

Sponsor, its successors and assigns until same effectuate the initial conveyance of all Units. Thereafter, said powers of attorney shall automatically vest in the Association to be exercised through its Board of Directors.

Notwithstanding the foregoing, the Sponsor shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, the By-Laws of the Trendmaker Homes North at Quailbrook Condominium Association, Inc., or any other document for the purpose of changing the permitted use of a Unit or the purpose of reducing the Common Elements or facilities except as provided above.

11. RESTRICTIONS. The Condominium is subject to all covenants, restrictions and easements of record and to the following restrictions:

- (a) No Unit, except those Units utilized by the Sponsor as sales offices, administrative offices or models, shall be used for any purpose other than as a private residence, except as provided by subparagraph 11(u) hereof.
- (b) There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements without the prior consent of the Board.
- (c) No reptile, or animal of any kind shall be raised, bred, or kept in any Unit or anywhere else upon the Property, except that dogs, cats or other household pets are permitted, not to exceed two in the aggregate, provided that they are not kept, bred or maintained for any commercial purpose, are housed within the Unit and are otherwise kept in accordance with all applicable Rules and Regulations. No outside dog pens, runs or yards shall be permitted.

(d) No vehicles of a size larger than a panel truck and no mobile home, recreation vehicles, boat, boat trailer or the like shall be parked on any part of the Property, except that those vehicles temporarily on the Property for the purpose of servicing the Property itself or one of the Units, shall be permitted without written consent of the Board.

~~(e) No portion of the Common Elements or other portion of the~~
Property shall be used or maintained for the dumping of rubbish or debris except in the dumpster disposal areas. Trash, garbage or other waste shall be kept in sanitary containers on the Property for regular collection.

(f) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted, nor shall unshielded floodlights be installed in any exterior area of any Unit or any balcony, patio or terrace appurtenant thereto without the written permission of the Board.

(g) The Owner of each Unit, regardless of type, shall not cause or permit any clothes, sheets, blankets, or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills, walls, patios or balconies of any Building, parking areas or other Common Element; and no signs, awnings, grills, patio or balcony enclosure, fence, canopies, shutters, or radio or television antenna or aerial shall be erected or installed in or upon the Common Elements or any part thereof without the

prior consent of the Board. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building.

(h) In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current, up to date roster of Unit Owners or occupants, each Unit Owner shall give the Secretary of the Association timely notice of his intent to list his Unit for sale or lease, and upon closing of title, or execution of the lease, as the case may be, shall forthwith notify such Secretary of the names and home addresses of the purchasers or lessees.

(i) No Unit Owner or occupant shall build, plant, or maintain any matter or thing upon, in, over or under the General or Limited Common Elements without the prior written consent of the Board unless permitted by any rules and regulations promulgated by the Board or Association.

(j) Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows and the front door of his Unit.

(k) No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements.

(l) To the extent that equipment, facilities and fixtures, within any Unit(s) shall be connected to similar equipment, facilities or fixtures affecting or serving other Unit(s) or the

Common Elements, then the use thereof by the individual Unit Owners shall be subject to this Master Deed, the By-Laws and any rules and regulations of the Association.

(m) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of any Building or the contents thereof beyond the rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which will result in the cancellation of insurance on any Building or the contents thereof, or which will be in violation of any law.

(n) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any Unit nor shall anything be done therein either wilfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium.

(o) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.

(p) Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Building or which will structurally change any Building. No Unit Owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his Unit or

in or to the Common Elements, or impair any easement without the prior written consent of the Board. Notwithstanding the foregoing, while the Sponsor maintains a majority on the Board, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly common expense assessment unless required by a governmental agency, title insurance company, institutional mortgage lender or in the event of an emergency. The Board shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement to his Unit within forty-five (45) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must be reviewed by the Board and, if approved, shall be executed by the Board and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or materialman on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owners shall furnish the Board with a copy of any such permit which he has procured. The provisions of this

subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor.

(q) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.

(r) No Unit shall be leased by the Owners thereof (except a lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or by any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as (i) rental for any time period less than six (6) months; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, mail service, furnishing laundry and linen, and bellboy service, provided however, that any Unit Owner, including Sponsor, may rent a Unit for a period of less than six (6) months to a contract purchaser thereof.

Other than the foregoing restrictions, the unit Owners shall have the right to lease same provided that said lease is in writing and is subject to all provisions of this Master Deed, the By-Laws of the Association and other documents referred to herein, including the right of amendment reserved

to Sponsor herein, and provided further that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the lease.

Notwithstanding the preceding, the initial Owner of any Unit, who has purchased his Unit from the Sponsor shall live in the Unit so purchased.

In the event a tenant of a Unit fails to comply with the provisions of this Master Deed, the By-Laws or and any rules and regulations then, in addition to all other remedies which it may have, the Association shall notify the Unit Owner of such violation(s) and demand that the same be remedied through the Unit Owner's efforts within thirty (30) days after such notice. If such violation(s) is not remedied within said thirty (30) day period, then the Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such violation(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Board shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said cost and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Board in the same manner as

the Board is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his attorney-in-fact for the purposes described in this subparagraph (r).

- (s) No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a Permitted First Mortgage. No other mortgages or encumbrances shall be permitted without the prior written approval of the Board.
- (t) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided by the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the General Common Elements.
- (u) Each Unit Owner shall pay for his own telephone, and other utilities, which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed or which serve the Common Elements shall be treated as part of the Common Expenses.

(v) No business, trade or profession shall be conducted in any Unit, except, if permitted under applicable zoning ordinances, that of a physician, dentist, or other practitioner of the healing arts and sciences; an attorney at law, accountant, professional engineer, architect, or artist. In such event, the use of the Property for any such purpose shall be restricted to not more than fifty percent of the livable area of the Unit; and no exterior sign shall be erected or displayed except one non-illuminated sign, which shall be no larger than eight inches in height and thirty inches in length. Notwithstanding the foregoing, no sign shall be erected unless same is in compliance with applicable governmental regulations and all necessary prior approvals, permits or licenses have been secured from appropriate regulatory entities.

(w) No clothes poles or lines shall be installed or maintained.

The Board shall have the power to make such rules and regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring law suits to enforce the rules and regulations so promulgated. The Board shall further have the right to levy fines for violations of these regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$10.00. Each day that a violation continues after receipt of notice by the Unit Owner may be considered as a separate violation. Any fine so levied shall be considered as a Common Charge to be levied against

the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Charges, including, but not limited to, the filing of a Notice of Lien.

12. OBLIGATIONS OF SPONSOR. Until the conveyance of title to the first Unit, the Sponsor shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Units to whom title shall have been conveyed shall be responsible for their proportionate share of all Common Expenses and the Sponsor shall be responsible for payment of all Common Expenses assessed against Units which have not been conveyed and for which an initial Certificate of Occupancy has been issued by the Township of Franklin.

13. NO PARTITION. Subject to the provisions of this Master Deed and Certificate of Incorporation and By-Laws and the New Jersey Condominium Act, the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

14. MEMBERSHIP IN THE ASSOCIATION. Upon acceptance of a Deed to a Unit each Unit Owner shall automatically become a member of the Association and shall be a member for so long as he shall hold legal title to his Unit subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Certificate of Incorporation, the By-Laws and any rules and regulations which may now or hereafter be established for or by the Association. The Sponsor shall be a member of the Association with respect to all Units owned by it.