

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (the “**Agreement**”) is made as of January 1, 2024 by and between Housing Opportunities of Salem, Inc. a nonprofit corporation (the “**NONPROFIT**”), and the Housing Authority of Salem, a public body corporate and politic organized under the laws of the State of Massachusetts (“**Housing Authority**”).

BACKGROUND

- A. NONPROFIT is a 501C3 nonprofit corporation whose purpose is: (a) augment, benefit, and enhance the functions of, or carrying out the purpose of the Housing Authority; (b) provide social, educational, and recreational services to the residents of the housing developments of the Housing Authority; (c) revitalize neighborhoods surrounding the housing developments of the Housing Authority, including developing, redeveloping, owning, managing, maintaining, improving, repairing, or investing in housing and community facilities primarily serving low-income families; (d) provide funds in the form of loans or grants for the purchase, acquisition, improvement, lease, operation and renovation of housing for low-income families; (e) perform services in the fields of housing management, housing maintenance and housing administration within the territorial jurisdiction of the Housing Authority; (f) making distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code; and (g) undertake other activities primarily serving the interests of the residents of the housing development of the Housing Authority and other low-income residents within the territorial jurisdiction of the Housing Authority..
- B. NONPROFIT has requested that the Housing Authority provide certain services for it, and the Housing Authority has agreed to provide such services to NONPROFIT, as further set forth in this Agreement

AGREEMENT

NOW, THEREFORE, for good and valuable consideration and intending to be legally bound, the parties agree as follows:

1. Term. The initial term of this agreement shall be for a term of three (3) years and shall be renewed every three (3) years for an additional three (3) years unless terminated by NONPROFIT or the Housing Authority through written notice sent not less than ninety (90) days prior to the end of the initial term or any renewal period.
2. Services Provided. The Housing Authority will provide administrative services as required by NONPROFIT (the “**Administrative Services**”). The Housing Authority will administer and operate NONPROFIT in accordance with its corporate purposes as specified in NONPROFIT’s Articles of Organization (“**NONPROFIT’s Purposes**”), attached as Exhibit A, and to comply with and fulfill NONPROFIT’s existing agreements and regulatory responsibilities (“**Existing Agreements**”) as well as

any and all future agreements and regulatory responsibilities applicable to the operations of the NONPROFIT ("**Future Agreements**"). The Administrative Services include but are not limited to:

- (a) . Manage budget and accounting
- (b) File all necessary State required paperwork and IRS required paperwork, all meeting postings and
- (c) Ensure administrative operations are overseen by Executive Director

3. External Providers. To provide Administrative Services to NONPROFIT, the Housing Authority may hire or subcontract with external providers or consultants as may be necessary, including but not limited to outside legal counsel, accountants, building inspectors, contractors, or property managers.

4. Level of Service. The Housing Authority shall use best efforts at all times in furnishing or performing such services to promote and advance the best interests of NONPROFIT. The Housing Authority shall not make or be deemed to have made any express or implied warranties or representations of any kind whatsoever with respect to any of its services provided through this Agreement and the Housing Authority shall not through this Agreement be or become an insurer or guarantor of the results of its services. The Housing Authority's obligations in this Agreement shall be limited to performing the Administrative Services in good faith and in a diligent manner.

5. Compensation. The Housing Authority shall be compensated for its services under this Agreement by fees paid to it by NONPROFIT due at the beginning of each calendar month. At all times such fees shall be limited by applicable federal, state, and local laws and regulations [and shall be amended as necessary to preserve NONPROFIT's tax-exempt 501(c)(3) status]. Such monthly fees shall include a payment of \$2,500 per month.

6. Defaults and Remedies. If either party shall default ("**Defaulting Party**") in the performance of any of its covenants or obligations under this Agreement and such default such continue unremedied for a period of thirty (30) days after written notice thereof from the other party ("**Enforcing Party**"), the Enforcing Party may exercise one or more of the following rights and remedies ("**Remedies**"). Each party's remedies under this Agreement are cumulative, and the exercise of one remedy shall not be deemed an election of remedies nor foreclose the exercise of other remedies. Notwithstanding the previous sentences in this section, if the default is of such a nature that it cannot be cured within the 30-day period, and the Defaulting Party has commenced to cure each default within the 30 day period, the Defaulting Party shall have an additional thirty (30) days in which to cure the default provided it acts in good faith and with due diligence to cure the same. The Remedies of the Enforcing Party are to:

- (a) Terminate the Agreement;

- (b) Enforce the provisions of this Agreement by legal proceedings for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy;
- (c) Recover damages caused by any breach by the Defaulting Party of the provisions of this Agreement, including court costs, reasonable attorneys' fees and other expenses incurred in the enforcement of the obligations of the Defaulting Party hereunder;
- (d) Exercise any and all rights and remedies which the Enforcing Party may have under applicable law;
- (e) Upon the occurrence of any event of default under this Agreement which is not cured within the time period specified above in Section 6, the Enforcing Party is authorized to set off and to apply any amounts payable to the Defaulting Party under this Agreement.

7. Relationship of the Parties. The Housing Authority, including its employees, shall at all times be an independent contractor and not an employee or instrumentality of NONPROFIT. Nothing contained in this Agreement shall be construed to constitute the Housing Authority as a member of NONPROFIT.

8. Notices. All notices, demands, consents, and reports provided for in this Agreement shall be given in writing and shall be deemed received by the addressee on the third day after mailing if mailed by United States Post Office, certified or registered mail, postage prepaid, or on the day delivered if personally delivered to the following addresses:

If to NONPROFIT:

Housing Opportunities of Salem, Inc.
27 Charter Street
Salem, MA 01970

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If to the Housing Authority:

Salem Housing Authority
27 Charter Street
Salem, MA 01970

The above addresses may be changed by the appropriate party giving written notice of such changes to the other party.

9. Binding Agreement; No Assignment. Subject to the following sentence, this Agreement shall be binding on the parties, their successors in interest, and their permitted assigns. Notwithstanding the foregoing, neither party may voluntarily assign its rights or obligations under this Agreement without the consent of the other party, which may be granted or withheld in such party's sole discretion.

10. Illegality and Enforceability. If any provision of this Agreement shall prove to be illegal, invalid, or unenforceable, the remainder of this Agreement shall not be affected thereby. No waiver of any breach of this Agreement shall be deemed to be a waiver of any other subsequent breach.

11. Amendment. This Agreement may be amended only by written instrument executed by the Housing Authority and NONPROFIT.

12. Applicable Law. This Agreement, and the application or interpretation of the Agreement, shall be governed by and construed in accordance with the laws of the State of [].

13. Headings and Terminology. All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section. All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

14. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original for all purposes, but all of which taken together shall constitute only one agreement. The production of any executed counterpart of this Agreement shall be sufficient for all purposes, without producing or accounting for any other counterpart.

[Signatures Follow]

IN WITNESS THEREOF, the parties have executed this Administrative Services Agreement as of the date first above written.

NONPROFIT:

Housing Opportunities of Salem Inc., a 501C3 nonprofit corporation

By: _____

Name: _____

Title: _____

Housing Authority:

Housing Authority Salem, a public body corporate and politic organized under the laws of the State of Massachusetts]

By: _____

Name: _____

Title: _____

EXHIBIT A

ARTICLES OF ORGANIZATION FOR NONPROFIT

[attached on following page]