

DECLARATION OF COVENANTS, RESTRICTIONS
EASEMENTS, CHARGES AND LIENS

THIS DECLARATION, made this 30th day of April, 1965 by Orbit Trading Co., a New Jersey corporation, hereinafter called "Developer".

WITNESSETH:

WHEREAS, Developer is the owner of the real property referred to in Article II and described in Exhibit "A" of this declaration, and desires to develop thereon a residential community together with common lands and facilities for recreational purposes for the benefit of such community; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common lands and facilities; and, to this end, desires to subject the real property referred to in Article II and described in Exhibit "A" to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering the community facilities, administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the LAKERIDGE COMMUNITY ASSOCIATION is about to be incorporated under the laws of the State of New Jersey, as a non-profit corporation, for the purpose of exercising the functions aforesaid;

NOW THEREFORE, the Developer declares that the real property referred to in Article II hereof and more particularly described in Exhibit "A" attached hereto and forming a part hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I
DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the LAKERIDGE COMMUNITY ASSOCIATION.

(b) "The Properties" shall mean and refer to all properties, both lots and common areas, as are subject to this Declaration, and which are described in Exhibit "A".

(c) "Common Areas" shall mean and refer to those areas of land shown on the recorded subdivision plats of The Properties and described in Exhibit "B" attached hereto and forming a part hereof. Said areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined, and are not dedicated for use by the general public.

(d) "Lot" shall mean and refer to any plot of land intended and subdivided for residential use, shown upon one of the recorded subdivision maps of The Properties, but shall not include the Common Areas as heretofore defined.

(e) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(f) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Madison Township, Middlesex County and Matawan Township, Monmouth County, New Jersey, and is more particularly described in Exhibit "A" attached hereto and forming a part hereof.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner (as defined in Article I) of any Lot which is subject by this Declaration to assessment by the Association shall be a member of the Association.

Section 2. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class "A" members shall be all Owners excepting the Developer and excepting any other person or entity which acquires title to all or a substantial portion of The Properties for the purpose of developing thereon a residential community. Class "A" members shall be entitled to one vote for each Lot in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class "B" members shall be the Developer, its successors or assigns. The Class "B" member shall be entitled to three votes for each Lot in which it holds the interest required for membership by Section 1 provided that upon the happening of either of the following events, whichever first occurs, the Class "B" member shall be entitled to only one vote for each such Lot:

(a) when the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "B" membership; or

(b) on December 31, 1967.

When a purchaser of an individual Lot takes title thereto from the Developer, he becomes a Class "A" member and the membership of the Developer as to such Lot shall cease.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of this Article IV, every Member shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Areas. The Developer may retain the legal title to the Common Areas until such time as it has completed improvements thereon and until such time as, in the sole opinion of the Developer, the Association is able to maintain the same. Notwithstanding any provision herein, the Developer hereby covenants, for itself, its successors and assigns, that it will convey the Common Areas to the Association not later than December 31, 1967, subject, however, to the following covenants and conditions, which shall be deemed to run with the land and shall be binding upon the Association, its successors and assigns:

(a) The Common Areas shall be used solely and exclusively for parks, playgrounds and other non-profit recreational and athletic purposes, and uses incidental thereto.

(X)(b) In order to preserve and enhance the property values and amenities of the Community, the Common Areas and all facilities now or hereafter built or installed thereon shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. Further, it shall be an express affirmative obligation of the Association to keep the swimming pool, and facilities appurtenant thereto, open, adequately staffed and operating during those months and during such hours as outdoor swimming pools are normally in operation in this locality.

(c) For a period of fifteen (15) years from date of the conveyance to the Association, no site development work shall be done or changed, nor shall any building or structure be erected, reconstructed or altered (except for interior construction or alterations) without the prior, written approval by the Developer, its successors or assigns, of the plans and specifications for such work. At no time shall more than twenty per cent (20%) of the land area of the said Common Areas be cleared, graded, filled, built-upon, paved or otherwise improved, the intention being that at least eighty per cent (80%) of such land area shall remain substantially in its present, natural and rustic state.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Developer, and of the Association in accordance with its Certificate of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Areas and in aid thereof to mortgage said Common Areas. However, at any given time the total amount of the unpaid debts (including loans) incurred by the Association shall not exceed the total of the maximum annual assessments that may be levied for that year pursuant to this Declaration. In the event of a default under any such mortgage the lender shall have a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public (subject to applicable zoning laws and other governmental regulations)

