



ASSOCIATION COMMUNITY MANAGEMENT AGREEMENT

Property Name: **Annecy Homeowners Association**

Company: **c/o Legacy Community Management (LCM)**

Address: **1715 N Power Rd**

City/State/Zip: **Mesa AZ 85207**

This Agreement was made as of the **1st of June, 2025**, by and between Legacy Community Management (LCM) hereinafter the Agent, and **Annecy Homeowners Association**, hereinafter the Association.

1. Definitions

- A. "Association" shall mean and refer to the Annecy Homeowners Association, a nonprofit mutual benefit corporation organized and existing under laws of the State of Arizona, and its successors and assigns. The Association is responsible for the administration, maintenance, repair, and operation of the Common Area and enforcement of the Governing Documents for the benefit of the Owners.
- B. "Board" or "Board of Directors" shall mean and refer to the governing body of the Association, elected by the Members in accordance with the Bylaws. The Board shall have all powers and duties set forth in the Governing Documents and applicable law, including but not limited to managing the affairs of the Association, adopting rules, and levying assessments.
- C. "Agent" shall mean and refer to Legacy Community Management, duly authorized by the Association or the Board to act on its behalf, including without limitation, managing agents, legal counsel, accountants, contractors, vendors, or other service providers engaged to perform professional or administrative services.
- D. "Employees" shall mean and refer to all individuals hired directly by the Association to perform tasks, duties, or services in connection with the administration, maintenance, or operation of the Common Area or Association property, including but not limited to administrative staff, maintenance personnel, custodial staff, and security officers.

Legacy Community Management Company LLC
3233 E Halifax Cir
Mesa AZ 85213
480-225-0535 Janet; 602-809-2212 Althea



2. Introduction

In consideration of the covenants herein contained, the parties hereto agree as follows: the provisions of the Declaration of charge the Association, a Homeowners Association, with the responsibility for the operation, maintenance, and management of the affairs of the Homeowners Association project.

The Association desires to engage the services of Agent to assist the Association in discharging certain of said responsibilities and Agent hereby assumes those responsibilities and herein describe on the terms and conditions hereinafter set forth.

The Association hereby employs the Agent and the Agent hereby accepts such employment as the exclusive Agent to manage and provide services for the Association that consists of the common elements upon property described above for a term of 1 Year.

This Agreement shall renew for additional 1 Year periods unless otherwise terminated. Notwithstanding the above, either party may terminate this Agreement anytime by delivering to the other party not less than thirty (30) days, written notice of its intention to terminate said Agreement. Upon receipt of written notice, all outstanding compensation prorated to date is due and payable on demand and may be deducted by the Agent from receipts.

The authority and duties of Agents hereunder are confined to the General Common Elements and such portions of the units as may be controlled or maintained by Association, or as may be required to be monitored pursuant of the Declaration. Such authority and duties do not include supervision or management of the individual units.

3. The Agent's Obligations

The Agent accepts said employment and agrees:

- A. To perform its duties diligently and in a professional manner, using commercially reasonable skill and care, to serve the unit owners and manage the affairs of the Association. All services shall be performed under the direction and authority of the Board of Directors and in accordance with the Declaration, any amendments thereto, the By-Laws of the Association, and applicable laws and regulations.



- B. The Agent is authorized, at the expense of the Association and in its name, to enter into contracts for services necessary for the operation, maintenance, and management of the Association. These services may include, but are not limited to, utilities (gas, electricity, water, sewer), pest control, landscaping, cleaning, and other routine operational needs. All contracts shall be negotiated and executed in good faith, using reasonable commercial practices. The Agent shall obtain prior written approval from the Association's Board of Directors for any service contract with:
- A term longer than twelve (12) months,
 - A cancellation period greater than thirty (30) days (if avoidable), or
 - A total contract value exceeding \$1000 in a calendar year, unless otherwise directed in writing by the Board.
- C. At the expense of the Association and acting solely as its agent, the Agent shall have the authority to recruit, supervise, direct, and, when necessary, terminate personnel required for the maintenance and operation of the Association's property and services. All such personnel shall be deemed employees of the Association, not of the Agent, unless otherwise explicitly stated in this Agreement. The Agent shall coordinate payroll processing, benefits administration, and compliance with applicable employment laws and regulations on behalf of the Association. The Association shall be responsible for all costs associated with employment, including but not limited to wages, payroll taxes, withholding, unemployment insurance, workers' compensation, and employee benefits. Notwithstanding the above, any employees directly hired by Legacy Community Management shall remain employees of the Agent, and the Agent shall be solely responsible for all employment-related obligations and liabilities for those individuals. The Agent shall maintain appropriate records and provide the Association with reasonable access to employment documentation upon request.
- D. To report to the Association promptly any conditions at, on, or about the Association which, in the opinion of the Agent requires the attention of the Association.
- E. To notify all unit owners of the Association annually of their respective assessments and common charges imposed by the Association; to take all reasonable steps, other than legal, to collect and deliver to the Association all assessments and common charges, including the delivery of delinquency notices provided; however, the Agent shall not have the final responsibility for the collection of any delinquent assessment, common charge, or other charges.

