

SK

FIRST AMENDMENT TO MASTER DEED
For
BRAEMAR AT ROCKAWAY,
a Condominium
Rockaway Township, New Jersey

R&R
Nusbaum, Stern, Goldstein,
Bronstein & Campano
20 Commerce Boulevard
Succasunna, NJ 07976

67162

The FIRST AMENDMENT TO MASTER DEED MADE THIS 9th day of August, 1990, by
BRAEMAR CONSTRUCTION CO., a New Jersey Corporation, having an office at 50
Route 46, Parsippany, New Jersey (hereinafter referred to as "Sponsor").

WITNESSETH:

WHEREAS, the Sponsor has heretofore recorded a Master Deed for Braemar at
Rockaway, a Condominium, Township of Rockaway, New Jersey 07866, which Deed is
dated June 12, 1990 and was recorded with the Office of the Clerk of Morris
County on July 3, 1990, in Deed Book 3311 at Page 092 et seq., and

WHEREAS, the Sponsor reserved for itself, pursuant to Paragraph 20 of said
Master Deed, the right to amend said Master Deed; and

WHEREAS, the aforesaid Master Deed contains a typographical error in the
"Designation of Units and Percentage of Common Interest" as a result
incorrectly reflected each unit as having a 3.704 percentage interest, and

WHEREAS, the Sponsor desires to correct the Master Deed by the filing of
the within Amendment.

NOW, THEREFORE, the Sponsor does hereby declare, publish and establish
this First Amendment to Master Deed for Braemar at Rockaway, a Condominium, by
amending "DESIGNATION OF UNITS AND PERCENTAGE OF COMMON INTEREST" only as to
read 3.7037 percentage for each unit.

Prepared by:

Jack E. Wenarsky

Jack E. Wenarsky, Esq.

An Attorney at Law of N.J.

DB3332 P204

COUNTY OF MORRIS	
Consideration	<u>None</u>
Base Tax	<u>—</u>
Additional Tax	<u>—</u>
REALTY TRANSFER FEE	<u>EXEMPT-E</u>
Date	<u>8-20-90</u> By <u>SK</u>
RECORDING FEE	<u>20.00 chg</u>

Nusbaum, Stein

PUBLIC OFFERING STATEMENT

BY: BRAEMAR CONSTRUCTION COMPANY, a New Jersey Corporation
50 Route 46
Parsippany, New Jersey 07054
FOR
BRAEMAR AT ROCKAWAY, a Condominium
SANDERS ROAD, TOWNSHIP OF ROCKAWAY, NEW JERSEY

NUMBER OF UNITS: 27

PURSUANT TO THE REQUIREMENTS OF
THE PLANNED REAL ESTATE DEVELOPMENT FULL DISCLOSURE ACT
(P.L. 1977, C. 419, N.J.S.A. 45:22A-21, et seq.)
AND THE REGULATIONS PROMULGATED THEREUNDER

NOTICE TO PURCHASERS
THIS PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY.
PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY
OFFERED MEETS THEIR PERSONAL REQUIREMENTS.
THE NEW JERSEY DIVISION OF HOUSING AND DEVELOPMENT HAS NEITHER
APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING.

BE SURE TO READ CAREFULLY ALL DOCUMENTS BEFORE YOU SIGN THEM.

EFFECTIVE DATE OF REGISTRATION: JUNE 6, 1990

Attorneys for Sponsor:

NUSBAUM, STEIN, GOLDSTEIN, BRONSTEIN & COMPEAU, P.A.
20 Commerce Boulevard
Succasunna, New Jersey 07876
(201) 584-1400

PUBLIC OFFERING STATEMENT

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FORWARD

The purchase of a Condominium Unit involves not only the acquisition of an interest in real estate but a commitment on the part of the purchaser to accept and abide by the Articles of Incorporation and By-Laws (the rules governing the operation of the Association and certain obligations and rights of the individual unit owners) of the Condominium Association and the conditions outlined in the Master Deed (the instrument by which the Condominium is established). These instruments are interrelated and are just as important as the physical Unit.

The Purchase Agreement represents an Agreement between the Purchaser of the Unit and the Seller. This is an important document since it approves and adopts the provisions included in the Master Deed and By-laws.

Each Purchaser should thoroughly understand these documents before he undertakes the purchase of a Unit. It is recommended and advised that the Purchaser obtain the services of an attorney to safeguard his interests.

THE PURCHASER MAY CANCEL THE PURCHASE AGREEMENT WITHOUT CAUSE, BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER OR ITS AGENTS BY MIDNIGHT OF THE SEVENTH (7th) CALENDAR DAY FOLLOWING THE DAY ON WHICH THE PURCHASE AGREEMENT IS EXECUTED, IN WHICH EVENT ALL MONIES PAID WILL BE PROMPTLY REFUNDED WITHOUT PENALTY.

INTRODUCTION

This Condominium Plan is promulgated pursuant to and will be governed by the Condominium Act (P.L. 1969 C. 257; N.J.S.A. 46:8B-1 et seq.) and the Planned Real Estate Development Full Disclosure Act (P.L. 1977 C. 419; N.J.S.A. 45:22A-21, et seq.)

Braemar Construction Company, a New Jersey corporation, (the "Sponsor") presents herewith its offering plan for townhouses under Condominium ownership known as Braemar at Rockaway, a condominium on certain lands located in the Township of Rockaway, New Jersey in accordance with the provisions of a Master Deed recorded or to be recorded by Sponsor in the Office of the Clerk of Morris County.

The Master Deed, when filed, will authorize the establishment of the Braemar at Rockaway, a Condominium, as described and delineated herein, and shall contain specimens of all legal documents relative to the creation of the Condominium and its operation and management, together with a recital of the rights and privileges of each owner of a Condominium Unit and the responsibilities, duties and obligations to every other Condominium Unit Owner and the Association to be formed pursuant to the terms of the Master Deed and the Condominium Act.

The Master Deed further provides for the filing of Articles of Incorporation for Braemar at Rockaway Condominium Association, Inc., a not for profit Corporation, which shall be comprised exclusively of Condominium Unit

Owners (including the Sponsor) to effect the maintenance, management and administration of the Property pursuant to the Condominium Act. The Master Deed will also contain a description of each Condominium Unit Owner's undivided interest in the common elements and the By-laws of the Association which provide for the governing of the Property by a Board of Trustees and officers thereof and sets forth the time, place and conduct of meetings of Unit Owners, of the Board of Trustees and the procedures to be followed in relation to the governing of and operations of the Condominium. Each Condominium Unit owner, by virtue of his ownership, is a member of the Condominium Association.

The Master Deed, By-laws and other exhibits annexed hereto are made a part of this offering plan. The Sponsor recommends that these documents together with the entire plan, be carefully examined by the prospective purchaser, his attorney and accountant.

BRAEMAR CONSTRUCTION COMPANY, a New Jersey Corporation
50 Route 46, Parsippany, New Jersey 07054

DESCRIPTION OF CONDOMINIUM PROPERTY INTERESTS BEING OFFERED

The Condominium concept offers private ownership in a multi-dwelling project. The owner of a Condominium Unit owns his Unit in many respects as a private homeowner owns his own home. He owns title to the Unit in fee simple and is entitled to the exclusive possession thereof. Briefly stated, the boundaries of each Owner's Unit are defined as the space enclosed by the unfinished wall studs, roof truss and basement floors.

In addition to the ownership of the Unit area, the Condominium Unit Owner also will own an undivided proportionate share of all of the common elements in the Condominium. All portions of the Condominium other than the individual Units will be common elements. The common elements will include, without limitation, the land upon which the buildings are located, the building foundations, and structural supports, common walls, electrical wiring, pipes, roof, parking areas and all walkways and landscaping located within the Condominium property. When an Owner sells his interest in a particular Unit, he conveys both the living space he owns and his undivided particular interest in the common elements.

Although the common elements of the Condominium are owned by all of the Condominium Unit Owners in common, the maintenance and management of the common elements will be conducted, as required by New Jersey law, by the Condominium Association, a New Jersey non-profit and non-stock membership

corporation, to be comprised exclusively of those persons owning the Condominium Units included in the Condominium, and the Sponsor. The Purchaser of a Condominium Unit acquires membership in the Association upon such purchase. The Association's Board of Trustees, selected as hereinafter described, will assess against every owner of a Unit, in proportion to his percentage interest in the common elements, charges (the "Common Expenses") for the maintenance of the common elements and for the operating costs of the property, including provisions for reserves for payment of necessary insurance premiums, replacements and such other charges all as more fully hereinafter set forth.

Since each Unit Owner acquires his Unit in fee simple title, he may mortgage his Unit and will thereupon become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. A Unit is not subject to the lien of any mortgages placed by other Unit owners on their Units. A Unit Owner is free to lease, within certain limitations as set forth in the Master Deed, sell and convey his Unit or otherwise dispose of it by gift or devise. He may decorate the interior of his Unit in any way that he desires so long as said decorations do not impair the structural integrity of the Condominium property.

Each Unit is to be taxed as a separate dwelling for real estate purposes, as if it were a private home. The Unit Owner will not be responsible if any of his neighbors fail to pay the taxes due on their individual Units. A Unit Owner may, in accordance with current tax laws, deduct from his income, for federal income tax purposes, the real estate taxes and the interest paid on any mortgage on his Unit, substantially like a private homeowner.

The purchaser of a Unit acquires membership in the Association, and will be obligated to pay a monthly assessment representing each individual Unit

Owner's proportionate share of the expenses for maintaining the common elements of the Condominium. This monthly maintenance charge will be subject to revision depending upon the actual costs incurred for the operation and maintenance of the Condominium, and for such supplemental assessments for capital improvements, repairs and contributions to reserve as the Association will determine by its Board of Trustees. The above charges and expenses will, pursuant to the terms and conditions of the Master Deed and By-laws, constitute a lien against an individual Condominium Unit in favor of the Association.

Common water, garbage removal, snow plowing, landscaping care and maintenance, extermination and electricity supplied to common area will be paid by the Association and charged to each Condominium Unit Owner as a common expense. Each Condominium Unit is separately metered for all utilities and shall receive separate service bills and the Condominium Unit Owner shall pay same.

A Unit purchaser, upon signing the Purchase Agreement for a particular Unit, acknowledges that upon the conveyance of title to the Unit, that the purchaser will acquire membership in the Condominium Association.

Utility service suppliers will be:

Sewer - Rockaway Valley Regional Sewerage Authority

Water - Township of Rockaway

Electric - Jersey Central Power & Light Company

Telephone - New Jersey Bell

Cable - Sammons Communications

Gas - New Jersey Natural Gas

Garbage Removal - Louis Pinto & Son, Inc.

DESCRIPTION OF CONDOMINIUM PROPERTY

Braemar at Rockaway, a condominium is a new townhouse complex consisting of 27 units being offered for sale and subject to this public offering statement. The property consists of or will consist of four buildings. Two of the buildings will contain six units each one building will consist of seven units while the fourth building will house eight units. The buildings are located on a plot of land referred to as Tax Lot 8 in Block 22102 on the Tax Map of the Township of Rockaway and containing approximately 5-1/2 acres of land.

The common elements include 27 unassigned parking spaces. There will be no charge for the use of these unassigned parking spaces. Access to the property as well as to the parking areas will be from one drive, along Braemar Drive.

Adjacent properties are residential.

The estimated date of completion is December 1, 1990.

COMMUNITY INFORMATION

The Township of Rockaway is a community with a population of approximately 20,000 people, and is 45 square miles in area. Situated in the center of Morris County, Rockaway is approximately 32 miles from New York City. New York can be reached via Route 80, Route 46 to Route 3, and by Route 280 to the New Jersey Turnpike. All Routes are conveniently accessed by Route 80, which is .5 miles from the Braemar at Rockaway property.

Newark Airport is also easily accessed by a variety of routes, and lies approximately 24 miles from the site. Both bus and train transportation is provided to the New York area at nearby points, and requires an approximate one hour commute.

The Rockaway Townsquare Mall, one of the State's largest and most modern shopping facilities is 3.1 miles from the site. Numerous small shopping centers are distributed throughout the Township, and the downtown shopping district of Rockaway Borough is 1.5 miles from the site.

Rockaway Township students utilize five (5) elementary schools, one (1) middle school, and two (2) regional high schools. Students from the Braemar at Rockaway site would attend the Stoney Brook Elementary School on Stoney Brook Road in Rockaway, 1.7 miles from the site, the Lex Coplan Middle School on Lake Shore Drive in Rockaway, 1.9 miles from the site, and the Morris Knolls Regional High School on Knoll Drive in Denville, 3.2 miles from the site. Morris County provides additional educational opportunities through the Morris County Vocational Technical High School, and Morris County Community College, a highly accredited institution. Private institutions abound in the Morris County area in all levels of learning.

A potable water supply will be provided to the site by Rockaway Township. Sewerage disposal will be provided by the Rockaway Valley Regional

Sewerage Authority. Garbage removal will be provided by Louis Pinto & Son, Inc. Electric facilities will be provided by Jersey Central Power and Light Company. Gas is to be supplied by New Jersey Natural Gas Company, telephone service by New Jersey Bell Telephone Company, and cable television service by Sammons Communications. All utility companies will need to extend their existing facilities to the site from Sanders Road which fronts the Braemar at Rockaway property.

