

**MASTER DEED  
FOR  
RIVER'S EDGE AT DELANCO**

Prepared by: L. Stephen Pastor, Esq.

**RECORD AND RETURN TO:**

L. Stephen Pastor, Esq.  
Hill Wallack Attorneys at Law  
Princeton, New Jersey 08543

## TABLE OF CONTENTS

Paragraph	Page
<b>PARAGRAPH 1. ESTABLISHMENT OF CONDOMINIUM</b> .....	<b>6</b>
1.01 ESTABLISHMENT OF CONDOMINIUM.....	6
<b>PARAGRAPH 2. DEFINITIONS</b> .....	<b>6</b>
2.01 GENERAL.....	6
2.02 ADDITIONAL LANDS:.....	6
2.03 AFFILIATE.....	7
2.04 AMENDMENT AND SUPPLEMENT.....	7
2.05 ASSOCIATION.....	7
2.06 ASSOCIATION DUES" (ALSO "DUES" OR "ASSESSMENTS"):	7
2.07 BOARD OR BOARD OF TRUSTEES.....	7
2.08 BUILDING.....	7
2.09 BYLAWS.....	7
2.10 CERTIFICATE OF INCORPORATION.....	7
2.11 COMMON ELEMENTS.....	7
2.12 COMMON EXPENSES.....	8
2.13 CONDOMINIUM.....	8
2.14 COMMUNITY:.....	8
2.15 COUNTY:.....	8
2.16 CONDOMINIUM ACT.....	8
2.17 DEVELOPER.....	8
2.18 FAIR HOUSING ACT:.....	8
2.19 FEDERAL MORTGAGE AGENCIES:.....	8
2.20 FIRST MORTGAGE.....	8
2.21 FOUNDING DOCUMENTS:.....	8
2.22 GOVERNING DOCUMENTS:.....	9
2.23 GENERAL COMMON ELEMENTS.....	9
2.24 HOME:.....	9
2.25 INSTITUTIONAL LENDER.....	9
2.26 LEASE.....	9
2.27 LIMITED COMMON ELEMENTS.....	9
2.28 LOT:.....	9
2.29 MASTER DEED.....	9
2.30 MEMBER OR BENEFICIAL MEMBER.....	9
2.31 MORTGAGE.....	9
2.32 MORTGAGE HOLDER.....	9
2.33 MUNICIPALITY.....	10
2.34 NOTICE MORTGAGEE.....	10
2.35 OWNER OR UNIT OWNER OR UNIT OWNERSHIP.....	10
2.36 PERMITTED MORTGAGE.....	10
2.37 PARTY WALL.....	10
2.38 PHASE.....	10
2.39 PROPERTY.....	10
2.40 RECORDING OFFICER.....	10
2.41 RESERVED COMMON ELEMENTS.....	10
2.42 RULES AND REGULATIONS.....	10
2.43 SECTIONS:.....	11
2.44 TOWNSHIP:.....	11
2.45 UNIT.....	11
<b>PARAGRAPH 3. GENERAL DESCRIPTION OF THE CONDOMINIUM</b> .....	<b>11</b>
3.01 THE CONDOMINIUM.....	11
3.02 RECORDING OF THE MASTER DEED.....	11
3.03 RESERVED RIGHT TO DEVELOP, INTERNALLY EXPAND AND DEDICATE FUTURE PHASES TO BE PART OF THE CONDOMINIUM.....	11
<b>PARAGRAPH 4. DESCRIPTION OF UNITS</b> .....	<b>11</b>
4.01 DESCRIPTION OF UNITS.....	12

4.02	LOCATION OF CONDOMINIUM UNITS .....	13
<b>PARAGRAPH 5. DESCRIPTION OF COMMON ELEMENTS .....</b>		<b>13</b>
5.01	GENERAL COMMON ELEMENTS .....	13
5.02	LIMITED COMMON ELEMENTS .....	13
5.03	CLEANING, SNOW AND ICE CLEARING, MAINTENANCE, REPAIR AND REPLACEMENT OF LIMITED COMMON ELEMENTS, ETC. ....	14
5.04	LOT OWNER'S RIGHT OF ENJOYMENT .....	14
5.05	RIGHTS TO USE LIMITED COMMON ELEMENTS .....	14
5.06	ASSOCIATION REGULATION OF USE, CLEANING, SNOW AND ICE CLEARING, MAINTENANCE, REPAIR AND/OR REPLACEMENT OF LIMITED COMMON ELEMENTS, ETC. ....	14
5.07	RESERVED COMMON ELEMENTS .....	14
<b>PARAGRAPH 6. ESTATE ACQUIRED AND MEMBERSHIP INTEREST .....</b>		<b>14</b>
6.01	ESTATE ACQUIRED .....	14
6.02	OWNERSHIP AND CONVEYANCE OF UNITS .....	15
6.03	OWNERSHIP OF COMMON ELEMENTS .....	15
6.04	UNDIVIDED PERCENTAGE INTEREST .....	15
6.05	PERCENTAGE OF INTEREST .....	15
6.06	NO CONVEYANCE OF UNDIVIDED INTEREST .....	15
6.07	VOTING .....	15
6.08	MEMBERSHIP OF UNIT OWNERS IN CONDOMINIUM ASSOCIATION .....	16
6.09	COMPLIANCE BY OWNERS .....	16
<b>PARAGRAPH 7. ASSESSMENTS .....</b>		<b>16</b>
7.01	CONTRIBUTION OF UNIT OWNERS TOWARD EXPENSES, ADMINISTRATION, ETC. OF COMMON ELEMENTS AND THE ASSOCIATION .....	16
7.02	LIEN IN FAVOR OF THE ASSOCIATION .....	16
7.03	PAYMENT OF EXPENSES OUT OF PROCEEDS OF SALE .....	17
7.04	LIABILITY FOR ASSESSMENTS DUE ASSOCIATION AND CERTIFICATES OF PAYMENT .....	17
7.05	COVENANT TO PAY ASSESSMENTS .....	17
7.06	LIABILITY FOR ASSESSMENTS .....	17
7.07	ANNUAL COMMON EXPENSE ASSESSMENTS .....	18
7.08	NOTICE OF ANNUAL COMMON EXPENSE ASSESSMENTS .....	18
7.09	USE OF ANNUAL COMMON EXPENSE ASSESSMENTS .....	18
7.10	ALLOCATION OF COMMON EXPENSES .....	18
7.11	ANNUAL COMMON EXPENSE ASSESSMENT NOT MADE .....	19
7.12	DUE DATES OF ANNUAL COMMON EXPENSE ASSESSMENT .....	19
7.13	EMERGENCY COMMON EXPENSE ASSESSMENT .....	19
7.14	SPECIAL COMMON EXPENSE ASSESSMENT, BULK REAL ESTATE TAX BILLS .....	19
7.15	CAPITAL IMPROVEMENT COMMON EXPENSE ASSESSMENT .....	20
7.16	EXEMPTION FROM CAPITAL IMPROVEMENT COMMON EXPENSE ASSESSMENTS .....	20
7.17	REMEDIAL COMMON EXPENSE ASSESSMENT .....	20
7.18	MISCELLANEOUS COMMON EXPENSE ASSESSMENTS .....	20
7.19	INTEREST IN COMMON SURPLUS .....	20
7.20	DEVELOPER'S OWNERSHIP AND ASSESSMENT OBLIGATIONS .....	21
7.21	SUBORDINATION OF THE LIEN TO MORTGAGE .....	21
7.22	LIST OF ASSESSMENTS, NOTICE OF ASSESSMENT AND CERTIFICATE AS TO PAYMENT .....	21
7.23	ACCELERATION OF ASSESSMENT INSTALLMENTS AND OTHER REMEDIES OF THE ASSOCIATION .....	22
7.24	INTEREST AND COUNSEL FEES .....	22
7.25	CONTRIBUTION TO CAPITAL .....	22
<b>PARAGRAPH 8. MAINTENANCE RESPONSIBILITIES .....</b>		<b>22</b>
8.01	MAINTENANCE OF UNITS BY UNIT OWNERS .....	22
8.02	RESPONSIBILITIES OF THE ASSOCIATION - GENERAL .....	22
8.03	RIGHTS OF THE ASSOCIATION .....	23
8.04	ACCESS TO UNITS .....	23
8.05	DAMAGE DUE TO NEGLIGENCE, OMISSION OR MISUSE .....	23
<b>PARAGRAPH 9. EASEMENTS .....</b>		<b>23</b>
9.01	UNIT OWNER EASEMENTS .....	23

9.02	DEVELOPER'S NONEXCLUSIVE EASEMENT TO COMMON ELEMENTS AND RIGHTS RESERVED	24
9.03	EASEMENT TO ASSOCIATION	25
9.04	MORTGAGE HOLDER EASEMENTS	25
9.05	MUNICIPAL EASEMENTS AND MAINTENANCE RIGHTS	26
9.06	UTILITY EASEMENTS	26
9.07	DRAINAGE EASEMENT	26
9.08	LANDSCAPE EASEMENTS/CONSERVATION EASEMENTS/SHADE TREE EASEMENTS	27
<b>PARAGRAPH 10. ADMINISTRATION AND POWER OF ATTORNEY</b>		<b>27</b>
10.01	THE ADMINISTERING ASSOCIATION	27
10.02	ASSOCIATION'S POWER OF ATTORNEY	27
10.03	DUTIES OF THE ASSOCIATION	27
10.04	SERVICE WHICH MAY BE PERFORMED AT THE OPTION OF THE ASSOCIATION -	
	PROCEDURE	28
<b>PARAGRAPH 11. RESTRICTIONS</b>		<b>29</b>
11.01	GENERAL RESTRICTIONS	29
11.02	OCCUPANCY OF UNITS	30
11.03	RENTAL RESTRICTIONS ON UNITS	30
11.04	MODIFICATION OF UNITS	30
11.05	USE	31
11.06	OBSTRUCTION	31
11.07	BUILDING	31
11.08	EXTERIOR APPEARANCE	31
11.09	MAINTENANCE	31
11.10	INSURANCE	32
11.11	DISPLAY	32
11.12	ANIMALS	32
11.13	NUISANCE	32
11.14	STRUCTURAL CHANGES	32
11.15	COMMERCIAL VEHICLES/"OFF-ROAD VEHICLES"	33
11.16	WASTE	33
11.17	DIGGING	33
11.18	DRAPERIES	33
11.19	UTILITIES	33
11.20	TRAFFIC	33
11.21	LAWN	33
11.22	LOT UPKEEP	33
11.23	USE OF WATER RETENTION AND DETENTION AREAS	34
11.24	SALE OF HOME	34
11.25	WELLS	34
11.26	STRUCTURES OR PLANTINGS	34
11.27	TEMPORARY STRUCTURES	34
11.28	DISPLAYS	34
11.29	BURNING	35
11.30	NOXIOUS OR OFFENSIVE ACTIVITIES	35
11.31	IMMORAL, IMPROPER, OFFENSIVE OR UNLAWFUL ACTIVITY	35
11.32	PAYMENT OF TAXES AND ASSESSMENTS	35
11.33	GARAGES	35
11.34	FENCING	35
11.35	SUMP PUMPS	35
11.36	ENFORCEMENT	35
11.37	VIOLATIONS	35
11.38	DEVIATIONS	36
<b>PARAGRAPH 12. REQUIRED INSURANCE AND DISPOSITION OF PROCEEDS</b>		<b>36</b>
12.01	RESTORATION AND REPLACEMENT OF CONDOMINIUM IN EVENT OF FIRE, CASUALTY OR OBSOLESCENCE	36
<b>PARAGRAPH 13. PROTECTIVE PROVISIONS FOR THE BENEFIT OF MORTGAGE HOLDERS</b>		<b>36</b>
13.01	GENERAL	36
13.02	PRIOR WRITTEN APPROVAL OF 51% OF NOTICE MORTGAGEES	37

13.03	PRIOR WRITTEN APPROVAL OF 67% OF NOTICE MORTGAGEES .....	37
13.04	IMPLIED APPROVAL OF NOTICE MORTGAGEES ASSUMED .....	37
13.05	ADDITIONAL NOTICES .....	38
13.06	NO PARTITION.....	38
13.07	COMMON EXPENSE LIEN SUBORDINATE .....	38
13.08	MAINTENANCE AND INSPECTION OF RECORDS .....	38
13.09	NOTICE OF MEETINGS .....	38
13.10	LIABILITY FOR COMMON EXPENSE ASSESSMENTS .....	38
13.11	MANAGEMENT AGREEMENTS .....	39
13.12	COMMON EXPENSE DEFAULT.....	39
<b>PARAGRAPH 14. DEVELOPER'S RIGHTS AND OBLIGATIONS.....</b>		<b>39</b>
14.01	DEVELOPER'S RESERVATION OF AMENDMENT RIGHTS/POWER OF ATTORNEY .....	39
14.02	INCREASES .....	40
14.03	EASEMENTS .....	40
14.04	USE OF EASEMENTS .....	40
14.05	SURRENDER OF DEVELOPER'S RIGHTS.....	40
14.06	TECHNICAL CHANGES .....	40
14.07	MISCELLANEOUS CHANGES .....	40
14.08	CHANGES PROHIBITED .....	40
14.09	EFFECTIVE DATE OF AMENDMENT .....	40
<b>PARAGRAPH 15. SPECIAL DEVELOPER RIGHTS AND OBLIGATIONS.....</b>		<b>40</b>
15.01	RATIFICATION, CONFIRMATION AND APPROVAL OF AGREEMENTS.....	41
15.02	RIGHTS RESERVED TO DEVELOPER .....	41
15.03	ACTIVITIES.....	41
15.04	TRANSFER OF SPECIAL DEVELOPER RIGHTS.....	41
15.05	LIABILITY OF TRANSFEROR .....	42
15.06	TRANSFER OF RIGHTS REQUESTED.....	42
15.07	LIABILITY OF SUCCESSORS.....	42
15.08	FORECLOSURE.....	43
<b>PARAGRAPH 16. GENERAL PROVISIONS.....</b>		<b>43</b>
16.01	SEVERABILITY OF PROVISIONS HEREOF .....	43
16.02	AMENDMENT OF MASTER DEED - TERMINATION .....	44
16.03	PROVISIONS OF THIS MASTER DEED AND EXHIBITS TO BE A COVENANT RUNNING WITH THE LAND .....	44
16.04	NOTICE .....	44
16.05	ENFORCEMENT.....	44
16.06	CONFLICTS .....	45
<b>PARAGRAPH 17. CONDOMINIUM RULES AND REGULATIONS.....</b>		<b>45</b>
17.01	AUTHORITY.....	45
17.02	PUBLICATION .....	45
17.03	ENFORCEMENT AND FINES .....	45
 <b>EXHIBITS</b>		
Legal Description of the Property		A
Survey of the Property		B
Site Plan for the Property		C
Floor Plans		D
Certificate of Incorporation of River's Edge At Delanco Condominium Association, Inc.		E
Bylaws of River's Edge At Delanco Condominium Association, Inc.		F
Schedule of Undivided Percentage Interest in the Common Elements		G

**MASTER DEED**  
**FOR**  
**RIVER'S EDGE AT DELANCO**

**THIS MASTER DEED**, made this day of January, 2004 by Gres & Kaluzny Land Development, L.L.C., a New Jersey limited liability company having its principal office at 2733 Nottingham Way, Ste. 2, Hamilton, New Jersey 08619 (hereinafter referred to as the "Developer").

**WHEREAS**, Developer is the legal and/or equitable owner of the fee simple title to those lands and premises described in Exhibit A through and including Exhibit C attached hereof and made a part hereof; and

**WHEREAS**, it is the intention of the Developer to construct a condominium presently intended to consist of 71 residential dwelling Units, pursuant to the New Jersey Condominium Act, N.J.S.A. 46:8B-1, et seq. (the "Condominium Act"), including three (3) Affordable Housing Units, to be known as River's Edge At Delanco (the "Condominium"); and

**WHEREAS**, the Developer presently intends to establish the Condominium initially as a 71 Unit Condominium, and to cause this Master Deed and its Exhibits to be executed and recorded; and

**WHEREAS**, the Master Deed imposes certain covenants, conditions and restrictions regarding the use, operation and administration of the lands and buildings within the Community, including but not limited to, the organization of the not-for-profit association known as the River's Edge At Delanco Condominium Association, Inc. (the "Association").

**NOW THEREFORE, WITNESSETH:**

**Paragraph 1. ESTABLISHMENT OF CONDOMINIUM**

**1.01 Establishment Of Condominium**

The Developer hereby declares and publishes its intention and desire to eventually submit the lands and premises owned or controlled by it in the Township of Delanco, County of Burlington, New Jersey, identified as Lot 1.03, Block 500, Lot 1, Block 500.01, Lot 1.01, Block 500, and P/O Lot 1.04, Block 500 in the Township of Delanco, being more particularly described, on Exhibit A hereof to the condominium form of ownership as provided by and in accordance with the Condominium Act and the Planned Real Estate Development Full Disclosure Act.

