Condominium Management Agreement

Agreement made as of this first day **of January , 2006** by and between Harborside Condominium Trust, acting by and through its Board of Trustees (hereinafter called the "Board") as agent for the Unit Owners of Harborside Condominium Trust, (hereinafter called the "Unit Owners" and the "Condominium", respectively), and Markwood Management Incorporated (hereinafter called the "Management").

Witnesseth that:

The Condominium consists of certain land and the buildings situated thereon 24 Lee Street, Marblehead, Massachusetts, established as a Condominium October 19, 1983, and recorded with Essex South Registry of Deeds, Land Court Department, as Document 191063, in accordance with Massachusetts General Laws, Chapter 183a, Section 6 (d).

The Board is the organization of Unit Owners of the Condominium and has responsibility for managing, insuring and otherwise caring for the common areas and facilities thereof, including collecting common and extraordinary charges from the Unit Owners and paying the common and extraordinary expenses of the Condominium; and;

The Board, pursuant to its Trust and By-Laws, is authorized to employ a Management Agent to facilitate the Management and Regulations of the Condominium, and deems it necessary for the proper operation of the Condominium and is willing to undertake such functions; Board and Management agree as follows:

ARTICLE I

The Board hereby engages and employs Management as the sole and exclusive Agent of the Board, upon the terms and conditions hereinafter set forth, to supervise the operation and management of the common elements and facilities of the Condominium; and to prepare contract specifications, obtain bids and negotiate contracts for approval of and as requested by the Board. Management hereby accepts such engagement and employment and agrees to use best efforts in the management, care and operation of such property. The Management's term of employment hereunder shall continue on January 1, 2006 and shall run for a period of one year. Thereafter, the Agreement shall be extended annually for an additional term of one year unless sixty (60) days prior to the expiration of the term then in effect either party notifies the other that the Agreement will not be renewed. Either party may terminate this Agreement at any time with sixty (60) days written notice to the other party.

ARTICLE II

Management, through its agents and employees who shall act under the supervision of one of its principal officers, shall perform the following (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 elements of the Condominium. The remuneration of these personnel and contractors shall be a common expense of the Condominium as determined by the Operating and Reserve budget. Management shall hire, in its own name, its managerial personnel that it deems necessary for the efficient discharge of the duties of Management hereunder. Compensation for the services of such employees shall be the responsibility of Management. 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.

(b) Management shall provide for the presence of the principal officer at the Condominium as directed by the Board, but not less than one time per week.

(c) Cause the common elements to be maintained in such condition as may be deemed advisable by 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, heating, carpentry, masonry, painting, decorating, and other such 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 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 Unit Owners and Residents, 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 this 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.

(d) Enter into contracts for electricity, gas, water, 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 (c) above. Management shall credit to Board any discount or commission obtained for purchase or otherwise.

(e) 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.

(f) 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. Any legal action or process, which may be required, shall be conducted by Board's attorneys at the expense of Board.

(g) Set up and keep in order a separate set of books for 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 the Condominium or the operation thereof. ~~{this is covered in (i) below}~~ Dean

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

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

(j) Should Management or a member of the Board determine that emergency access to an individual unit is necessary to protect common property or the health and safety of other owners, Management may enter such individual unit for that purpose only. Management shall attempt, if reasonably possible, to contact the owner of said unit, and to procure the presence of a member of the Board, prior to entry.

(k) 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.

(l) Prior to Board meetings that will be attended by Management, Management will provide Board members a meeting package containing a meeting agenda, past meeting minutes, current financial information and other items requiring the attention of the Board.

(m) Assist the Board in the preparation for the Annual Unit Owners' Meeting. Attend and assist the Board in the conduct of the said Unit Owners' Annual Meeting.

(n) Supervise the preparation, duplication and distribution of minutes of meetings.

(o) Assist the Board and its accountant, if any, with the preparation of Operating and Reserve 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. As directed by the Board, Management will print and distribute the budget to the Unit Owners.

