

# GADDIS & LANIER, LLC

Your Neighborhood Attorneys

## 2021 Standard Community Association Retainer

Annual Retainer Fee: \$1,075

Gaddis & Lanier, LLC (“G&L”) is a law firm founded specifically to address the specialized needs of community association clients. G&L uses a personalized approach where each lawyer works closely with a select group of clients to best serve a community’s needs. We believe it is a privilege to work with your community and we look forward to being your neighborhood attorneys for many years.

We appreciate the opportunity to continue to serve your community association’s legal needs and we look forward to working with you again in 2021.

### All of the following services are included with the Annual Retainer Fee in 2021:

#### CORPORATE COUNSEL SERVICES & REDUCED HOURLY RATES

As your neighborhood general counsel, Board Members & Managers have full access to their lawyer for advice on all legal matters. This pro-active approach saves you money by providing preventative legal strategies before an issue rises to the level of a lawsuit.

- Unlimited phone consultation to Board Members\*
- Unlimited phone consultation with Manager\*
- One annual legal Board Meetings/Training
- *Reduced Hourly Rates for other services as needed*

\*Excluding phone calls for litigation matters or any matter involving an attorney

#### DOCUMENTS

At your request, we will provide the legal documents listed below to your community as part of your retainer, which will help your Board build policies and best practices that can be carried over year after year as new Board Members are elected.

- Sample Form Set of ACC Design Guidelines
- Sample Form Collections Policy
- Sample Form Resolutions for voting & common area suspensions (towing/utilities)
- PDF copies of your governing legal documents

#### LIEN NOTIFICATIONS & DEFERRED FEE COLLECTIONS PROGRAM\*\*

We will provide pre-suit legal services and will defer the legal fees of \$250 until we collect from the delinquent owner or a triggering event occurs. Each pre-suit collection account will also include a flat administrative cost of \$75 that will be added onto the debtor's account, but is not deferred.

- **Deferred Collections Program:**
  - Demand/Warning of Suit letter
  - Preparation of lien/cancellation
  - Ownership Verification
  - Follow-up collection letters
  - Verification of debt
- **Fixed, Flat Rate Legal Fees for Certain Litigation Services in Magistrate Court**

The client below elects to engage the services of In Demand on the following basis:

RETAINER

NON-RETAINER

By executing this Engagement Agreement, I acknowledge and accept the Terms and Conditions set forth herein.

Date:	Client Full Business Legal Name:
Signature:	Title:
Phone Number:	Address:

## Engagement Agreement Terms and Conditions

Upon payment of the 2021 Annual Retainer Fee, the Association acknowledges and accepts the Terms and Conditions set forth herein and elects to renew the services of Gaddis & Lanier, LLC.