**Paragraph 2. DEFINITIONS**

**2.01 General**

The following terms, when used in this Master Deed, the Certificate of Incorporation, the Bylaws, or the Rules and Regulations, have the following meanings. Unless the context clearly indicates otherwise, all definitions set forth in any of the above documents and N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions herein are to be used in conjunction therewith.

**2.02 Additional Lands:**

All or part of the Overall Property that is not part of the Property (as described in Exhibit A attached hereto) and which is intended, but not required, to be added to the Community and subjected to the terms of this Master Deed by way of amendments to the Master Deed.

### **2.03 Affiliate**

Any entity which controls, is controlled by or is under common control with the Developer. An entity "controls" the Developer if the entity: (a) is an officer, trustee or employer of the Developer; (b) directly or indirectly or acting in concert with one or more other entities, or through one or more subsidiaries, owns, controls, holds the power to vote or holds proxies representing more than twenty percent (20%) of the voting interest in the Developer; (c) in any way controls the election of the majority of the Developer's Board of Directors; or (d) has contributed more than twenty percent (20%) of the Developer's capital. An entity is "controlled by" the Developer if the Developer: (i) is a general partner, officer, trustee or employer of the entity; (ii) directly or indirectly or acting in concert with one or more other entities owns, controls, holds the power to vote or holds proxies representing more than twenty percent (20%) of the voting interest in the entity; (iii) in any way controls the election of a majority of the trustees of the entity; or (iv) has contributed more than twenty percent (20%) of the capital of the entity. Control does not exist if the powers described in this Paragraph are held solely as security for an obligation and are not exercised.

### **2.04 Amendment and Supplement**

Any documentary alteration or supplementation to this Master Deed permitted or required by Paragraph 14 or other Paragraphs of same to be recorded after the date herein in the office of the Recording Officer in connection with the Developer's exercise of one or more of its reserved rights established herein or otherwise.

### **2.05 Association**

The River's Edge At Delanco Condominium Association, Inc., a New Jersey non-profit corporation, formed or about to be formed to administer, manage and operate the common affairs of the Unit Owners of the Condominium and to maintain, repair and replace the Common Elements of or other property controlled by the Condominium, all as provided for in this Master Deed, the Certificate of Incorporation, the Bylaws and the Rules and Regulations of the Association as they may be amended or supplemented.

### **2.06 Association Dues" (also "Dues" or "Assessments"):**

All assessments assessed by the Association against the Owners.

### **2.07 Board or Board of Trustees**

Any reference herein or in the Certificate of Incorporation, Bylaws or Rules and Regulations to any power, duty, right of approval or any other right of the Association refers to the Board and not the Association's Members, unless the context expressly indicates otherwise.

### **2.08 Building**

All of the structures containing Units and structural improvements that are dedicated to be part of the Condominium by this Master Deed or any Amendment and Supplement hereto.

### **2.09 Bylaws**

The Association's Bylaws, a copy of which is attached hereto as Exhibit F and made a part hereof together with all future amendments or supplements thereto.

### **2.10 Certificate of Incorporation**

The Association's Certificate of Incorporation, a copy of which is attached hereto as Exhibit E, together with all future amendments or supplements thereto.

### **2.11 Common Elements**

The "General Common Elements", "Limited Common Elements", "Reserved Common Elements" and "Common Property" all having the same meaning as "Common Elements" under

N.J.S.A. 46:8B-3(d), except as modified by Paragraphs 5.01, 5.02 and 5.06 herein or specific definitions herein.

#### **2.12 Common Expenses**

Subject to the provisions of Paragraph 7 herein and the specific definitions herein, all those expenses anticipated by N.J.S.A. 46:8B-3(e) in addition to all expenses incurred by the Association, or its respective Trustees, officers, agents or employees, in the lawful performance of their respective duties or powers.

#### **2.13 Condominium**

All the lands and premises dedicated to the Condominium and described in Exhibit A or any lands and premises that may be added by Amendment and Supplement hereto; (b) all improvements now or hereafter constructed in, upon, over or through such lands and premises dedicated to the condominium form of ownership, whether or not shown on any Exhibit hereto; (c) all rights, roads, waters, privileges and appurtenances thereto belonging or appertaining; and, (d) the entity created by the execution and recording of this Master Deed or any Amendments and Supplements hereto in the office of the Recording Officer.

#### **2.14 Community:**

The River's Edge At Delanco intended to be developed on the Property (as shown on the Site Plan), and as may be developed on the Additional Lands.

#### **2.15 County:**

The County of Burlington in the State of New Jersey.

#### **2.16 Condominium Act**

The provisions of N.J.S.A. 46:8B-1, et seq., and all applicable amendments and supplements thereto.

#### **2.17 Developer**

Gres and Kaluzny Development, L.L.C., a New Jersey limited liability company, its successors and assigns, including any successor to the Developer contemplated by Paragraph 15 herein.

#### **2.18 Fair Housing Act:**

The Fair Housing Act Amendments Act of 1988, P.L. 100-430 (September 13, 1988) and amendments thereto including, but not limited to the Housing for Older Persons Act of 1995, HR 660 (signed December 1995); regulations adopted by the U.S. Dept. of HUD implementing the Housing for Older Persons Act, found at 24 CFR Part 100, and any amendments thereto; and any judicial or administrative interpretations or decisions affecting said legislation.

#### **2.19 Federal Mortgage Agencies:**

Those federal agencies who have or may come to have an interest in the Community, including, but not limited to, the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, or successors to their interests.

#### **2.20 First Mortgage**

The first or paramount Mortgage; the lien of which is an encumbrance on a Unit.

#### **2.21 Founding Documents:**



The Certificate of Incorporation, the Bylaws, and this Master Deed, all as initially drawn by the Developer and filed or recorded with the Clerk, as the case may be, and all as may be duly amended from time to time.

**2.22 Governing Documents:**

The Founding Documents and the Rules and Regulations, as such may be amended from time to time.

**2.23 General Common Elements**

Those Common Elements which are for the use and benefit of all Unit Owners, as more particularly set forth in Paragraph 5 herein.

**2.24 Home:**

Any individual residential dwelling unit.

**2.25 Institutional Lender**

Any bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund or other financial institution, the Federal National Mortgage Association (FNMA), the Veteran's Administration (VA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Housing Administration (FHA) and any other similar governmental or quasi-governmental entity that provides, acquires, insures or guarantees or proposes to provide, acquire, insure or guarantee Mortgages on one or more Units.

**2.26 Lease**

Any agreement for the leasing, rental, subleasing, use or occupancy of a Unit, other than the conveyance of title thereto, regardless of the name given to such agreement. All such Leases executed after the date of the recording of this Master Deed are automatically deemed to include Article 4.05 of the Bylaws entitled "Leases and Assignment of Leases and Rents, Right to Evict".

**2.27 Limited Common Elements**

As defined in N.J.S.A. 46:8B-3(k), except as may be modified by Paragraph 5 herein.

**2.28 Lot:**

Any plot of land shown upon any recorded subdivision map of a Section intended for development as a Home(s).

**2.29 Master Deed**

This instrument, all Exhibits hereto and all future Amendments and Supplements thereto, recorded in the office of the Recording Officer.

**2.30 Member or Beneficial Member**

All Unit Owners who are members of the Association as further defined in Article 1.03 of the Bylaws and as provided in the Certificate of Incorporation. If a tenant enjoys rights as a Member, the Owner of said Home may not exercise said rights, except for voting rights

**2.31 Mortgage**

Duly recorded instruments and underlying obligations giving rise to a Mortgage lien on any Unit..

**2.32 Mortgage Holder**

The holder of record of a Permitted Mortgage or one who insures or guarantees any Permitted Mortgage.

### **2.33 Municipality**

The municipality in which the Condominium is located.

### **2.34 Notice Mortgagee**

Any Institutional Lender holding a First Mortgage which has requested notice of the matters set forth in Paragraph 13 herein.

### **2.35 Owner or Unit Owner or Unit Ownership**

The record Owner or one or more co-owners, persons, firms, associations, partnerships, corporations or other legal entities, who hold the fee simple title to a Unit dedicated to the Condominium as shown in the records of the Recording Officer; but, in spite of any applicable theory of Mortgage, does not mean a mortgagee or trustee under a Mortgage or deed of trust unless and until such mortgagee or trustee has acquired title to any such Unit by way of foreclosure or any proceeding in lieu of foreclosure. The terms "Owner" and "Unit Owner" do not mean any lessee or tenant occupying a Unit.

### **2.36 Permitted Mortgage**

Any Mortgage held by an Institutional Lender or a purchase money First Mortgage held by the Developer or any other seller of a Unit. It includes any other Mortgage, the lien of which by its terms is subordinate to any and all existing or future Common Expense liens imposed against Units. Any acquisition, construction, permanent or other Mortgage placed by the Developer on all or a portion of the Property, including any Unit, is also a Permitted Mortgage so long as it is made subordinate to this Master Deed and provides a mechanism for securing partial releases, incrementally or in bulk for Units and their respective appurtenant undivided percentage interest in the Common Elements encumbered by same.

### **2.37 Party Wall**

The entire wall, all or a portion of which is used for support of an attached Home (if any) situate or intended to be situate between adjoining Lots or Homes.

### **2.38 Phase**

A portion of but not the entire Property and the improvements to or proposed for such portion of the Property that has been or which may in the future be dedicated to the condominium form of ownership by the recording of this Master Deed or an Amendment and Supplement to same.

### **2.39 Property**

The land dedicated to be in the Condominium by the recording of this Master Deed in the office of the Recording Officer as described and graphically depicted, respectively, in Exhibits A and B hereto, and those lands which may be so dedicated to the condominium form of ownership hereafter by an Amendment and Supplement hereto.

### **2.40 Recording Officer**

The official designated or elected in the New Jersey county in which the Property is located who has the legal authority and duty to keep and maintain the land records (deeds, mortgages, etc.) for that county and to record or file changes thereto.

### **2.41 Reserved Common Elements**

Those parts of the General Common Elements, if any, that the Board designates as available to less than all Unit Owners and for use of which a charge may be imposed pursuant to Paragraph 5.06 herein.

### **2.42 Rules and Regulations**

The Rules and Regulations adopted by the Association, together with all amendments or supplements thereto. The Association is not required to record in the office of the Recording Officer or elsewhere either the original or any amendments or supplements to the Rules and Regulations.

**2.43 Sections:**

The portions of the Property into which the Community shall be divided for the purposes of development, which may be exclusive of the Common Property, but inclusive of designated Lots, sewer, water, electric, gas and cable television transmission facilities, sidewalks, walkways, curbing, drainage facilities, landscaping, street signs, directional signs and monumentation.

**2.44 Township:**

The Township of Delanco in Burlington County, New Jersey.

**2.45 Unit**

A part of the Condominium intended for independent ownership and use as a residential dwelling, as more specifically set forth in Paragraph 4 herein and as shown on Exhibits B and C and on the floor plans in Exhibit D, attached hereto. The term does not include any part of the General Common Elements or Limited Common Elements situated in or appurtenant to a Unit. The word "Unit" refers to each of the Units dedicated to the condominium form of ownership by this Master Deed or an Amendment and Supplement to same, unless the context clearly dictates otherwise.

**Paragraph 3. GENERAL DESCRIPTION OF THE CONDOMINIUM**

**3.01 The Condominium**

Upon the recording of this Master Deed, the Condominium will consist of all of the Property legally described and graphically depicted, respectively, in Exhibits A, B and C hereof, as Lot 1.03, Block 500, Lot 1, Block 500.01, Lot 1.01, Block 500, and P/O Lot 1.04, Block 500 in the Township of Delanco, Burlington County, New Jersey, consisting all site and other improvements now in existence or hereafter constructed upon that portion of the aforesaid Property and consisting of not more than 71 Units, including three (3) Affordable Housing Units, located or to be located in not more than nine (9) Buildings, and all rights, privileges, appurtenances thereto belonging or appertaining.

**3.02 Recording of the Master Deed**

By the recording of this Master Deed, Amendment and/or Supplement to same in the office of the Recording Officer, the Developer is the Owner of every Unit so dedicated to the Condominium, including their appurtenant undivided percentage interest in the Common Elements. In spite of anything in this Master Deed to the contrary, the Developer has the right to advertise, promote, develop, construct, show, sell, convey, lease or otherwise dispose of each Unit as it deems appropriate in its sole discretion.

**3.03 Reserved Right to Develop, Internally Expand and Dedicate Future Phases to be Part of the Condominium.**

The Developer reserves the right, but without the obligation, to develop all or less than all of the land dedicated to the Condominium by the recording of this Master Deed by constructing thereon Buildings containing Units and other improvements. Full development, as presently proposed, will be on those lands graphically depicted on Exhibits B and C hereof. The incorporation of the Additional Lands, Buildings, Units and other improvements as part of the Condominium will be by the recording of one or more Amendments and Supplements to this Master Deed in the office of the Recording Officer. All Buildings, Units and improvements so dedicated are a part of the Condominium and all references to the Condominium in this Master Deed, the Certificate of Incorporation or Bylaws are understood to include the additional Buildings, Units and other improvements once they are dedicated as part of the Condominium.

**Paragraph 4. DESCRIPTION OF UNITS**

#### 4.01 Description of Units

Units are the separate parcels of real property more particularly described and shown on Exhibits B and C. Exhibit D describes the Units' room layouts at floor level. Each Unit consists of:

(A) All the space within the area bounded by the interior surface of its perimeter walls and its lowermost floor and its uppermost ceiling as follows:

Bottom: The bottom is an imaginary horizontal plane through the highest point of the interior surface of each portion of the uppermost subfloor within the Unit as originally installed by the Developer and extending in every direction to the point where it closes or intersects with the sides of the Unit.

Top: The top is an imaginary horizontal plane along and coincident with the innermost surface of the studding or truss assembly of the uppermost ceiling and along and coincident with the exterior surface of any skylights of the Unit and extending in every direction to the point where it intersects or closes with the sides of the Unit.

Sides: The sides are imaginary vertical planes along and coincident with the innermost surface of the studding of the perimeter walls originally installed by the Developer or, where there is no studding, the innermost surface of concrete block or equivalent perimeter walls. Where no wall exists, the side is an imaginary vertical plane along and coincident with and includes the entirety of all windows or doors located on the perimeter of the Unit. The sides of each Unit are bounded by the bottom and top of the Unit.

(B) Units include all: appliances and fixtures; interior walls and partitions, gypsum board or other facing material on walls and ceilings; the decorated or finished inner surface of all wood, tile, carpeting and padding or other type of finished flooring; interior and exterior windows, doors, skylights; and all other improvements located within the boundaries of the Unit or which are otherwise exclusively appurtenant to a Unit although all or part of the improvement may not be located within the boundaries of the Unit as set forth in Paragraph 4.01 (A) above. To the extent that they serve an individual Unit only and not any other Unit or any portion of the Common Elements, no matter where they are located, appurtenant improvements include the following:

(1) any and all utility lines, pipes, vents and systems, including, but not limited to: (a) electrical components including wiring, fixtures, switches, outlets and circuit breakers; (b) water pipes and hose bibs; (c) sewer pipes and clean-outs; (d) vents and ducts; (e) telephone or other communication lines and wires; (f) master antenna, cable or satellite television equipment and security alarm system wiring, except where ownership of any of the above is retained by a company, public utility, agency, the Association or others who provide service therefore;

(2) any fireplace, chimney or flue;

(3) any utility meters not owned by the public agency or company supplying utility service;

(4) any equipment, appliances, machinery, mechanical or other systems including, but not limited to all components of heating, ventilating and air conditioning systems located on the Common Elements;

(5) any storage areas and loft areas (but not attic space) located in or outside the Unit which provide exclusive storage for the Unit;

(6) any motor vehicle garages;

(7) any and all components of all doors, windows or skylights including, but not limited to, glass, sills, screens, frames, sashes, flashing and their mountings to the exterior of the Building containing the Unit and any other part or appurtenance of their respective systems;

(8) all exterior front entry stairs and landings that provide access to no more than one Unit and the hand railings attached to same; but, excluding any sidewalks and service walks connected to such entry stairs; and

(9) enclosed and unenclosed grade level patios that directly serve no more than one Unit.

#### **4.02 Location of Condominium Units**

In interpreting the provisions of this Master Deed or subsequent deeds and mortgages to individual Units; the actual location of the Unit is deemed conclusively to be the property intended to be conveyed, reserved or encumbered despite any minor deviations either horizontally or vertically from the proposed locations indicated on Exhibits hereof or on any Amendment and Supplement to same.