The area in which the Braemar site lies is situated within the jurisdiction of the Rockaway Police Department located at the Municipal complex at 65 Mt. Hope Road, 2.2 miles away. Fire protection is provided by the White Meadow Lake Co., No. 5 Fire Department located .8 miles away on Pawnee Road. The Rescue Squad servicing the property is also at the Pawnee Road location. Both the Fire Department and Resue Squad are volunteer organizations.

There are numerous houses of worship serving the Rockaway Township area. They include The Green Pond Chapel (9.2 miles), The Holy Trinity Lutheran Church (4.2 miles), Kingdom Hall (2.5 miles), Mt. Hope Methodist Church (3.7 miles), St. Bernards R.C. Church (3.5 miles), St. Clements R.C. Church (2.5 miles), St. Simon R.C. Church (8.8 miles), Teabo Methodist Church (4.1 miles), Union Chapel 6.6 miles), White Meadow Lake Temple (1.1 miles), and the Green Pond Bible Chapel (8.9 miles).

Recreational facilities within the area of the Braemar at Rockaway development include areas provided by local, county, and state organizations, as well as private establishments. Lakes, golf courses, fishing areas, and parks are all within close proximity to the site. The Tourne, a Morris County Park, is approximately 4.7 miles from the development in Denville Township,

Boonton Township and Mountain Lakes Borough. Fanny State Park is 7.5 miles away off Durham Road in Rockaway Township, and Diamond Spring Park is the closest public park being 3.3 miles away.

The Green Pond Golf Club is the closest public golf facility to the site, and is located approximately 6.6 miles from Braemar. The Rockaway River Golf Club is the nearest private facility at 3.5 miles. Health Club facilities, tennis, and racquet ball clubs are numerous throughout the area. Skiing is less than 9.4 miles away at Craigmere, or approximately 34 miles away at Vernon Valley, Great Gorge, and Hidden Valley.

IMPROVEMENTS

As previously indicated, the Property consists of 4 newly constructed buildings containing 27 Units, with driveways, parking areas and landscaping. In addition there will be the construction of tot lot as part of the improvements to be constructed by the Sponsor. No other improvements by the Sponsor are intended.

OPERATION AND MANAGEMENT OF COMMON ELEMENTS AND FACILITIES

Braemar at Rockaway Condominium Association, Inc. (the "Association") will be established prior to the conveyance of the first Unit in the Condominium as a New Jersey non-profit corporation organized under R.S.15:1-1 et. seq. The operation and management of the common elements and facilities will be controlled by the Association. Members of the Association will initially be the Sponsor, and all other persons having acquired Condominium Units. The Association's membership will ultimately be composed exclusively of Unit Owners in the Condominium.

The Association will have an obligation to prepare an annual budget, which will be available to all Unit Owners, for the operation and maintenance of the common elements and facilities in the Condominium. The Association will be obligated to pay certain utility charges, maintenance charges, charges for repairs to and replacements of, as well as insurance premiums to insure the common elements. The Association will levy the assessment for the Common Expenses and collect them monthly from the Unit Owners.

The Condominium Association By-laws and a copy of the Articles of Incorporation which establish the existence of the Association are attached as exhibits to the Master Deed. The voting provisions respecting such membership are fully set forth in the By-laws of the Association. The Association will be governed by a Board of Trustees at least 3 members subsequently increasing to not less than five (5) persons. The Board of Trustees is charged with the administration of the Condominium Association.

The New Jersey Condominium Act requires the Sponsor to relinquish control of the Condominium Association as Units are sold.

Initially the Sponsor will appoint all (three) members of the Board of Trustees of the Association. Within 60 days after 25% of the ownership interests in the common elements are conveyed, the number of Board members will increase to four and Sponsor will relinquish the right to designate 25% of the membership of the Board, thereby creating one Trustee to be elected by all members other than the Sponsor. Within 60 days after 50% of the ownership interests are conveyed, the number of Board members will increase to five, and the Sponsor will thereupon relinquish its right to designate 40% of the Board Members. Thus, the general membership other than the Sponsor shall select an additional Board member. Within 60 days after 75% of the ownership interests are conveyed, Sponsor will relinquish its control of the Board except that the Sponsor will have the right to retain a member of the Board so long as Sponsor retains ownership of at least one Condominium Unit in the normal course of business.

Each owner of a Unit, including the Sponsor, will be eligible to cast his vote at all meetings of the Association. However, the Sponsor cannot vote for the Trustees to be selected by the other Unit owners. The Sponsor may, however, surrender control of the Board of Trustees of the Association prior to the time specified above provided that the Owners of interest agree by a majority vote of those able to vote pursuant to the By-laws of the Association to assume control.

PROPOSED BUDGET

A copy of the proposed budget for the first year's operation and maintenance of the common elements and facilities and the proposed annual assessment, on each Unit, is attached hereto as Exhibit C. Said budget specifically states the amount set aside for replacement and reserves for the common elements and facilities. The estimated monthly common charge for a Unit, (exclusive of real estate taxes and principal and interest on any mortgage) is \$149.00 per month. This fee also covers the maintenance on Braemar at Rockaway which is a private road.

Included as part of Exhibit "C" is a letter of adequacy as to the amount set aside for replacement and reserves for the Common Elements and facilities and also a letter of adequacy as to the insurance costs.

It shall be the responsibility of the Condominium Association to maintain and repair, as needed, all retention basins located on the site.

MANAGEMENT AGREEMENT

A Management Agreement has been entered into by the Sponsor on behalf of the Braemar at Rockaway Condominium Association, Inc., for a term to commence with the recording of the Master Deed and to run for a period of one year from that date. A copy of that Management Agreement is attached hereto as Exhibit D.

This Agreement calls for Castleton Management Co., Inc., to act as the manager of the common elements and facilities of the Condominium. Powers and duties of this Management Company include, among other matters, attendance at Board meetings and Unit Owner meetings, selection, employment and supervision of employees to carry out its duties at a compensation to be determined, the collection of all regular and special assessments from Unit owners, the maintenance and repair of the common elements of the Condominium, the purchaser of equipment, tools, vehicles, appliances, goods, supplies and materials reasonably necessary to perform its duties, the placement of all insurance required or permitted by the various Condominium documents, the maintenance of all Association's books and records and such other obligations, rights and power as prescribed in said Agreement.

The Management Company's compensation for its services shall be at the rate of \$5,500.00 DOLLARS per annum.

The Management Company and Sponsor are affiliated companies. There are no other leases, contracts or other Agreements affecting the use, maintenance or access to any common elements, or community facilities on the Property.

MASTER DEED

The Sponsor will record, prior to the conveyance of the first Unit, a Master Deed creating the Condominium known as Braemar at Rockaway, a Condominium. There will be included therein a recitation of the restrictions and protective covenants, attached as Exhibits thereto and the Articles of Incorporation and By-laws of the Association which By-laws will also set forth certain restrictions and protective covenants. This deed applies to all Units being offered and will obligate the purchasers to the provisions thereof. The rights and obligations established by those documents shall be deemed to be covenants running with the land so long as the property remains subject to the provisions of the Condominium Act. The Master Deed, including the Exhibits thereto, shall inure to the benefit of and be binding upon each and all Unit Owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees and mortgagees.

Sponsor will record this Master Deed in the Office of the Clerk of Morris County, New Jersey. This Master Deed and the Exhibits thereto which are the Articles of Incorporation and By-laws of the Condominium Association are attached hereto as Exhibits E, A and B, respectively.

(a) Subject to the master deed, declaration of covenants and restrictions or other instruments of creation, the association may do all that it is legally entitled to do under the laws applicable to its form of organization.

(b) The association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community.

(c) The association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the association, and between different unit owners, that shall be readily available as an alternative to litigation.

RESTRICTIONS ON USE AND OCCUPANCY

To preserve and protect the value of the Condominium Property and the Unit Owner's interests, the following use and occupancy restrictions together with those set forth in the Master Deed and the By-laws, will be invoked, and as each may be supplemented and amended, and such other Rules and Regulations as may be adopted.

(a) No part of the property may be used for any purpose prohibited under law nor under the Master Deed or the By-laws.

(b) The Common Elements shall be used only by the Unit owners, occupants and their agents, servants, tenants, family members, invitees and licensees for access, ingress to and egress from the respective Units and for such other purpose incidental to the use of the Units; provided, however, areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance, and operation of the Common Elements shall not be obstructed, damaged, or unreasonably interfered with by any Unit Owner and shall be subject to any lease, concession or easement presently in existence or entered into by the Board at some future time affecting any part or all of the said Common Elements.

(c) No part of the property may be used for purposes other than housing and the related common purposes for which the property was designed. The foregoing restrictions as to a residence shall not, however, be construed in such a manner to prohibit a Unit Owner from maintaining a personal professional library, or keeping his business or professional records or

accounts or handling his personal business or professional telephone calls or correspondence.

(d) No clothes poles or lines shall be installed or maintained in common areas or on Unit decks or balconies.

(e) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements. Dogs, cats or other household pets are permitted, provided, they not be in excess of two in the aggregate per Unit and provided that they are not kept, bred or maintained for any commercial purpose and that they are housed within the Unit. No outside dog pens or yards shall be permitted.

(f) No trailer, tractor, truck (commercial or unregistered) recreation vehicle, boat, boat trailer, and no mobile home of any size shall be stored or housed on the property.

(g) No portion of the Common Elements or of the Property shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the property for collection twice weekly.

(h) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted. No unshielded flood lights shall be installed in any exterior area of any Unit.

(i) No signs of any kind shall be permitted upon the Property except as specifically provided herein or in the By-laws.

(j) No external or visible radio, television or any type of communication aerial shall be installed or affixed on or about the exterior of any building constructed or erected on the Property, or elsewhere on such property.

(k) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of the building(s) or the contents thereof beyond the rates applicable for all Units, without the prior written consent of the Association. No owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which would result in the cancellation of insurance on any of the buildings or the contents thereof, or which would be in violation of any law.

(l) 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 willfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium.

(m) No immoral, improper, offensive, or unlawful use shall be made of any Unit; nor shall any activity which is offensive or abhorrent to prevailing concepts of morality and decency be conducted, and all valid laws, zoning ordinance and regulations of all governmental bodies having jurisdiction thereof shall be complied with.

(n) No Unit shall be rented by the Owner thereof, (except by the Sponsor or a lender in possession of such Unit following default on a first mortgage, a foreclosure proceeding or any other deed or arrangement in lieu of foreclosure) or otherwise utilized for any period less than one month or for transient purposes; provided, however, that any Unit Owner may rent a Unit for a period of less than one month to a contract purchaser. No Owner may lease less than an entire Unit. All leases shall be made in writing and made subject to all provisions of the Master Deed, the By-laws of the Association and other documents referred to herein including any right of amendment

thereof 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.

(o) No Unit Owner may make any structural additions, alterations or improvements in his Unit or of the Common Elements without the prior written approval of the Board, except as hereinafter set forth. Should any Unit Owner make any alterations, additions, or improvements within the Unit, such Unit Owner shall be responsible for any damage to other Units, the Common Elements, and the property or any part thereof, resulting from such alterations, additions or improvements.

(p) 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 Owners, each Owner shall give the Secretary of the Association, timely notice of his intent to list his Unit for sale, and, upon closing of title shall forthwith notify such Secretary of the names and home address of the purchasers.

(q) All multiple dwellings, even if they are under a condominium or cooperative form of ownership, are subject to the Hotel and Multiple Dwelling Law (N.J.S.A. 55:13A-1 et seq.). The condominium association or cooperative corporation is considered as the owner for purposes of the Hotel and Multiple Dwelling Law and is held responsible for the abatement of all violations which it has the power to abate and for the payment of registration and inspection fees. Unit owners may be required to abate violations within their units.

As to further restrictions relating to the project in its entirety, see the Section entitled "Operation and Management of Common Elements and Facilities".

DOCUMENTATION

Fee title to each Condominium Unit will be conveyed by the Sponsor by Bargain and Sale Deed, the form of which is annexed hereto as Exhibit F. Such conveyance will carry with it the undivided percentage interest in the common elements of the Condominium. There is also attached hereto as Exhibit G a copy of the Purchase Agreement for the purchase of the Condominium Unit which the purchaser will be required to sign in order to purchase a Unit in the Condominium. The Purchase Agreement contains a provision giving Seller the full right and authority to maintain at the condominium property signs, transient parking, sales offices and model units together with the rights of ingress and egress therefrom for the Seller, any of the Seller's agents, licensees or invitees until the sale of the last Unit in the regular course of business has occurred.

SEPARATE TRUST FOR DEPOSITS

Sponsor's attorney, Jack E. Wenarsky, with offices at 20 Commerce Boulevard, Succasunna, New Jersey 07876, will hold all monies received by it from purchaser, in trust, in a special account, at National Westminster Bank NJ, 23 Sunset Strip, Succasunna, New Jersey 07876, and/or any successor financial institution. Such money shall remain in the trust account until the monies are actually employed in connection with the transaction. Monies held by the Sponsor's attorney in trust (other than bank interest actually earned) will be paid on account of the purchase price of the Condominium Unit and at closing, the balance of monies then held will be paid to the Sponsor, or pursuant to the written direction of, the Sponsor.

The Bank interest actually earned on the payments by the respective purchasers shall inure to the benefit and become the property of the Sponsor and shall not be credited to the balance of the purchase price to be paid to the purchaser, but shall be turned over to the Sponsor at the time of closing.