(p) Maintain businesslike relations with the members of the Board, handle complaints received with reasonable dispatch, and exercise its best efforts to remedy existing problems. Service requests from Unit Owners and Residents shall be received, considered and recorded in systematic fashion to show the action taken with respect to each. Complaints of a serious nature shall, after thorough investigation, be reported to the Board of Trustees, with appropriate recommendations, as part of a continuing program to resolve such complaints. Notwithstanding the foregoing maintenance of and repairs to individual dwelling units in the Condominium shall be the sole responsibility of the individual Unit Owner and Resident.

ARTICLE III

Any payments authorized to be made by Management hereunder shall be made out of such funds as Management holds for the account of Board. Management shall not be obligated to make any advance to or for the account of Board or to pay any amounts except out of funds held or provided as aforesaid, nor shall Management be obligated to incur any extraordinary liability or obligation unless Board shall furnish Management with the necessary funds for the discharge thereof. If Management shall voluntarily advance for Board's account any amount for the payment of any obligation of the Condominium, Board shall reimburse Management therefore on demand.

ARTICLE IV

All funds collected by Management for the account of Board shall be deposited in a Federally Insured account. Reserve funds will be held in a separate account set up by Management in a bank or trust company and shall require, for the withdrawal of funds, the signature of two (2) Board members. The Operating funds will be held in a separate account set up by Management in a bank or trust company and shall require, for the withdrawal of funds, the signature of a designee of Management. All bankbooks, bank statements, cancelled checks and other records with respect to such account shall be delivered to and maintained by Management. However, Management will not be held liable in the event of bankruptcy or failure of a depository.

ARTICLE V

A. 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 hereof.

B. Management's agent shall be available and if requested be present, at each regular meeting of Board, but not more often than every month.

ARTICLE VI

A. Nothing herein shall be deemed to obligate Management to provide or perform any service other than those necessarily and duly involved and arising in the ordinary and usual management and cooperation of the common elements and facilities of the Condominium. This Agreement incorporates by this 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, provided, however, that changes in any of the foregoing subsequent to the date of this agreement shall not be effective as against Management to the extent that such changes alter Management's rights or responsibilities hereunder.

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

C. Board shall obtain fire insurance with extended coverage and public liability insurance respecting the buildings including the 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 under any Condominium Declaration of Trust.

ARTICLE VII

Management shall not be liable to Board or to any Unit Owner 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 case of Management's willful misconduct or gross negligence. Except for Management's willful misconduct and gross negligence, Board will indemnify Management against and hold Management harmless from (a) any liability, damages, costs and expenses (including reasonable 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 the agreement or to the instructions of board, subject in each of the foregoing instances, Management promptly advises Board of its receipt of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses. Board will carry, as a common expense of the Condominium, liability insurance (with limits acceptable to Management in its reasonable judgment) naming Board and Management as parties insured and will deliver a copy of such policy to Management or a certificate evidencing the same.

ARTICLE VIII

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 forthwith by written notice to the defaulting party. 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 IX

In executing and delivering this Agreement, Board, by and through its Board of Trustees, is acting only as agent for the Unit Owners. Management hereby agrees to look solely to the assets and property of the Unit Owners for the enforcement of any claim against Board and acknowledges and agrees that none of the members of the Board of Trustees in their individual capacities assume any personal liability for the obligations of Board hereunder and that none of their assets or property shall be subject to any claim against Board with respect to any such obligations, except insofar as they may be Unit Owners, in which case they shall be liable only in the manner and to the extent hereinafter provided. Management further agrees that such Unit Owner's liability hereunder shall be limited to such proportion of the total liability hereunder as his interest in the common elements bears to the interest of all Unit Owners in the common elements.

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

HARBORSIDE CONDOMINIUM TRUST	**MARKWOOD MANAGEMENT INCORPORATED**
Donald E Rowland	President
Samuel Walters	