### **Paragraph 5. DESCRIPTION OF COMMON ELEMENTS**

#### **5.01 General Common Elements**

The remaining portion of the lands and premises described above with all improvements constructed and to be constructed thereon and all appurtenances thereto are the "Common Elements." More specifically, "General Common Elements" include, but are not limited to:

(A) The parcel of land described in Exhibits A, B and C or any Amendment or Supplement to same, including the space occupied by the above.

(B) The Buildings including the space within each Building not otherwise defined as being the Units and including foundations, slabs, footings, columns, girders, beams, supports, roofs and the roof areas including and above the ceiling joists, subfloors, perimeter walls, load bearing interior walls and partitions, core walls or other fire barriers, stairways, passageways, pipes, wires, conduits, air ducts and utility lines and connections, including the space occupied by the above.

(C) All roads, curbs, walkways, paths, retaining walls, trees, shrubs, landscaped areas, recreation facilities, underground sprinkler systems, yards, privacy fences, etc., constructed or to be constructed by the Developer on the Property.

(D) All other elements of the Buildings constructed or to be constructed on the Property rationally of common use or necessary to their existence, upkeep and safety including the entirety of any fire suppression sprinkler systems installed by the Developer and any sprinkler heads which protrude into a Unit; and, in general, all other installations or devices intended for common use including but not limited to tangible personal property.

(E) The General Common Elements do not include any of the Units despite the fact that Buildings in which Units are to be located may not have been constructed at the time of the recording of this Master Deed or Amendments or Supplements to same. It is the Developer's intention that the interest in the General Common Elements appurtenant to each Unit does not include any interest whatsoever in any of the other Units or the space within any of them, whether or not the Buildings within which the Units are or will be located are constructed or yet to be constructed at the time of the recording of this Master Deed.

#### **5.02 Limited Common Elements**

Portions of the Common Elements set aside and reserved for the restricted use of certain Units to the exclusion of the other Units are "Limited Common Elements". The Limited Common Elements restricted to the use of the respective Units are shown graphically in Exhibit C. Assigned parking spaces and driveways leading to those Units having motor vehicle garages are Limited Common Elements. Limited Common Elements and their use must be in compliance with governmental regulations, laws, the Association's Rules and Regulations, Bylaws, this Master Deed and Amendments or Supplements to any of same.

**5.03 Cleaning, Snow and Ice Clearing, Maintenance, Repair and Replacement of Limited Common Elements, Etc.**

All repair, maintenance and replacement of Limited Common Elements are the responsibility and financial obligation of the Association. However, the Owner of a Unit having exclusive use of any Limited Common Element is responsible for the cost and expenses of any maintenance, repairs or replacement of that Limited Common Element due to the Owner's own negligent act or omission, misuse or neglect or the negligent act or omission, misuse or neglect of their family members, pets, guests, visitors or occupants, regardless of whether authorized by the Unit Owner.

The Association is responsible for snow and ice clearing from each Unit's exterior front entry walkways and driveways providing access to garages that are part of a Unit. The Association or its designated representatives will determine when and to what extent snow and ice clearing will be undertaken.

**5.04 Lot Owner's Right of Enjoyment**

Subject to the provisions of the Governing Documents, every Owner shall have a right and easement of enjoyment in and to the Common Property and such easement shall be appurtenant to and shall pass with the title to every Home.

**5.05 Rights to Use Limited Common Elements**

Unit Owners' rights to use the Limited Common Elements appurtenant to their Unit cannot be transferred apart from the conveyance of title to the Unit. Any attempt to do so is void as set forth in Paragraph 6.06 herein.

**5.06 Association Regulation of Use, Cleaning, Snow and Ice Clearing, Maintenance, Repair and/or Replacement of Limited Common Elements, Etc.**

The Association shall have the right to promulgate, adopt, amend, publish and enforce such Rules and Regulations as it may deem appropriate or necessary to regulate Unit Owners' use, cleaning, snow and ice clearing, maintenance, repair or replacement of Units and the Limited Common Elements that are the responsibility of Unit Owners to assure safety, aesthetic, architectural and visual harmony. Such Rules and Regulations may include but are not limited to schedules, standards, specifications, materials, colors, manufacturers, etc.

**5.07 Reserved Common Elements**

The Board has the power in its discretion to: (a) designate from time to time certain Common Elements as "Reserved Common Elements"; (b) grant reserved rights therein to the Association or to any, all or some of the Owners of the Units; (c) establish a reasonable charge to such Unit Owners for the use and maintenance therein; and, (d) adopt, amend, publish and enforce those Rules and Regulations as it deems appropriate governing the use therein. Such designation by the Board is not to be construed as a sale or disposition of the Common Elements. Any fee paid for reserved rights is to be paid to the Association and is to be available for use by the Association in the same manner as Common Expense Assessments. No part of the Common Elements is to be designated as Reserved Common Elements for exclusive use by non-Unit Owners, except for those who are lessees who occupy the applicable Units. Under such circumstances, the Unit Owner must accept in writing primary responsibility and liability for any Common Element to be designated as a Reserved Common Element for exclusive use by the Unit Owner's lessee before such designation can be made for the lessee's benefit.

**Paragraph 6. ESTATE ACQUIRED AND MEMBERSHIP INTEREST**

**6.01 Estate Acquired**

The Owners of each Unit hold such an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple, and acquires as an appurtenance thereto an undivided percentage interest in the Common Elements of the Condominium, which cannot be divided from the Unit to which it appertains.

## **6.02 Ownership and Conveyance of Units**

For all purposes, each Unit is a separate parcel of real property that is owned and that may be conveyed in fee simple, and devised, inherited, transferred or encumbered along with its undivided percentage interest in the Common Elements in the same way as any other parcel of real property, independent of all other Units, subject to the provisions of this Master Deed, Bylaws and the Condominium Act. No part of any Unit can be conveyed, devised, inherited, transferred or encumbered apart from the whole of the Unit and its undivided percentage interest in the Common Elements. All taxes, assessments and charges that become liens on a Unit apply only to that individual Unit and not to the Condominium as a whole or to other Units.

## **6.03 Ownership of Common Elements**

Common Elements are owned in common by all Unit Owners and no one else. The Common Elements must remain undivided and Unit Owners are not permitted to bring an action for partition or division of the whole or any part therein except as otherwise provided by law or in Article 6.02 and 6.03 of the Bylaws.

## **6.04 Undivided Percentage Interest**

Ownership of each Unit includes that Unit's respective undivided percentage interest in the Common Elements as established herein. Each Unit together with its appurtenant interest in the Common Elements is herein referred to as the "Unit". It is the Developer's intention hereby to provide that the Common Elements are owned by Unit Owners under the condominium form of ownership along with the undivided percentage interest of each Unit in the Common Elements as set forth in this Master Deed and its Exhibits.

## **6.05 Percentage of Interest**

The individual Units hereby established and which are to be individually conveyed, the Building number and type, and the undivided percentage interest of each Unit in the General and Limited Common Elements are attached hereof as Exhibit G. The undivided percentage of interest of each Unit appertaining to the Common Expenses, common receipts, common surplus, are as set forth in Exhibit G and Article 12.00 of the Bylaws. For so long as it remains the owner of any of the constructed or unconstructed Units the Developer reserves the right to change the price or value of any such Units. However, no change in price or value of any of the Units may change or otherwise affect the undivided percentage interest of any of the Units in the General and Limited Common Elements in the Condominium or in the percentage of ownership in the Association set forth in this Master Deed. Each Unit is entitled to one vote when Association Members vote.

## **6.06 No Conveyance of Undivided Interest**

The undivided percentage interest in the Common Elements to be conveyed with each Unit may be amended by the Developer as set forth in Paragraph 14 herein. The Developer and Unit Owners agree that the undivided percentage interest in the Common Elements and the fee simple title to the respective Units conveyed hereunder cannot be separately conveyed, transferred, alienated or encumbered, and each of the undivided interests are deemed to be conveyed, transferred, alienated or encumbered with its Unit despite that the description in the instrument of conveyance, transfer, alienation or encumbrance may refer only to the fee simple title to the Unit. The Developer and Unit Owners covenant that any conveyance, transfer or alienation of any Unit conclusively includes all of the interest of the Unit Owner in the Condominium and any encumbrance on any Unit also conclusively attaches to all of the interest of that Unit's Owner(s).

## **6.07 Voting**

The Owner(s) of each Unit who is in good standing (see Article 3.08 of the Bylaws) is entitled to cast one vote for each Unit to which the Owner(s) holds title. The Developer is entitled to cast all votes for Units owned by it, but is not permitted to vote for the purpose of

amending this Master Deed or the Bylaws or any other document for the purpose of changing the permitted use of those Units or reducing the Common Elements of that portion of the Property which has been dedicated to the condominium form of ownership.

#### **6.08 Membership of Unit Owners in Condominium Association**

Upon becoming the Owner of a Unit, every Unit Owner automatically becomes an Association Member which membership is held until their ownership of a Unit ceases for any reason. At that time, Association membership automatically ceases. Other than as an incident to a lawful transfer of title to a Unit, Association membership is not transferable and any attempted transfer is void.

#### **6.09 Compliance by Owners**

Each Owner or occupant of a Unit must comply with and assumes ownership or occupancy subject to laws, statutes, rules and regulations, resolutions, ordinances or other judicial, legislative or executive "law" of governmental authorities having jurisdiction over the Condominium; the provisions of this Master Deed, Certificate of Incorporation, Bylaws, the Rules and Regulations and any other documents, as well as any Amendments or Supplements to any of the foregoing. Failure to comply with any of the foregoing is grounds for commencement of an action for the recovery of damages or for injunctive relief, or both, by the Developer, the Association or any Unit Owner in any court or administrative tribunal having jurisdiction of any person or legal entity violating or attempting to violate or circumvent any of the aforesaid and against any Unit Owner to enforce any lien imposed as per this Master Deed or any covenant contained herein. Failure by the Developer, the Association or any Unit Owner to enforce covenants herein contained for any period of time is not, under any circumstances, a waiver or estoppel of the right to thereafter enforce same.

### **Paragraph 7. ASSESSMENTS**

#### **7.01 Contribution of Unit Owners Toward Expenses, Administration, Etc. of Common Elements and the Association**

Subject to Paragraph 7.02 of this Master Deed, each Unit Owner is to contribute, as set forth in Article 13.00 of the Bylaws, toward the expenses of administration, maintenance, repair and replacement of the Common Elements, expenses declared common by this Master Deed or Bylaws and expenses of administering and maintaining the Association and all of its real and personal property in such amounts as are from time to time found by the Association to be necessary, including but not limited to, (a) expenses for the operation, maintenance, repair or replacement of Buildings, grounds or facilities within the Condominium; the maintenance, operation, repair or replacement of the recreation facilities, if any; (b) all costs of carrying out the duties and powers of the Association; compensation of Association employees; (c) insurance premiums and expenses relating thereto; (d) taxes which may be assessed against Association or its property; (e) the cost of utility services supplied to the Common Elements or to each individual Unit if utility service usage is not metered and billed to each Unit by any utility supplier, but is metered and billed to the Association; and, (f) and any other expenses of the Association set forth herein, in the Bylaws or which may be designated by the Board as Common Expenses. No Unit Owner may be exempt from contributing toward such expenses by waiver of the use or enjoyment of the Common Elements or the community or recreation facilities, if any, or by abandonment of their Unit. Payment of the Common Expenses are to be made in the amount and at the frequency determined by the Board, and are to be delivered to the Association at its principal office or to such other place designated by the Board.

#### **7.02 Lien in Favor of the Association**

All charges and expenses chargeable to any Unit constitute a lien against said Unit in favor of the Association. That lien is prior to all other liens except (a) assessments, liens and charges for taxes past due and unpaid on the Unit; and, (b) payments due under bona fide and duly recorded Mortgage instruments, if any, except to the extent modified by any applicable New Jersey or federal law. The charges and expenses represented in the annual Common Expense



Assessment or maintenance fees become effective as a lien against each Unit on the first day of each year. Additional or added assessments, any and all types of fees, amounts ordered as per Article 4 of the Bylaws, fines, charges, expenses, and water usage fees, if any, chargeable to Units and not covered by the annual Common Expense Assessment, become effective as a lien against each Unit as of the date when the expense, fine or charge giving rise to such additional or added assessment is levied or incurred. If the assessment, charge or other expenses giving rise to any lien remains unpaid for more than ten (10) days after it is due and payable, the entire amount of the next due twelve (12) monthly installments of the then current or next annual Common Expense Assessment and other additional or added assessments, charges and expenses immediately become due and payable. All liens may be recorded in accordance with N.J.S.A. 46:8B-21 and foreclosed by the Association in the manner provided for the foreclosure and sale of real estate mortgages. In the event of foreclosure, in addition to the Common Expense and other assessments or amounts due, the Association is entitled to recover the expenses of the action including court costs and reasonable attorney and paraprofessional fees. The Association's right to foreclose its lien is in addition to any other remedies available at law or equity for the collection of annual, additional or added charges and expenses, including the right to proceed personally against any delinquent Unit Owner for the recovery of a personal judgment for the amount due, court costs and reasonable attorney and paraprofessional fees. The title acquired by any purchaser following any foreclosure sale or sheriff's judgment sale is subject to all provisions of this Master Deed, Bylaws, Rules and Regulations and the Condominium Act, and by so acquiring title to the Unit, the purchaser automatically agrees to abide by and be bound by same. Interest, fines and penalties may only be levied, imposed and collected by the Association to the extent they are permitted by law.

#### **7.03 Payment of Expenses Out of Proceeds of Sale**

Upon the sale, conveyance or other lawful transfer of title to a Unit, all unpaid assessments, fines and all other charges and expenses of whatever nature chargeable to the Unit must first be paid out of the sales price or by the acquirer in preference to any other assessments or charges of whatever nature except: (a) assessments, liens and charges for taxes past due and unpaid on the Unit; and, (b) payments due under any bona fide duly recorded Mortgage instruments, except to the extent modified by applicable New Jersey or federal laws.

#### **7.04 Liability for Assessments Due Association and Certificates of Payment**

Any persons who acquire title to a Unit are jointly and severally liable with their predecessor in title for the amounts owing by the latter to the Association up to the time of the transfer of title, without prejudice to the acquirer's right to recover from the predecessor in title the amount paid by them as joint debtor. Any contract purchaser of a Unit may request in writing that the Association provide them with a certificate setting forth the amount of unpaid assessments or other debts owed to the Association for a Unit. The written request is to include the names of all persons who will reside in the Unit and the anticipated date of closing title. The Association will provide the certificate within ten (10) days after receipt of the request. The purchasers may rely upon the certificate and their liability to the Association is limited to the amount set forth therein. Liability for the payment of amounts due the Association does not attach to a Unit's purchasers following a mortgage foreclosure or sheriff's judgment sale of any Unit but the Association is entitled to payment therein out of the proceeds of sale as provided by law. Further, any Permitted Mortgagee who obtains title to a Unit pursuant to remedies provided in the Mortgage or foreclosure of the Mortgage is not liable for the Unit's unpaid amounts due the Association which accrued before the acquisition of title of the Unit by the Mortgage Holder, except to the extent permitted by any applicable New Jersey or federal law.

#### **7.05 Covenant to Pay Assessments**

Every Unit Owner, by acceptance of a deed or other document of conveyance of an ownership interest in a Unit, whether or not it is expressed in any deed or other document of conveyance, is deemed by covenant to pay to the Association all assessments and other sums contemplated in this Master Deed or Bylaws.

#### **7.06 Liability for Assessments**

No Unit Owner may waive or otherwise avoid liability for Common Expenses by not using the Common Elements. All assessments, fines and other charges against a Unit or its Unit Owner(s) are a continuing lien on the Unit against which they are assessed or the Unit owned by the Unit Owner against whom they are assessed and are the joint and several personal obligations of all Owners of the Unit at the time the assessment, fine or other charge fell due, and of each subsequent record Unit Owner, except as otherwise contemplated by Paragraphs 7.02, 7.03 and 7.04 of this Master Deed or N.J.S.A. 46:8B-21, together with such interest thereon and cost of collection thereof, including reasonable attorney and paraprofessional fees. Liens for unpaid assessments, fines or other charges the Association is permitted by law to levy, impose or collect may be foreclosed by suit brought in the Association's name in the same manner as a foreclosure of a mortgage on real property. Suits to recover money judgments for unpaid assessments, fines or other charges may be maintained without waiving the lien securing same.

#### **7.07 Annual Common Expense Assessments**

It is an affirmative and perpetual obligation of the Board to fix annual Common Expense Assessments in an amount at least sufficient to maintain and operate the Buildings, the Common Elements, Property and Association affairs as contemplated by this Master Deed, Bylaws or as required by the Condominium Act, and to pay for all expenses of the Association for benefits derived by the Unit Owners. The amount of monies deemed necessary for Common Expenses and the way they are expended are determined in the Board's sole discretion.