In the event the Sponsor is required to return money to the purchaser under the provisions of this plan, Sponsor shall not be required to remit to purchaser any interest earned on the deposit while the same was in the trust account. In no event will the trust funds be released to Sponsor prior to the expiration of seven day recision period provided for in the purchase agreement. Despite the foregoing, the funds may be released from the escrow account after said seven day recision period, provided that Sponsor has provided a bond or other guarantee acceptable to the New Jersey Department of Community Affairs.

TITLE INSURANCE

A copy of the proposed sample form of Certificate of Title Insurance Policy which is available to be issued to the purchasers by Central Jersey Title Co., Inc., containing all exceptions anticipated to effect the title of each Unit, is attached hereto as Exhibit H. Despite the foregoing, the purchaser of a Unit shall not be required to obtain his title insurance from said company. All costs and expenses in securing said title insurance shall be borne by the purchaser. Sponsor shall not be responsible for any costs or expenses incurred by Purchaser in obtaining any title insurance.

ENCUMBRANCES, EASEMENTS, LIENS AND RESTRICTIONS

There are no significant terms of any encumbrances, easements, liens and restrictions including zoning regulations which would prohibit the use of the Condominium Units to be sold hereunder for residential purposes.

There will be a utility easement to Jersey Central Power & Light Co. to provide street lighting to the common areas.

The premises are in the RMF zone which permits this use which, therefore, is a conforming use. The property surrounding the site are all zoned for residential use.

In addition to the above, there are certain rights of owners abutting thereon in the White Meadow Brook which crosses the land on which the project is constructed. Furthermore, in connection with this it is also subject to the location of the stream encroachment line.

Furthermore, there are construction mortgages encumbering this property. These mortgages will be released along with each Unit's respective share of the common elements for a release price equal to 90% of the gross sales price (minimum release price of \$135,000.00 per unit).

NATURAL FORCES

Although part of the property is located within the flood plane, no buildings have been constructed within the flood plane area.

Except for the above, to the best knowledge of the Sponsor, neither the property nor any portion thereof is regularly or periodically subject to natural forces that would tend to adversely affect the use or enjoyment of the property, such as drought, earthquakes, or other forces of nature.

MAN-MADE FORCES

To the best knowledge of the Sponsor, neither the property nor any portion thereof is subject to man-made forces that would tend to adversely affect the use or enjoyment of the property. The property is not proximately located to any existing airport, or flight path of any presently existing airport. The Condominium is not near a railroad, nor any area in which there is a noisy or polluting industrial use, or other man-made impediments to the enjoyment of the property.

REAL ESTATE TAXES

New Jersey statutes permit individual Condominium Unit prices to be reflected in the assessment valuation for real estate tax purposes.

Any taxes or assessments outstanding at the time of closing of title to an individual Condominium Unit will be adjusted and apportioned as of the date of closing.

The tax rate for the Township of Rockaway per hundred dollars of assessed valuation for the previous three (3) years are as follows:

	<u>Rate</u>	Municipal <u>Equilization Rate</u>
1987	2.79/100	84.47%
1988	2.93/100	60.77%
1989	3.25/100	53.26%

To the best of the Sponsor's knowledge, as of the date of this Public Offering Statement, there are no existing or proposed special taxes or assessments affecting the property. If any assessments are levied prior to closing, the Sponsor will pay them. After closing, the purchaser will pay them.

ESTIMATED TITLE CLOSING COSTS TO BE PAID BY PURCHASER

As previously indicated, the purchaser is encouraged to obtain his own legal counsel to represent him in connection with the purchase of a Unit in Braemar at Rockaway, a Condominium. All costs involved with such representation would be the sole cost and expense of the purchaser. Normal costs of closing are the purchaser's attorneys' fees, survey certifications, if requested, title insurance premium, cost of search, recording fees for the various documents involved and any costs which might be charged to the purchaser by a mortgagee and which relate to the granting and closing of a mortgage for the purchaser.

At closing, the Buyer shall be required to deposit with the Condominium Association two (2) months' assessment based on the then current budget of the Condominium Association. The sum deposited shall be used by the Association as a reserve for working capital to the property. This deposit shall not be refunded upon a resale of this Unit by the Buyer.

SPONSOR'S WARRANTIES

The Sponsor shall warrant the construction of the unit as provided in the New Home Warranty and Builders Registration Act, N.J.S.A. 46:3B-1 et seq.

Sponsor shall warrant the following to be free from defect due to material and workmanship for a period of one year from the date of possession or settlement: outbuildings, driveways, walkways, patios, retaining walls and fences. The Sponsor shall also warrant that all drainage is proper and adequate and that all off site improvements are free from defects for a period of one year from the date of construction. The Sponsor shall warrant that the unit is fit for its intended use.

The Sponsor shall warrant the construction of the Common Facilities for a period of two years from the date of the completion and that they are fit for their intended use. The Sponsor shall repair or correct any defect in construction, material or workmanship in the common facilities within a reasonable time after notification of the defect.

The Sponsor shall expressly warrant that the Unit and the Common Elements will substantially conform to the model, description or plans used to induce the purchaser to enter into a contract or agreement to purchase unless noted otherwise in the contract.

OTHER DEVELOPMENTS

Sponsor has no other developments constructed by it or any parent or subsidiary company within the State of New Jersey and within a radius of 100 miles of this site, during the last five years.

RIGHT OF RESCISSION

THE PURCHASER HAS THE RIGHT TO CANCEL ANY CONTRACT OR AGREEMENT FOR THE PURCHASE OF ANY CONDOMINIUM UNIT OR INTEREST IN THE CONDOMINIUM, WITHOUT CAUSE, BY SENDING OR DELIVERING THE WRITTEN NOTICE OF CANCELLATION TO THE DEVELOPER OR HIS AGENT BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH SUCH CONTRACT OR AGREEMENT IS EXECUTED, IN WHICH EVENT ALL MONIES WILL BE PROMPTLY REFUNDED WITHOUT PENALTY.

HAZARD AND LIABILITY INSURANCE

The By-laws of the Condominium Association require that hazard insurance in broad form, with extended coverages, be maintained insuring all improvements and machinery existing in the common elements in an amount equal to the replacement value without deduction for depreciation and insuring the Condominium Association, Board of Trustees, Sponsor and Unit Owners and their mortgagees. Liability insurance covering personal injury and death from accidents occurring on the common elements (not due to acts or negligence of Unit owners) to the extent attainable is also required in such amounts as the Board of Trustees shall determine.

Each Unit owner should discuss their own insurance needs, for hazard coverage, as to contents and liability coverage with their own insurance agent.

Flood hazard insurance is not necessary.

MISCELLANEOUS

Sponsor's financial statement shall be available for inspection at the sales office.

While the developer maintains a majority of representation on the executive board, he shall post a fidelity bond or other guarantee acceptable to the Agency, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves.

While the developer maintains a majority on the executive board, he shall have an annual audit of association funds prepared by an independent accountant, a copy of which shall be delivered to each unit owner within ninety (90) days of the expiration of the fiscal year of the association. The audit shall cover the operating budget and reserve accounts.

While the developer maintains control of the executive board, he shall take no action which adversely affects a homeowner's right under N.J.A.C. 5:25-5.5. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

All multiple dwellings, even if they are under a condominium or cooperative form of ownership, are subject to the Hotel and Multiple Dwelling Law (N.J.S.A. 55:13A-1 et seq.). The condominium association or cooperative corporation is considered as the owner for purposes of the Hotel and Multiple

Dwelling Law and is held responsible for the abatement of all violations which it has the power to abate and for the payment of registration and inspection fees. Unit owners may be required to abate violations within their units.

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Deed, and as those may be amended from time to time.

The Association shall be conducted as a non-profit organization for the benefit of its members.

ARTICLE III

1. The members of the Association shall be the record owners of the Condominium Units in Braemar at Rockaway, a Condominium and the Sponsor's representatives as set forth in the By-laws. Each such person must qualify in accordance with the By-laws to be so considered. No other person or entities, including, but not limited to, those who hold an interest merely as security for the performance of an obligation, shall be entitled to membership.

2. The membership of each Unit Owner shall automatically terminate when he ceases to be a Unit Owner and upon the conveyance, transfer or other disposition of a Unit Owner's interest in the Condominium, said Unit Owner's membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest.

3. The aggregate number of votes for all Unit Owners shall be twenty-seven (27) and shall be divided among the Unit Owners with each Unit Owner having one (1) vote.

4. The subscribers to these Articles of Incorporation shall be deemed members of this Association and shall each have one (1) vote on all matters on which membership shall be entitled to vote until the first Board of Trustees has been elected and organized.

ARTICLE IV

A Board of Trustees shall manage the affairs of the Association. The Board shall consist of the number of Trustees as determined by the By-laws and which shall be elected in accordance with the By-laws.

ARTICLES OF INCORPORATION

FOR

BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

These Articles of Incorporation are to certify by the undersigned, that they have associated themselves for the purpose of forming a corporation not for profit under and in accordance with the provisions of N.J.S.A. 15A:1-1 et seq. entitled, "New Jersey Non-Profit Corporations Act", and the amendments thereof and supplements thereto, and to that end we do by these Articles of Incorporation, set forth:

ARTICLE I

The name of the corporation shall be Braemar at Rockaway Condominium Association, Inc., hereinafter called the "Association".

ARTICLE II

The purposes for which the corporation is formed are as follows:

To establish an entity to operate, manage, and maintain Braemar at Rockaway, a Condominium, comprised of 27 residential units and the common elements thereof, pursuant to the provisions of the Condominium Act, N.J.S.A. 46:88-1 et seq. The buildings known as Braemar at Rockaway, a Condominium are situated upon property located at Sanders Road, Township of Rockaway, New Jersey and described in the Master Deed, recorded or about to be recorded in the Office of the Clerk of Morris County.

The Association will undertake the performance of the duties and acts incident to the administration of said Braemar at Rockaway, a Condominium, in accordance with the terms, provisions and authorizations contained in these Articles of Incorporation and those which may be contained in the Master

Exhibit A

d. To borrow money, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

e. To do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the above purposes or for the attainment of any one or more of the objects herein enumerated or incidental to the powers herein named, it being specifically provided that the enumerated powers and objects shall be by way of explanation and not by limitation and the corporation shall have the right and power to do any and all things for the benefit of its members as may from time to time appear expedient or desirable to the Trustees of the Association or its members, with all of the powers now or hereafter conferred by the laws of the State of New Jersey upon corporations organized under the act hereinabove referred to and specifically conferred upon administrators or Boards of administration or other forms of administration of Condominiums.

ARTICLE VI

The name and post office address of the initial Registered Agent of said corporation is: Jack E. Wenarsky, Esq., 20 Commerce Boulevard, Succasunna, New Jersey 07876

ARTICLE V

The powers of the Association shall include and be governed by the following provisions:

1. The Association shall have and exercise all of the common law and statutory powers of a non-profit corporation pursuant to N.J.S.A. 15A:1-1 et seq., the law under which this corporation is chartered, as well as those not in conflict with the terms of these Articles.

2. The Association shall have all the powers reasonably necessary to implement and effectuate the purpose of the Association, including but not limited to the following:

a. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Master Deed, as same are applicable to the property described therein, and as that certain Master Deed may be amended from time to time as therein provided, said Master Deed being incorporated herein by reference as if set forth at length;

b. To fix, levy, collect and enforce payment, by any lawful means, of all charges or assessments pursuant to the terms of said Master Deed and the By-laws of the Association to be adopted hereafter; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association;

c. To acquire by gift, purchase or otherwise, and to own, hold, improve, build upon, operate, maintain, convey, sell, lease, rent, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

STATE OF NEW JERSEY)
) SS:
COUNTY OF)

BE IT REMEMBERED, that on this ____ day of _____,
before me, the subscriber, a Notary Public of the State of New Jersey,
personally
appeared

, who, I am satisfied, are the persons named in and who
executed the within instrument and thereupon they acknowledged that they
signed, sealed and delivered the same as their act and deed, for the uses and
purposes therein expressed.

Notary Public of the State of New Jersey
My commission expires:

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ARTICLE VII

Initially, the Board of Trustees will be composed of three (3) persons who need not be members of the Association. The names and addresses of the members of the Board of Trustees who shall hold office until their successors are elected are as follows:

Name	Address:
1. James B. Luke	50 Route 46, Suite 100 Parsippany, N.J. 07054
2. Kenneth R. Eberle	50 Route 46, Suite 100 Parsippany, N.J. 07054
3. Ralph A. Loveys, Jr.	50 Route 46, Suite 100 Parsippany, N.J. 07054

ARTICLE VIII

The corporation shall have perpetual existence.

In the event of dissolution, all remaining assets and property of the Association, after necessary expenses, shall be distributed to such organizations as shall qualify under 26 U.S.C.A. 501(c)3.

WITNESS:

_____	By: _____ Incorporator
_____	By: _____ Incorporator
_____	By: _____ Incorporator

BY LAWS
OF
BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

PURPOSE, DEFINITIONS, COMPLIANCE, OFFICE

SECTION 1: PURPOSE

The Braemar at Rockaway Condominium Association, Inc. (the "Association") has been organized for the purpose of administering, managing, maintaining, repairing, and operating the 27 units and the common elements of Braemar at Rockaway, a Condominium, pursuant to the provisions of P.L. 1969, Ch. 257, N.J.S.A. 46:8B-1 et seq. of the Laws of the State of New Jersey (hereinafter referred to as the "Condominium Act" or the "Act")

SECTION 2: DEFINITIONS

All definitions set forth in the Master Deed creating the Condominium are incorporated herein by reference, and, unless the context clearly indicates otherwise, all definitions set forth in N.J.S.A. 46:8B-3 are also incorporated herein by reference.