1. **Annual Retainer Fee.** The annual retainer for 2021 is \$1,075 and is non-refundable, earned in full and due when engagement begins. The retainer will automatically renew January 1 of each calendar year subject to all published changes, unless cancelled in writing prior to January 1. The annual retainer fee will be billed in the fourth quarter of the preceding year. We will prorate the annual retainer fee on a monthly basis during the first year a community becomes a new client through the month of June. Thereafter, the annual retainer fee will be billed at \$600 for any part of the remainder of the year. There is no annual fee to be a non-retainer client.
2. **Hourly Rates for Attorneys.** Retainer clients receive a reduced hourly rate for all legal work performed that is beyond the services included in the retainer agreement. The hourly rate for retainer clients for each of our attorneys is: Partners/\$275 per hour and Associates/\$245 per hour. Our non-retainer rates are \$350 per hour for each of our attorneys.
3. **Telephone Consultation for Retainer Clients.** Retainer clients will receive unlimited telephone consultation with Board members and the Association's property manager on all legal matters except litigation matters. Written legal advice, consultations and communications, such as faxes, e-mails and letters will be billed at our reduced hourly rates. Non-retainer clients will be billed for all telephone conferences pursuant to our billing policies set forth herein.
4. **Legal Review Meeting with Board of Directors.** A G&L attorney will meet with the Board of Directors of any retainer client upon request one time per year at the client's choice of our Atlanta or Peachtree City office, or via Zoom at the client's request. This one hour legal review meeting is intended to allow Board Members to discuss legal questions and concerns, review the status of your collection accounts, discuss Board powers and risks of liability, and review specific aspects of your legal practices and procedures. This meeting is available to retainer client Boards at our office during normal business hours Monday through Friday, or early evening hours Monday through Thursday. Non-retainer clients may also choose to meet with an attorney at G&L Law at any time, subject to our standard hourly rates. All other Board meetings or membership meetings will be billed at our hourly rates.
5. **The Association Quick Reference Guide.** G&L will prepare a Quick Reference Guide for retainer clients, upon request. The Quick Reference Guide is a customized reference tool for your community's exclusive use, which outlines your collection and enforcement authority. The Quick Reference Guide will be prepared after we review your governing legal documents. G&L Law will bill the Association for the cost to obtain a recorded copy of all of the Association's legal documents. A non-retainer client may request a Quick Reference Guide for a fee of \$350, plus any cost associated with obtaining a recorded copy of all of the Association's legal documents.
6. **Retainer Client Collections.** Under the Retainer, we will provide the following services under our Deferred Fee Collections Program: Included as part of the retainer fee, G&L will provide the pre-suit services listed below on a deferred fee basis for any account for each delinquent homeowner account turned over to us for processing. A legal fee of \$250 per account will added to the delinquent homeowner's ledger, and will be deferred until the association receives payment from the delinquent homeowner, or if there is no further new pre-suit and/or litigation action authorized by the association 24 months after the first pre-suit letter is sent, or in the event that your association closes an account or terminates our services. The \$250 deferred fee will be waived in the event of a foreclosure when the association chooses to close the account or Chapter 7 bankruptcy that has been filed and the debt discharged. Partial payments received from delinquent owners shall be first applied to legal fees. At commencement of the collection case, your Association will only be billed a \$75 administrative fee per account to cover the costs of postage and copies. Additionally, all consent payment agreements and closing payoff requests will incur additional legal fees for preparation which amounts shall also be added to the debtor's balance due. Negotiated payment plans administered by us and any payment received by our office which results in a Payment Memo being prepared will incur a \$20 administration fee per processed payment which will be added to the homeowner's debt. Rush requests for pre-suits needing to be sent in 48 hours or less will incur an additional \$50 flat fee.
  1. Obtain verification of title for the property in question using an online search engine. Those searches requiring a title searcher will be subject to a fee charged by the searcher;
  2. Prepare customized collection letters to all delinquent owners of record per account;
  3. Prepare a lien or statutory notice of lien against the property, as appropriate;
  4. Process payments made to us by delinquent homeowners before a lawsuit is filed, subject to an administration fee payable by the delinquent homeowner;
  5. Provide verification of debt letters when requested by delinquent homeowners;
  6. Respond to phone calls and written correspondence from delinquent homeowners regarding their account before a lawsuit is filed;
  7. At your direction, negotiate payment arrangements with delinquent homeowners before a lawsuit is filed'
  8. Prepare cancellation of lien upon payment in full by debtor.

## Engagement Agreement Terms and Conditions

The Deferred Fee Collections Program services listed above do not include any other collection activities such as preparing closing payoff letters, filing a suit against a delinquent homeowner and communicating with the delinquent homeowner after a lawsuit is filed, or any communication with an attorney, any out-of-pocket expenses such as credit reports, title examination fees, copy and fax expenses, filing fees or skip trace and private investigator fees, which will be billed at our customary fixed rates. Also, certified mail costs and any costs for filing or cancelling or releasing liens will be passed on to the association. However, to the extent permitted by your legal documents and Georgia law, we will seek to recover all such costs and expenses incurred by the Association from a delinquent homeowner. Note that “deferred collections fees” only refers to fees charged by the attorney. Court costs and other additional expenses of legal action must be paid by the client. Contingent fees are not permitted in all types of cases. Additionally, there will be an initial New Client Onboarding and Integration fee of \$150 in order to review and input all of Client’s governing legal document and corporate information into our system.