#### **7.08 Notice of Annual Common Expense Assessments**

At least five (5) days in advance of the due date of the first Common Expense Assessment installment for each fiscal year, the Board will prepare a list of Units and the annual Common Expense Assessments applicable to each, according to the names of the Unit Owners. This list is to be kept in the office of the Association or its managing agent and is open to inspection upon any Unit Owner's request. Written notice of the annual Common Expense Assessment is to be given to Unit Owners in the manner provided by Article 18.03 of the Bylaws.

#### **7.09 Use of Annual Common Expense Assessments**

The annual Common Expense assessment levied by the Board will be used exclusively for promoting the health, safety, pleasure and welfare of Association Members, including, but without limitation: street lighting; refuse or recyclable collection; snow and ice clearing; landscaping of Common Elements; maintenance and repair of the exterior and roofs of the Buildings, including but not limited to cleaning, painting, caulking and staining of the exterior surfaces and finishes; maintenance, repair and replacement of the Common Elements or any other improvements on the Property or elsewhere for which the Association is responsible, including roadways and parking areas; maintenance and repair of fences and walls; payment of applicable common taxes and insurance premiums; costs and expenses incidental to the Association's operation and administration; and, such other items as the Board from time to time deems appropriate provided that the annual Common Expense Assessment cannot be used for capital improvements subject to Paragraph 7.15 of this Master Deed.

#### **7.10 Allocation of Common Expenses**

The annual Common Expense assessment will be allocated among all Units within any Buildings declared to be in the Condominium and for which an initial Certificate of Occupancy has been issued. Each Unit will be assessed a proportionate share of the annual Common Expense Assessment determined by the Unit's then current percentage interest in the Common Elements as set forth in Article 13 of the Bylaws and Exhibit G hereof as they may be amended. Until title to the first Unit is conveyed, the Developer is solely responsible for all Common Expenses as set forth in Paragraph 7.20 herein. Following the first conveyance, the Owners of Units to whom title has been conveyed are responsible for their percentage share of the Common Expenses and the Developer is responsible for payment of all Common Expenses assessed against Units which have not been initially conveyed to an individual purchaser and for which an initial Certificate of Occupancy has been issued.

For so long as it designates a majority of Board Trustees, the Developer will not cause the Common Expense Assessment to be artificially low.

#### **7.11 Annual Common Expense Assessment Not Made**

Except when the Developer holds the majority of the Board seats, if a Common Expense Assessment is not made annually, an assessment is presumed to have been made in the amount of the prior year's Common Expense Assessment plus ten percent (10%). Installments of the presumed annual Common Expense Assessment are due on each installment payment date until a new annual Common Expense Assessment or new installment payment dates are adopted.

#### **7.12 Due Dates of Annual Common Expense Assessment**

Annual Common Expense Assessments are made for a yearly period to be determined by the Board and are payable in advance in monthly installments due upon the first day of each month or in such other installments and upon such other due dates as the Board establishes.

#### **7.13 Emergency Common Expense Assessment**

In the event the regular annual Common Expense Assessment is insufficient for an immediate need or emergency, the Board may amend the budget and assessment and levy an Emergency Common Expense Assessment. The determination of an immediate need or emergency is at the Board's sole and absolute discretion. Notice of any such amendment of the budget and assessment and the levying of an Emergency Common Expense Assessment is to be in writing delivered to Unit Owners in the manner provided in Article 18.03 of the Bylaws. The notice is to specify the due dates of the Emergency Common Expense Assessment or any installments therein. Within thirty (30) days of any Emergency Common Expense Assessment, the Board is to memorialize by written resolution the factual basis for and the fact that an Emergency Common Expense Assessment was made.

#### **7.14 Special Common Expense Assessment, Bulk Real Estate Tax Bills**

In addition to all other types of assessments authorized herein, in any assessment year the Board may levy a Special Common Expense Assessment to defray in whole or in part the cost of any responsibility of the Association, including but not limited to, any reconstruction, unexpected repair or replacement of an existing Common Elements capital improvement not determined by the Board to constitute an emergency or immediately needed, but for which funds held in reserve are inadequate; or, for any other lawful purpose except new capital improvements subject to Paragraph 7.15 herein. If a Special Common Expense Assessment for an assessment year together with all other Special Common Expense Assessments for that assessment year in the aggregate exceeds the sum of \$15,000.00 increased by the percentage of increase in the Consumer Price Index for all Urban Consumers published closest to the date the Recording Officer records this Master Deed, it must be authorized by the affirmative vote of two-thirds of the Members in Good Standing. This vote is to be taken at a meeting duly called for such purpose. Written notice stating the purpose of that meeting must be sent to Unit Owners in the manner set forth in Article 18.03 of the Bylaws at least thirty (30) days in advance. The due dates of any Special Common Expense Assessment or any installments therein are fixed in the Board resolution authorizing same.

As the Condominium is to be constructed in Phases, it is possible that real estate property tax bills for or special assessments and other charges imposed by taxing authorities on portions of the Common Elements to be or which previously have been dedicated to the Condominium may be issued directly to and in the name of the Developer or the Association and not reflected in the Municipality's assessment of real estate taxes on individual Units based on their undivided percentage interest in same. All real estate property taxes, special assessments and other charges imposed by taxing authorities are to be separately assessed against and collected on each Unit and its undivided percentage interest in the Common Elements as a single parcel, as provided by the Condominium Act. If any such taxes, assessments or charges are not separately assessed or taxed to each Unit, then the Owners of each Unit must pay their proportionate share therein in accordance with the percentage undivided interest in the Common Elements and the Board must levy and collect a Special Common Assessment for any such year, if necessary.

Nothing herein relieves the Developer from its sole responsibility for real estate taxes or special assessments and other charges imposed by taxing authorities on Units before title to each of same is conveyed to third party purchasers or on the Property or lands before they are dedicated to the Condominium.

#### **7.15 Capital Improvement Common Expense Assessment**

In addition to the other assessments herein authorized, the Board may levy a Capital Improvement Common Expense Assessment for the purpose of acquiring or constructing any new capital improvements. For purposes of this Paragraph "Capital Improvements" mean any improvement to the Property undertaken by the Association for which monies have not been provided in the first Association budget or reserves. If, during any assessment year, a Capital Improvement Common Expense Assessment, together with all other Capital Improvement Common Expense Assessments for the assessment year, exceeds in the aggregate the sum of \$15,000.00 increased by the percentage of increase in the Consumer Price Index for all Urban Consumers published closest to the date the Recording Officer records this Master Deed, it must be authorized by the affirmative vote of two-thirds of the Members in Good Standing. This vote will be taken at a meeting duly called for this purpose. Written notice stating the purpose of the meeting must be sent to all Unit Owners in the manner set forth in Article 18.03 of the Bylaws no less than thirty (30) days in advance of the meeting. The due dates of Capital Improvement Common Expense Assessments, or any installments therein, may be fixed in a resolution of the Board authorizing same.

#### **7.16 Exemption from Capital Improvement Common Expense Assessments**

In spite of anything to the contrary herein, neither the Developer nor any Mortgage Holder is obligated to pay any assessments for new capital improvements, whether by way of regular Common Expense or other type of assessment. This Paragraph 7.16 of the Master Deed may not be amended without the prior written consent of the Developer and every Mortgage Holder.

#### **7.17 Remedial Common Expense Assessment**

In addition to the other assessments herein authorized, the Board may levy a Remedial Common Expense Assessment against any individual Unit whenever required or permitted to do so by this Master Deed, Bylaws or the Rules and Regulations that authorize the levying and collecting of Remedial Common Expense Assessments, such as, but not limited to, Paragraph 8 of this Master Deed. The Board may also provide in the Rules and Regulations for ordinary maintenance and minor repairs and replacements to Units or Limited Common Elements for which Unit Owners are responsible, to be undertaken by the Association's personnel, contractors or other representatives and charged to the responsible Unit Owners as a Remedial Common Expense Assessment.

#### **7.18 Miscellaneous Common Expense Assessments**

To the extent that the Association is permitted by New Jersey law to levy, impose or collect any and all fines, late charges, costs of collection, including reasonable attorney and paraprofessional fees, interest on unpaid assessments, and any and all capital contributions, escrow deposits or any other sums required to be paid to the Association by a Unit Owner as per this Master Deed, Bylaws, Certificate of Incorporation, Rules and Regulations or any duly adopted resolution of the Board are deemed Common Expense Assessments which each Unit Owner has agreed to pay and for which each Unit Owner is liable pursuant to the provisions of Paragraphs 7.01 and 7.02, respectively, of this Master Deed. They are to be collected by the Association in the same way as other assessments pursuant to the provisions herein and N.J.S.A. 46:8B-21.

#### **7.19 Interest in Common Surplus**

Any Association common surplus resulting from an excess of income over expenses that the Board, in its sole discretion, opts to refund to Unit Owners, must be allocated among the Members in the same way those expenses were assessed.

## **7.20 Developer's Ownership and Assessment Obligations**

For purposes of this Paragraph 7.20, "unsold Units" means any Unit title not transferred from the Developer to an unrelated third party. From and after the conveyance of title to the first Unit in any Building dedicated to the Condominium, if there are unsold Units in such Building, the Developer is deemed the Owner of the unsold Units under the same terms and conditions as all other Unit Owners. The obligation of the Developer to pay any type of Common Expense or other assessments, including reserves for a particular Unit in a Building, commences on the date that the Unit is issued a municipal Certificate of Occupancy, subject to the Developer's duty to pay for benefits it derives from the Association. The Developer is not, however, obligated to pay any Common Expense or other assessments except for reserves for so long as Developer is providing any subsidy or guarantee of maintenance fees or Common Expense Assessments to Unit Owners.

## **7.21 Subordination of the Lien to Mortgage**

The lien of the assessments provided for herein shall be subordinate to any lien for past due and unpaid taxes and the lien of any first mortgage or mortgages held by an Institutional Lender now or hereafter placed upon any Home; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of any such Home pursuant to judgment of foreclosure or a deed in lieu of foreclosure. Such sale or transfer shall not relieve any such Home from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

If an Institutional Lender or other purchaser of a Home obtains title to such Home as a result of foreclosure of such first mortgage (or by a deed of conveyance in lieu thereof), such acquirer of title, his/her successors and assigns, shall not be liable for the assessments by the Association pertaining to such Home or chargeable to the former Homeowner thereof which became due prior to acquisition of title as a result of the foreclosure. Such unpaid sums shall be deemed to be Common Expenses collectible from all of the remaining Homeowners, including such acquirer, his/her successors and assigns.

Liens for unpaid assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Subject to the foregoing exceptions, suit to recover a money judgment for unpaid assessments may be maintained against the record Owner of the Home as of the effective date of the assessment or against all subsequent record Owners thereof, without waiving the lien securing same, all of which record Owners shall be jointly and severally liable with respect to same.

## **7.22 List of Assessments, Notice of Assessment and Certificate as to Payment**

The Board shall cause to be prepared, at least thirty (30) days in advance of the due date of each annual or special assessment, a list of the Lots and Homes and the assessments applicable thereto, in alphabetical order, according to the names of the Owners thereof, which list shall be kept in the office of the Association and shall be open to inspection, upon request, by any Owner. Written notice of the assessments shall be sent to every Owner subject thereto.

The Association shall, upon the request of any Owner liable for an assessment or of the mortgagee of any Home, furnish to such Owner or mortgagee a certificate in writing, signed by an officer of the Association, setting forth whether or not such assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any assessments therein stated to have been paid.

If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount equal to one hundred ten (110%) percent of the last prior years assessment except while the Developer maintains control of the Board, and any installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and annual assessment may be amended at any time by the Board, provided, that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency without the consent of the Members.

**7.23 Acceleration of Assessment Installments and Other Remedies of the Association**

If an Owner shall be in default in the payment of an installment upon an assessment, the Board may accelerate the remaining installments of the assessment for that fiscal year upon notice to the Owner, and the then unpaid balance of the assessment for that fiscal year shall become due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Owner, or not less than ten (10) days after the mailing of such notice to him by regular mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board may, at the Board's sole discretion (i) accelerate the remaining installments of the assessment for that fiscal year and (ii) file a lien for such accelerated assessment and (iii) notify any mortgagee of the Home affected of such default if such mortgagee has requested such notice from the Association in writing. If said default continues for a period of ninety (90) days, then the Board may, in the Board's discretion, foreclose the foregoing lien pursuant to law and/or to commence a suit against the appropriate Owner(s) to collect said assessment.

**7.24 Interest and Counsel Fees**

The Board, at its option, shall have the right in connection with the collection of this, or any other, charge to impose a late fee, or an interest charge at the legal maximum rate if such payment is made after a certain date stated in such notice. In the event that the Board shall effectuate collection of said charges by resort to counsel, the Board may add to the aforesaid charge or charges a sum or sums of twenty (20%) percent of the gross amount due as counsel fees, in addition to such costs allowable by law.

**7.25 Contribution to Capital**

Each Homeowner shall, at the time he acquires title to his/her Lot and Home, be obligated to pay to the Association a one time non-refundable and non-transferable contribution equal to three (3) months of the then current annual maintenance fees for the home at the time of acquisition which may be utilized for any lawful purpose which the Board may deem appropriate.

**Paragraph 8. MAINTENANCE RESPONSIBILITIES**

**8.01 Maintenance of Units by Unit Owners**

All Unit Owners, at their own cost and expense must promptly furnish, perform and be responsible for all of maintenance, repairs and replacements to their Unit in accordance with requirements of this Master Deed, Bylaws and Rules and Regulations. Except as herein provided, maintenance, repairs and replacements of the plumbing fixtures and systems, electrical wiring and receptacles, appliances and equipment, and lighting fixtures or part of any Unit that are not Common Elements are Unit Owners' responsibilities, at their expense. Maintenance, repair, replacement, cleaning and washing of all walls, ceilings, all windows and door frames, sills, sashes, glass and screens, garage doors, skylights, and any other integral part or appurtenance of their respective systems, paint, wallpaper, paneling, floor covering, draperies, light bulbs, and window shades or curtains within any Unit, are the Unit Owners' responsibility, at their expense. Unit Owners are also responsible for snow and ice clearing from their Unit's decks, balconies, patios, and porches in compliance with Association Rules and Regulations and applicable laws. However, the Association is responsible for snow and ice clearing on the exterior front entry stairs, front entry landings and driveways that provide access to garages that are part of a Unit. See Paragraphs 5.03 and 5.05 herein.

The Association, its agents and employees may effect emergency or other necessary repairs that a Unit Owner fails to perform. Any expense so incurred is the responsibility of the Unit Owner affected thereby. Maintenance, repairs and replacements required to common plumbing, mechanical, electrical and water supply systems within the Common Elements will be furnished by the Association. Unit Owners are responsible to promptly report to the Board, in writing, any defect or need for maintenance, repairs or replacements, the responsibility for which is that of the Association.

**8.02 Responsibilities of the Association - General**

The Association must furnish the maintenance, repairs and replacements required for the functioning of any common electrical, common sewer or common water supply systems that are within the Common Elements, as well as for the General Common Elements themselves, as defined in Paragraph 5.01 herein, including but not limited to, the exterior and roof of Buildings, parking areas, roadways, common sidewalks, common walkways, fences and walls. Despite Paragraph 8.01, the Association is responsible for applying paint, stain and caulk at regular intervals to all exterior surfaces of the Common Elements and the Units. All Association costs to discharge its responsibilities are Common Expenses.

The Common Elements and their use must be in compliance with governmental regulations and laws; the Association's Rules and Regulations, Bylaws and this Master Deed.

### **8.03 Rights of the Association**

The Association may effect emergency maintenance, repair and replacements to any Unit or Limited Common Element for which a Unit Owner is responsible but has failed to perform. The Association expenses incurred in doing so may be levied against the Owner of that Unit as a Remedial Common Expense Assessment. The Association may also effect non-emergency maintenance, repair to or replacement of any Unit or Limited Common Element for which the Unit Owner is responsible and has failed to perform such maintenance, repair or replacement. The Unit Owner will be charged the reasonable expenses incurred as a Remedial Common Expense Assessment, but only if: (a) any such failure by the Unit Owner has or will have a material and adverse impact on any other part of the Condominium; and, (b) the Unit Owner responsible for such maintenance, repair or replacement has failed to remedy the situation within thirty (30) days after the Association gives the Unit Owner written notice of the need for such maintenance, repair or replacement.

### **8.04 Access to Units**

The Association has the irrevocable right, exercised by the Board or managing agent or other Association agent, to have access to each Unit during reasonable hours for the inspection, maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom or for making emergency inspections or repairs therein necessary to prevent damage to the Common Elements or to another Unit. Prior notice is to be given to the Unit Owner or occupant except in the case of an emergency.