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- F. To keep full, detailed, and adequate accounts and records of all funds received and disbursed with reference to the Agent's management of the Association and said records shall be available for representatives of the Association to examine at any time during business hours upon reasonable notice.
- G. The Agent shall not co-mingle any Association funds with its own funds or those of any other client. All funds received on behalf of the Association shall be held in one or more separate accounts established specifically for the Association, which may include operating and reserve accounts, in banks or financial institutions that are federally insured and authorized to do business in the State of Arizona. All such accounts shall be deemed trust accounts and maintained solely for the benefit of the Association. These accounts may be interest-bearing or non-interest-bearing, as directed by the Association. Any interest earned shall belong to the Association. The Association shall retain authority to designate or approve the banking institutions used and shall be provided with full access to account information upon request. The Agent shall follow all reasonable instructions of the Association regarding the disbursement or investment of funds. The Agent shall maintain appropriate financial safeguards, including dual-signature requirements or electronic approval procedures, as may be reasonably requested by the Association to ensure fiduciary compliance.
- H. All revenues collected from members of the Association shall be treated as trust funds held for the benefit of the Association and deposited into designated operating or reserve accounts, as directed by the Board. The Agent shall not use these funds for any purpose other than as authorized by the Board and within the scope of this Agreement. On or before the 15th day of each month, the Agent shall provide the Association with a detailed written statement of receipts and disbursements for the prior month, including account balances, reconciled bank statements, a summary of outstanding payables, and any other financial reports reasonably requested by the Board. If disbursements in any period exceed the available funds collected, the Agent shall notify the Association in writing. The Association agrees to remit the necessary funds promptly. The Agent shall not be expected or required to advance its own funds or incur personal liability for Association expenses. Within thirty (30) days after termination of this Agreement, the Agent shall provide a final accounting of all receipts and disbursements not previously reported and shall transfer all funds, records, and account access to the Association or its designated successor.

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- I. No later than forty-five (45) days prior to the end of the Association's fiscal year, the Agent shall prepare and submit to the Board of Directors a proposed operating and reserve budget for the upcoming year. The budget shall include:

- Estimated income and expenses,
- Recommended reserve contributions,
- Anticipated capital expenditures, and
- Any significant variances from the prior year's budget.

The proposed budget shall be based on the Association's financial history, known obligations, upcoming maintenance needs, and any anticipated changes in vendor or utility costs. Upon submission, the Board may request clarification or modifications and shall retain sole authority to approve, reject, or amend the proposed budget.

- J. Within forty-five (45) days after the end of the Association's fiscal year, the Agent shall provide the Board with a year-end financial summary, including:
- Total cash receipts and disbursements,
 - Reserve account activity and balances,
 - A comparison of actual income and expenses to the approved budget, and
 - A narrative summary of any major deviations from budgeted amounts.

This report shall be intended for internal management and Board review purposes only and shall not constitute a formal audit, review, or compilation. If a formal audit or financial review is required, the Association shall engage an independent accountant at its own expense. The Agent shall cooperate by providing access to all necessary financial records and documentation.

- K. Any audit, annual review, or compilation required by the Association shall be prepared, at the Association's expense, by an accountant selected by the Association. A Profit and Loss statement will also be included.
- L. To monitor on a regular basis the Common Elements of the Association to assure compliance with maintenance standards established by the Association including cleaning, painting, decorating, and such other maintenance and repair work as may be necessary. Ordinary repairs involving expenditures for any items shall be made only with the prior approval of the Association except expenditures made under



circumstances deemed urgent (health, safety, and the protection of property or potential further property damages) in the sole opinion of the Agent.