SECTION 3: COMPLIANCE

Each present and future owner or any occupant, tenant, guest, licensee, agent, employee and any other person who uses the "Property" (as used herein shall include the land, the buildings and all other improvements thereon including the Units and the Common Elements, all as set forth in the Master Deed) shall comply with the By-laws of the Association, rules and regulations

adopted pursuant to the By-laws, and with the conditions and restrictions set forth in the Master Deed and the Deed to each Unit.

SECTION 4: OFFICE

The initial principal office of the Association shall be located at 50 Route 46, Suite 100, Parsippany, New Jersey 07054, New Jersey, but thereafter, may be located at such other suitable place as shall be designated by the Board of Trustees of the Association, (hereinafter referred to as the "Board").

ARTICLE II

MEMBERS (UNIT OWNERS)

SECTION 1: MEMBERSHIP INTEREST

Every person, firm, association, corporation or other legal entity who is a record owner or co-owner of the fee simple title to any Unit ("Unit Owner") shall be a member of the Condominium Association. Each Unit Owner's membership interest shall be in accordance with his respective percentage interest of ownership interest in the Common Elements of the Property.

SECTION 2: SUCCESSION

The membership of each Unit Owner shall automatically terminate when he ceases to be a Unit Owner and upon the conveyance, transfer or other disposition of a Unit Owner's ownership interest in the Property, said Unit Owner's membership in the Association shall automatically be transferred to the new Unit Owner succeeding to the ownership interest. Any person acquiring ownership of a Unit shall furnish notice thereof, within ten (10) days after acquisition, to the Board Secretary and Managing Agent, if any.

SECTION 3: DESIGNATION OF VOTING MEMBER

Each purchaser of a Unit, if one person, establishes his right to vote by the recorded title to the Unit. If a Unit is owned by more than one person, partnership, trust, or corporation, then the person entitled to cast the vote for the Unit Owner shall be designated by a certificate duly executed by the Unit Owner, and filed with the Secretary of the Association. The designated person in these certificates who is entitled to cast the vote for a Unit shall be known as the "voting member". Such certificate is valid until revoked by a change in ownership or superseded by a subsequent certificate. In the event that such a certificate is not filed, then either co-owner of a Unit or any party representing itself as an authorized representative of a partnership, trust, corporation or other similar entity may cast the vote on behalf of the Unit Owner provided that said vote is not challenged by any other person purporting to be a representative of the same Unit Owner.

SECTION 4: SUSPENSION OF RIGHTS

The membership rights of any owner may be suspended for any period during which any assessment(s) against the Unit Owner's property remains unpaid, whether or not that Unit Owner is personally obligated to pay such assessment(s); but upon payment of such assessment(s) and any interest which may accrue thereon, the Unit Owner's membership rights shall be immediately and automatically restored. Further, if any Unit Owner fails to comply with any rules and regulations governing the use of Common Elements or the conduct of any persons are not in accordance with such rules and regulations as may be

adopted, then the Association may suspend any such member at the discretion of the governing board for a period not to exceed 30 days for any single violation.

SECTION 5: MEMBERSHIP LIST

A complete list of members of the Association, the owner's Unit number, and percentage of ownership in the Common Elements shall be kept by the Secretary at the principal office of the Association. The list shall be kept up to date and open to inspection by all members during regular business days.

SECTION 6: FIRST MEETING

The "First Meeting" of the Unit Owners shall be held on call by the Board of Trustees not more than 60 days after the sale and closing of title of Units representing 25% of all the votes entitled to be cast at such meeting.

SECTION 7: ANNUAL MEETING

Subsequent to the aforesaid First Meeting, there shall be a regular annual meeting of the Unit Owners held each year during the same month of each succeeding year after the first annual meeting.

SECTION 8: SPECIAL MEETINGS

Special meetings of the Association may be called by the President, a majority (50% or more) of the Board, or upon receipt by the Secretary of a petition signed by thirty percent (30%) or more of the Unit Owners for the purpose of considering matters properly before the meeting. A special meeting will be called to implement the turnover provisions of Article III, §2.

SECTION 9: LOCATION OF MEETING

All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place that may be chosen by the Board and stated in the notices of such meetings.

SECTION 10: NOTICES

The Secretary, President or Vice President shall give notice of all meetings to the Unit Owners in writing. Said notice shall state the time, place, and purpose of the meeting. The notice may be delivered by hand to the members, left at their Unit in their absence or mailed. Said notice shall be given not less than ten (10) days nor more than thirty (30) days before the date of such meeting. Attendance by a Unit Owner at a meeting who has not been properly noticed and who does not protest prior to the conclusion of the meeting, shall constitute a waiver of the notice of meeting to him.

SECTION 11: QUORUM

Except as may be otherwise provided in these By-laws, the presence in person or by proxy of one third (33 1/3%) or more ownership interest in the Common Elements shall constitute a quorum at any annual or special meeting of members. In the event a quorum is not attained, the members present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

SECTION 12: VOTING

The acts approved by a majority of votes cast by Unit Owners present at a meeting at which a quorum is present shall constitute the acts of the members, and shall be binding upon all Unit Owners for all purposes, except wherein the Master Deed or these By-laws or the provisions of New Jersey law, a higher percentage rate of voting members is required. The aggregate number of votes for all Unit Owners shall be twenty-seven (27) and each Unit Owner shall be entitled to one (1) vote.

SECTION 13: RULES OF THE MEETING

The Board may adopt reasonable rules for the conduct of all meetings of the Board and Unit Owners.

SECTION 14: VOTING RIGHTS AND GOOD STANDING

The voting members of the Association shall be entitled to vote so long as such member is deemed "in good standing". As used in these By-laws, "in good standing" shall mean that said member has fully paid all assessments and charges levied against his Unit and himself at least five (5) days prior to the meeting, and has not been declared by the Board, at least ten (10) days prior to the meeting, to be in breach or default or in violation of any provision of the By-laws, Master Deed, or Rules and Regulations or, if so, has cured the same during said 10 day period.

ARTICLE III

BOARD OF TRUSTEES

SECTION 1: GOVERNING BODY

The Board of Trustees of the Association (the "Board") shall constitute the governing Board provided for in the Condominium Act and all rights, titles, powers, privileges and obligations vested in or imposed upon the governing Board in said Act or in the Master Deed may be performed by the Association by the duly elected members of the Board and their successors in office.

SECTION 2: NUMBER AND ELECTION OF BOARD OF TRUSTEES

A. Until the First Meeting of the membership all three Trustees and their terms of office shall be designated by Sponsor. Said Trustees need not be owners of Units in the Condominium.

B. The Board shall ultimately consist of five (5) members, except as otherwise provided herein. Trustees ordinarily shall be elected at the regular annual meeting of the Association members by the vote of the Unit Owners, except that the three Trustees listed in the Articles of Incorporation of the Association (hereinafter called "Members of the First Board") shall be appointed by Sponsor and shall serve at the pleasure of Sponsor without need for reelection until 75% of the Units or interests shall have been conveyed as required by the Planned Real Estate Development Full Disclosure Act, at which time said positions shall be deemed vacant for the purpose of electing new Trustees, except that one such Trustee shall, at Sponsor's option, continue in office so long as Sponsor owns one Unit in the regular course of business.

C. Notwithstanding anything contained herein to the contrary, the following rules shall apply to the administration and control of the Board of Trustees:

1. Within sixty days after conveyance of 25 percent of the lots, parcels, units or interest, not less than 25 percent of the members of the executive board shall be elected by owners;

2. Within sixty days after conveyance of 50 percent of the lots, parcels, units or interests, not less than 40 percent of the members of the executive board shall be elected by the owners;

3. Within sixty days after conveyance of 75 percent of the lots, parcels, units or interests, the developer's control of the executive board shall terminate at which time the owners shall elect the entire executive board.

(d) Despite (c) 1, 2 and 3 above, the developer may retain one member of the executive board so long as there are any units remaining unsold in the regular course of business.

(e) In calculating the above percentages, it is presumed that they are calculated on the basis of the entire number of units entitled to membership in the association.

(f) A developer may surrender control of the executive board of the association prior to the time as specified, provided the owners agree by a majority vote to assume control.

(g) Upon the assumption by the owners of control of the executive board of the association, the developer shall forthwith deliver to the association all items and documents pertinent to the association such as, but not limited to, a copy of the master deed, declaration of covenants and restrictions, documents of creation of the association, by-laws, minute book,

including all minutes, any rules and regulations, an accounting of association funds, association funds, all personal property, insurance policies, government permits, a membership roster and all contracts and agreements relative to the association.

(h) The association, when controlled by the owners, shall not take any action that would be detrimental to the sales of units by the developer and shall continue the same level of maintenance, operation and services as immediately prior to their assumption of controls, until the last unit is sold

(i) From the time of conveyance of 75 percent of the lots, parcels units or interests, until the last lot, parcel, unit or interest in the development conveyed in the ordinary course of business the master deed, by-laws or declaration of covenants and restrictions shall not require the affirmative vote of more than 75 percent of the votes to be cast in order to amend the by-laws or rules and regulations.

(j) The developer shall not be permitted to cast any votes allocated to unsold lots, parcels, units or interests in order to amend the master deed, by-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

D. Except as above provided, all Trustees shall be elected at the regular annual meeting of the Association members by the vote of the Unit Owners. Those candidates for election receiving the greatest number of votes cast either in person or by proxy at the meeting shall be elected.

SECTION 3: TERMS OF OFFICE

Every Trustee shall hold office for the term of two (2) years and may succeed themselves in office. Three (3) Trustees shall be elected in one year and two Trustees in the succeeding year. A position vacated by a sponsor

appointed Trustee shall be for a term of one (1) year or two (2) years as required to provide for a staggered Board.

Sponsor may surrender control of the Board of Trustees of the Association prior to the time specified, provided the Unit Owners agree by a majority of vote to assume control.

SECTION 4: COMPENSATION

Trustees serve without compensation from the Association unless such compensation is approved by Resolution of the Association. However, Board members are entitled to reimbursement for all expenses reasonably incurred and approved by the Board in the discharge of their duties.

SECTION 5: VACANCIES

A vote of majority of the remaining Trustees at a special meeting duly called, may fill the office of any Trustee that has become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise. The person so elected shall serve for the unexpired term in respect to which the vacancy occurred. Provided, however, that any Trustee appointed by a Sponsor, which Trustee position becomes vacant, may be so filled by a person appointed by the Sponsor. Sponsor shall have the right to fill any Trustee vacancy position elected or appointed by Sponsor. Unit Owners shall fill any Trustee vacancy elected by Unit Owners.

SECTION 6: REMOVAL

One or more members of the Board may be removed, with or without cause by a two-thirds (2/3) vote of the Association members at any meeting duly called for such purpose.

SECTION 7: ORGANIZATIONAL MEETING

The first organization meeting of each newly elected Board shall be held immediately following the adjournment of the first annual meeting of the Unit Owners, or ten days thereafter at such time and place fixed by the Board members.

SECTION 8: REGULAR MEETINGS

Regular meetings of the Board of Trustees may be held at such time and place as shall be determined by a majority of the members of the Board, but at least four such meetings shall be held in each calendar year. Notice of regular meetings of the Board shall be given to each Trustee personally, by telegram, telephone, or mail, at least five days before the meeting date. The notice shall state the date, time and place of such meeting and the purpose.

SECTION 9: SPECIAL MEETINGS

Upon three days notice to each Trustee, the President of the Board may call a special meeting. Special meetings may also be called upon written request of majority (50% or more) of the Board, or upon receipt by the Secretary of a petition signed by 30% or more of the Unit Owners.

SECTION 10: WAIVER OF NOTICE

Any member of the Board may waive notice of any meeting of the Board. Attendance by a member at any meeting of the Board shall constitute a waiver of notice. If the Trustees are all present at any meeting of the Board, no notice shall be required and any business may be transacted without further notice.

SECTION 11: QUORUM

At all duly convened meetings of the Board of Trustees, a majority of members of the Board shall constitute a quorum for the transaction of business, except as otherwise provided in the Master Deed, these By-laws, or by law.

SECTION 12: QUALIFICATION

Except for members of the First Board, each Trustee shall be a Unit Owner (or, if a Unit Owner is a Trustee of a Trust, then a beneficiary of such Trust may be a Board Trustee, or if a Unit Owner is a partnership, then a general partner of such Unit Owner may be a Trustee or if a Unit Owner is a corporation, then an officer of such corporation or a duly authorized corporate agent may be a Trustee). If the Trustee shall cease to meet such qualifications during his term, his term shall thereupon cease and his place on the Board shall be deemed vacant.