**7. Fixed, Flat Rate Legal Fees For Collections Lawsuits.** Included as part of the retainer agreement, G&L offers our retainer clients certain litigation services on a flat rate basis. This allows an association to budget for legal fees in a given year without being surprised by litigation costs. We will provide litigation collection services as follows:

(a) **Magistrate Court.** We will file collection lawsuits in the local magistrate for a flat, fixed rate of \$975\*, excluding costs (costs may include, but are not limited to court filing fees, bankruptcy and service member verifications, and service fees). This flat, fixed rate includes attendance at only **one (1)** court hearing with up to two (2) hours of in-court time calculated at the time the attorney arrives at the courthouse for the scheduled hearing. Any court appearances which require more than two (2) hours, and any additional work outside of the preparation and filing of the lawsuit and attendance at the hearing for up to two (2) hours shall be billed at our standard reduced hourly rate for retainer clients. The \$975 fee must be paid by the Association in full upon the authorization to file suit. Cases appealed or transferred from Magistrate Court will be billed at our reduced, retainer client hourly rates. Consent agreements and negotiated payment plans administered by our office will incur the same charge as set forth in Paragraph 6 above.

(b) **All Other Courts.** We also provide legal services in all other courts in Georgia. Cases may be billed hourly, or fixed flat rates may be applied upon agreement of the parties on a case by case basis. Any services not listed above will be billed at the reduced, hourly billable rates for our retainer clients as described herein. All costs as outlined above will be billed to the Association monthly.

**8. Sample Documents.** Included as part of the retainer fee, retainer clients will receive the following sample documents upon request: Sample Form ACC Design Guidelines; Sample Form Collections Policy; Sample Form Resolutions for voting & common area suspensions (towing/utilities), and PDF copies of the association’s governing legal documents. The forms provided are general in nature and may not be suitable for your community without some tailoring pursuant to your governing legal documents. G&L Law is happy to assist the association in preparing other, customized documents for your community at our reduced hourly rates.

**9. Billing.** Invoices for expenses incurred and services performed are sent to our clients monthly, unless mutually agreed otherwise. Invoices are due and payable upon their receipt. Hourly services are billed in tenth-of-an-hour increments. Certain legal services may be billed on a flat, fixed fee basis. Invoices for these services will show the amount of the charge and may not reflect hourly increments. The Association is obligated to pay all advanced and out-of-pocket expenses incurred, including, but not limited to, the title search fees associated with obtaining a client's governing documents, and attorneys' fees for all litigation actions upon receipt of an invoice for those charges. Each pre-suit collection account is charged a flat fee administrative cost of \$75 for costs associated with lien recording and release, copies and postage and other administrative services which will be included in the demand for payment to the delinquent homeowner. Other reimbursable charges may include costs associated with photocopying and scanning (\$.29 per page) and postage, long-distance phone calls, fax transmissions at \$1 a page, mileage at the IRS Standard Business Travel rate per mile, computerized legal research, Accurint location reports at \$35 per report, bankruptcy searches at \$35 a search, and active service member verifications at \$10 a search and lien release fees of \$25.88. Increases in our annual retainer fees, hourly rates, start-up costs or other fixed fee items, if any, will be announced prior to each calendar year. A late charge of 10% and interest of 12% per annum may be imposed upon any amount not paid within 30 days of being invoiced. G&L Law reserves the right to deposit and apply funds collected from delinquent owners on an Association’s behalf to any G&L Law invoices that are more than 60 days delinquent. G&L Law also reserves the right to terminate this Engagement Agreement and bill all deferred fees in the event that Association fails to pay the annual retainer fee or any amounts invoiced. Any billing objections must be raised by Client in writing within 30-days of the invoice date, or all rights to object to said billings will be waived thereafter.

**10. Conflicts.** At this time, G&L Law is not aware of, nor do we anticipate, any material conflict between this engagement and our representation of any other party. If, in the future, there appears to be a conflict or potential conflict that makes it impossible for G&L Law to continue to represent the Association, G&L Law will cease all professional activities in this matters unless there is informed consent by all parties that G&L Law may continue to represent one or more of the impacted parties. If such a conflict arises, all professional fees earned at that time and all reimbursable expenses that have accrued will be payable to us.