- M. To provide accountants, as may be retained by the Association, any necessary copies of the Association's reports prepared by the Agent required for the preparation and filing of personal property or income tax returns, if any.
- N. The Agent shall report and monitor all known accidents and claims for damage relating to the Association's ownership, operation, and maintenance of real or personal property within the Association, and shall prepare and manage claims when required. The Agent shall manage claims with insurance companies.
- O. The Agent shall not provide legal advice or represent the Association in legal matters, and nothing in this Agreement shall be construed as authorizing the Agent to practice law. If legal action or advice is deemed necessary in connection with the Association's operations — including, but not limited to, collection of delinquent assessments, enforcement of rules, contract disputes, or interpretation of governing documents — the Agent shall promptly notify the Board and seek written authorization before proceeding. Any legal counsel retained shall be selected and approved by the Association. Such approval shall not be unreasonably withheld. All legal actions shall be brought in the name of the Association, and all associated legal fees, costs, and expenses shall be paid by the Association from its funds. The Agent may, at the direction of the Board, coordinate with legal counsel to assist in administrative tasks related to such actions (e.g., gathering records, submitting documentation), provided that such coordination shall not constitute the practice of law.
- P. The Agent will meet regularly with the Association's Board of Directors, or a representative thereof either in person or via conference call (not to be scheduled on holidays or weekends and not to exceed one meeting per month.)
- Q. It is understood that the Agent shall not be required to undertake the supervision of extensive reconstruction or repairs for the Association or any part thereof except after the agreement by parties as to an additional fee to be paid for such services.



4. The Association's Obligations

In consideration of the management services to be rendered by Agent under this Agreement, the Association agrees:

- A. To promptly furnish the Agent with all documents and records for the management of the Association. The Agent must receive accurate records when initially assuming management of the Association. The Association will incur additional fees if due diligence and discovery are required as result of inadequate records.
- B. To pay the Agent for services rendered at the rate hereinafter set forth. Such compensation is due and payable on demand and may be deducted by the Agent from receipts.
- C. To indemnify, defend, and hold the Agent harmless from any and all claims for damages, injuries, costs, expenses, attorney's fees, suits, liabilities of any nature whatsoever, whether known or unknown and whether direct or indirect, as though expressly set forth and described herein, which the Agent may incur, suffer, become liable for, or which may be asserted or claimed against the Agent arising out of the management of the Association by the Agent. This indemnification provision shall not be limited to claims, expenses, or liabilities for which one of the parties is solely liable, but shall also apply to claims, expenses, and liabilities for which the Agent and the Association are jointly and concurrently liable.
- D. The Association shall not hold the Agent liable for any error of judgement, or for any mistake of fact or law, or for anything which the Agent may do or refrain from doing hereinafter, except in cases of misconduct or negligence.
- E. To carry bodily injury, property damage and personal injury public liability insurance in limits of not less than \$1,000,000.00 combined single limits coverage. Certificates of said policies shall be furnished to the Agent. The Association agrees that at all times during the continuance of this Agreement that all bodily injury, property damage, and personal injury insurance, property insurance, fire insurance, and any other coverage carried by the Association on the Association shall, by the appropriate endorsement of all policies evidencing such insurance and without cost to the Agent, be extended to insure and indemnify the Agent, as well as the Association, as follows: 'Legacy Community Management' is hereby named as an additional insured and the insurance company agrees this

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policy shall be primary in respect to any coverage carried by 'Legacy Community Management.'

- F. To assume full responsibility for the payment of any expenses and obligations incurred in connection with the exercise of the Agent's duties to set forth in this Agreement.
- G. To fulfill all of the obligations of an employer for all employees of the Association except as expressly delegated to the Agent under this Agreement.
- H. To designate one individual representative and an alternate who shall be authorized to conduct the business of the Association with the Agent on any matter relating to the management of the Association and in the absence of such designation by the Association, the President of the Association may be regarded by the Agent as having such authority.
- I. An appointed representative by the Board of Directors of the Association will assist and cooperate with the Agent in the preparation of the recommended budget.
- J. During the course of this Agreement, the Association will be dealing with trade secrets of the Agent, including information, custom software, and processes, all of a confidential nature, that are used in the course of the Agent's business. In particular, the Association may have access to and be dealing with trade secrets such as confidential vendor list, procedures and software for servicing the Agent's Associations, and documentation relating to the servicing of the Agent's Associations. The Association promises to hold in the strictest confidence and not divulge to others, not use to the detriment of the Agent, anytime during this Agreement or thereafter, so long as it shall retain a degree of confidentiality giving value to its protection from competitors, any trade secrets of confidential information or software attained during the course of this Agreement. All software provided by the Agent is the exclusive property of the Agent and shall be removed upon termination of the Agent's Agreement.
- K. The Association represents that it is duly authorized to enter into and execute this Agreement for and on behalf of all the unit owners of the Association. Its employment and designation of duties to the Agent hereunder are authorized by pursuant to the laws of appropriate governmental authorities and all specific legal documents governing the Association.