### **8.05 Damage Due to Negligence, Omission or Misuse**

If damage is caused to the Common Elements or to Units owned by others or maintenance, repairs or replacements are required which would otherwise be a Common Expense that are caused or are due to the negligent act or omission of or misuse by a Unit Owner, or a member of the Unit Owner's family or household pet, guest, occupant or visitor (whether authorized or unauthorized by the Unit Owner), the responsible Unit Owner is liable and must pay for any such damages, liability, costs and expenses, including attorney and paraprofessional fees, caused by or arising out of such circumstances as a Remedial Common Expense Assessment. Any such maintenance, repairs and replacements to the General or Limited Common Elements or to Units are subject to the Bylaws and Rules and Regulations. In the event of the failure of any Owner to perform any such maintenance or to make any such repairs or replacement as shall be required, the Association shall have the right, but not the obligation, to do so on the Owner's behalf and to assess the costs of same against such Owner as a Miscellaneous Expense under Article 7 of this Master Deed. If the Owner fails within ten (10) days after any such damage, then the Association shall have the right, but not the obligation, to make repairs.

## **Paragraph 9. EASEMENTS**

### **9.01 Unit Owner Easements**

If any portion of the Common Elements encroaches on any Unit, or vice-versa, or if a portion of one Unit encroaches on another Unit, a valid easement for the encroachment and for

the maintenance of the same exists for so long as it stands. If any Building is partially or totally destroyed and is then rebuilt in substantially the same location, and as a result of such rebuilding any portion of the Common Elements encroaches upon the Units, or vice-versa, or any of the Units encroach on another Unit, a valid easement exists for such encroachment and for the maintenance therein, so long as it stands.

**9.02 Developer's Nonexclusive Easement to Common Elements and Rights Reserved**

(A) A valid, nonexclusive easement for the benefit of the Developer exists in, on, over and across the General Common and Limited Common Elements for the maintenance, operation and renewal therein, as a means of providing ingress and egress to other portions of the General and Limited Common Elements and to other lands now or hereafter controlled by the Developer or its Affiliates, successors or assigns.

(B) For as long as Developer leases or has, in the ordinary course of business, one or more Units whose title has not been conveyed to a third party not an Affiliate of the Developer, the Developer and its Affiliates have an easement for ingress and egress and the right to bring agents, prospective purchasers, lessees, contractors and the like in, on, over and across the Common Elements and Limited Common Elements.

(C) An easement is reserved to the Developer and its Affiliates to install, maintain or convey ownership and responsibility to a municipal utility authority or private utility company or others for any utility meters, lines, wires, conduits, pipes and other facilities necessary for the proper maintenance of the Common Elements or systems servicing the Property, Buildings or Units. A blanket, perpetual and nonexclusive easement of unobstructed ingress in, on, over, across and through the Common Elements, is granted to the Developer, the Association and to the municipality within which the Condominium is located and its agents and agencies, and as well as each of their respective Affiliates, officers, agents, employees and all police, fire, ambulance and other emergency personnel in the proper performance of their respective duties (including but not limited to emergency or other necessary repairs to a Unit which the Unit Owner has failed to perform), and for repair and maintenance of the Common Elements.

(D) The Developer reserves the following easements with respect to the Property:

- i. A blanket and nonexclusive easement in, on, through, under, over and across the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units, utility systems or the Common Elements; for use and access to one or more on-site sales, storage, construction and service trailers which the Developer may relocate at its discretion to other areas of the Property; for ingress and egress and the use of all driveways, parking areas, and for the use of Developer owned Units for models, administrative offices, for rental and sales promotion and exhibition of Units and other real property offerings of the Developer or its Affiliates; all until two (2) years after the date the last Unit conveyed in the normal course of the Developer's business, but in no event more than ten (10) years from the date this Master Deed is recorded. Developer is to pay to the Association all Common Expenses and other assessments on Units it leases, except as set forth in Paragraph 7.16 herein.
- ii. An irrevocable easement and right to enter in, on, through, under, over and across any Unit for such purposes as reasonably necessary for the Developer or its agents to service such Unit or any part of the Building or Property provided that a request for entry is made in advance and entry is at a time reasonably convenient to the Unit's Owner. In emergencies, the right of entry is immediate whether the Unit Owner is present or not. For as long as Developer or its Affiliates hold title to any Unit in the ordinary course of business they reserve the right and an easement to lease those Units to third parties.
- iii. A perpetual, blanket and nonexclusive easement in, on, over, under, across and through the Common Elements for surface water runoff and drainage



caused by natural forces and elements, grading or the improvements located on the Property or other property now or hereafter owned or controlled by the Developer or its Affiliates. Unit Owners must not in any way directly or indirectly interfere with or alter the drainage and runoff patterns, systems and improvements within the Condominium.

- iv. A perpetual, blanket and nonexclusive easement in, on, through, under and across the Common Elements for the purposes of construction, installation, maintenance and repair of lines, conduits, meters, utilities and other facilities necessary for the operation of a private cable, satellite or other type of master antenna television system. This easement may be assigned. Unit Owners must not in any way directly or indirectly interfere with or alter the use of this easement or systems. Neither the Association nor any Unit Owner is obligated by this Master Deed or the reservation of this easement to contract for the use of any such system installed in accordance with this easement.
- v. A perpetual, blanket and nonexclusive easement in, on, through, across and over the Common Elements for access to the site entrance sign or signs. The Association is responsible to maintain and light these signs as originally constructed. Developer reserves the right to maintain these signs if the Association fails to do so. These signs must not be altered or changed in any way without Developer's prior written consent.

(E) Developer reserves the easement and the right to assign and to grant future easements to neighboring properties to permit the grantee to connect into one or more of the water, storm sewer, sanitary sewer, gas, electric or other utility systems servicing the Condominium all for the benefit and enjoyment of the neighboring properties; provided that the grantee of any such easement is obligated to maintain its connections to said systems and its lines. The right to grant such easements expires on Developer's conveyance of title to the last Unit ultimately to be conveyed within the Property.

(F) Despite any language in this Master Deed to the contrary, the Developer and its successors and assigns have the absolute and sole right, without needing the consent of the Association, its Members, Owners, mortgagees or other persons, to grant, dedicate and convey roads within the Condominium to the Municipality pursuant to the New Jersey Municipal Services Act N.J.S.A. 40:67-23.2, et seq., and to grant and convey easements to any governmental entity, authority or agency or to any utility company, provided that the Developer in its sole discretion determines that the said grants, conveyances or easements benefit the Condominium Property.

(G) The easements and the rights reserved herein may be assigned in whole or in part by the Developer without the consent of the Association, its Members, and Owners, mortgagees or other persons. The Developer may execute and record easements or other documents or permit applications necessary for the above purposes as "Owner" and on behalf of the Association and Unit Owners. All such applications will be at the Developer's sole expense.

### **9.03 Easement to Association**

The Association has a perpetual easement for the maintenance of any Common Elements, including those which may presently or hereafter encroach upon a Unit and the Association, through the Board, any managing agent, their respective agents or employees have the perpetual and nonexclusive right of access to each Unit to: inspect a condition that is affecting other Units; remedy any violations of the provisions of this Master Deed, Bylaws or Rules or Regulations; and, to perform any operations required in connection with the maintenance, repair or replacement of or to the Common Elements or any equipment, facilities, systems or fixtures affecting or serving other Units or the Common Elements provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner, made during daylight hours, except in cases of an emergency. In cases of emergency, such right of entry is immediate whether the Unit Owner is present or not.

### **9.04 Mortgage Holder Easements**

Any Mortgage Holder, its officers, agents and employees, have a blanket, perpetual and nonexclusive easement to enter the Condominium or any part therein to inspect the condition and repair of the Common Elements or any Unit encumbered by a First Mortgage owned, insured or guaranteed by it. This right is to be exercised only during reasonable daylight hours and then, whenever practicable, only after advance written notice to and with the permission of the Board for Common Elements or the Unit Owner for a Unit.

#### **9.05 Municipal Easements and Maintenance Rights**

The Condominium is subject to a blanket, perpetual but nonexclusive easement of unobstructed ingress to and egress from, access to and travel within, on, over, under, across and through same to the Municipality within which the Condominium is located, its respective officers, agents, and employees (but not the public in general), and all police, fire, ambulance and other emergency personnel in the proper performance of their respective duties (including but not limited to emergency or other personnel necessary for maintenance, repair or replacement to a Unit which the Unit Owner has failed to perform) and for emergency or other necessary maintenance, repair or replacement of the Common Elements which the Association has failed to perform. This easement for the benefit of the Municipality includes a maintenance easement authorizing, but not requiring, the Municipality to enter upon the Condominium for the inspection or maintenance of any detention basin or other stormwater detention facilities established within the Condominium and for which the Association is responsible if the Association fails to fulfill its responsibilities relative thereto. Except in the event of emergencies, the rights accompanying this easement must be exercised only during reasonable hours and, whenever practicable, only after advance notice to and with permission of the Board of Trustees, for Common Elements or the Unit Owners directly affected thereby.

If the Condominium is not maintained in reasonable order and condition, the governing body of the Municipality or its agents have the easement and right to enter and maintain the Condominium. The assumption of such maintenance responsibility is to be in accordance with the procedures set forth in N.J.S.A. 40:55D-43(b). The cost of same will be assessed, enforced and collected in accordance with N.J.S.A. 40:55D-43(c). Despite any limitations as to the applicability of N.J.S.A. 40:55D-43(b) and N.J.S.A. 40:55D-43(c) to the maintenance of "open space," this Paragraph 9.05 is to apply to all of the maintenance obligations set forth in this Master Deed. The cost of such maintenance by the Municipality will be assessed pro rata against the Owners of each Unit in the Condominium, is a lien and tax against each Unit in the Condominium and may be enforceable by the Municipality in the manner provided by law with respect to real estate taxes assessed directly against each Unit.

#### **9.06 Utility Easements**

The Condominium is subject to a blanket, perpetual and nonexclusive easement in, on, over, across and through the Common Elements and Limited Common Elements for the purpose of installation, maintenance, repair and replacement of all sewer, water, power, gas, telephone, security alarm, satellite or cable or other type of television, fire suppression or lawn sprinkler, systems, facilities, equipment, mains, conduits, wires, poles, transformers, meters and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility or other systems serving the Property. Said easements are for the benefit of any governmental agency, utility company or other person or entity that requires same for the purpose of maintaining, etc., said systems or furnishing one or more of these services. The width of this easement is to be of reasonable size so as not to interfere with the use and enjoyment of the Common Elements.

#### **9.07 Drainage Easement**

Developer and Homeowners, their successors and assigns, shall have a blanket, perpetual and non-exclusive easement in common in, upon, over, under, across and through the Property for surface water runoff and drainage caused by natural forces and elements, grading, and/or the improvements located upon the Property. No individual Homeowner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Property, including any such facilities and patterns on any individual Lot. Additionally, the Association has a drainage and maintenance easement for outfall structures of the Association's detention basins.

#### **9.08 Landscape Easements/Conservation Easements/Shade Tree Easements**

To the extent any landscape easements and/or conservation easement and/or shade tree easements exist on the Common Property and/or the Lots, the Association shall maintain such easements in accordance with the manner in which such easements are intended unless the Township of Delanco assumes such responsibilities.

### **Paragraph 10. ADMINISTRATION AND POWER OF ATTORNEY**

#### **10.01 The Administering Association**

The Condominium will be administered, supervised and managed by the Association, which acts by and on behalf of Condominium Unit Owners, in accordance with this Master Deed, the Bylaws and the Condominium Act. The Bylaws are an integral part of the plan of ownership herein described and this Master Deed is to be construed in conjunction with the provisions of the Bylaws. Pursuant to the requirements of the Condominium Act, the Association is hereby designated as the form of administration of the Condominium. The Association is hereby vested with the rights, powers, privileges and duties necessary to and incidental to the proper administration of the Condominium, the same being more particularly set forth in the Bylaws. The Association is empowered to exercise any of the rights, powers, privileges or duties which may, from time to time, be established by law or which may be delegated by the Unit Owners. Nothing to the contrary contained either in this Master Deed, Certificate of Incorporation or the Bylaws serves to exculpate members of the Board appointed by the Developer from their fiduciary responsibilities.

In accordance with N.J.A.C. 5:26-8.2, the Association

(a) is subject to this Master Deed, the Bylaws, or other instruments of creation, may do all that it is legally entitled to do under the laws applicable to its form of organization;

(b) is to discharge its powers to protect and further the health, safety and general welfare of Condominium residents; and

(c) is to provide a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association, and between different Unit Owners that is to be readily available as an alternative to litigation.

While the Developer controls the Association Board of Trustees, the Developer may not take any action, which adversely affects a Unit Owner's rights under N.J.A.C. 5:25-5.5. Warranty coverage and claims against the Developer for defects in Common Elements are to be processed in accordance with N.J.A.C. 5:25-5.5.

#### **10.02 Association's Power of Attorney**

By acceptance of a deed to a Unit or by acceptance of any other legal or equitable interest in the Condominium, each contract purchaser, Unit Owner, mortgagee, lienholder or other person having any legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Association as attorney-in-fact for the following purposes:

(a) to acquire title to or lease any Unit whose Owners desire to surrender, sell or lease same, in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners, to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or to otherwise dispose of any such Units so acquired or to sublease any Units so leased by the Association; and,

(b) to prepare, execute and record Amendments and Supplements to the Master Deed. At no time can the Association or the Board impose any right of first refusal or similar restriction on any Units.

#### **10.03 Duties of the Association**

The annual assessments levied by the Association shall be used exclusively for promoting the health, safety, pleasure and welfare of the Homeowners and for the costs and expenses incident to the operation of the Association, including, without limitation, the following:

- A. Maintenance and repair of all facilities on the Common Property, including parking areas, drives, paths, right-of-ways, drainage ways, storm pipes and outfall structures (even if such outfall structures are within an easement outside of the Common Property), catch basins, ponds and streams, fences and retaining walls (even if such retaining walls are on a privately owned Lot; in that case, the Owner shall not do anything to destroy or compromise the structural integrity of such a wall);
- B. Payment of the cost of lighting, where appropriate, for the Common Property including maintenance and repairs thereof;
- C. Payment of all taxes and insurance premiums required to be paid by the Association;
- D. Any costs and expenses incidental to the operation and administration of the Association and its facilities and services;
- E. Snow clearance of over two (2) inches of snow from drives, parking lots and walkways located on the Common Property;
- F. Retaining a management firm or manager to maintain the Common Property and carry out the duties of the Association, provided, however, that any management agreement for the Property will be terminable by the Association with or without cause upon thirty (30) days prior written notice thereof, and the term of any such agreement shall not exceed one (1) year;
- G. Providing for the manning of the gatehouse for the Community as deemed appropriate by the Board;
- H. Snow clearance from driveways and walkways (leading from front door to driveway) for the Lots (by the same standard set forth in 7.1.5 above);
- I. Snow clearance for sidewalks along public rights-of-way of the Property (by the same standard set forth in 7.1.5 above) lawn and landscape maintenance on the Common Property;
- J. Lawn care, cutting and sprinkler system maintenance (including the cost of water and electricity therefore) of the Lots;
- K. Providing such other items as may from time to time be deemed appropriate by the Board.

#### **10.04 Service Which May Be Performed at the Option of the Association - Procedure**

Developer shall have the right to make such improvements and provide such facilities on the Common Property as it considers to be advantageous to the Common Property and to the Owners of Homes. The Association shall be obligated to accept such improvements and facilities and to properly maintain the same at its expense. The Association, at its expense, also shall maintain and carry on the services instituted, from time to time, by Developer for the benefit of the Common Property and the Owners. In addition to the required maintenance of the Common Property and of the improvements and facilities thereon and the aforesaid services required to be performed, the Association may furnish (but shall not be required to furnish) such services as the Board from time to time, by resolution, may propose, unless the projected cost of such additional services exceeds, in the aggregate, the amount equal to one-sixth (1/6) of the current annual Association Dues per Home, in which event such proposed additional services must first be authorized by a vote in person or by absentee ballot of two thirds (2/3) of all the votes eligible to be cast at a meeting of Members duly called for this purpose.