SECTION 13: RATIFICATION OF MEETING BY APPROVAL OF MINUTES

The transaction of any business at any meeting of the Board of Trustees, however called and noticed, or wherever held, shall be valid as though a meeting duly held after regular call and notice if a quorum is present; or, if either before or after the meeting, each Trustee signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waivers, consents or approvals, shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

SECTION 14: POWERS AND DUTIES

The Board shall have and exercise all powers and undertake to perform all duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of Braemar at Rockaway, a Condominium, the Property and Common Elements, and may do or cause to be done all such other acts and things as are not by law, the Master Deed, these By-laws or otherwise required to be done by the members of the Association or Unit Owners, which powers and duties shall include, but not be limited to the following:

- (a) To elect and remove the officers of the Association as herein provided;
- (b) To administer the affairs of the Association and the property;
- (c) To engage the services of an agent (hereinafter sometimes called the Managing Agent) to maintain, repair, replace, administer and operate the Property or any part thereof for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve;
- (d) To employ any person, firm or corporation to repair, maintain and renovate all property maintained or operated by the Association; to seed, sod, plant, transplant, prune, fertilize, water, cut, destroy, pull plants up or out, spray substances, put pesticides or other chemical or biological agents in, under or above the water or grounds, grass, trees, streams, waterways, including the right to dam or alter the flow of any waterways on condominium lands; to build, erect, repair, maintain and renovate facilities owned by it, roads,

parking areas, walkways or paths; lay pipes and culverts; bury utilities; to put up lights or poles; erect signs for traffic and safety controls of various sorts;

- (e) To employ professionals and obtain advice from persons, firms or corporations such as, but not limited to engineers, architects, planners, lawyers, and accountants;
- (f) To employ, pay, supervise and discharge the personnel necessary to be employed for the maintenance and operation of the property, including the Common Elements and to provide such personnel with the equipment and materials necessary in order to properly maintain and operate the Property. The compensation of such personnel shall be determined by the Board and shall be considered an operating expense of the Association.
- (g) To adopt rules and regulations, with written notice thereof to all Unit Owners, governing the details of the administration, management, operation and use of the property and the Common Elements, and to amend such rules and regulations from time to time;
- (h) To provide or contract for water, electricity, gas or other forms of utilities, cable television, snow plowing or removal, and exterior painting or staining, building, repairing, renovating and remodeling;
- (i) To provide for the operation, care, upkeep, maintenance, repair, replacement and improvement of the Common Elements and payments therefor, and to approve payment vouchers or to delegate such

approval to the officers of the Association, the manager or managing agent. To appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board.

- (j) To call special meetings of members whenever it deems necessary and it shall be required to call a special meeting of the membership, at any time upon written request to the owners entitled to cast thirty percent (30%) of all of the votes eligible to be cast, except as otherwise provided herein;
- (k) To provide, equip, maintain, operate and charge admission fees to provide such recreation or entertainment as the Board may determine in any location or in any structure within the Condominium, or upon any land or in any structure to which the Condominium Association may hereafter obtain title or of which the Condominium Association now or hereafter may have possession or custody and control.
- (l) To change said fiscal year from time to time as the Board deems advisable.
- (m) To estimate the amount of, prepare, adopt and distribute the annual budget and to provide the manner of assessing, levying on and collecting from the Unit Owners their respective shares of the Common Expenses, as hereinafter provided.
- (n) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the property.
- (o) To borrow and repay monies, give notes, mortgages or other security upon such terms as it deems necessary; exercise rights, invest and

reinvest monies; sue and be sued; collect interest, dividends, capital gains and pay taxes;

- (p) To make and enter into contracts and enter into leases or concessions and pass good and marketable title without the necessity of any third party overseeing the application of funds; provided, that the power to borrow money on a real estate mortgage or pass title to the real estate or acquire real estate shall be exercised only upon the consent of 75% of the total membership votes entitled to be cast;
- (q) To bid and purchase for and on behalf of the Association, any Unit or interest therein, at any sale pursuant to a mortgage foreclosure or a foreclosure of the lien for Common Expenses under the Act, or on order or direction of any Court or any other involuntary sale, but only upon the consent or approval of Unit Owner's owning not less than 75% of the total ownership of the Common Elements, and provided that such consent shall set forth the maximum price that the Board may bid and pay for such Unit or interest therein.
- (r) To make and execute any and all proper affidavits for various purposes including, but not limited to, title to real estate, compromising any action without leave of Court, and all other powers contained herein and those necessary and incidental thereto.
- (s) To act in a representative capacity in relation to matters involving the Common Elements or more than one Unit, on behalf of the Unit Owners, as their interest may appear;
- (t) To enforce obligations of the members to do anything and everything

necessary and proper for the sound management of the Condominium including the right to send notice to the offending party demanding certain acts to be undertaken, restoring the Condominium's property to its original position and charging the breaching party with the entire cost or any part thereof, and levying fines against members for violations of any of the rules and regulations. Such fines may be levied for not more than \$25.00 for any one violation, but each day a violation continues after notice, it shall be considered a separate violation. Collection of a fine may be enforced against the Unit Owner involved as if the fine were a Common Expense owed by the particular owner;

- (u) To bring such lawsuits to enforce the terms, conditions and restrictions contained in the Act, Master Deed, the By-Laws, and the rules and regulations governing the Condominium and its members;
- (v) To cause to be kept a complete record of all of its acts and corporate affairs and to present a report thereof to its members at the annual meeting or at any special meeting when so requested in writing by members entitled to cast at least thirty (30%) percent of the total votes eligible to be cast;
- (w) To allocate common surplus or make repairs, additions and improvements to restoration of the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
- (x) To manage the fiscal affairs of the Condominium Association as herein provided;
- (y) To maintain adequate fidelity bonds for all officers and employees of the Association handling or responsible for funds of the Association

and to pay the premiums therefor from the Association as a common expense;

(z) To open bank accounts on behalf of the Association and designate such signatories as may be required, pursuant to Article V, Section 1;

(aa) To enter or cause to be entered any Unit when deemed necessary for or in connection with the operation, maintenance, repair, renewal, or protection of any Common Elements of any Units or in emergencies, provided that such entry and work shall be done with as little inconvenience as possible to the owners and occupants of such Units. Each Unit Owner shall be deemed to have expressed the grant of such right of entry by accepting and recording the deed to his Unit. Prior notice of entry shall be given during reasonable hours, except in the case of an emergency.

(bb) Braemar at Rockaway Condominium Association, Inc. shall place and maintain the following insurance which will name as insureds the Braemar at Rockaway Condominium Association, Inc. The insurance program will include, but will not be limited to, the following coverages. All policies will require a thirty (30) day notice of cancellation or change.

1. Property Insurance:

The real and personal property to be insured will be all property owned and/or maintained by the Condominium Association including but not limited to the "Common Elements".

The "insured real property" will include:

A. Equipment, fixtures and machinery constituting a permanent part of the building or structure;

- B. Personal property used for maintenance or service:
- C. Materials and supplies for use in construction, alteration or repair;
- D. Outdoor fixtures, and
- E. Fixtures, improvements and alterations comprising a part of the buildings and contained within Units that are owned by a name insured or Unit Owner.

All real and personal property is to be insured for an agreed amount of replacement cost without deduction for depreciation. The property insurance deductible will be \$1,000.00 each occurrence, subject to the modification of the Board of Trustees after their review of insurance costs at various deductible levels.

The insured replacement cost amounts are to be established by the Board of Trustees based on a replacement cost estimate of a qualified insurance agent.

The replacement cost amounts are to be reviewed annually by the Board of Trustees and at the discretion of the Board, subject to review every third year.

The review will establish separate amounts for the real property and the personal property of the named insureds and the insured property of Unit Owners.

All property to be insured against All Risks of direct physical loss subject to the provisions of the standard condominium All Risks coverage forms.

Insurance quotations will be considered by the Board of Trustees

for earthquake, flood, the exposures insured by boiler and machinery and crime coverages and for the loss of rents from rented or unsold Units.

The Association will be designated as Insurance Trustee for the Unit Owners collectively or individually. An insured Loss will be adjusted with, and made payable to, said Insurance Trustee for the benefit of the named insureds, mortgagees, and all such Unit Owners as their respective interests may appear.

Subject to the above insurance trustee provisions, the standard mortgagee clause will apply for the mortgagee of a Unit.

If, at the time of loss, there is other insurance in the name of a Unit Owner covering the same property insured by the Association, the insurance provided by the Association shall be primary and not contributing with such other insurance.

The property insurance policy shall not be prejudiced (a) by any act or neglect of any occupants or owners of the building when such act or neglect is not within the control of the Insured (or Unit Owners collectively) or (b) by failure of the insured (or Unit Owners collectively) to comply with any warranty or condition with regard to any portion of the premise over which the insured (or Unit Owners collectively) have no control.

2. Comprehensive General Liability:

The Comprehensive General Liability coverage will insure in addition to the named insured, each individual Unit Owner of the insured Condominium but only with respect to his liability arising out of the ownership, maintenance or repair of that portion of the premises which is not solely owned by the Unit Owner.

The definition of named insured for the liability insurance will include for an incorporated entity any executive officer, member of the Board of Trustees, Director, or Stockholder while acting within the scope of his duties as such.

Insured exposures will include premises, operations, operations of independent contractors and products - completed operations liability under the comprehensive general liability form.

The broad form comprehensive general liability endorsement will include, but not be limited to, contractual liability, personal and advertising injury, premises medical payments, incidental medical malpractice and host liquor law liability.

The Board of Trustees will establish and review annually the limits of liability to be insured. Until the First Meeting of the Board, the insured limits will be:

Bodily Injury Liability:

Each Occurrence	\$1,000,000
Products Liability Aggregate	\$1,000,000

Property Damage Liability:

Each Occurrence	\$ 500,000
Aggregate Limits	\$ 500,000

3. Catastrophe Excess (Umbrella) Liability:

Catastrophe Excess (Umbrella) Liability will be insured for the limits of liability determined by the Board of Trustees. The self-insured retention will be \$10,000.

Until the "First Board meeting," the insured limits will be \$1,000,000.

4. Directors and Officers Liability:

Directors and Officers Liability will be insured for limits of \$500,000 for the Condominium Association, Trustees, Sponsor and Management Company.

5. Workers Compensation and Employers Liability:

Workers Compensation and Employers Liability to be insured for the State of New Jersey.

6. Automobile Insurance:

Comprehensive Automobile Liability will be insured for the use of any automobile.

The Board of Trustees will establish and review annually the limits of liability to be insured. Until the First Meeting of the Board, the insured limits will be:

Bodily Injury and Property Damage Liability:

Each Occurrence	\$ 500,000
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Umbrella	\$1,000,000
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Hired and non-owned Automobile

Combined Single Limit	\$ 500,000
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It is understood and agreed that the Condominium Association, Sponsor and Management Company waive their rights of subrogation against any Unit Owner with respect to loss or damage to real and personal property.

ARTICLE IV

SECTION 1: EXECUTIVE OFFICERS

The principal officers of the Association shall be a President, Vice President, Secretary, and Treasurer. There may be such additional officers as the Board of Trustees sees fit to elect.

SECTION 2: ELECTION AND TERM OF OFFICE

The officers of the Association shall be elected annually by the Board of Trustees at the organizational meeting of each new Board and shall hold office until their successors are elected or appointed by the Board and qualify.

SECTION 3: REMOVAL OF OFFICERS

Upon an affirmative vote of three-fifths majority of the members of the Board of Trustees, any officer may be removed, either with or without cause.

SECTION 4: VACANCIES

Vacancies in any office shall be filled by the Board of Trustees by a majority vote of the members thereof at a special meeting of said Board. Any officer so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer being succeeded.

SECTION 5: THE PRESIDENT

The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Unit Owners and of the Board of Trustees. He shall have the general powers and duties usually vested in the

office of President of an Association, including but not limited to, the power to appoint committees from among the members from time to time as he may deem necessary. He shall execute such deeds, contracts and other instruments in the name and on the behalf of the Association, except when said signing and execution shall be delegated by the Board of Trustees to another officer or agent of the Association. The President shall be a Trustee of the Association.

SECTION 6: THE VICE PRESIDENT

The Vice President shall take the place of the President when the President is unable to attend a meeting, unable to act, or resigns. The Vice President shall perform such duties as the President may from time to time delegate to him or the Board of Trustees may impose on him.

SECTION 7: THE SECRETARY

The Secretary shall attend all meetings of the Board of Trustees and of the Unit members. He shall keep the minutes of all meetings and proceedings including all votes and resolutions; he shall direct and perform all duties incident to the office of the Secretary, including the sending of notices of meetings to the members, the Board, any appointed committees, and any other duties as the President or Board of Trustees may so direct. The Secretary shall have charge of the minutes book and such other books and papers as the Board shall direct.

SECTION 8: THE TREASURER

The Treasurer shall have the responsibility for the Association's funds and securities and shall keep accurate accounts of receipts and disbursements

in the Association's books; and shall deposit all monies, checks, and other valuable effects in the name and credit of the Association in such depositories as may from time to time be designated by the Board of Trustees. He shall disburse the funds of the Association as may be directed by the President or by the Board, making proper vouchers for such disbursements and shall render to the President and the Board at the regular meetings or whenever required by either of them an account of his transactions as Treasurer or of the financial condition of the Association.

SECTION 9: COMPENSATION

The officers shall receive no compensation except that they shall be entitled to reimbursement for all reasonable expenses incurred in the discharge of their duties.

