

Community Services Agreement

THIS COMMUNITY SERVICES AGREEMENT (the “Agreement”) is made between the **RARITY BAY COMMUNITY ASSOCIATION, INC.** (the “RBCAI”), a Tennessee non-profit property owners association for the Rarity Bay Community, located in Vonore, Tennessee and **SALEM POINTE CAPITAL, LLC**, a Tennessee limited liability company and/or its assigns (“SPC”).

RECITALS

WHEREAS, SPC has been providing certain services to the RBCAI and Rarity Bay Community and both parties desire to formally document such services; and

WHEREAS, RBCAI desires SPC to continue to provide certain services to the RBCAI and Rarity Bay Community and SPC desires to continue to provide such services pursuant to this Agreement; and

WHEREAS, RBCAI shall compensate SPC for the services provided according to the terms and conditions set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing, the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Services to be Rendered: The RBCAI desires that SPC provide certain services to the Rarity Bay Community and SPC hereby agrees to provide such services as described in EXHIBIT A attached hereto (the “Services”). Additional services (the “Additional Services”) may be requested by RBCAI to SPC from time to time during the Term (as defined below) of this Agreement and SPC may elect to provide such Additional Services at additional compensation as agreed to by both parties.

2. Term: This Agreement shall be effective on November 1, 2017 (the “Effective Date”) and run for a ten (10) year period to October 31, 2027.

3. Compensation: SPC shall be compensated for the Services according to the amounts indicated in Exhibit A attached hereto. Any changes to amounts paid to SPC, other than automatic annual CPI increases as of January 1st of each year, shall be mutually agreed upon by all parties and requires a Board resolution by the RBCAI.

4. Termination of Agreement: RBCAI may terminate this Agreement or any subsection of this agreement in Exhibit A in part or in its entirety with thirty (30) days written notice if SPC fails to provide the services outlined in Exhibit A. In the event of a failure to provide services, RBCAI will notify SPC in writing and give them thirty (30) days to cure such deficiency. Any outstanding monies owed to SPC will be paid within thirty (30) days. SPC may terminate this Agreement or any subsection of this agreement in Exhibit A in part or in its entirety with thirty (30) days written notice if RBCAI fails to pay for the services outlined in Exhibit A. In the event of a failure to pay for services, SPC will notify RBCAI in writing and give them thirty (30) days to cure such deficiency.

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5. RBCAI's Property and Governing Authority: The Parties hereby confirm that proprietary or confidential information and all information concerning RBCAI's residents, employees, goods, services or facilities owned, operated or managed by RBCAI constitute RBCAI's exclusive property. SPC agrees to maintain confidentiality of said property and that upon termination of this Agreement, SPC shall promptly return to the RBCAI all company equipment, documents, papers, notes, memoranda, computer disks and any other similar repositories of information containing or relating in any way to the Proprietary Information of the RBCAI as applicable.

Notwithstanding anything to the contrary herein, the parties expressly agree that nothing stated or agreed upon in this Agreement shall in any way modify, amend, dilute, surrender, infringe, or otherwise alter the rights of SPC as the Declarant of Rarity Bay and/or as the Rarity Bay Country Club owner/operator. In any dispute as to the application or interpretation of this Agreement, the Declarations, RBCAI Bylaws and all other recorded governing documents of the Rarity Bay Community shall prevail in their governing authority.


6. Dispute Resolution: Any dispute, claim or controversy arising from or related in any way to this Agreement or the interpretation, application, breach, termination or validity thereof, will be governed by the laws of the State of Tennessee. This Agreement shall be binding upon and inure to the benefit of the parties' heirs, personal representatives, successors and assigns, as applicable. The parties hereto agree that jurisdiction and venue are proper in Monroe County, Tennessee courts and waive any objection thereto. In the event of any legal action by any party hereto, the prevailing party to any such legal action shall be reimbursed by the non-prevailing party for all costs and expenses, including but not limited to all attorneys' fees and costs related to any appellate proceedings.