## Paragraph 11. RESTRICTIONS

### 11.01 General Restrictions

Units and Limited Common Elements appurtenant to any Unit cannot be used for any purpose other than as a private residence except for those Units used by the Developer as sales, administrative or other offices or models. Unit Owners, tenants and occupants of Units may use the Common Elements in accordance with the purposes for which they are intended but may not hinder or encroach on the lawful rights of other Unit Owners, tenants or occupants. Unit Owners must not cause or permit anything to be stored or kept in attic or roof areas; nor can they permit anything to be hung, displayed or placed on the outside walls, doors or windows of any Building whether or not Common Elements, except in accordance with the Rules and Regulations. Unit Owners and occupants must not store or use anything, including but not limited to, bicycles, wood, barbecue or other grills or garbage/recycling containers on the Limited Common or Common Elements, except in compliance with the Rules and Regulations. Signs are not permitted on the exterior or interior of any Unit. Electric barbecue grills are the only type of grills permitted, except if other types of grills are allowed by the Rules and Regulations. Unit Owners must not permit anything to be done or kept in their Unit or in the Common Elements which will result in the cancellation of insurance on any Building or contents therein, or which is in violation of any law or which will increase the rate of insurance of any Buildings or contents therein applicable for residential use, except in compliance with the Rules and Regulations. Waste must not be committed on or to any of the Common Elements. Trusses which make up the roof structure are Common Elements and must not be altered in any manner. Flooring above ceiling trusses are for access only and are not to be used for any storage. Unit Owners must not obstruct, cover, paint or otherwise interfere in any way with the proper operation of any fire suppression sprinkler or alarm system which may be installed in a Unit. Unit Owners and occupants must keep operational any fire or smoke alarm systems in their Units and not obstruct their operation. Noxious and offensive activities and noise are not permitted or allowed in or on the Common Elements or any Unit nor can anything be done therein either willfully or negligently which is or may become an annoyance or nuisance to Condominium residents.

Recreational vehicles (campers, house trailers, motor homes, etc.) and Commercial Vehicles must not be parked overnight on the Common or Limited Common Elements without the prior written approval by the Board or its designated committee or representative for this purpose, except if parked within enclosed motor vehicle garages or in areas designated in the Rules and Regulations. Vehicles are not to be used as living quarters. "Commercial vehicles" refers to pick-up trucks, vans, trucks, tractors, trailers, wagons, or any oversized or other motor vehicles having commercial license plates or used for commercial purposes or which have advertisements of one or more businesses painted or permanently affixed to same and which cover an aggregate of more than thirty (30) square inches.

Owners are not permitted to use or install any loudspeaker, solar collector, floodlight, clothesline, window air conditioner, fan, heat pump or other similar cooling, heating or ventilating device in any window, door or other exterior opening of a Unit or Common Element without the prior written approval of the Board or its designee. Garages may not be converted to living space or storage space to the extent that inhibits the use of the garage for motor vehicle parking or storage as originally designed.

Units must be heated to the extent necessary to prevent damage to the Unit or Common Elements from freezing temperatures from October 1 through April 30 of each year even if the Unit is not occupied. Unit Owners who fail to heat their Unit are obligated to pay a Remedial Common Assessment and the costs of any damage caused to any part of the Condominium except to the extent covered by the Association's insurance proceeds.

Unit Owners and occupants are not permitted to plant or maintain any matter or things on, in, over, or under the Common Elements or Limited Common Element without the prior written consent of the Board unless permitted by the Rules and Regulations.

The Board, pursuant to the Bylaws, must adopt Rules and Regulations which will be in addition and supplement to restrictions on use of Units and the Common Elements. As long as the Rules and Regulations are consistent with the intent and purposes set forth herein, they are not deemed to be amendments.

### **11.02 Occupancy of Units**

Units must be occupied in accordance with the restrictions and limitations contained in this Master Deed, Bylaws and the Rules and Regulations. Units must be used by their Owners and occupants only for private, single family residential living by those persons living together in the Unit as a bona-fide single housekeeping unit. At any given time, there must be no more than a total of three (3) full-time residents of a one (1) bedroom Unit; five (5) full-time residents of a two (2) bedroom Unit; and, six (6) full-time residents of a three (3) bedroom Unit. For purposes of this Paragraph 11.02, "full-time resident" means any person (Owner, tenant, guest, lessee, invitee, licensee, etc.) who lives, sleeps, eats or uses the Unit as their habitat more than using another habitat for such purposes during any given month. A Unit's residents need not be related by blood, marriage, adoption or otherwise. The purpose of this Paragraph is to: preserve a stable residential home character; control population density, parking and traffic volumes; protect health and safety by preventing overcrowding of the Condominium; and, to create a reasonable relationship between the total number of residents, habitable floor area, sleeping and health facilities.

### **11.03 Rental Restrictions on Units**

Units must not be rented or used by their Owners for transient or hotel purposes, which is defined as (a) rental for any period of less than 180 days or (b) rental if the Unit's occupants are provided customary hotel services, such as room, food and beverage, maid, laundry, linen, bell hop, etc. Other than the foregoing restriction and the requirement that not less than the entire Unit may be leased during any applicable time period, Unit Owners (including the Developer and its Affiliates and mortgagees-in-possession) have the absolute right to lease any Unit. All leases must be in writing; must comply with the notice provisions of N.J.S.A. 2A:18-61.9; and, must state that their terms are subject to the covenants, conditions and restrictions contained in this Master Deed, Bylaws, the Rules and Regulations and the Condominium Act. Failure by the lessee to comply with the terms of those documents is a default under the lease. Each lease must contain the assignment of lease, rent and other language required by and set forth in the Bylaws, Article 4.05. If a Unit lessee fails to comply with the provisions of this Master Deed, Bylaws, Rules and Regulations or the Condominium Act; then, in addition to all other remedies which it may have, the Association may notify the Unit Owner of the violation and demand it be remedied through the Unit Owner's efforts within thirty (30) days after the notice. If the violation is not so remedied, then the Unit Owners at their own expense must immediately thereafter institute and diligently prosecute an eviction action against their lessee or other Unit occupant on account of such violation. If the Unit Owner fails to undertake or complete the foregoing; then the Board has the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner at the Unit Owner's sole cost and expense, including all costs and attorney and paraprofessional fees incurred. Those costs and expenses will constitute a lien on the particular Unit. Collection therein may be enforced by the Board in the same way as the Board enforces collection of assessments. By accepting a deed to any Unit, each Unit Owner automatically and irrevocably name, constitute, appoint and confirm the Board as their attorney-in-fact for the purposes described in this Paragraph 11.03. Failure of the Board to act under its above rights is not a waiver of same.

The Owners do not have the right to use the Common Elements and common facilities during any period that their Unit is occupied by others or leased to third parties.

### **11.04 Modification of Units**

Unit Owners cannot make or allow to be made any structural modifications or alterations in or to their Unit without the prior written consent of the Association or of its duly authorized representative appointed in accordance with its Bylaws. No acts are permitted to be done by a Unit Owner or occupant under any circumstances which impairs or may tend to impair the structural integrity or adversely affect any Building, Unit or Common Elements. Interior partitions or non-bearing walls in each Unit may be removed or replaced by the Unit Owner subject to the prior written approval of the Board. If a Unit Owner removes or replaces any interior partitions or non-bearing walls, no amendment to the Master Deed is necessary or required. No Unit may be partitioned or subdivided without prior written approval of any

Eligible Mortgage Holder for that Unit and the Board. None of the foregoing approvals apply or are required to be obtained by the Developer before the initial conveyance of any Unit(s) it owns.

Two or more Units may be physically joined together to form a single residence provided that (a) all applicable laws, codes, governmental approvals and the Master Deed, Bylaws and the Rules and Regulations are complied with; (b) the joining of the Units does not impair the structural integrity, mechanical systems or lessen the support of the Common Elements; and, (c) does not change the exterior appearance of the Units without the approval of the Association. The Developer's joining of Units before they are conveyed to third parties does not require Condominium Association approval. Joining of Units by their Owners after the Developer conveys title to them to third parties must first be approved by the Condominium Association. Despite being combined, each individual original Unit still (a) has its equal undivided percentage interest in the Common Elements computed as set forth herein; (b) has equal responsibility for the Condominium Association's expenses and all types of Common Expense and other Assessments; and, (c) and continues to be separate parcels of real estate.

Unit Owners and occupants must not erect or have erected any fence, partition, wall, divider or similar structure interior or exterior to their Unit other than any such structure erected by the Developer; make or allow to be made any alterations or replacements to the exterior of the Unit including, but not limited to, doors, windows or skylights (despite that such alteration or replacements are to portions of the Unit) or to any Common Elements without the prior written approval of the Board or its representatives.

Nothing prohibits the reasonable adaptation of any Unit for handicapped use.

#### **11.05 Use**

No Home or Lot, except those owned by Developer or a Builder or the Association and/or used by Developer or a Builder for sales, administration, construction, maintenance or similar purposes, shall be used for any purpose other than as a private residence. Further, the Common Property shall not be utilized for any residential or commercial purpose not expressly permitted by this Master Deed.

#### **11.06 Obstruction**

There shall be no obstruction of access to any Common Property.

#### **11.07 Building**

No Homeowner or occupant shall build, plant, or maintain any matter or thing (including, without limitation, any addition, alteration or improvement to any Home) upon, in, over or under the Property without the prior written consent of the Covenants Committee, except that a Homeowner may plant flowers, trees and shrubbery within the area immediately surrounding and adjacent to his/her Home, subject to the Rules and Regulations of the Association. The Association is responsible for the planting and maintenance of all other landscape beds not immediately surrounding and adjacent to the Home, regardless of whether or not such bed is located on a Lot. The Homeowner is prohibited from making any changes to such beds including, without limitation, adding or removing any plant material, stones, mulch, etc. The Homeowner is strictly prohibited from connecting, in any way, to the irrigation system and from installing any misters and/or sprinklers in the beds surrounding the Home. This restriction shall not be applicable to construction by Developer or a Builder.

#### **11.08 Exterior Appearance**

Homeowners shall not have any right to change the appearance of any portion of the exterior of any Home (including, without limitation, any change to the exterior color scheme) without the prior written approval of the Covenants Committee.

#### **11.09 Maintenance**

Each Homeowner shall promptly furnish, perform and be responsible for, at his/her own expense, the repair, maintenance, and replacement of his/her own Home, provided, however, that the Association, its agents and employees, may effect, at its sole discretion, emergency or other

necessary repairs which the Homeowner has failed to perform and charge the cost of same to the Homeowner(s) involved.

#### **11.10 Insurance**

Nothing shall be done or kept in any Home, which will increase the rates of insurance beyond the rates applicable for Homes, without the prior written consent of the Board. No Homeowner shall permit anything to be done or kept in his/her Home or in or upon the Common Property which will result in the cancellation of insurance on any of the Common Property or the contents thereof, or which will be in violation of any law.

#### **11.11 Display**

No clothes, sheets, blankets, laundry of any kind or any other articles shall be hung out or exposed on any part of the Property nor shall anything be hung, painted or displayed on the outside of the windows or placed on the outside walls or outside surfaces of doors of any of the Homes. No signs, awnings, canopies, shutters, satellite dishes, or antennas (except for those heretofore or hereinafter installed by Developer or a Builder) shall be affixed or placed upon the exterior walls or roofs of any part thereof, nor relocated or extended, without the prior written consent of the Covenants Committee (no such consent or disapproval shall violate any applicable federal, state, or county statute, rule or regulation). Television or radio antennas are not permitted unless such installation cannot be prohibited by the Association under any laws and regulations applicable to the Community; provided, however, that until cable television is available to the Property, a Homeowner may install a rooftop television antenna to be removed forthwith once cable television is available to that Home. Homeowners shall allow a cable communications company to pre-wire a Home and Lot. Despite the foregoing, Developer and any Builder shall have the right to display signs for promotional, sales, exhibit, and administrative purposes upon any portion of the Common Property or within any Home owned by it until the last Home within the Property is sold and conveyed. Homeowners shall not cause or permit any signs to be displayed on the Property advertising the sale or lease of their Homes. Signs for any other purpose are prohibited except as may otherwise be provided by the Rules and Regulations. The Developer or the Board shall have the right to immediately cause the removal of any sign violating this provision and obtain, in addition to any penalties which might otherwise be imposed by the Association, all costs incurred by such removal.

#### **11.12 Animals**

No dogs, cats, birds, reptiles, rabbits, horses, livestock, fowl or poultry, or animals of any kind shall be raised, bred or kept in any Home or upon the Common Property, except as provided herein. No more than two dogs or cats in the aggregate shall be permitted in any Home. In no event shall outdoor shelters, pens or runs be permitted. All Homeowners and their guests, invitees, agents and others who allow or permit their pets and/or animals in their charge to defecate upon the grounds of the Property shall immediately thereafter remove from the grounds of the Property any and all excrement left by the pet or animal and dispose of it as soon as possible in a sanitary fashion. All Homeowners, guests, invitees, agents and others shall accompany the pet or animal in their charge at all times, shall keep the pet on a leash when it is not on the Homeowner's Lot, and shall carry with them at such time devices necessary to remove the pet excrement, which removal shall be done immediately.

#### **11.13 Nuisance**

No noxious, hazardous, or offensive activities shall be carried on, in or upon the Property or in any Home nor shall anything be done therein either willfully or negligently which may become an annoyance or nuisance to the other residents or which interferes with the peaceful possession and proper use of the Property by the other Homeowners. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Property shall be observed.

#### **11.14 Structural Changes**

Nothing shall be done to any Home which will impair the structural integrity of any Home or which will structurally change a Home. No Homeowner (other than Developer or any



Builder) may make any structural additions, alterations or improvements in or to his/her Home without the prior written approval of the Covenants Committee nor impair any easement without the prior written consent of the Covenants Committee subject to the right of appeal to the Board and as provided in the Bylaws. Nothing herein shall be construed to prohibit reasonable adaptation of any Home for handicap use or accessibility.

#### **11.15 Commercial Vehicles/"Off-Road Vehicles"**

No commercial vehicles may park overnight and no boats, trailers, campers, mobile homes, or trucks may be parked on any part of the Property except (i) in areas specifically designated for such purpose by the Association, if any; and (ii) for those vehicles temporarily on the Property for purposes of servicing the Property itself or one of the Homes. This restriction shall not apply to Developer or any Builder, their employees, agents, contractors or servants. Additionally, "off-road vehicles" (i.e. ATV's [all-terrain vehicles], dirt bikes, etc.) are prohibited from use anywhere on the Property except as may be used by or on behalf of the Association for maintenance of the Property.

#### **11.16 Waste**

No portion of the Property shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. Any contractor, repairman or other person retained by a Homeowner to perform work on any Home or Common Property shall clean up all rubbish at the conclusion of each work day. Trash, garbage, or other waste shall be kept in sanitary containers as approved by the Board on the Homeowner's Lot for weekly or more frequent collection.

#### **11.17 Digging**

There shall be no digging or earth removal or re-grading operations of any nature whatsoever on any Property without first obtaining permission from the Covenants Committee. This section is intended as a protection against inadvertent disruption of underground services and creation of a nuisance to adjoining Homeowners.

#### **11.18 Draperies**

Draperies, blinds, curtains or other window coverings must be installed and maintained by each Homeowner on all windows of his/her Home.

#### **11.19 Utilities**

Each Homeowner shall pay for his/her own telephone, cable television services and utilities which are separately metered or billed to each user by the respective utility or cable communications company. All electrical, gas, telephone and television service and other utility facilities shall be underground and no poles or above ground wires shall be permitted.

#### **11.20 Traffic**

Each Homeowner, his/her guests, invitees and licensees are subject to the requirements of a uniform traffic plan established for the Property. All usage of the parking areas and drives, and other Common Property is subject to compliance with the traffic plan so developed. In this connection, the Association may establish and enforce parking regulations or any other generally acceptable techniques of traffic regulation which shall be adhered to as a condition to the usage of the parking areas and drives and other Common Property. The Association further, without approval of the members, may delegate responsibility and authority for the enforcement of New Jersey Statutes Title 39 to the police department of the Township or any other legally constituted authority over the parking areas and drives. Such delegations, however, shall not constitute dedication of these drives to public use.

#### **11.21 Lawn**

All Lots must have grassed front lawns and grassed side and rear yards. No gravel or similar type ground covers are permitted. No weeds, vegetation, rubbish, debris, garbage, waste

materials shall be placed or permitted to accumulate on any Lot which would be unsanitary, unsightly or offensive.

#### **11.22 Lot Upkeep**

Each Builder and Homeowner shall keep the Lot neat and clean, regularly removing any trash and debris.

#### **11.23 Use of Water Retention and Detention Areas**

Swimming, bathing, boating and other use of the water retention and detention areas in the Community shall be prohibited except when in accordance with Rules and Regulations adopted by the Association. No docks, bulkheads or other structures shall be erected in the water retention and detention areas in the Community without the prior written approval of the Covenants Committee.

#### **11.24 Sale of Home**

Each Homeowner shall give the Secretary of the Association timely notice of the Homeowner's intent to list the Home for sale. Upon closing of title, such selling Homeowner shall immediately notify the Secretary of the Association of the name and address of the new Homeowner.

