

TOLEDO BEACH DOCKOMINIUM ASSOCIATION MANAGEMENT AGREEMENT

This Agreement, effective as of January 1, 2015, is entered into by Toledo Beach Dockominium Association, a Michigan non-profit corporation ("Association") which has its principal office at 11840 Toledo Beach Road, LaSalle, Michigan 48145 and which has been established to maintain and manage the affairs of Toledo Beach Dockominium, a marine condominium project ("Project"), and TBM Associates LLC ("Manager") which has its principal office at 11840 Toledo Beach Road, LaSalle, Michigan 48145.

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

1. Appointment of Manager

Pursuant to its Articles of Incorporation and the authority granted in the Condominium Bylaws, the Association hereby appoints Manager, and Manager hereby accepts appointment, as the sole and exclusive managing agent of the Project subject to the terms and conditions set forth below. As used herein "exclusive managing agent" shall mean that all matters pertaining to the Project and the administration, operation, maintenance and repair thereof shall be handled by or through Manager, who shall be solely responsible for supplying and/or contracting for all of the services and/or materials of whatever nature necessary for the Project as outlined in this Agreement.

2. Services by Manager

a) Routine Maintenance

Manager shall manage the Project in a manner commensurate with that of marina Projects of a similar size, character and quality. Management services will include such tasks as: daily inspections, maintenance needs evaluations, capital project plan development, on-site management of services provided to and paid by the Association through vendors including, but not limited to: janitorial, general repairs and maintenance, security, trash removal, utility services and the repairs thereof, landscaping, snow removal, pool maintenance, bubbler install and maintenance, and pest control. Manager shall arrange for such repairs and services as may be required by the Association, however, no repairs, alterations or improvements may be initiated by Manager without prior approval of Association unless said amount is contained in a previously approved operating budget. All approved vendor contracts shall be in the name of the Association, and Manager may execute all such contracts as agent for Association if requested. All payment of services, contracts, utilities and similar expenses shall be performed by the Association directly. Manager shall provide support to the Association as requested including acknowledgment of approval to pay invoices for work overseen by Manager, if required.

b) Emergency Repairs

Manager shall use its best efforts to manage the Project in a manner which will minimize the likelihood of emergencies. When, however, a situation arises at the Project or in an area which has potential immediate impact on the Project and in the sole judgment of the Manager,

involves a manifest danger to life or property, the Manager may, at the expense of Association, take whatever steps (including emergency repairs) it deems necessary to minimize the adverse effect of the situation. Such steps may be taken at the expense of the Association without notice and at such costs as may be reasonably required under the circumstances. Notwithstanding this authority the Manager shall, in such situations, make a reasonable effort to contact and confer with a non-developer member of the Board of Directors of the Association and to limit the costs of emergency repairs.

c) Security

Manager shall provide or cause to be provided, at the expense of the Association, at least one person to supervise the Project during the non-business hours of Toledo Beach Marina, however, nothing in this provision or in this Agreement is intended, or shall be interpreted to make Manager responsible or liable for the protection or security of any person or property of the Association, or of any of its co-owners, members, visitor's, vendors, invitees or guests.

d) Other Services

Manager may provide, or cause to provide, any other reasonable service pertaining to the Project not specified in this Agreement upon request by Association. This would include the obligation to enforce all the By-Laws and to further pursue the remedies provided by the document as required.

3. Special Projects and Capital Improvements

In the event the Association wishes to commence a special project or a capital improvement that is in addition to, and beyond the scope of Manager's daily operations ("Special Project"), then, upon request, the Manager may provide, at additional cost to the Association, project management services for such Special Project ("Services"). Such services would include, but are not limited to, obtaining bids and hiring contractors on behalf of the Association (following approval by the Association Board of Directors) and providing oversight until completion of the Special Project. The Manager's service fee for such Services will be 5% of the total cost of the Special Project which cost would include, but is not limited to, expenses such as design/engineering fees, surveys, soil tests, permits, plan review fees, contractor costs and project staffing supplied by the Manager. The Association and Manager agree that Services shall not include the issuance of the payment of expenses associated with such Special Project as all payments shall be made by the Association's treasurer ("Treasurer") on behalf of the Association using only Association funds.

4. Services Provided Jointly

a) Annual Operating Budget

Upon request, Manager shall consult with the Treasurer who shall prepare an annual operating budget which shall be submitted to the Board of Directors for discussion and approval within 30 days of the commencement of the fiscal year.

b) Assessments to Co-Owners

Upon request, Manager shall consult with the Treasurer who shall calculate the annual regular assessments and/or any special assessments, and the Treasurer shall invoice the co-owners in

a timely manner. The Treasurer and Association shall use diligent efforts to collect all assessments and other charges which may become due from co-owners (including interest and late fees). All monies collected shall be deposited in a bank account established and controlled by the Association, and Manager shall have not access to any funds so deposited.

c) Bank Accounts

The Treasurer shall establish and maintain bank accounts in the name of the Association who will deposit all collections of assessments due from co-owners to the Association's bank account. Treasurer will be responsible for disbursing funds from said bank account.