7. Notice: For purposes of this Agreement, notice and all other communication provided for in this Agreement shall be in writing and shall be deemed to have been duly given: (i) when personally delivered; (ii) when delivered by facsimile upon receipt of confirmation that the transmission was successful; (iii) the business day following the day when deposited with a reputable and established overnight courier (charges prepaid); (iv) by email if confirmation has been received that the email was received; or (v) five (5) days following mailing by certified or registered mail, postage prepaid and return receipt requested. Unless another address is specified, notices shall be sent to the addresses indicated below:

To SPC:
Salem Pointe Capital, LLC
Attention: President
403 Rarity Bay Parkway
Vonore, TN 37885

To RBCAI:
Rarity Bay Community Association, Inc.
Attention: President
150 Rarity Bay Parkway
Vonore, TN 37885

8. Severability and Enforceability: If any agreement, covenant, warranty or other provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any rule or public policy, all other agreements, covenants, warranties, and any other provisions of this Agreement, shall, nevertheless, remain in full force and effect. If any of the rights and restrictions contained herein shall be deemed to be unenforceable by reason of the extent, duration or scope thereof, or otherwise, then the parties contemplate that the Court making such determination shall reduce such extent, duration, scope,

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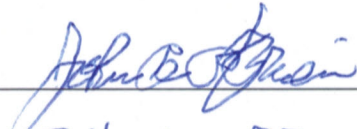
or other provisions hereof, and enforce such rights or restrictions in their reduced form for all purposes and manner contemplated hereby.

9. Assignment: Notwithstanding anything to the contrary herein, SPC may assign this Agreement in whole or in part, without consent from any party subject to notification to the RBCAI.

10. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same Agreement. Facsimile signatures or scanned and e-mailed signatures shall be as effective as an original signature.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and the year dated below.

RARITY BAY COMMUNITY ASSOCIATION, INC.,
a Non-Profit Tennessee corporation

By: 
Name: JOHN A. O'BRYEN

Date: 3-21-18

Its: President

SALEM POINTE CAPITAL, LLC
a Tennessee Limited Liability Company

By: 
Michael Ayres
Its: President

Date: 2/5/18

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EXHIBIT A
Services to be Rendered

1. **Payroll Services:** SPC will provide payroll services for the RBCAI staff. These services to include but are not limited to:
 - a. Processing of periodic payroll
 - b. Providing worker's compensation insurance
 - c. Paying medical insurance benefits as approved by the RBCAI. Cost of these benefits to be billed separately to the RBCAI at cost with no markup.
 - d. Providing RBCAI staff W-2 forms at year end
 - e. Other payroll related services as mutually agreed to by both partiesCost to provide: \$900.00 per month

2. **Community Services, Equipment Usage & Maintenance:** SPC will provide the following to the Community:
 - a. Normal and periodic monthly water usage from the golf course irrigation system for the Community Garden Club and the Community Dog Park as is reasonable.
 - b. Use of its maintenance storage facility as space is available for maintenance and Community Clubs purposes as mutually agreed upon.
 - c. Usage of tools and equipment by the RBCAI from time to time as needed.
 - d. Maintenance and repairs of RBCAI equipment (labor only), parts to be billed at cost to the RBCAI separately.
 - e. Other services that may be agreed upon from time to time.Cost to provide: \$350.00 per month

3. **Declarant Related Provisions:** SPC will facilitate the following financial exchanges with the Community:
 - a. Waiver of Rarity Bay Country Club initiation fees and monthly dues relative to all RBCAI owned properties acquired through foreclosure.
 - b. Release subordinate SPC liens on properties to allow the RBCAI to foreclose on said properties if market pricing does not cover RBCAI balances owed.
 - c. All of the penalties and fines assessed by the Design Review Board will be deposited for the benefit of the RBCAI CAC Fund.
 - d. The RBCAI shall receive \$1,000 of collected Administrative Fees per newly constructed home from the Design Review Board for services provided by the RBCAI. Any future increase in DRB Fees will be allocated and distributed ProRata.Cost to provide: \$350.00 per month

4. **Lease of SPC Land to the RBCAI:** SPC will lease to the RBCAI subject to a lease document with the following key terms:
 - a. One acre of land on SPC property
 - b. 10 year expiration with renewable options
 - c. If terminated by SPC, RBCAI to be reimbursed all infrastructure and building costs at straight-line amortization. If by RBCAI, no reimbursement due from SPC.
 - d. Subject to customary terms and conditions contained within a separate lease documentCost to provide: \$400.00 per month
Total for All Services \$2,000 per month

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