ARTICLE V

FISCAL AFFAIRS AND ASSESSMENTS

SECTION 1: BANK ACCOUNT

The depository of the Association shall be such insured bank as shall be designated by the Board for that purpose, and moneys of the Association shall be deposited therein. Money shall be withdrawn therefrom only upon check or order signed by the President and countersigned by the Treasurer or any two (2) other persons as shall be designated by the Board for that purpose. Provisions of a management agreement may include, however, authority for a managing agent to sign checks on behalf of the Association in satisfaction of the Association's obligations.

SECTION 2: ANNUAL BUDGET

The Board shall cause to be prepared and shall adopt and distribute to all Unit Owners a detailed estimated proposed annual budget for each fiscal year of the Association. Such budget shall set forth with particularity all anticipated common expenses by category as well as all anticipated assessments, other income and cash requirements for the year, including, but not limited to, salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacement, landscaping, insurance, fuel, power and all other common expenses and common utilities. Such budget shall also set forth each Unit Owner's proposed common expenses assessment. To the extent that the aggregate assessments and other cash income collected from the Unit Owners during the preceding year are more or less than the expenditures for such preceding year, the surplus or deficit as the case may be shall be taken into account in the budget. The annual budget shall also take into account the estimated net available cash income for the year from the lease, operation or use of the Common Elements. The annual budget shall also provide for a reserve for contingencies and a reserve for replacements, in reasonable amounts as determined by the Board. Each Unit Owner shall receive a copy of the proposed annual budget at least 30 days prior to the adoption thereof by the Board.

SECTION 3: PAYMENT OF ASSESSMENTS

On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, 1/12th of his

proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective ownership interest in the Common Elements.

SECTION 4: ANNUAL ASSESSMENTS NOT MADE OR INSUFFICIENT

If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment and monthly installments on such assessment shall be due upon each installment payment date, until changed by an added assessment. In the event any annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Trustees. A copy of the amended budget shall be furnished to each owner. Nothing herein shall serve to prevent the Board of Trustees from imposing a special assessment or to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency.

SECTION 5: NOTICE

Notice of all assessments made shall be sent to each owner in writing, directed to his last known address known to the Board, by ordinary mail. The notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mails.

SECTION 6: ACCELERATION OF ASSESSMENTS FOR FAILURE TO PAY WHEN DUE

In the event that an owner shall fail to pay his equal monthly installment, which is due on the first day of each month, or any special

assessment when due, the Board may accelerate the remaining installments of any assessment upon notice to the owner and to any mortgagee who previously notified the Association in writing of its status, and the then unpaid balance of the assessment(s) shall become due upon the date stated in the notice, which may be 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 registered or certified mail, whichever shall first occur.

SECTION 7: SUPPLEMENTAL ASSESSMENTS

In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, or if there shall be any nonrecurring common expenses or any common expense not set forth in the annual budget as adopted, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of the year, or such nonrecurring common expenses or other common expenses, copies of which supplemental budget shall be furnished to each Unit Owner and thereupon a supplemental assessment shall be made against each Unit Owner for their proportionate share thereof.

SECTION 8: RESERVES

The Board shall not be obligated to expend all of the revenues collected in any accounting period and may maintain reasonable reserves for repairs, replacements, emergencies, contingencies or uncollected accounts. The Board shall specifically designate and identify what portion of the annual

assessment to be assessed against the owners, if any, are allocable to reserves. The amount thus assessed shall be collected and kept in an interest bearing and insured savings account, or in U.S. securities, specially designated for each reserve category. Despite the foregoing, the Board shall be permitted to maintain cash on hand, in a checking or petty cash account, for the necessary discharge of its obligations.

SECTION 9: ANNUAL REPORT

Within 90 days after the end of each fiscal year covered by an annual budget, or as soon thereafter as is practicable, but in any event within 120 days after the end of each fiscal year, the Board shall cause to be furnished to each Unit Owner an itemized accounting of the common expenses for the preceding year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves.

SECTION 10: EXPENDITURES

Except for any expenditures or contracts specifically authorized by the Master Deed and By-Laws, the Board shall not approve any expenditure in excess of \$50,000 unless required for emergency repair, protection or operation of the Common Elements, nor enter into any contract more than one year duration, without the prior approval of three quarters (75%) vote of the total percentage of ownership of the Common Elements.

SECTION 11: INTEREST AND CREATION OF LIEN FOR UNPAID ASSESSMENTS

It shall be the duty of every Unit Owner to pay his proportionate share of the common expenses, as provided in the Master Deed and as assessed in the manner herein provided.

If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof, together with interest thereon at the rate as regularly fixed by the rules of the Board, but not in excess of the maximum percentage then permitted under the laws of the State of New Jersey, shall constitute a lien, as provided in the Act, enforceable by the Board, on the ownership interest of such Unit Owner in the property. However, such lien shall be subordinate to the lien of any prior recorded mortgage held by any existing mortgagee of the property, its successors and assigns, on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which such mortgage holder either takes possession of the Unit, accepts the conveyance of any interest therein (other than as security), files suit to foreclose its mortgage and causes a receiver to be appointed. The provisions of this paragraph shall not be amended, modified or rescinded in any way without the prior written consent of all holders of a recorded mortgage encumbering any one or more of the Units.

The Association or its Board or its agents shall have the right to maintain a suit to foreclose any such lien and there shall be added to the amount due the cost of such suit and other fees and expenses together with legal interest and reasonable attorney's fees to be fixed by the Court. If any Unit Owner shall fail or refuse to pay when due his proportionate share of the common expenses and such Unit Owner withholds possession of his Unit after demand by the Board in writing setting forth the amount claimed, the Board shall have the right to possession of such Unit by legal process. The Board shall have the authority to exercise and enforce any and all rights and

remedies as provided for in the Act, the Master Deed, these By-Laws or as otherwise permitted or provided in law or in equity, for the collection of all unpaid assessments.

SECTION 12: RECORDS TO BE KEPT

The Board shall cause to be kept detailed and accurate records of the receipts and expenditures affecting the Common Elements and specifying and itemizing the common expenses incurred. Such records shall be available for examination by the Unit Owners upon reasonable notice and at convenient business hours. A Unit Owner shall be entitled to be furnished with a statement of his account setting forth the amount of any unpaid assessments or other charges, upon receipt of a ten day's written notice and payment of a reasonable fee to be fixed by the Board.

SECTION 13: FISCAL YEAR

The fiscal year of the Association shall be on the calendar year basis.

ARTICLE VI

USE AND OCCUPANCY REGULATIONS AND RESTRICTIONS

SECTION 1: GENERAL

In addition to the restrictions set forth in the Master Deed, the following general rules shall apply. No unlawful, obnoxious or offensive activity shall be carried on in any Unit or elsewhere on the property, nor shall anything be done therein or thereon which, in the reasonable judgment of the Board, constitutes a nuisance, creates unreasonable noise or disturbance to others or unreasonably interferes with other Unit Owners' use or enjoyment of their Units and the Common Elements.

Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense and shall not do or allow anything to be done in his Unit which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements. No Unit Owner shall display, hang, store or use any clothing, sheets, blankets, laundry or other articles outside his Units which may be visible from the outside from his Unit (other than draperies, curtains or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of his Unit or install outside his Unit any canopy, sun shutters, storm shutters or awning or outside radio or television antenna, or other equipment, fixtures or items of any kind, without the prior written permission and consent of the Board or the managing agent, acting in accordance with the Board's directions. No owner of a Unit shall display, hang, or use any sign inside his Unit, which may be visible from his Unit without the prior written permission of the Board of the managing agent acting in accordance with the Board's direction.

No animals, livestock or poultry shall be raised, bred or kept in any unit or in the common element. Dogs, cats or other household pets are permitted, provided they not in excess of two in the aggregate per unit provided they are not kept, bred or maintained for any commercial purpose and that they are housed within the unit. No outside dogs, pens or yards shall be permitted. No reptiles shall be permitted as pets.

SECTION 2: ALTERATIONS, MAINTENANCE AND REPAIR

In the interests of a uniform outside appearance, no Unit Owner shall alter, change, add or modify, permanently or temporarily the exterior of the

building(s). Nor shall any Unit Owner do any work which would jeopardize the safety or soundness of the building containing his Unit, or impair any easement or violate any restrictions.

Maintenance and repairs of an individual Unit which does not comprise part of other Common Elements shall be performed and executed by the Unit Owner at their own risk, cost and expense. Every owner shall be responsible for any damages, liabilities, costs or expenses, including attorney's fees, caused by or arising out of his failure to promptly and/or carefully perform any such maintenance and repair work. No owner shall make any structural modifications or alterations within the Unit without the written consent of the Association or its duly authorized representative.

SECTION 3: TRASH

Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in a clean and sanitary manner.

SECTION 4: STORAGE

Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, porches, decks or other common areas.

SECTION 5: RESTRICTION ON USE OF COMMON ELEMENTS

The following restrictions are imposed concerning the Common Elements of the Condominium:

- (a) No signs of any kind shall be permitted, except sale signs of Sponsor.

- (b) No building, planting or maintaining of any other matter or thing upon, in, over or under the Common Elements without the prior consent of the Association.
- (c) No Unit Owner shall operate any machines, appliances, accessories, equipment in such a manner as to cause, in the judgment of the Board of Trustees, an unreasonable disturbance to others.
- (d) No Unit Owner shall place in any area designated a common element furniture, packages, or objects of any kind. No trash, garbage, or excess materials of any kind shall be placed on or about the Common Elements except in designated areas.

SECTION 6: LIABILITY OF UNIT OWNER

The Association shall be indemnified by any Unit Owner for all expenses incurred in repairing or replacing any part(s) of the Common Elements damaged by his negligence, or by the negligence of his tenants, guests, agent, or licensees promptly upon receipt of the Association's statement.

SECTION 7: USE OF UNITS

All Units shall be utilized for solely residential purposes. However, the Sponsor may reserve Units for a sales model and/or office.

SECTION 8: RULES OF CONDUCT

Rules and regulations concerning the use of Units and the Common Elements may be promulgated and amended by the Board upon the approval of a majority thereof. Copies of such rules and regulations shall be furnished to each Unit Owner.

ARTICLE VII
INDEMNIFICATION

SECTION 1: GENERAL

The Association shall indemnify and hold harmless each of its Trustees and officers, each member of any committee appointed pursuant to the By-Laws of the Association, and the Board, and the sponsor, against all contractual and other liabilities arising out of contracts made by or other acts of such trustees, Board, officers, committee members and sponsor on behalf of the Unit Owners or the Association or arising out of their status as trustee, officers, committee members and Sponsor, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses, including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement, reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which such trustee, officer, committee member or Sponsor may be involved by virtue of such person or persons being or having been such trustee, officer, committee member or sponsor. Despite the foregoing, such indemnification shall not be operative to relieve members of the Board of Trustees appointed by the Sponsor from their fiduciary responsibilities.

SECTION 2: ADVANCE PAYMENT

Expenses incurred in defending a civil or criminal action suit or proceeding may be paid by the Association in advance of the final disposition of such actions, suit or proceeding as authorized by the Board, upon receipt

of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that such person or entity is entitled to be indemnified by the Association as authorized in Section 1 above.

SECTION 3: SPECIAL ASSESSMENT

The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment, any sums required to discharge its obligations under this Article.

SECTION 4: EXCULPABILITY

Unless acting in bad faith, neither Board as a body nor any Trustee nor any officer of the Association nor the Sponsor shall be personally liable to any owner in any respect of any action or lack of action arising out of the execution of his office. Each owner shall be bound by the good faith actions of the Board and officers of the Association, or their representatives, in the execution of their duties as said directors and officers.

ARTICLE VIII

SECTION 1: AMENDMENTS

Amendation of these By-laws and the form of administration set forth herein may be accomplished at any duly convened meeting of the Unit Owners in the following manner:

- (a) Notice of the meeting shall contain a statement of the proposed Amendment.

(b) If the Amendment was unanimously approved by the full Board of Trustees, then it shall be approved by an affirmative vote of a majority of the Unit Owners to be effective.

(c) If the Amendment has not been unanimously approved by the Board of Trustees, then the Amendment shall be approved by the affirmative vote of not less than three-fourths (3/4) of the members to be effective.

(d) Modifications and amendments shall be recorded with the office of the Clerk of Morris County, in order to be valid and effective.

(e) Where these By-laws confer particular rights upon the Sponsor, the By-laws may not be amended or modified without the Sponsor's consent in writing so long as the Sponsor remains owner of one or more Units in the ordinary course of business.

ARTICLE IX

MISCELLANEOUS PROVISIONS

SECTION 1: PARLIMENTARY RULES

Roberts Rules of order, when not in conflict with the Master Deed or these By-Laws, shall govern the conduct of Association meetings.

SECTION 2: CONFLICT

In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate of Incorporation shall control. In a case of any conflict between any provision of the Master Deed applicable to the Common Elements referred to in the Master Deed and these By-Laws, the provisions of the Master Deed shall control.

SECTION 3: NON-WAIVER

All the rights, duties and privileges of the Board as set forth more fully hereafter, shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

SECTION 4: ADDITIONAL POWERS

In addition to and in furtherance of the powers referred to in these By-Laws, the Association shall have all the powers permitted to be exercised by a not for profit corporation under the laws of the State of New Jersey, which are not inconsistent with the Condominium Act, and shall have and exercise all powers necessary or convenient to effect any and all purposes for which the Association has been organized and to do every other act not inconsistent with the law which may be appropriate to promote and attain the purposes set forth in the Master Deed, these By-Laws and the Act.

