|  | **Annual Retainer Option** | **Hourly Rate Option** |
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| ANNUAL FEE | One-time annual fee of $2000 which will retain our services for 12 months from the date of this Agreement is signed. | Advance payment collected from client to be billed at standard hourly rate. |
| TELEPHONE CALLS | Unlimited telephone consultation to Board/Manager | Standard hourly rates apply. |
| ANNUAL REVIEW & BOARD TRAINING | One annual legal review meeting/board training | Standard hourly rates apply. |
| QUICK REFERENCE GUIDE | Customized Association Quick Reference Guide | Standard hourly rates apply. |
| HOURLY RATE | Reduced Hourly Rates for other services as needed | Standard hourly rates apply. |
| HOURLY RATE | Reduced hourly rate of attorneys at $200/hour and $90/hour for paralegals | $275/hour for attorneys and $125/hour for paralegals |
| LEGAL DOCUMENTS | Legal documents as part of retainer, which will help Board build policies and best practices:   * Sample set of ACC Design Guidelines * Sample Collections Policy * Customized resolutions for voting and common area suspensions * PDF copies of your governing legal documents | Documents provided as requested by client and are billed at standard hourly rate. |
| LIEN NOTIFICATIONS | Lien notifications & deferred fee collections program:   * We prepare liens and notify delinquent owners with accounts of $300 or less as part of your retainer; you just pay $25 in costs * We will also provide pre-suit legal services on accounts over $500 and will defer the legal fees until we collect from the delinquent owner * Demand/Warning of Suit Letter * Preparation and Filing of lien * Ownership verification * Set up payment plans * Verification of debt * Fixed, flat rate legal fees for litigation | All work performed for individual documents and tasks billed at standard hourly rates. |
| DEFERRED COLLECTIONS | Deferred collections program for lien filings; delinquent homeowner’s ledger will reflect a fee of $175 for legal fees and collection will be deferred until the association receives payment from the delinquent homeowner. | No deferred fees. Legal fees billed upfront. |
| REFUNDS | Annual retainer fee is non-refundable and earned in full when engagement begins. | Unearned portion of fees returned to client after termination of Agreement. |
| RENEWAL | Retainer will automatically renew January 1 of each calendar year unless cancelled in writing by you | No annual renewal; work performed until funds exhausted. |
| BILLING | Billed on November of the preceding year. | Invoices sent monthly and are payable upon receipt. |
| COURT FEES & COSTS | All court fees and filing costs paid by client | All court fees and filing costs paid by client |
| LITIGATION | Litigation fees billed at reduced hourly rate. | Litigation fees billed at standard hourly rates. |
| MAGISTRATE COURT LAWSUITS | $1,000 flat fee, including court filing fees and sheriff’s service fee. The fee must be paid in full upfront by the association. Appeals will be billed at an hourly rate. | Standard hourly rates apply. A $1,500 advance must be paid prior to suit. |

The Midtown Homeowner’s Association signed a twelve-month representation agreement and opted for the Annual Retainer Agreement. Since then the Association has asked you to:

* Represent the Association in procuring land adjacent to the subdivision owned by H.J. Whitman. $11,000 earnest money is required to make an offer on the property.
* Represent the Association in a lawsuit against delinquent homeowner Terry Smith in Magistrate Court.
* To defend against a discrimination lawsuit filed by Lori Allwhite.
* To file 1 lien notice against individual homeowner John Smith. The lien is for $200.00.

1. The client has given you a check for $18,000.
2. To date you have done the following:
   1. 3 hours to draft the appeal of the order of dismissal in the Terry Smith case
   2. 2.5 hours to review title documents in the H. J. Whitman matter
   3. 5.25 hours to draft an answer and counterclaim in the Lori Allwhite case
3. You have accrued the following expenses.
   1. $350.00 for the court reporter in the Allwhite case (JQC Reporting Services, LLC) on 4/6/15
   2. $50.00 for the courier to deliver documents in the Whitman matter on 4/6/15