

To: Board of Directors  
Americana Condominium Association  
Tuesday, November 3rd, 2015  
From: CAP Management

## **Purpose:** A proposal for Association Management Services to Americana Condominium Association

Board of Directors,

CAP Management is pleased to present the following outlined proposal for Association Management Services to your Board of Directors. This proposal has been drafted based on the walkthrough and discussion with you and your perceived scope of work and needs. We consider this a working document and would be happy to discuss amendments to this proposal.

As we mentioned during our meeting and walkthrough, we feel that Americana can get more service for the money you are already spending by working with a management company willing to restructure your management process. You have an opportunity to consolidate services currently spread across various 3<sup>rd</sup> parties. You have a great opportunity to utilize the right staff to eliminate costly vendors, complete maintenance tasks more quickly, develop processes for future staff and Boards, all while improving quality of life and owner satisfaction.

We want to work with you, your onsite maintenance and cleaning services to streamline your workflow and make sure you are getting the full result from these staff. Because of the large amount of common space, high-rises come with a higher level of a sense of community – forming cliques between owners and greater sensitivity to poor or incomplete repairs. These properties also have more complex systems with their own sets of quirks and unique solutions. A good high-rise management team needs to get to know both the owners and systems in your building to move in a purposeful direction.

We have worked with all of our high-rises to accomplish this. Many have come from the position you are in now, with onsite and offsite management working in an inefficient manner with little coordination, procedure, or accountability. You are spending too much for onsite staff not to reap the full potential of a competent management team.

Within the included budget you will see what we feel are the savings you could realize if we are able to develop a strong onsite presence, which integrates with executive management and the Board. We are determined that we can provide you a much higher level of service for a modest increase in expense.

**About us:** We are a company dedicated to providing appropriate management solutions to each of the HOAs we serve. Our approach to management is a personal one and our managers have been with our company for years. To accomplish this we work as a team, support each other, and provide a working environment and benefits package rarely seen in our industry. Thanks to this

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investment, our staff is loyal and we suffer very little turnover in what is a turbulent industry, which provides your HOA with a dedicated managers who build relationships with the board and owners over the years. In addition to this, we feel there are several other aspects that set us apart from other management companies:

- **An in-house web development team.** We build custom HOA websites in-house from the ground up. This service is not outsourced as it usually is with other companies. This means you are able to make custom changes to the site, update content quickly, consult the team (even meet face-to-face), and utilize the webpage for communications solutions.
- **We care about our HOAs.** Beyond routine property management, we can help your HOA navigate serious challenges. Be it financial crisis, litigation, comprehensive repair projects, board upheaval, special assessments which require community engagement, or developing living process maps to maximize efficiency, we want to set each HOA up for success and like standing beside our boards and owners to create healthy, functional associations.
- **Ahead of the curve.** We are a staff with professional certifications that go beyond what is required by the State of Colorado. We attend industry conferences and workshops, but also think outside the HOA management box, implementing new technologies and ways of doing business that that make Board governance easier and more efficient.
- **A Conservation and Sustainability department** on-call to help you explore projects that can save your association money while reducing your footprint.
- **Our Managers have capable assistants.** All of our Property Managers have an assistant manager whose job it is to address owner concerns, assist the board on special projects, and make sure that the common complaint, "I can never reach the manager" is a thing of the past.
- **We handle the Management Company transition.** We understand that HOA transitions raise concerns as important and sensitive information and procedures change hands. We facilitate a careful, detail-oriented transition to new management so that the day we start, there are no loose ends – from homeowner data, vendor relations, facility checklists, to banking and financials, our comprehensive checklist means you can watch from afar as we pick up the reigns.
- **Accountability.** We don't hide from our Boards or owners. You always have the opportunity to provide feedback on our service directly or anonymously. What's more, bi-annual relationship checkups provide two-way communication and feedback to ensure our working relationship is healthy, communicative, and productive.

**Scope:** We believe in reaching an amenable balance of cost and services that allows us to serve your HOA properly. We are pleased to propose the following scope of work:

- CAP Management will serve as an Executive Manager. The Executive Manager provides for the association's desired scope of service and necessary corresponding expertise, licensing, and certifications. Executive Manager will serve to provide additional support based on the short and long-term goals and visions of the Board of Directors and associated committees. Executive management provides the Board with support regarding such items as:

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- Serve as the registered agent of the HOA
  - Serve as a liaison with Association members, realtors, mortgage companies, and title companies when properties are sold or refinanced.
  - Administrate all onsite staff. With oversight from the Board of Directors, recruit, develop, train, and terminate as deemed necessary.
  - Assist the Association in securing and reviewing necessary property, casualty, and liability insurance.
  - Review reserve studies and assist in future financial planning
  - Exploration of sustainability projects
  - Consultation regarding and coordination of large-scale repair projects
  - Navigation of legal issues
  - State and Federal certifications
  - Providing HOA with fully-licensed manager, onsite twice monthly to interface with Board of Directors and Compliance Officer
  - Development of and administration of custom HOA website
  - Advice and counsel in industry innovations and trends
  - Application for recognitions
  - Assist board in establishing the Association's goals, objectives, priorities and expectations.
  - Obtain competitive bids, when requested by the association, for contracted services and assist the association in monitoring contractor performance, administration, and informing contactor when there are problems and/or issues.
  - Facilitate understanding between Association and contractors; meet with contractors to explain the expectations of the Association in the performance of the contract.
  - Interact with developer on "punch list" items
- CAP Management will provide accounting and bookkeeping services:
    - Collection, deposit, and bookkeeping of accounts receivable
    - Payment and bookkeeping of all bills
    - Establishment and maintenance of HOA bank accounts
    - Administration of Payroll, including quarterly payroll returns
    - Administration and payroll of all taxes, including Workman's Compensation
    - Prepare and distribute to the HOA board the monthly accounting statements
    - Work with CPA for annual audit and tax filings
    - Maintain all legal documentation for HOA; ensure compliance with pertinent rules and regulations
    - Maintain records of units bought and sold, including status letters, deeds, and closing documents.
    - Provide documentation needed for title and mortgage companies
    - Facilitate property transfers

## Additional Services:

- Sustainability and Conservation consultation and support
- Community engagement and mediation services
- Digital maintenance of association records
- Storage of hard copy association records
- Consultation regarding and application for state and federal certifications and recognition, including "HOA of the Year."
- Assistance in exploring options to increase homeowner engagement
- A thorough and detailed transition process from previous management including but not limited to:
  - Development of community website
  - Obtaining all necessary documents from clerk and recorder
  - Vendor transfer
  - Uploading HOA into community management software
  - Setting date and location of introductory meeting
  - Developing "living" process maps for the association

## Cost:

**\$1,700.00 Monthly**

*One-time transition fee of \$500.00 to cover coordination with outgoing management company, vendor outreach, bank account activation, data entry, and homeowner outreach prior to assuming management.*

We would like the opportunity for a follow-up meeting to discuss further these terms and to allow you to meet our team in person.

Respectfully

CAP Management