SECTION 5: LIMITATION ON SPONSOR'S RIGHTS TO VOTE

The Sponsor shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the Master Deed, By-Laws or any other document with the purpose of changing the permitted use of the lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

SECTION 6:

While the developer maintains a majority of representation on the executive board, he shall post a fidelity bond or other guarantee acceptable

to the Agency, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves.

While the developer maintains a majority on the executive board, he shall have an annual audit of association funds prepared by an independent accountant, a copy of which shall be delivered to each unit owner within 90 days of the expiration of the fiscal year of the association. The audit shall cover the operating budget and reserve accounts.

SECTION 7:

While the sponsor maintains a majority of the Board of Directors, it shall make no additions, alterations, improvements or purchases not contemplated in this Offering which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a government agency, title insurance company, mortgage lender or in the event of an emergency.

SECTION 8:

(a) Subject to the master deed, declaration of covenants and restrictions or other instruments of creation, the association may do all that it is legally entitled to do under the laws applicable to its form of organization.

(b) The association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community.

(c) The association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the association, and between different unit owners, that shall be readily available as an alternative to litigation.

3926B/51589/cmc

BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

REVISED ESTIMATED OPERATING BUDGET

FIRST YEAR OF OPERATIONS

(Based on Full Occupancy)

In 1990 Dollars



WISS & COMPANY
Certified Public Accountants

Braemar at Rockaway Condominium Association, Inc.
(A Proposed Association)
Rockaway, New Jersey

We have examined the accompanying revised estimated operating budget of Braemar at Rockaway Condominium Association, Inc. for the first year of operations (based upon 1990 dollars) based on full occupancy and based on the assumptions, estimates and other information furnished by the organizers, as set forth in the notes to the revised estimated operating budget. Because the revised estimated operating budget is based on assumptions and estimates of future events, we express no opinion on the accuracy of the estimates or on the resultant revised estimated operating budget.

The reserve for replacement of common elements and facilities of \$6,920 per annum is adequate to cover such costs, based on current market prices. There is no guaranty that the budget will not be increased at a later date due to escalatic costs of labor and material.

Wiss & Company
WISS & COMPANY

Livingston, New Jersey
April 4, 1990

BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

REVISED ESTIMATED OPERATING BUDGET
FIRST YEAR OF OPERATIONS
(Based on Full Occupancy)
In 1990 Dollars

ASSESSMENT INCOME (Note 1)

\$ 48,276

EXPENSES:

Management fee (Note 2)
Repairs and maintenance
Insurance (Note 3)
Electric
Water

\$ 5,500
1,646
210
2,000
1,000

Landscaping
Snow removal
Professional fees (Note 4)
Garbage removal
Reserve for replacement of common elements
and facilities (Note 5)

10,000
3,000
3,000
8,000
6,920

\$ 48,276

See accountants' report.



BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

NOTES TO REVISED ESTIMATED OPERATING BUDGET

Note 1 - Assessment Income:

Assessment income is based on full occupancy of the 27 units at \$149 per month. This equals \$1,788 per unit per year.

Note 2 - Management Fee:

Management fee is based on a contract for a term of one year.

Note 3 - Insurance:

Insurance expense is based upon a quotation obtained from an insurance agency.

Note 4 - Professional Fees:

Professional fees have been estimated at \$3,000 for the year and consist of legal fees and accounting services.

Note 5 - Reserve for Replacement of Common Elements and Facilities:

The reserve for replacement of common elements and facilities has been estimated as follows:

	When Required	Cost	
		Total	Per Annum
Replacement of building roofs and siding	20 years	\$36,000	\$1,800
Plumbing and electric	25 years	9,250	370
Staining and/or exterior painting	5 years	13,500	2,700
Pavement and sidewalks	20 years	33,000	1,650
Detention Basin Maintenance	5 years	2,000	400
			<u>\$6,920</u>



MANAGEMENT AGREEMENT

AGREEMENT made and entered into this ____ day of _____, 1990 between BRAEMAR AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC., a New Jersey non-profit corporation ("Association") and Castleton Management Co., Inc., a New Jersey corporation, having an office at 50 Route 46, Parsippany, New Jersey 07054, ("Agent").

WITNESSETH:

IN CONSIDERATION OF THE TERMS, CONDITIONS AND COVENANTS hereinafter set forth, the parties agree that:

I. APPOINTMENT OF AGENT

The Association hereby appoints Agent and Agent hereby accepts appointment, on the terms and conditions set forth herein, as exclusive Managing Agent of the Association to supervise the maintenance, repair, administration, operation and replacement ("Management") of the Common Elements and facilities of the Braemar at Rockaway, a Condominium, ("The Condominium") located at Township of Rockaway, Morris County, New Jersey and described in the Master Deed of Braemar Construction Company, a New Jersey corporation, as Sponsor, recorded or about to be recorded in the Morris County Clerk's Office. Agent acknowledges receipt of a copy of said Master Deed.

II. TERM

The term of this Agreement shall commence with the recording of said Master Deed and thereafter shall remain in full force and effect for a period of one (1) year after the date thereof and shall be renewable by written notice by either party hereto, thereafter, from year to year, until and unless terminated by either party upon not less than 90 days notice thereof at any

Exhibit D

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time to the other party. Dissolution of the Condominium entirely or in part, shall terminate this Agreement.

III. MANAGEMENT FEE

The Association shall pay Agent for services rendered hereunder the annual sum of \$5,500.00 payable in monthly installments of \$458.33 on the first day of each month in advance, commencing with the filing of the Master Deed with the Morris County Clerk, and monthly thereafter during the term hereof.

IV. NECESSARY PERSONNEL

The Agent shall have the exclusive right to select, hire, supervise, direct and discharge on behalf of and as employees of the Association, all such persons as are necessary to fulfill Agent's duties hereunder. All such personnel shall be employees of the Association and all compensation for the services of such personnel shall be paid by and considered an expense of the Association. The Association shall, in all instances, provide bonding at their own expense of all such managerial employees who shall handle or be responsible for the handling of the Association monies. Agent agrees not to pay salaries or benefits to employees in excess of those that may be specified in the Budget without the Association's prior written authorization.

V. POWERS AND DUTIES OF AGENT

The Agent shall have, to the exclusion of all others, including Unit Owners of the Condominium, all the powers and duties necessary for the proper "management" of the Condominium, including but not limited to:

A. Administration

1. Serve as registered Agent of the Association.
2. Review periodically, make recommendations and maintain records concerning all insurance coverage in connection with the Condominium; cause to be placed and kept in force any and all forms of insurance

needed to protect the Association's interest provided such insurance has been specifically authorized and approved by the Association in writing with limits approved by it, including but not limited to, Workers' Compensation insurance; public liability insurance, fire and extended coverage insurance; and burglary and theft insurance. All of the insurance coverage required shall be placed with such companies and in such amounts and with such beneficial interest appearing therein as shall be acceptable to the Association. The Agent shall act for the Association to adjust all claims arising under insurance policies purchased by the Association, including investigating and making full written reports as to all accidents or claims for damage relating to the management, operation and maintenance of the condominium including any damage or destruction to the Condominium and shall fully cooperate with the insurance company in those matters. Agent is authorized, with respect to any insurance placed by it on behalf of the Association, to receive from insurance companies and to retain such normal and ordinary commissions as may be paid by the insurance companies for insurance broker services in connection therewith.

3. Attend each annual meeting of the Board of Trustees, each annual meeting of the Unit Owners and any other meetings requested by the Board, provided the Board gives the Agent not less than 48 hours notice of any such meeting.

(Any reasonable expenses of the Agent incurred in the preparation of any reports required by the Board or Unit Owners, or in connection with attendance at any meeting of the Board of Trustees in excess of four per year shall be chargeable to the Association at a rate agreed

upon between the Association and Managing Agent.)

4. Comply with all relevant policies, the rules and regulations as promulgated, the By-laws, covenants and procedures contained in the Condominium documents and/or established by the Board of Trustees from time to time and to secure compliance by the Unit Owners, occupants and visitors to the property with the same.
5. Take such action as may be necessary to comply with all laws, orders or requirements of any governmental agency, unless Association specifically notifies Agent not to comply with same, as Association intends to contest the governmental law, order or requirement.
6. To coordinate the disposition of written requests for information and services relevant to the property and facilities. To keep the Board of Trustees advised as to status of all common area contract services related to the property, including laundry room operations.

B. Financial

1. Prepare and submit to the Association a recommendation for an operating budget commensurate with the needs of the Association's projecting anticipated receipts and disbursements for the fiscal year of the Association and providing a basis for the Board to assess monthly charges payable by the Unit Owners.
2. Maintain a system of accounts in accordance with generally accepted accounting principles, which records shall be subject to examination by the Association's authorized agents at any time during reasonable business hours. Agent shall submit monthly reports to Association and arrange for an annual certified audit of the Association's books and records.

3. Bill, collect, demand, receive, and receipt any and all monthly and special assessments and other charges which may at any time be or become due to the Association from its members and collect any other sums which may become due from Unit Owners. The Association hereby authorizes the Agent to take such action in the name of the Association by way of legal process or otherwise as may be required for the collection of delinquent monthly or special assessments. Agent shall furnish Association with an itemized list of all delinquent accounts by the fifteenth day of each month.
4. To timely pay from the funds of the Association all expenses, operating costs and other obligations of the Association, including but not limited to:
 - a. All taxes.
 - b. All water rates, building inspection fees and other governmental charges.
 - c. All gas, electric and other utility charges.
 - d. All liabilities and obligations incurred pursuant to this Agreement and the payment of the Agent's fee hereunder.
 - e. Any other charges as authorized and approved by the Association from time to time.
5. Establish, with the Associations' specific approval, a trust or custodial account wherein the Agent shall maintain the Association funds in one or more accounts or in one or more banks insured by the Federal Deposit Insurance Company. Agent may similarly establish savings accounts for any reserves or surplus.
The Agent is authorized to draw upon or disburse such funds needed to

discharge any liabilities or obligations incurred by the Agent or Association pursuant to or contemplated hereunder, including Agent's compensation. All obligations shall be paid by Agent solely out of said account(s) and if the funds are insufficient, the Association shall provide Agent with additional funds. The Agent shall not be obliged to make any advance to or for the account of the Association or to pay any sum except out of funds held or provided as aforesaid, nor shall the Agent be obliged to incur any liability or obligations for the account of the Association without assurance that the necessary funds for the discharge will be provided.

6. Prepare and file proper insurance forms, payroll tax forms, income tax forms, and other required governmental reporting forms in conjunction with such personnel as may be employed by Association,
7. Prepare for publication and distribute to each Unit Owner an annual itemized financial report of actual income and disbursements to.

C. Maintenance and Repairs

1. To maintain all Common Elements of the Condominium according to recognized standards including but not limited to, interior and exterior cleaning, painting, plumbing, carpentry, snow plowing, landscaping, and such other normal maintenance work as may be necessary, subject to any financial or other limitations imposed by the Association. The Agent may enter into Agreements on behalf of the Association for the purpose of maintaining the Condominium according to said standards. The expense incurred shall not exceed the cost as provided in the budget unless specifically authorized by the Association; provided, however, Agent may proceed with any emergency repair involving manifest dangers to persons or property.

or immediately necessary for the preservation and safety of the property or for the safety of persons or required to avoid the suspension of any necessary service to the Condominium irrespective of the cost limitations imposed by the budget. Despite this authority as to emergency repairs, the Managing Agent will apprise and confer with the Board immediately concerning emergency disbursements.

2. To purchase such supplies, goods, tools, materials and equipment as the Agent deems necessary to perform its duties. All such purchases are to be made in the name of the Association.
3. To direct and supervise all employees and contractors of the Association hired by the Agent. The Trustees and Officers are not expected to be involved in the active management of the Association and they agree to designate a single individual who shall be authorized to deal with the Agent on any matter relating to the Condominium management.
4. To contract in the name of the Association for electricity, gas, telephone, water, window cleaning, exterminating services, and such other services as Agent may be deemed necessary for proper operation of the property, providing Agent shall not contract for any service in excess of the estimated allotment in the Association's Budget without obtaining Association's consent thereto. All such contracts shall be made in the name of the Association.
5. To retain and employ such experts and professionals as the Agent requires to perform needed services, including but not limited to, attorneys at law, engineers, and certified public accountants all at the cost and expense of the Association. The Association shall have

the right to employ the same experts.

6. The Association agrees that in accordance with the Master Deed and By-laws of the Condominium, the Agent shall have access to the Condominium property at all times.
7. The Association agrees not to interfere nor allow or cause any Unit Owner to interfere with the Agent in the performance of its duties or the exercise of any of its powers hereunder.

VI. LIMITATION OF LIABILITY

A. Bank Deposits

The Agent shall be held harmless and free of liability by the Association in the event of the bankruptcy or failure of the depository bank for the Association funds. This provision shall not apply if the bank is not one described in Section V, sub-paragraph B, paragraph 5, hereof and the amount deposited does not exceed the limit, if any, placed on deposit by resolution of the Board.

B. Agent's Scope of Duty

All acts performed by Agent shall be performed solely on behalf of and at the expense of the Association. Agent shall not be obligated to make any advances to or for the account of the Association. Agent's duties, obligation and responsibilities are restricted to the management of the Common Elements of the property.