#### **11.25 Wells**

No individual or entity shall have the right to drill a well on the Property for any purpose other than those wells, if any, constructed by Developer in conjunction with the development of the Property. The Developer shall have the right, but not the obligation, to install well(s) on Common Property for irrigation purposes.

#### **11.26 Structures or Plantings**

No Homeowner or occupant shall build, maintain or plant any matter or thing upon, in, over or under the Common Property or upon any Lot on which a Home is located without the prior written consent of the Board unless permitted by the Rules and Regulations. This includes additions to any Home as well as the construction of detached accessory buildings such as garages and storage sheds and any planting of shrubs, bushes, flowers, vegetables or other vegetation or plant material. No Homeowner shall be permitted to erect or have erected any fence, partition, wall, divider, or similar structure exterior to their Home other than any such structure erected by the Developer unless such structure is in compliance with the Rules and Regulations of the Association. Residents may not store anything, including, but not limited to bicycles, barbecue grills, wood or garbage cans on the Common Property, including, but not limited to porches, patios, and sidewalks except in compliance with Rules and Regulations of the Association.

#### **11.27 Temporary Structures**

No structure of a temporary character including, without limiting the generality thereof, trailer, tent, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence.

#### **11.28 Displays**

Owners shall not cause or permit anything to be hung or displayed or placed on the outside walls, doors or windows of the Home without the consent of the Board including, but not limited to, banners, flags, holiday ornaments and other displays. No signs shall be permitted on the exterior of any Home. No Homeowner shall be permitted to install or have installed any window air conditioner, fan, heat pump, solar collector or similar cooling, heating and/or ventilating device in any window, door or other exterior opening of a Home. Installation of screen doors is subject to the approval of the Association as to design, color, etc. No Homeowner shall be permitted to erect or have erected any fence, partition, wall, divider, or similar structure exterior to their Home other than any such structure erected by the Developer unless such structure is in compliance with the Rules and Regulations of the Association.

Residents may not store anything including, but not limited to, bicycles, barbecue grills, wood or garbage cans on the Common Property including, but not limited to, porches, patios, and sidewalks except in compliance with Rules and Regulations of the Association. Residents shall not be permitted to use any barbecue grills of any types or descriptions on any of the Common Property, except those permitted by the Rule and Regulations of the Association and under applicable laws and regulations. Garages shall not be converted to living space or storage space to any extent, which would inhibit the use of the garage as a vehicular parking space. No Homeowner or occupant shall build or maintain any matter or thing upon, in, over or under the Common Property or upon any Lot on which a Home is located without the prior written consent of the Board unless permitted by the Rules and Regulations. This includes additions to any Home as well as the construction of detached accessory buildings such as garages and storage sheds. No structure of a temporary character including, without limiting the generality thereof, trailer, tent, shack, garage, barn, or other outbuilding, shall be used on any Lot at any time as a residence.

#### **11.29 Burning**

No Homeowner or occupant shall burn anything on, over, under or above the Property, with the exception of barbeque grills as permitted by the Rules and Regulations of the Association.

#### **11.30 Noxious or Offensive Activities**

No noxious or offensive activities shall be carried on, in or upon the Property nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance of the other residents of the Community.

#### **11.31 Immoral, Improper, Offensive or Unlawful Activity**

No immoral, improper, offensive or unlawful activity shall be permitted within any Home or anywhere on the Property. All laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed. Said laws, etc. shall supersede any Association regulations or this Master Deed to the extent they are more restrictive.

#### **11.32 Payment of Taxes and Assessments**

All property taxes, special assessments and other charges imposed by any taxing authority on the Common Property shall be paid by Homeowners either in accordance with this Master Deed or as otherwise provided by law.

#### **11.33 Garages**

No garage shall be converted or renovated for any residential living purpose. All garages shall be kept usable as a garage for passenger motor vehicles or other permitted vehicles.

#### **11.34 Fencing**

No fencing shall be permitted other than fencing installed by the Developer or such fencing as may be approved by the Board.

#### **11.35 Sump Pumps**

All sump pumps, if any, within the Property shall discharge into the storm water collection system or onto a yard area, subject to Township approval, if required. Sump pumps shall not be connected to the sanitary sewer system.

#### **11.36 Enforcement**

The Board shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of these restrictive covenants and shall have the right to bring lawsuits to enforce the Rules and Regulations promulgated by it.

#### **11.37 Violations**

The Board shall have the power to make such rules and regulations as may be necessary to carry out the intent of these restrictions and shall have the right to bring lawsuits to enforce the Rules and Regulations promulgated by it. The Board shall further have the right to levy fines for violation of such Rules and Regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$100.00 for a first violation or \$250.00 for any subsequent violation. Each day a violation continues after notice shall be considered a separate violation. Any fine so levied is to be considered as an assessment to be levied against the particular Homeowner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of other assessments. Fines may be levied against an Homeowner's tenant, and the Homeowner shall be jointly and severally liable with his/her tenant for the payment of same. In the event the Board institutes legal action for collection of any fines, the defendant(s) shall be responsible for payment of reasonable attorneys' fees of the Association plus interest and costs of suit.

#### **11.38 Deviations**

The Board may allow reasonable deviations from the covenants and restrictions stated in Paragraph 11 in order to overcome practical difficulties and prevent unnecessary hardships in the applications of the provisions herein contained provided that any such deviation: (a) does not violate the intent and purposes hereof; (b) is not materially detrimental or injurious to other property or improvements in the area; and (c) does not violate any municipal law, ordinance or regulation. In no event shall any deviation be deemed a waiver or abandonment of the overall scheme contemplated by this Master Deed.

### **Paragraph 12. REQUIRED INSURANCE AND DISPOSITION OF PROCEEDS**

#### **12.01 Restoration and Replacement of Condominium in Event of Fire, Casualty or Obsolescence**

If fire or other casualty or disaster results in damage to a Building or the Common Elements, the provisions of Article 6.01 and 6.02 of the Bylaws govern the decision as to restoration, replacement or any election not to do so.

All decisions concerning the obsolescence of Buildings in the Condominium or the Common Elements, the sale of Condominium property and their demolition or replacement is determined in accordance with Article 6.03 of the Bylaws.

The Association, acting by and on behalf of Unit Owners, insures the Buildings and other insurable property against risk of loss by fire and other casualties covered by a broad form fire and extended coverage policy, including vandalism and malicious mischief and such other risks as the Board from time to time determines, all in accordance with the Bylaws. Nothing contained herein and no provision of the Bylaws is to be deemed to prohibit any Unit Owners from obtaining insurance for their own benefit. However, Unit Owners cannot insure any part of the Common Elements whereby, in the event of loss, the Association's right to recover in full under its own insurance policies for such loss, is diminished or impaired in any way.

### **Paragraph 13. PROTECTIVE PROVISIONS FOR THE BENEFIT OF MORTGAGE HOLDERS**

#### **13.01 General**

"Notice Mortgagee" means any Mortgage Holder holding a First Mortgage who has given the Association written notice in the manner hereafter set forth of its desire to receive notice of those matters that are the subject of Paragraph 13.02 through 13.06 and 13.09 of this Master Deed. Any such notice to the Association must state the name of the Mortgage Holder, the address to which notices are to be sent, to whom it should be directed, and must sufficiently identify the Unit for which the Notice Mortgagee is the Mortgage Holder of a First Mortgage. It is the Notice Mortgagee's obligation to keep the Association informed of any change of address to which required notices are to be sent. The Association is deemed to have fulfilled its obligation and a Notice Mortgagee is deemed to have been given any required notice hereunder if the Association mails the required notice to the Notice Mortgagee at the address given by it to the Association in the manner provided herein.

The way the Notice Mortgagee and the Association gives the notices required to each other pursuant to this Paragraph 13 is by United States Postal Service, certified mail, with return receipt requested with sufficient prepaid postage affixed thereto, addressed to the last known address of the intended recipient.

### **13.02 Prior Written Approval of 51% of Notice Mortgagees**

The prior written approval of at least 51 percent (51%) of Notice Mortgagees is required for any material amendment to this Master Deed, Bylaws or Certificate of Incorporation, including but not limited to, any amendment that would change any provision relating to:

- A. voting rights;
- B. reserves for maintenance, repair and replacement of Common Elements;
- C. responsibility for maintenance and repairs;
- D. reallocation of interests in the General or Limited Common Elements, (except as permitted by Paragraphs 14 and 15 of this Master Deed);
- E. boundaries of any Unit (except as contemplated by Paragraph 4.02 of this Master Deed);
- F. convertibility of Units into Common Elements or vice-versa (except as expressly contemplated by this Master Deed);
- G. expansion or contraction of the Condominium, or the addition, annexation or withdrawal of land to or from the Condominium (except as expressly contemplated by Paragraphs 14 and 15 of this Master Deed);
- H. insurance or fidelity bonds;
- I. leasing of Units;
- J. imposition of any restrictions upon Unit Owners' right to sell or transfer their Unit;
- K. decision by the Condominium Association to establish self-management rather than professional management;
- L. restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than this Master Deed specifies;
- M. action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs;
- N. any provisions that expressly benefit Notice Mortgagees; or
- O. assessment allocations, assessment liens or subordination of assessment liens.

The notice given to Notice Mortgagees pursuant to Paragraph 13.01 of this Master Deed with regard to any proposed material amendment as aforesaid must include a copy of the proposed amendment.

### **13.03 Prior Written Approval of 67% of Notice Mortgagees**

The prior written approval of at least 67 percent (67%) of the Notice Mortgagees is required before the effectuation of any decision by the Unit Owners to terminate the legal status of the Condominium as a condominium for reasons other than substantial destruction or condemnation.

### **13.04 Implied Approval of Notice Mortgagees Assumed**

In spite of the requirements of prior written approval of Notice Mortgagees required in Paragraphs 13.02 and 13.03 of this Master Deed, provided that the Association serves proper notice on Notice Mortgagees as required by Paragraphs 13.02 and 13.03 and in the manner provided in Paragraph 13.01 of this Master Deed, the Association may assume implied approval of a Notice Mortgagee by its failure to submit a written response to any notice given within thirty (30) days after it receives such notice as provided herein and so long as delivery of the notice is confirmed by a signed certified mail return receipt.

### **13.05 Additional Notices**

Notice Mortgagees are also entitled to timely written notice of:

- A. any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Notice Mortgagee's loan, and no Unit Owner or other party has priority over such Notice Mortgagee with respect to the distribution to such Units of the proceeds of any condemnation award or settlement in the event of condemnation or with respect to the distribution to such Units of any insurance proceeds in the event of casualty loss;
- B. any sixty (60) day delinquency in the payment of annual regular Common Expense assessment installments or other Common Expense assessments or charges owed to the Association by the Owner of any Unit for which the Notice Mortgagee holds a Mortgage;
- C. a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and,
- D. any proposed action that requires the consent of a specified percentage of Notice Mortgagees.

### **13.06 No Partition**

Units may not be partitioned or subdivided without the prior written approval of a Notice Mortgagee holding a Mortgage on such Unit.

### **13.07 Common Expense Lien Subordinate**

Except to the extent permitted by law, any lien the Association has on any Unit for the payment of any assessments, regardless of its nature, is subordinate to the lien or equivalent security interest of any First Mortgage on the Unit recorded prior to the date any such assessment became due. If a mortgagee of a First Mortgage or other purchaser or a Unit obtains title to such Unit as a result of foreclosure of a First Mortgage, such acquirer of title and their successors and assigns, except to the extent permitted by New Jersey or federal law, is not liable to the Condominium Association for the share of Common Expense or other assessments pertaining to such Unit or chargeable to the former Unit Owner which became due prior to acquisition of title as a result of the foreclosure. Such unpaid shares of Common Expense and other assessments are Common Expenses collectible from all of the remaining Unit Owners, including such acquirer and their successors and assigns.

### **13.08 Maintenance and Inspection of Records**

The Association must maintain current copies of this Master Deed, Certificate of Incorporation, Bylaws, Rules and Regulations, and any respective Amendments or Supplements to them, as well as, its own books, records and financial statements. They must be reasonably available for inspection by Unit Owners and Permitted Mortgage Holders. Any Permitted Mortgage Holder must, upon prior written request, (a) be permitted to inspect the documents, books and records of the Association during normal business hours; and, (b) receive an annual audited financial statement of the Association within ninety (90) days following the end of any Association fiscal year.

### **13.09 Notice of Meetings**

Any Notice Mortgagee must receive written notice of all Association meetings and is permitted to have its representative attend all such meetings.

### **13.10 Liability for Common Expense Assessments**

Any Mortgage Holder that obtains title to a Unit as a result of foreclosure of a First Mortgage or by deed or assignment in lieu of foreclosure or any purchaser in a foreclosure sale or their respective successors and assigns, is not liable to the Association for the share of Common Expense or other assessments pertaining to such Unit or chargeable to the former Unit Owners which became due prior to acquisition of title, except to the extent permitted by New Jersey or federal law. Such unpaid share of Common Expense and other assessments are Common Expenses collectible from all of the remaining Unit Owners, including such acquirer and their successors and assigns.

### **13.11 Management Agreements**

Any Condominium management agreement entered into by or on behalf of the Association must be terminable by the Association, with or without cause upon ninety (90) days prior written notice therein. The term of any such agreement shall not exceed one (1) year.

### **13.12 Common Expense Default**

In spite of the absence of any express provision to such effect in any Mortgage instrument, in the event that there is any default in the payment of any installment of any Common Expense assessment, regular or otherwise for a Unit, any Mortgage Holder holding a Permitted Mortgage which encumbers such Unit is entitled to declare such Mortgage in default in the same way that is permitted by such Mortgage with respect to any default in the payment of real estate taxes.

## **Paragraph 14. DEVELOPER'S RIGHTS AND OBLIGATIONS**

### **14.01 Developer's Reservation of Amendment Rights/Power of Attorney**

The Developer reserves for itself and its Affiliates for a period of five (5) years from the date the first Unit is conveyed to an individual purchaser or until the closing of title to the last Unit, whichever event occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, Institutional Lenders, Mortgage Holders, eligible insurers or guarantors, other lien holders or parties claiming a legal or equitable interest in the Condominium or Units, any such agreements, documents, Amendments or Supplements to this Master Deed and the Bylaws, which may be required by any such governmental or quasi-governmental agency or institutional lender or title insurance company designated by the Developer. However, no agreement, document, Amendment or Supplement can affect a material physical modification to or adversely affect the value of a Unit or the priority or validity of any Mortgage on any Unit without the prior written consent of its Mortgage Holders and Unit Owners.

As a requirement to being the transferee or recipient of any interest in the Condominium or a Unit, every transferee must execute the deed by which title or interest is conveyed to such transferee. Each deed must explicitly set forth and provide (and if it does not do so such deed is deemed to have implicitly provided) that the transferee does irrevocably name, constitute, appoint and confirm Developer as attorney-in-fact for such transferee for the purposes set forth in this Paragraph 14. Furthermore, by acceptance of any Unit deed or by the acceptance of any other legal or equitable interest in the Condominium or any Unit, each and every contract purchaser, Unit Owner or occupant, and the holder of any mortgage or other lienholder does automatically and irrevocably name, constitute, appoint and confirm Developer as Attorney-in-Fact for the purpose of executing such amended Master Deed and other instruments necessary to effect the foregoing.

This Power-of-Attorney is declared and acknowledged to be coupled with an interest in the subject matter herein that runs with the title to any Unit and is binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said

Power-of-Attorney is not affected by the death or disability of any principal and is intended to deliver all rights, title and interest of the principal in and to said power.

Developer may use the rights set forth and granted in this Paragraph 14 to effectuate the following changes, enumerated by way of description and not limitation as follows:

#### **14.02 Increases**

Adding Units, Property and lands to the Condominium and thereby proportionately adjusting the Units' respective undivided share of and interest in the Common Elements, their share of Association Common Expenses and voting rights. However, the voting right and proportionate share of Common Elements for each Unit always equals a fraction which is equal to one divided by the total number of Units then declared to be in the Condominium, as set forth in the Master Deed or its Amendments and Supplements. Before the closing of title on any Unit in any Building affected, the Developer may amend and supplement the Master Deed to alter or fix the location, configuration, shape and size of any Building, and the size, shape, number and configuration of any Unit in any Building.

#### **14.03 Easements**

To grant, add to or alter the location, size or purpose of easements and lands for utilities, roads, access, ingress or egress, drainage or financing purposes or to convey or assign such easements to the appropriate governmental authority, utility agency or company, title insurance company or as otherwise set forth in this Master Deed.

#### **14.04 Use of Easements**

To permit the Developer, its agents, Affiliates, employees or subcontractors to utilize easements, roads, drainage facilities, utility lines and the like within or servicing the Condominium.

#### **14.05 Surrender of Developer's Rights**

To surrender or modify the Developer's rights in favor of the Unit Owners or Association or their respective mortgagees.