d) Books and Records

Upon request, Manager shall consult with the Treasurer who shall establish and maintain books and records for the Association with respect to matters covered hereby. Within 45 days of the end of after each month Manager shall provide the Association with an invoice for reimbursement of costs due to Manager in connection with services provided by Manager under this Agreement.

e) Tax Returns and Corporate Filings

Upon request, Manager shall consult with the Treasurer who shall prepare, or cause to be prepared, tax returns and the Michigan corporate annual report for Association's review and filing. Association will be solely responsible for approval, signature by a duly authorized representative of the Board of Directors of the Association, and the filing of such documents with the appropriate agency. Professional services used for this purpose shall be an expense of the Association.

f) Insurance

Upon request, Manager shall consult with the Treasurer who will request and review the provisions and scope of coverage of all insurance policies for the renewal of the existing policy or policies, and shall solicit proposals for replacement of existing coverage, and for any additional coverage which may be necessary or desirable. Upon receipt of the proposal(s), the Treasurer and Manager shall evaluate the ones that appear to be the most beneficial from a cost and coverage standpoint for presentation to the Board of Directors by the Treasurer. The review, evaluation and solicitation process shall be timed in such a manner as to ensure that insurance coverage shall continuously be in force. Association acknowledges that Manager is not an expert in insurance matters and is providing the above-described support without representation as to its expertise, and without liability for any decisions resulting from any review, evaluation or recommendation made by Manager. Association further acknowledges that all decisions regarding the nature and extent of the insurance coverage for the Project shall be the sole responsibility of Association. All premiums for insurance shall be funded by the Association when invoiced by the insurer

5. Payment for Services

To compensate Manager for the services rendered to Association pursuant to this Agreement, Association shall pay to Manager the sum of \$65,000.00 per year in 12 equal monthly installments of \$5,416.67 each payable in advance, on the first day of each calendar month, with the first payment due January 1, 2015.

This payment shall be inclusive of costs associated with Manager providing consulting and the other support services identified above including Manager's management staff (such as its CFO, Managing Director, General Manager and Manager) and administrative office staff, team services, office overhead and expenses, but does not include the expendables and costs associated with Manager providing the maintenance and repair services as identified above, which shall be invoiced as utilized.

6. Obligations of Association

a) Purchase Order Authority

Association authorizes Manager, when acting in accord with the provisions of this Agreement, to issue purchase orders and let contracts in its behalf.

b) Insurance

Association shall provide and maintain, at Association's cost and expense, general liability insurance, including bodily injury, personal injury, and property damage liability, in connection with the ownership, use, occupancy and management of the Project in the amount of at least \$2,000,000 combined single limit, naming Manager as an additional insured under such policy.

c) Indemnification

Association hereby agrees to defend, indemnify and hold harmless the Manager, its employees, officers, directors, and shareholders from all claims, costs, expenses liabilities, actions, damages and judgments, including reasonable attorneys' fees, arising from the performance of its duties under this Agreement, and from injury to any person or property on, about or in connection with the Project from any cause whatsoever, unless such claims, costs, expenses, liabilities, actions, damages, judgments and attorneys' fees are caused through the Manager's gross negligence.

7. Other Matters

a) Relationship of Manager to Other Entities

If the Manager, its employees, officers, directors or shareholders are partners, officers employees, shareholders or directors of, or otherwise related to, any contractors or agencies to be hired by the Manager to furnish services or supplies to the Association, Manager must first disclose such relationships to the Board of Directors before any such contract is executed. The parties acknowledge that Manager is an owner of a number of slips in the Project. All Board members shall execute a Full Disclosure and a No Conflict of Interest form. Said forms will become a part of the permanent records of the Association.

b) Assignment

Neither this Agreement nor any of the rights or obligations of the parties hereunder may be assigned in whole or in part without the prior written consent of the other party hereto.

c) Term

This Agreement shall take effect as of January 1, 2015 and shall remain in full force and effect until such a time as the Non-Developer Board members shall vote on a new or revised agreement . This Agreement will automatically renew for 1 year periods under the same terms and conditions, provided that after the expiration of the initial one year term, this Agreement can be terminated by either party with 60 days advance written notice.

d) Effect of Agreement

This Agreement shall constitute the entire Agreement between the contracting parties with respect to the subject matter hereof, and no variance or modification thereof shall be valid and enforceable, except by supplemental agreement in writing, executed and approved in the same manner as this Agreement.

e) Governing Law

This Agreement shall be governed by the laws of the State of Michigan.

f) No Third Party Rights

This Agreement is not intended to confer any rights or remedies upon any third party other than the Association and Manager.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

ASSOCIATION:

TOLDEO BEACH DOCKOMINIUM ASSOCIATION,
A Michigan non-profit Corporation

By: Robert Johnson
It's: President

MANAGER:

TBM Associates LLC,
A Michigan Limited Liability Company

By: _____
It's: _____