MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (hereinafter referred to as the "Agreement") is entered into on this 2nd day of ___August 2011 by and between Harborside Condominium Trust (hereinafter referred to as the "Condominium") acting by and through its Board of Trustees (hereinafter referred to as the "Board") and Lesley Management, Inc. (hereinafter referred to as "Management").

WHERE AS:

The Condominium consists of certain land and buildings situated at _24 Lee Street, Marblehead, Massachusetts, which has been established as a condominium in accordance with the provisions of Massachusetts General Laws, Chapter 183A by a Declaration of Trust and Master Deed dated and recorded with Essex South Registry of Deeds.

The Board is an organization of Unit Owners of the Condominium and is responsible for managing, insuring and otherwise caring for the Condominium's common areas and facilities, including collecting common and extraordinary charges from the Condominium's unit owners and paying the Condominium's common and extraordinary expenses.

The Board, pursuant to the Condominium's Declaration of Trust, Master Deed and By-Laws, is authorized to employ a management agent to assist it in managing the Condominium and deems it necessary for the proper operation of the Condominium.

Management, for the consideration stated herein, is willing to assist the Board in managing the Condominium.

BOARD AND MANAGEMENT AGREE AS FOLLOWS:

ARTICLE I

The Board hereby engages and employs Management as the sole and exclusive agent of the Board, based on the terms and conditions set forth in this Agreement, for the purpose of assisting the Board in the operation and management of the common areas and facilities of the Condominium, to prepare contract specifications, and to obtain bids and negotiate contracts for approval of and as requested by the Board. The term of this Agreement is one year and shall commence on ___August 1, 2011____. This Agreement will remain in force for one year and shall renew itself on its anniversary date, which shall be the month and day that this Agreement became effective during the previous calendar year. Either party may terminate the Agreement upon sixty (60) days written notice. The notice of termination must be sent certified return receipt mail, in the case of Lesley Management, Inc. must be by certified mail – return receipt requested and directed to Kim Lord, P.O. Box 946, Marblehead, MA 01945 and in the case of the Condominium c/o any member of the Board of Trustees at the time the notice of termination is given.

ARTICLE II

Management, through its agents and employees, shall act under the supervision of one of its principal officers and shall (the cost of which services shall be the obligation of the Board unless otherwise stated):

(a) Hire and supervise the necessary personnel and contractors to maintain and operate the common areas and facilities of the Condominium, subject to Board approval. The remuneration of these personnel and contractors shall be a common expense of the Condominium.

(b) Assist the Board in maintaining the common elements in such a condition as may be deemed advisable by the Board, including grounds keeping and interior and exterior cleaning and cause repairs of the common elements to be made, including, but not limited to, electrical, plumbing, steam fitting, carpentry, masonry, elevator, painting, decorating, and other incidental alterations or changes therein as may be proper, subject only to the limitations contained in this Agreement. For any one item of repair or replacement, the expense incurred shall not exceed the sum of __$500________ unless specifically authorized by the Board; except, however, that emergency repairs, involving manifest danger of life or property, or immediately necessary for the preservation and safety of the property, or for the safety of the Condominium's unit owners, or required to avoid the suspension of any necessary service to the Condominium, may be made by Management irrespective of the cost limitation imposed by this paragraph.

Notwithstanding the above authority as to emergency repairs, it is understood and agreed that Management will, if at all possible, confer immediately with Board regarding every such emergency expenditure. Management shall not, except as provided in an approved budget, incur liabilities (direct or contingent) which will at any time exceed the aggregate of __$1,000_____ or any liability maturing more than one year from the creation thereof, without first obtaining the written approval of Board. Any expenses incurred, as the result of extraordinary or emergency occurrences not covered by the common charge shall be reimbursed in full to Management on demand and submission of a substantiating bill. Additionally, notwithstanding the above, unit owners are responsible for any work performed in their respective units and for damage and work that occurred or took place outside the confines of their respective units to the extent the damage and work is attributable to the unit(s).

(c) Enter into contracts for electricity, gas, water, elevator, telephone, window cleaning, rubbish removal, security, snow plowing, carpet cleaning, and vermin or rodent extermination services and other services or such of them as shall be advisable and purchase all supplies which shall be necessary to maintain and operate the common elements. All such contracts and purchases shall be made in the Board's name, and shall be subject to the limitations as to amount, aggregate amount and terms set forth in paragraph (b). Management shall credit the Board any discount or commission obtained for purchase or otherwise.

(d) Check all bills received for services, work and supplies ordered in connection with maintaining and operating the common elements and pay or cause to be paid at Board's expense all such bills as and when the same shall become due and payable so long as the Condominium has available funds.