until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored; and

- (b) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and
- (c) the right of the Association, as provided in its Bylaws, to suspend the use, enjoyment and voting rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and
- (d) the right of the Association to dedicate or transfer all or any part of the Common Areas to an appropriate governmental body, agency or authority, to be devoted to purposes as nearly as practicable the same as those to which said Common Areas are hereby required to be devoted by the Association, provided that no such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of each class of membership has been recorded, agreeing to such dedication or transfer and unless written notice of the proposed agreement and action thereunder is sent to every Member at least sixty (60) days in advance of any action taken.
- (e) The right of the Developer, and of the Association, to grant and reserve easements and rights of way through, under, over and across the Common Areas, for the installation, maintenance and inspection of municipal, public or private water, sewer, drainage and other utilities.
- (f) The right of the Developer to grant, to a governmental body having jurisdiction, a "conservation easement" pursuant to the "New Jersey Green Acres Land Acquisition Act of 1961" L. 1961, c. 45, p. 481, Sec. 12 (N.J.S.A. 13:8A-12), or otherwise.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments - The Developer, for each Lot owned by it within The Properties, hereby covenants and each subsequent Owner of any such Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. All assessments, both annual and special, shall be uniform as to each Lot and, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the management, operation, improvement and maintenance of the Common Areas and for the use and enjoyment thereof by the members of the Association and their guests, and for the operating expenses of the Association.

Section 3. Basis and Maximum of Annual Assessments. Until the year beginning January, 1970, the annual assessment shall be not more than One Hundred Dollars (\$100.00) and after January 1, 1970 the maximum annual assessment may be increased only as hereinafter provided in Section 5.

The Board of Trustees of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount, provided that it shall be an affirmative obligation of the Association, and its Trustees, to fix such assessment at an amount sufficient to maintain and operate the Common Areas and facilities in accordance with the standards set forth in Section 2 (b) of Article IV.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 of this Article V, the Association may levy in any assessment year a uniform special assessment applicable to that year only, in an amount no higher than the maximum annual assessment then permitted to be levied hereunder, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and which shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. Subject to the limitations of Section 3 of this Article V, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively, provided that any such change shall have the assent of two-thirds of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and which shall set forth the purpose of the meeting.

Section 6. Quorum for any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 of this Article V, shall be as follows:

At the first meeting called, as provided in Sections 4 and 5 of this Article V, the presence at the meeting of Members or of proxies, entitled to cast sixty (60) per cent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at such subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that such subsequent meeting shall not be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates - The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Trustees of the Association to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 of this Article V as the remaining number of months in that year bear to twelve.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board of Trustees: The Board of Trustees of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of Association. If any assessment is not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. (V)

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of six (6) per cent per annum, and the Association may bring legal action against the Owner personally obligated to pay the same or may enforce or foreclose the lien against the property; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The following properties subject to this Declaration shall be exempted from the assessments, charge and lien created herein; (a) all properties dedicated to and accepted by a governmental body, agency or authority and devoted to public use; (b) all Common Areas as defined in Article I, Section 1 hereof.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective

legal representatives, heirs, successors, and assigns, until December 31, 1999, unless otherwise expressly limited herein, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then-Owners of two-thirds of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless made and recorded two (2) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be by proceeding at law or in equity, against any person or persons violating or attempting to violate any covenant or restriction, to restrain violation to require specific performance and/or to recover damages; and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect the validity of any other provisions, which shall remain in full force and effect.

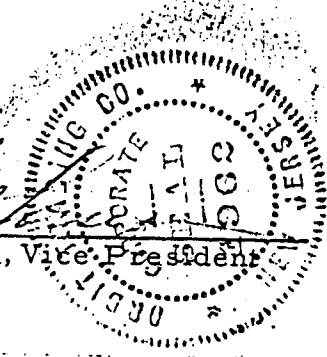
IN WITNESS WHEREOF, ORBIT TRADING CO. has caused its seal to be hereunto affixed and these presents to be signed by its officer thereunto duly authorized, the day and year first above written.

ATTEST:

Florence L. Goodman
Florence L. Goodman,
Assistant Secretary

ORBIT TRADING CO.

By: R. M. Wasserman
R. M. Wasserman, Vice President



STATE OF NEW JERSEY :
SS
COUNTY OF BURLINGTON :

BE IT REMEMBERED that on this 30th day of April, 1965 before me, the subscriber, a notary public of the State of New Jersey personally appeared Florence L. Goodman who, being by me duly sworn on her oath, doth depose and make proof to my satisfaction, that she is the Assistant Secretary of Orbit Trading Co. the corporation named in the within instrument; that R. M. Wasserman is the Vice President of said corporation; that the execution, as well as the making of this instrument has been duly authorized by the Board of Directors of said corporation; that deponent well knows the corporate seal of said corporation; and the seal affixed to said instrument is such corporate seal and was thereto affixed and said instrument signed and delivered by said Vice President, as and for the voluntary act and deed of said corporation, in presence of deponent, who thereupon subscribed her name thereto as witness.

sworn to and subscribed before me,
at Willingboro, New Jersey
the date aforesaid

NOTARY PUBLIC OF N. J.
My Commission Expires October, 1966.

Florence L. Goodman
Florence L. Goodman,
Assistant Secretary