#### **14.06 Technical Changes**

To correct, supplement or provide technical changes to the Master Deed, Bylaws or other documents that create or implement the creation of the Condominium or Association.

#### **14.07 Miscellaneous Changes**

To amend the Master Deed, Bylaws or other documents that create or implement the creation of the Condominium or the Association to qualify the Property for programs and requirements of the secondary mortgage market and lenders in same, such as the Federal National Mortgage Association, Federal Unit Loan Mortgage Corporation or any other similar secondary mortgage lender, or as required by governmental or quasi-governmental agencies with regulatory jurisdiction over the Condominium, or by any title insurance company insuring title to a Unit, or to comply with a court order or decree.

#### **14.08 Changes Prohibited**

The Developer is not permitted to cast votes held by it for unsold lots, parcels, Units (finished and unfinished) or interests for the purpose of amending the Master Deed, Bylaws or any other document to change the permitted use of a lot, parcel, Unit or interest, or for the purpose of reducing the Common Elements or facilities dedicated to the Condominium. However, the Developer is permitted to cast its votes on all other matters as permitted by law.

#### **14.09 Effective Date of Amendment**

Any Amendment or Supplement to the Master Deed is effective on its being recorded in the office of the Recording Officer. The party recording same (the Developer or the Association)



will thereafter provide copies to the Association, each Owner and Eligible Mortgage Holders, as applicable.

**Paragraph 15. SPECIAL DEVELOPER RIGHTS AND OBLIGATIONS**

**15.01 Ratification, Confirmation and Approval of Agreements**

While Developer designated Trustees serve on the Board, all contracts the Association enters into must be in compliance with the Condominium Act. The fact that some or all of the Association and the Developer's officers, Trustees, Members or employees may be identical and the fact that the Developer or its Board designees or Affiliates have entered or may hereafter enter into contracts with the Association or with third parties, does not invalidate those contracts. The Association and Members must abide by, honor and comply with the terms and conditions therein. The purchase of a Unit and the acceptance of the deed, therefore, by any person constitutes ratification, confirmation and approval by such purchaser, its heirs, legal representatives, successors and assigns of the propriety and legality of said contracts or other agreements authorized and permitted by the Condominium Act, this Master Deed, Certificate of Incorporation or the Bylaws.

**15.02 Rights Reserved to Developer**

Despite anything to the contrary herein or in the Certificate of Incorporation or Bylaws, the Developer hereby reserves the following rights for itself, its successors and assigns:

- A. the right, for so long as it owns one or more Units in the Condominium, to sell, lease, mortgage or sublease any unsold Units; and,
- B. Developer reserves the right to seek amendment to or modification of present and future development approvals and permits from applicable governmental authorities. The construction of the Property, including the type, character, design, quantity, etc. of site improvements, Units, Buildings and other improvements is in the sole and absolute discretion of the Developer subject only to the approval of and regulation by all governmental authorities with jurisdiction over such improvements.
- C. The Developer's rights hereby reserved are to be exercised and discharged by the Developer by the recording in the office of the Recording Officer of appropriate Amendments and Supplements to this Master Deed and its Exhibits. Any such Amendments and Supplements are not operative until duly recorded in the office of the Recording Officer. Any changes effected thereby will be fully binding upon all contract purchasers, Unit Owners and all holders of mortgages encumbering Units in the Condominium. Nothing herein is to be construed to authorize or permit annexation or incorporation of any lands to the Condominium except by an Amendment and Supplement duly adopted pursuant to this Master Deed.
- D. By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Condominium, each contract purchaser, Unit Owner, mortgagee or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Developer, its successors and assigns, as attorney-in-fact for the purpose of executing Amendments and Supplements to this Master Deed and any other instruments necessary to effect the rights reserved to the Developer. This Power of Attorney is declared and acknowledged to be coupled with an interest in the subject matter herein and runs with title to any and all Units and is binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. The Power of Attorney is not affected by the death or disability of any principal and is intended to deliver all rights, title and interest of the principal in and to said power.

### **15.03 Activities**

Developer may conduct real estate sale and resale activities, which may include the promotion of Developer's other projects.

### **15.04 Transfer of Special Developer Rights**

Special rights created or reserved to the Developer under this Master Deed ("Special Developer Rights") may only be transferred by an instrument evidencing the transfer recorded in the office of the Recording Officer. The instrument is not effective unless executed by the transferee. Developer may convey part or all of the Lots and Homes or the Property in the Community. Developer shall retain all Special Developer Rights subject to Developer's right to grant a revocable license to any Builder ("Builder's License"). Builders shall not be deemed transferees of these Special Developer Rights except as Developer may so grant by Builder's License. No Builder's License shall be deemed to have been granted by Developer unless (i) contained in or incorporated as part of Developer's deed conveying Lots to such Builder or (ii) set forth in a separate agreement executed by Developer and the Builder and recorded in the Clerk's Office. No obligation otherwise imposed upon Developer by this Master Deed shall be deemed to have been assigned to a Builder unless specifically set forth in the Builder's License.

### **15.05 Liability of Transferor**

Upon transfer of any such Special Developer Right, the liability of the transferor is as follows:

- A. A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon it. Lack of privity does not deprive any Unit Owner or the Association of standing to bring an action to enforce any obligation of the transferor.
- B. If a transferor retains any Special Developer Right, or if a successor to any Special Developer Right is an Affiliate of the Developer, the transferor is liable for all obligations and liabilities imposed on the Developer or by the Master Deed arising after the transfer and is jointly and severally liable with the Developer's successor for the liabilities and obligations of the successor which relate to the Condominium.
- C. A transferor who does not retain any Special Developer Rights has no liability for any act or omission or any breach of a contract, warranty or other obligation arising from the exercise of any Special Developer Right by a successor developer who is not an Affiliate of the transferor.

### **15.06 Transfer of Rights Requested**

Unless otherwise provided in a mortgage release or other mortgage instrument or deed of trust, in case of foreclosure of a mortgage, sale by a trustee under a deed of trust or sale under any bankruptcy or receivership proceedings of any Units owned by Developer, a person or entity acquiring title to all the Units being foreclosed or sold, but only upon its request, succeeds to all Special Developer Rights or only to any such Special Developer Rights to maintain models, sales and other offices and signs. The judgment or instrument conveying title must provide for transfer of only the Special Developer Rights requested by the transferee. If it is silent, all possible Special Developer Rights are so transferred until a subsequent Special Developer Rights document is recorded.

Upon foreclosure, sale by a trustee under a deed of trust or sale under any bankruptcy or receivership proceedings of all Units in the Condominium owned by the Developer, (1) the Developer ceases to have any such Special Developer Rights; and, (2) the period of Developer's control of and the right to designate Board members terminates unless the judgment or instrument conveying title provides for transfer of all such Special Developer Rights to the successor developer.

### **15.07 Liability of Successors**

The liabilities and obligations of persons or entities who succeed to all Special Developer Rights are as follows:

- A. A successor to all such Special Developer Rights who is an Affiliate of the Developer is subject to all obligations and liabilities imposed on the Developer by law or by this Master Deed.
- B. A successor to all such Special Developer Rights, other than a successor described in Paragraph 15.06 (C) or (D) who is not an Affiliate of the Developer is subject to all obligations and liabilities imposed on the Developer by law or this Master Deed, but is not subject to liability for misrepresentations or warranty obligations on improvements installed or for a breach of fiduciary obligation by any previous Developer or made before the Condominium was created.
- C. A successor who is not an Affiliate of the Developer who succeeds to only a Special Developer Right to maintain models, sales and other offices and signs may not exercise any other Special Developer Rights. Such a successor is not subject to any liability or obligation as a developer, in general, nor is it subject to any liability or obligation, if any, as a successor to the Developer.
- D. A successor to all Special Developer Rights who is not an Affiliate of the Developer and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under Paragraph 15.05 herein, may declare its intention in a recorded instrument to hold those rights solely for transfer to another party. Thereafter, until transferring all such Special Developer Rights to any person acquiring title to any Unit owned by the successor or until recording an instrument permitting exercise of all those rights, that successor may not exercise any rights other than the right to control the Board for the duration of any period of time a Developer may control the Board as permitted by law, Master Deed and the Bylaws. Any attempt to exercise any other Special Developer Rights by the successor is void. So long as a successor Developer does not exercise Special Developer Rights under this Paragraph, it is not subject to any liability or obligation as a Developer other than liability for that successor's acts and omissions under this Master Deed.

#### **15.08 Foreclosure**

Unless otherwise provided in a mortgage instrument, in case of foreclosure of a mortgage, or sale under bankruptcy laws or receivership proceedings of any Home owned by Developer in the Property, a person or entity acquiring title to all the Homes being foreclosed or sold, but only upon his/her request, succeeds to all such Special Developer Rights, or only to any such Special Developer Rights to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Developer Rights requested.

- A. Upon foreclosure, sale by a trustee under a deed of trust, or sale under bankruptcy laws or receivership proceedings of all Homes in the Property owned by Developer:
- B. Developer ceases to have any such Special Developer Rights; and
- C. The period of Developer control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Developer Rights to a successor Developer.

### **Paragraph 16. GENERAL PROVISIONS**

#### **16.01 Severability of Provisions Hereof**

It is the Developer's intent that this Master Deed's provisions are severable so that if any of its provisions, conditions, covenants or restrictions are invalid or void under any applicable law, the remainder is unaffected thereby. If any provision, condition, covenant or restriction, is

at the time of recording of this Master Deed, void, voidable or unenforceable as being contrary to any applicable law, the Developer and Unit Owners covenant that any future amendments or repeals to those laws having the effect of removing said invalidity, voidability or unenforceability; are deemed to apply retroactively to this Master Deed thereby operating to validate those provisions that otherwise are or might be invalid. Any such amendments or repeals to the said laws have the effect described above as fully as if they had been in effect at the time of the execution of this instrument.

#### **16.02 Amendment of Master Deed - Termination**

This Master Deed may be amended at any time by a vote of at least 67 percent (67%) of all Members, at any Association meeting duly held in accordance with the Bylaws, provided, however, that such Amendments are subject to Paragraph 13.00 herein and its Subparagraphs, and that any Amendment, deed of revocation or other document regarding termination of the Condominium form of ownership are governed as set forth below. No Amendment is effective until recorded in the office of the Recording Officer. This Paragraph is by way of Supplement to and not in derogation of the powers of amendment reserved to Developer pursuant to Paragraph 14 herein. In the alternative, an Amendment may be made by an agreement signed and acknowledged by all of the Unit Owners in the manner required for the execution of a deed, and such Amendment is effective when recorded as set forth above.

No Amendment and Supplements are to impair or adversely affect the rights of the Developer or cause the Developer to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the marketing and sale of Units, or the imposing of any capital improvements assessment on the Developer.

Despite the foregoing, the Developer is not permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, Bylaws or any other document for the purpose of changing the permitted use of a Unit or to reduce the Common Elements or facilities.

Despite anything to the contrary herein, an Amendment and Supplement, deed of revocation, or other document is effective to terminate the Condominium form of ownership upon the written approval of eighty percent (80%) in interest of all non-Developer Unit Owners, and the written approval of the Developer for so long as it holds one (1) Unit for sale or lease in the ordinary course of business.

#### **16.03 Provisions of this Master Deed and Exhibits to be a Covenant Running with the Land**

The present title to the Property herein described and the title to each Unit hereafter to be conveyed and the acquisition of title by any person to a Unit means that the acquirer adopts and ratifies and will comply with the provisions of this Master Deed, Bylaws and Rules and Regulations as well as any lawfully adopted Amendments and Supplements to them. The covenants, agreements and restrictions set forth herein run with the land and are binding on the Developer (except as conditioned herein), all Unit Owners and the successors and assigns of each, as their interest appear.

#### **16.04 Notice**

Unless otherwise provided in this Master Deed, any notice required to be sent to any Owner under the provisions of the Governing Documents shall be deemed to have been properly sent, and notice thereby given, when mailed, by regular post, with postage prepaid, addressed to the member or Owner at the last known post office address of the person who appears as a member or Owner on the records of the Association at the time of such mailing. Notice to one of two Owners shall constitute notice to all Owners thereof. It shall be the obligation of every Owner to immediately notify the Secretary of the Association in writing of any change of address. Valid notice may also be given to Owners (i) personal delivery to any occupant of any Home over nineteen (19) years of age or older; or (ii) by affixing said notice to or sliding same under the front door of any Home.

#### **16.05 Enforcement**

Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation, violating or attempting to violate or circumvent any provision herein contained, either to restrain or enjoin such violation or threatened violation or to recover damages, and against any Home and Lot to enforce any lien created by this Master Deed, and failure by the Association or any Owner to enforce any covenant or restriction herein contained for any period of time, shall in no event be deemed a waiver or estoppel of the right to thereafter enforce same. If the Association, at any time, fails to discharge its obligations to maintain any portion of the Property as required by this Master Deed or to enforce the provisions hereof, any Owner shall have the right to enforce such obligations by any proceeding at law or equity. A failure to so enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Also, in such event, the Township shall have the right to so maintain the Property or to enforce such provisions in the name, place and stead of the Association. The assumption of such maintenance responsibility shall be in accordance with the procedures set forth in N.J.S.A. 40:55D-43 (b). The cost of same shall be assessed, enforced and collected in accordance with the provisions of N.J.S.A. 40:55D-43 (c). Despite any limitations as to the applicability of N.J.S.A. 40:55D-43 (b) and (c) aforesaid to the maintenance of "open space", the provisions of this subparagraph shall apply to all maintenance obligations of the Association as set forth in this Master Deed or otherwise. Should either the Association or any of its Members at any time fail to enforce the provisions hereof, the Township upon thirty (30) days notice to the Association, shall have the right to institute appropriate legal proceedings in the name of the Association to effect such enforcement.

#### **16.06 Conflicts**

In the event of a conflict between the provisions of this Master Deed and the Bylaws, the provisions of the Master Deed control.

### **Paragraph 17. CONDOMINIUM RULES AND REGULATIONS**

#### **17.01 Authority**

The Board is empowered to promulgate, adopt, amend and enforce such Rules and Regulations as it, in its sole and absolute discretion, deems necessary and proper to effectuate the provisions of this Master Deed, including, by way of description but not by way of limitation, those deemed necessary and proper to ensure that Unit Owners perform in accordance with those covenants and restrictions imposed upon them and discharge and perform those obligations and duties for which they are responsible.

#### **17.02 Publication**

The Rules and Regulations adopted by the Board subsequent to a Unit Owner's acquisition of title to a Unit are not effective until either a) they are posted in the office of the Association or on the Property in a bulletin or other type of a board or at another location used for notices to Members, or b) until written notice of the Rules and Regulations is given to the Unit Owner pursuant to the Bylaws, Article 13.00. Once such notice is given, the Association has no further obligation to publish adopted Rules and Regulations other than to maintain a current compilation of same available for inspection during regular business hours at the Association's principal office. There is a rebuttable presumption that Unit Owners have actual notice of all Association Rules and Regulations adopted as of the date they take title to their Unit. To rebut this presumption, a Unit Owner must establish by clear and convincing, legally competent evidence in any enforcement proceeding that a copy of the Rules or Regulation that the Association is seeking to enforce was not being maintained and available for inspection as aforesaid by not later than the date on which the Unit Owner acquired title to the Unit.

#### **17.03 Enforcement and Fines**

Enforcement of the Rules and Regulations, this Master Deed and the Bylaws, to the extent permitted by law, includes the ability to impose and collect fines in amounts up to \$500.00, and other forms of penalties for violations.

IN WITNESS WHEREIN, the Developer has caused this Master Deed to be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed this day of January, 2004.

ATTEST:

GRES AND KALUZNY LAND  
DEVELOPMENT, L.L.C.  
Developer

\_\_\_\_\_

BY: \_\_\_\_\_  
John Kaluzny, Managing Member

STATE OF NEW JERSEY            )  
  )        ss:  
COUNTY OF MERCER            )

**BE IT REMEMBERED**, that on this day of August, 2004, the subscriber, an Attorney at Law of the State of New Jersey, personally appeared John Kaluzny, who, being by me duly sworn upon his oath, deposes and makes proof to my satisfaction, that he is the Managing Member of Gres and Kaluzny Land Development, L.L.C., the limited liability company named in the within instrument; that the execution, as well as the making of this instrument, has been duly authorized by Gres & Kaluzny Land Development, L.L.C.; that this instrument was signed and delivered by said Managing Member as and for the voluntary act and deed of said limited liability company.

Sworn and subscribed to before me the  
date aforesaid.

\_\_\_\_\_  
L. Stephen Pastor, Esquire  
Attorney at Law  
State of New Jersey

F:\WDOX\DOCS\012633\00001\01142710.DOC

Exhibit A

Legal Description of the Property