, physical condition, ownership of, or any alleged or actual acts, errors, omissions or incidents occurring on or related to, the Property managed by Agent under this Agreement; provided, however, that the foregoing indemnification shall not extend to any settlement entered into by Agent without the prior written consent of the Association, which consent shall not be unreasonably withheld, nor 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 Agent and the Association jointly, and to reimburse Agent any monies Agent may decide to advance on the Association's behalf (although nothing herein shall be construed to require Agent to do so) or by law or regulation Agent is required to pay in order to avoid a fine or penalty or otherwise is paid by Agent in connection with, or as an expense in defense of, any claim, civil or criminal action, proceeding charge or prosecution, law, regulation, requirement, contract or award relating to the maintenance or operation of the Property, including, but without limitation, the hiring and firing of contracted service providers, their hours of employment, working conditions and other grievances, fair housing claims, and OSHA requirements. In the event a claim is made or an action or proceeding is brought against an Agent but not the Association, or Agent is otherwise required to engage separate counsel to protect its interests, the choice of such counsel shall be made by Agent, subject to the prior approval of the Association, which approval shall not be unreasonably withheld. The Association shall promptly pay the cost of such counsel and upon Agent's demand, therefore. This indemnification shall be covered by any applicable insurance coverage and for purposes of such insurance; the Association shall list the Agent as an additional insured party. The provisions of this Paragraph shall survive the termination of this Agreement.

Agent Indemnification. Agent shall indemnify the Association from any loss directly attributed to Agent's loss of monies, securities or other evidence of debt owned by the Association while under the custody and control of the Agent including a loss caused by or resulting from the theft, embezzlement or defalcation by an principal or employee of the Agent or from deposits of monies in a deposit or investment account which is not federally insured with respect to all monies in such account, or either a direct or indirect obligation of the United States Government,

unless that investment was as a result of a Board directive. Agent shall further indemnify the Association from any claim resulting from an electronic data breach directly caused by the gross negligent action or inaction of Agent.

**12.**

- (a) This Agreement shall inure to the benefit of, and constitute a binding obligation upon the contracting parties, their respective successors and assigns, and shall be construed in accordance with the laws of the jurisdiction within which the Property exists.
- (b) This Agreement shall constitute the entire Agreement between the contracting parties, and no variance or modification thereof shall be valid or enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement.
- (c) The provisions of this contract are severable and if any provision or part thereof is held illegal or inapplicable to any person or circumstance such illegality or inapplicability shall not affect or impair any part of the remaining provisions or part of this contract.
- (d) In the event of any conflict between the provisions of this Agreement and any provision of the Association Governing Documents, then the provisions of this Agreement shall control. Managing Agent acknowledges receipt of a copy of the Association Governing Documents.
- (e) A waiver by either party of any breach of term or provision of this Management Agreement shall not be deemed a waiver of any other subsequent breach.

**IN WITNESS THEREOF**, the parties hereto have executed the Agreement as of the day and year first written above.


**ATTEST:**

Shireen Ambush

BY   
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Shireen Ambush, Executive Vice President  
Abaris Realty, Inc.

**WITNESS:**

\_\_\_\_\_

BY   
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TANYARDSPRINGSHOMEOWNERS  
ASSOCIATION INC.

**ATTACHMENT "A"**  
**FEE SCHEDULE OF EXTRA CHARGES**  
*As of January 1, 2020 (Subject to Change)*

Postage, Printing and Copying

|                                  |                     |
|----------------------------------|---------------------|
| 8 1/2 x 11 paper (b&w).....      | \$0.15 per page     |
| 8 1/2 x 11 paper (color) .....   | \$0.50 per page     |
| 8 1/2 x 14 paper .....           | \$0.20 per page     |
| Mailing labels (small) .....     | \$0.05 per label    |
| Mailing labels (large).....      | \$0.06 per label    |
| Envelopes (regular) .....        | \$0.10 each         |
| Small clasp envelope (6x9) ..... | \$0.20 each         |
| 9 x 12 clasp envelope .....      | \$0.25 each         |
| 10 x 15 clasp envelope .....     | \$0.30 each         |
| Postage .....                    | Charged as weighed. |
| Storage Fee.....                 | \$150.00 annually   |

Collection of Delinquent Accounts (Charges assessed back to delinquent Owners' accounts)

|   |                    |
|---|--------------------|
| In-House Demand Letter.....             | \$25.00            |
| Coordination of Legal Collections ..... | \$10.00/unit/month |

Hourly Charges\*

|   |                                |
|---|--------------------------------|
| After Hours Emergency Service .....       | \$150.00/hour (minimum 1 hour) |
| Site visits over 1.5 hours per week. .... | \$110.00/hour (minimum 1 hour) |
| Project Management.....                   | \$110.00/hour (minimum 1 hour) |

*\*With the exception of postage, printing & copying, the Board's appointed Liaison Officer will be notified via email prior to commencement of billable work at the aforementioned hourly rates.*