(e) Prepare and post on individual ledgers, and use its best efforts to collect from Unit Owners, all regular and special charges, assessments, debts and other monies due Board and, in that connection, Management is hereby authorized to request, demand, collect, receive and receipt for any and all such charges, assessments and other monies due Board and to take such action by way of legal process or otherwise as may be required to collect delinquent charges, subject to the costs listed in Article III, below. Any legal action or process, which may be required, shall be conducted by Board's attorneys at the expense of Board.

(f) Set up and keep in order a separate set of books for the Board and maintain files containing records of common charges and payment thereof, insurance policies, as provided herein, leases and subleases, if any, correspondence, receipted bills and vouchers, and other documents and papers pertaining to the Condominium or the operation thereof. Management shall upon the request of the Board make bookkeeping records available to Board at reasonable times during business hours and shall, on a monthly basis, issue or render a statement of income and disbursements.

(g) Cooperate with Board's accountants, if any, with regard to any audit of books or accounts of the Board; and furnish, as a common expense and at the request of Board, all Unit Owners with a copy of such audit.

(h) Oversee, cooperate and work with the Condominium's attorneys to facilitate the handling of the Condominium's legal matters and to keep the Condominium Board apprised of all legal matters.

(i) Act on behalf of the Board in handling matters that may arise with various departments of the Town of Marblehead, including but not limited the Marblehead's Historic Commission and its Building Department.

(j) Work with any insurance company to process claims on behalf of the Board in the event of a casualty.

(k) Have the right to enter any Condominium unit if Management or a member of the Board determines that emergency access to a Condominium unit is necessary to protect common property or the health and safety of other owners or tenants. Management, however, shall attempt, if reasonably possible, to contact the owner of said Condominium unit and, if possible, procure the presence of a member of the Board, prior to entry.

(l) Adhere to, carry out, and assist the Board in enforcement of the provisions of the Master Deed, the Condominium Trust and By-Laws, and the Rules and Regulations.

(m) Prior to the monthly Board meeting, or upon written request to Management, provide a monthly meeting package with an agenda, past meeting minutes, written management report of work in progress on the property, work that needs to be done, copies of correspondence to the Condominium's unit owners, and identify problems that require the attention of the Board.

(n) Assist the Board in preparing for the Condominium's annual meeting. Attend and assist the Board in the conducting the Condominium's annual meeting.

(o) Supervise the preparation, duplication, and distribution of minutes of meetings. This includes posting such minutes on the Condominium website.

(p) Assist the Board, and its accountant, if any, with the preparation of an operating budget setting forth an itemized statement of the anticipated receipts and disbursements for the new fiscal year based upon the then current schedule of monthly assessments and taking into account the general conditions of the condominiums, as well as with the preparation of a statement outlining a plan of operation and justifying the estimates made in every important particular. This budget shall serve as a supporting document for the schedule of monthly assessments proposed for the new fiscal year. If requested by the Board, Management will print and distribute the budget to the Condominium's unit owners.

(q) Maintain proactive, businesslike relations with the members of the Board, handle complaints received with reasonable dispatch, and exercise its best efforts to remedy existing problems. Management shall provide a presence on the Condominium property as directed by the Board, but no less than weekly. Service requests from the Condominium's unit owners shall be received, considered and recorded in systematic fashion and Management shall show the action, if any, taken with respect to each service request. Complaints of a serious nature shall, after thorough investigation, be reported to the Board, with appropriate recommendations, as part of a continuing program to resolve such complaints.

ARTICLE III

The Board shall compensate Management at the rate of _$9,300_ annually to be paid in equal monthly installments. The payments shall be due and made the last day of each month during the term of this Agreement. Management may increase the rate of annual pay by no more than three percent annually. In order for Management to increase the rate of annual pay, Management must send a letter regarding the increase to an individual that is a member of the Board. The letter regarding the increase must be postmarked forty-five (45) days before this Agreement's anniversary date.

In the event Management, after a case is referred to legal counsel for collection, is required to prepare an accounting for submission or presentation to a Court, person, or other entity for the purpose of attempting to collect payment, Management shall be reimbursed $75.00 for the preparation of the accounting. Management, however, will add this sum to the accounting for the purpose of empowering legal counsel to collect this sum from the owner of the unit for which the accounting was performed pursuant to G.L. c. 183A.

Management shall be paid $125.00 per hour for Court appearances, which includes travel to and from the Court and time spent waiting to be called as a trial witness and $75.00 per hour for all other time spent of any litigation matter that involves the Condominium. In the event litigation matter is a collection matter, Management will add the sum it was paid to an accounting for the purpose of empowering legal counsel to collect the sum from the owner of the unit pursuant to G.L. c. 183A.

ARTICLE IV

Any payments authorized to be made by Management hereunder shall be made out of such funds as Management holds in an account for the Board. Management shall not be obligated to make any advance to or on behalf of the Board or to pay any amounts except out of funds held for the Board, nor shall Management be obligated to incur any extraordinary liability or obligation unless Board furnishes Management with the necessary funds for the discharge thereof. If Management voluntarily advances any money on behalf of or for the benefit of the Board, Board shall fully reimburse Management upon written request.