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5. Compensation to the Agent

The Association expressly agrees:

- A. To pay to the Agent for start-up services necessary to institute and fulfill the Agent's Obligations, as delineated under 2A-Q under this Agreement, a one-time fee of \$1000.00, payable on or before this Agreement date listed above.
- B. To pay to the Agent for management services performed hereunder the monthly management fee of \$1000.00.

6. Agent Liability

- A. The Agent shall perform its duties under this Agreement in a commercially reasonable manner and in accordance with generally accepted standards of professional property management.
- B. The Agent shall not be liable to the Association, its members, or any third party for any act or omission in the performance of its duties under this Agreement, except to the extent such act or omission constitutes:
 - 1. Gross negligence;**
 - 2. Willful misconduct;**
 - 3. Fraud or criminal activity; or**
 - 4. A material breach of this Agreement.**
- C. The Agent shall not be liable for errors in judgment or for any loss arising out of any action or inaction performed in good faith and in the scope of authority granted under this Agreement. The Association agrees to indemnify and hold harmless the Agent and its employees, officers, and affiliates from and against any and all claims, losses, damages, liabilities, and expenses (including reasonable attorney's fees) arising out of the performance of the Agent's duties, provided the Agent has not acted in a manner described in items (1) through (4) above.
- D. Notwithstanding the foregoing, the Agent shall maintain appropriate liability insurance and errors and omissions insurance in amounts reasonably acceptable to the Association and shall provide proof of coverage upon request.

7. Dispute Resolution

In the event of any dispute, claim, or controversy arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation, or validity thereof (a "Dispute"), the parties agree to follow the procedures set forth below:

A. Good Faith Negotiation:

The parties shall first attempt in good faith to resolve any Dispute promptly by negotiation between authorized representatives of the Association and the Agent. Either party may initiate negotiations by providing written notice to the other party, setting forth the subject of the Dispute and the relief requested.

B. Mediation:

If the Dispute is not resolved through negotiation within thirty (30) days of the initial written notice, either party may demand non-binding mediation. The mediation shall be conducted by a mutually agreed-upon neutral third party in Maricopa County, Arizona, unless another location is agreed upon. The costs of mediation shall be shared equally by the parties.

C. Arbitration (Optional):

If mediation fails to resolve the Dispute within sixty (60) days of initiation, and if both parties agree in writing, the Dispute may be submitted to binding arbitration in accordance with the rules of the American Arbitration Association (AAA). The arbitration shall take place in Maricopa County, Arizona. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

D. Litigation:

If the parties do not agree to arbitration, either party may pursue available legal or equitable remedies in a court of competent jurisdiction. The prevailing party in any legal action shall be entitled to recover reasonable attorneys' fees and costs incurred in connection with such action.

E. Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to conflict of laws principles.



This Agreement shall be binding on the parties and their heirs, executors, administrators, successors, and assigns. This Agreement shall not be construed strictly either for or against either party, regardless of the party that drafted the Agreement. There are no oral agreements or representations between the parties and any modifications to this Agreement must be set forth in writing and signed by the party against whom the modification is sought to be enforced. If any provision in this Agreement is found to be unenforceable for any reason, it shall be severable, and the remainder of the Agreement shall be in full force and effect.

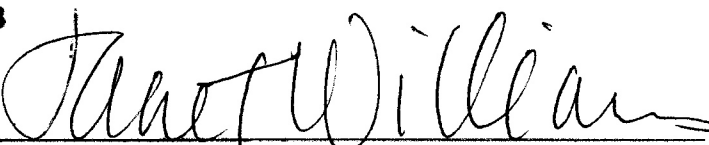
IN WITNESS HEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

**Annecy Homeowners
Association**

An Arizona Corporation

By 
Signature of Authorized Officer
Printed RON H. JOHNSON, PRES. ANNEXY HOA
Date 6/1/25

Legacy Community Management
3233 E Halifax Cir
Mesa AZ 85213

By 
Signature of Authorized Officer
Printed Janet Williams
Date 6/1/2025

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Legacy
Community
Management

By

A handwritten signature in black ink, appearing to read "Althea Deltran", is written over a horizontal line. The signature is fluid and cursive.

Signature of Authorized Officer

Printed

Althea Deltran

Date

June 1st 2025

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