ARTICLE V

All funds collected by Management for the Board shall be deposited in a Federally insured trust escrow account (reserve funds) or operating accounts (fees) established by Management in a bank or trust company. The reserve account shall require, for the withdrawal of funds, the signature of two (2) trustees of the Board. The operating account shall require, for the withdrawal of funds, the signature of a designee of Management, and to this end signature cards for Board's Trustees shall be kept with the institutions where said account(s) shall be maintained.

All bankbooks, bank statements, cancelled checks and other records with respect to the Board's accounts shall be delivered to and maintained by Management. Management, however, will not be held liable in the event of bankruptcy or failure of a depository.

Those employees of Management who handle or are responsible for the handling of Board's monies shall, without expense to Board, be insured by Fidelity/Employee Dishonesty Insurance equal to the maximum amount of funds accessible to Management.

ARTICLE VI

Nothing herein shall be deemed to obligate Management to provide or perform any service other than those that arise in the ordinary and usual management and operation of the common areas and facilities of the Condominium. This Agreement incorporates by reference the Master Deed; the Declaration of Trust with By-Laws and the Rules and Regulations promulgated thereunder and any resolutions of the Board, all as amended from time to time. Any changes, however, in any of the foregoing instruments or documents after the date of this Agreement shall not be effective as against Management to the extent that such changes impact on Management's rights or responsibilities under this Agreement.

ARTICLE VII

Board agrees that it will duly assess common and special charges in amounts sufficient to meet common and special expenses and maintain appropriate reserves for the Condominium as may occur or as set forth and reasonably determined by budgets, estimates and proposals by Management and approved by the Board.

ARTICLE VIII

Board shall obtain fire insurance with extended coverage and public liability insurance with regard to the buildings including the Condominium's units and all other improvements within the Condominium and machinery and equipment included therein. Board shall also be responsible for obtaining all other insurance required by statute and as required by any document that governs the Condominium.

ARTICLE IX

Management shall not be liable to Board or to any of the Condominium's unit owners for any error of judgment or for any mistake of fact or law, or for anything which it may do or refrain from doing in the discharge of its duties hereunder except in the case of Management's willful misconduct or gross negligence. Furthermore, except for Management's willful misconduct or gross negligence, Board will defend and indemnify Management and hold Management harmless from (a) any liability, damages, costs, and expenses (including attorney's fees) sustained or incurred in the discharge of its duties hereunder for any injury or death to any employee or other person or property in, about and in connection with the Condominium; (b) any liability, damages, penalties, costs and expenses, statutory or otherwise, for all acts performed by Management pursuant to this Agreement or per the instructions of Board. Management will promptly advise Board of its receipt of information concerning any claim against Management. Board agrees to carry, as a common expense of the Condominium, liability insurance (with limits acceptable to Management in its reasonable judgment) naming Board and Management as insureds and will deliver a copy of such policy to Management or a certificate evidencing the same.

ARTICLE X

If either party shall default in the performance of its duties or undertaking hereunder and if such default shall continue for a period of ten days after written notice to the defaulting party, then the other party shall have the right to terminate this Agreement with cause as set forth in the Massachusetts Condominium Act. In the event that a petition in bankruptcy is filed by or against Management, or in the event that it shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party hereto may terminate this Agreement without notice to the other, but prompt advice of such action shall be given in writing to the other party.

ARTICLE XI

In executing and delivering this Agreement, the Board is acting on behalf of the Condominium's unit owners. Management hereby agrees to look solely to the assets and property of the Condominium for the enforcement of any claim against the Board and acknowledges and agrees that none of the members of the Board in their individual capacities assume any personal liability for the obligations of the Board and that none of their assets or property shall be subject to any claim against the Board with respect to any such obligations, except insofar as they may be Condominium unit owners, in which case they shall be liable only in the manner and to the extent hereinafter provided. Management further agrees that the Condominium's unit owners' liability shall be limited to such proportion of total liability as their respective interest in the common areas and facilities bears to the interest of all the Condominium's unit owners' interest in the common areas and facilities.

ARTICLE X

If, after the date hereof any provision of this Agreement is held to be illegal, invalid or unenforceable under the present or future laws effective during the terms of this Agreement, such provision shall be fully severable. In lieu thereof there shall be added a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and legal, valid and enforceable. All parties agree to cooperate fully and execute any and all supplementary documents and to take all additional action that may be necessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.

P.O. Box 946; Marblehead, Massachusetts 01945
Tel: (781) 639-0534; Fax: (978) 374-4852
lesleymanagement@comcast.net

WITNESS THE EXECUTION HEREOF in duplicate on the day and year first written above.

Harborside Condominium Trust:
By Its Trustees and Not
Individually

Lesley Management, Inc

Kimberly Lord

Kimberly Lord as authorized
representative of Lesley Management, Inc

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