C. Indemnification

The Agent shall not be liable to the Association or to the Unit owners for any loss or damage and said Association does hereby indemnify, and save harmless the Agent from any liability for damages, costs and expenses including counsel fees arising from injury to any person or property from any cause whatsoever. The Association shall maintain, at its sole expense, all

liability and compensation insurance necessary and adequate to protect the interests of the Association and Agent, which policy shall be written so as to protect Agent in the same manner and to the same extent as the Association is thereby protected.

VII. NOTICES

All notices required hereunder shall be certified mail, return receipt requested and addressed as follows:

If to the Association: 50 Route 46, Suite 100,
Parsippany, N.J. 07054

If to the Agent: 50 Route 46, Suite 100,
Parsippany, N.J. 07054

The aforesaid addresses may be changed upon notice by one party to the other.

VIII. ASSIGNMENT

The Association agrees Agent may freely assign this Management Contract or any portion of its responsibilities hereunder.

IX. TERMINATION

On the date of termination, the Agent shall turn over to the Association all books, records, and documents relating to the property and all funds of the Association then remaining in its possession. A final accounting of unpaid management fees (if any) due to Agent hereunder shall be made within fifteen (15) days after the effective date of termination.

X. SEVERABILITY

Any portion or provision of this Agreement found by a court of competent jurisdiction to be void, unenforceable, invalid, or unlawful shall be given force and effect to the extent that it is legal, valid, lawful, and enforceable and shall not prevent the remainder of the Agreement and the rights, obligations, and interests delineated herein from continuing in full force and effect.

XI. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

XII. CAPTIONS

The captions to the paragraphs in this Agreement are for convenience solely and are not intended to nor shall be deemed to modify, restrict, or explain any of the portions of this Agreement.

XIII. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties. All prior understandings and agreements are merged into this Agreement. Any amendments, riders, or revisions hereto are to be deemed binding only if in writing and executed by all parties to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year above written.

ATTEST:

RALPH A. LOVEYS, JR, Secretary

ATTEST:

Secretary

BRAEMAR AT ROCKAWAY CONDOMINIUM
ASSOCIATION, INC.

By: _____
JAMES B. LUKE, President

CASTLETON MANAGEMENT CO., INC.

By: _____
President

STATE OF NEW JERSEY)

SS:

COUNTY OF MORRIS)

BE IT REMEMBERED, that on this day of , 1990, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared RALPH A. LOVEYS, JR., who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is the Secretary of BRAEMAR CONSTRUCTION COMPANY, a New Jersey Corporation, the Corporation named in the within Instrument; that JAMES B. LUKE is the President of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of the said Corporation; that deponent well knows the corporate seal of said Corporation; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said President as and for the voluntary act and deed of said Corporation, in presence of deponent, who thereupon subscribed his name thereto as attesting witness.

Sworn to and subscribed before me,
the date aforesaid.

Notary Public of New Jersey

RALPH A. LOVEYS, JR., Secretary

STATE OF NEW JERSEY)

SS:

COUNTY OF MORRIS)

BE IT REMEMBERED, that on this day of , 1990, before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared , who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is the Secretary of CASTLETON MANAGEMENT CO., INC, a New Jersey Corporation, the Corporation named in the within Instrument; that is the President of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of the said Corporation; that deponent well knows the corporate seal of said Corporation; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said President as and for the voluntary act and deed of said Corporation, in presence of deponent, who thereupon subscribed his name thereto as attesting witness.

Sworn to and subscribed before me,
the date aforesaid.

Notary Public of New Jersey

, Secretary

3924B/51189/cmc

Prepared by:

MASTER DEED

FOR

BRAEMAR AT ROCKAWAY

A Condominium

Township of Rockaway, New Jersey

THIS MASTER DEED, made this ____ day of _____, 1990 by Braemar Construction Company, a New Jersey corporation, having an office at 50 Route 46, Parsippany, New Jersey 07054 (hereinafter referred to as "Sponsor").

1. SUBMISSION OF PROPERTY TO THE ACT.

The Sponsor does hereby submit, declare, publish and establish the Property (hereinafter defined) including the parcel of land described in Exhibit A attached hereto, situate in the Township of Rockaway, Morris County, New Jersey, to the form of ownership known and designated as a Condominium in accordance with the provisions of the Condominium Act of the State of New Jersey (N.J.S.A. 46:8B-1 et seq.), as amended and supplemented, for the purpose of establishing a Condominium, hereafter to be designated under the name of "Braemar at Rockaway, a Condominium".

2. DEFINITIONS.

The terms used herein shall have the meanings stated in the Condominium Act and as follows:

(a) "Act" or "Condominium Act": shall mean the Condominium Act of the of the State of New Jersey, N.J.S.A. 46:8B-1 et seq. as amended and supplemented.

(b) "Association": shall mean Braemar at Rockaway Condominium Association, Inc., a non-profit New Jersey corporation.

(c) "Board": shall mean the Board of Trustees of the Association.

(d) "Buildings": means all structures or structural improvements located on the Parcel and forming part of the Property and containing one or more Units, as shown by the plans included in the plat.

(e) "By-laws": means the By-laws of the Association.

(f) "Common Elements": means all portions of the Property except the "Units" including, without limitation, the land, foundation, roof truss, exterior stairways, parking areas and driveways, public utility lines, and structural parts of the buildings. Structural columns located within the boundaries of a Unit shall be a part of the Common Elements. Any reference to "Common Elements" appearing on the plat shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference defining Common Elements in any way.

(g) "Common Expenses": means the proposed or actual expenses for which the Unit Owners are proportionately liable (in proportion to their percentage ownership of the Common Elements), including reserves and expenses declared to be common by the Association, any and all expenses of maintaining, repairing, replacing, administering the Common Elements, and those expenses incurred by the Association or their respective trustees, officers, agents or employees in the lawful exercise of their respective responsibilities and the performance of their respective duties.

(h) "Limited Common Elements": means those Common Elements for use of one or more specified Units to the exclusion of other units.

(i) "Majority" or "majority of Unit Owners": means the owners of more than 50% of the aggregate in interest of the undivided ownership of the

Common Elements.

(j) "Master Deed": means this instrument, being the instrument by which the Sponsor in fee simple submits the property to the provisions of the Act, and as such Master Deed may be amended from time to time.

(k) "Occupant": means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

(l) "Parcel": means the land or tract of real estate, described in the within Deed.

(m) "Person": shall mean an individual firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, or any legal entity capable of holding title to real property.

(n) "Plat": means a survey of Parcel and the Plan of all Units, said Plat being attached hereto as Exhibit B.

(o) "Property": means all the land comprising the Parcel, and all buildings and improvements including "Units" and "Common Elements", together with all easements, rights and appurtenances belonging thereto, and also furniture, fixtures, and equipment intended for the mutual use, benefit or enjoyment of the Unit Owners.

(p) "Sponsor": means Braemar Construction Company, and its successors and assigns.

(q) "Unit" or "Condominium Unit": shall mean a part of the property designed and intended for independent residential use,, as more particularly set forth on Exhibit C attached hereto, together with the proportionate undivided interest in the Common Elements appurtenant thereto. Each Unit shall consist of (i) the volumes or cubicles of space enclosed by the unfinished wall studs, roof beams and concrete flooring which makes up the building foundation, including vents, doors, windows and such other structural

elements that ordinarily are regarded as enclosure of space, (ii) all interior dividing walls, partitions and flooring between the basement and first floor and the first floor and second floor, including the space occupied by such walls, partitions or floors, except load bearing interior walls and partitions, (iii) the sheetrock or wallboard and the decorated inner surfaces of said perimeter and interior walls, including decorated inner surfaces of all interior load bearing walls, basement floor and second floor ceiling consisting of wallpaper, paint, plaster, carpeting, tiles and all other finishing materials affixed to the physical structure of the Unit, (iv) all fixtures, mechanical systems and equipment, pipes, ducts, wiring, conduit, fuses and shafts installed and for the sole and exclusive use of the Unit, commencing at the point of disconnection from the structural body of each building where same enters the volume of space of the Unit, and from the utility lines, pipes or systems serving the Unit or appurtenant to the Unit described, including but not limited to individual appurtenants such as heating system equipment, plumbing system, utility meters not owned by the public utility and all electrical wires together with the fixtures, switches, outlets and circuit breakers, and (v) volumes or cubicles of space of the deck and balcony enclosed by the flooring, exterior surface of the exterior wall, ceiling and the planes which are perpendicular to the floor and ceiling, parallel to the exterior wall(s) surface and distant therefrom the number of feet shown on Plat B.

No pipes, ducts, wires, conduits, flues, shafts, public utility installations servicing more than one Unit or the Common Elements, shall be deemed to be a part of such Unit.

(r) "Unit Deed": shall mean a deed of conveyance of a Unit in recordable form.

(s) "Unit Owner": shall mean the person(s) owning a fee simple interest in a Condominium Unit. Sponsor shall be deemed a Unit Owner so long as it is the legal title holder of any Unit.

3. DESCRIPTION OF UNIT.

The legal description of each Unit shall consist of the identifying letter, number, or symbol of each Unit as shown on the Plat and Exhibit C attached hereto. Every deed, lease, mortgage or other instrument may legally describe such Unit by its identifying letter, number, or symbol and every such description shall be deemed good and sufficient for all purposes as provided in the Act. No Unit Owner shall in any way subdivide or in any manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat and Exhibit C, except as provided by the Act or in this Master Deed.

4. OWNERSHIP OF THE COMMON ELEMENTS.

Each of the Unit Owners of the Condominium shall own a proportionate undivided interest in the Common Elements, stated as percentages of said ownership in the said Common Elements as set forth in Exhibit C. The undivided interest in the Common Elements is deemed to be conveyed with the fee title to each Unit. The Unit Owner shall own his undivided interest in the Common Elements as a tenant in common with all other Unit Owners and, to the extent Units remain unsold, with the Sponsor. Percentages of ownership interest shall remain constant unless hereafter changed by amendment to this Master Deed. No Unit Owner shall bring any action for partition or division of the Common Elements. The ownership of each Unit shall not be conveyed, transferred, encumbered or otherwise affected separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership interest corresponding to any Unit shall be deemed

conveyed, transferred, encumbered or otherwise affected with that Unit, even though the legal description may refer only to the fee title to that Unit and not expressly mention or describe the percentage interest in the Common Elements corresponding to that Unit.

5. THE CONDOMINIUM ASSOCIATION AND OPERATION OF THE PROPERTY.

(a) The Sponsor has or will create a Condominium Association, to be known as the Braemar at Rockaway Condominium Association, Inc., which shall be a non-profit corporation of the State of New Jersey, pursuant to the Articles of Incorporation attached hereto as Exhibit D and made a part hereof. Said Association shall be responsible for the maintenance, administration and operation of the Condominium Property. The Association shall have and exercise all powers necessary to effectuate any and all of the purposes for which the Association is organized, and to do all other acts consistent with and to promote and attain the purposes set forth in the Act, this Deed, and the By-laws. The By-laws for the Association are attached hereto as Exhibit E and made a part hereof. Said Association is hereby empowered to exercise any of the rights, powers, privileges and shall undertake to perform such duties as are necessary to or incidental to the proper administration of Braemar at Rockaway, a Condominium, and such other rights, powers, privileges or duties which may from time to time be established by law or which may be delegated to the Association by the owners of Units. The Board of Trustees of the Association shall constitute the governing body provided for in the Act and shall be elected and serve in accordance with the provisions of the By-laws, of the Articles of Incorporation, of the Act and of this Deed. The Board shall have standing to act in a representative capacity in relation to matters involving the Common Elements for more than one Unit, on behalf of the Unit Owners, as their interest may appear, except as otherwise provided herein or

in the By-laws. Each Unit Owner shall be a member of the Association, which membership shall automatically terminate at the time the Unit Owner ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's interest, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. Each such Unit Owner shall be a member of the Association and have voting rights determined in accordance with the percentage of such said Unit Owner's ownership interest in the Common Elements.

(b) Control of Association. The affairs of the Association shall be initially governed by a Board of Trustees comprised of three (3) individuals, all of whom shall be elected, appointed or qualified by the Sponsor. Such exclusive control of the Board of Trustees by the Sponsor shall continue until:

(1) Within sixty (60) days after conveyance of 25% of the interest, then not less than 25% of the members of the Board of Trustees, shall be elected by owners other than Sponsor;

(2) Within sixty (60) days after conveyance of 50% of the interest, not less than 40% of the members of the Board of Trustees shall be elected by the owners other than Sponsor;

(3) Within sixty (60) days after conveyance of 75% of the interest, the Sponsor's control of the Board of Trustees shall terminate and the Owners shall elect the entire Board except that the Sponsor may retain one member so long as there are any Units remaining unsold in the regular course of business.

At the time that (1) above becomes effective, the Board of Trustees shall be expanded to four (4) members. At the time that (2) above becomes effective, the Board shall be expanded to five (5) members. In calculating the interest as above, it is presumed that such interest will be calculated on the basis of the entire number of interests entitled to membership in the

Association.

Sponsor may surrender control of the Board of Trustees of the Association prior to the time specified above, provided that the Unit Owners, by a majority vote, agree to assume control.

While the developer maintains control of the Executive Board, he shall take no action which adversely affects a homeowner's rights under N.J.A.C.

5:25-5.5. Claims related to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

(c) Board Authority. The Board shall have the authority to engage the services of a managing agent or management company, to maintain, repair, replace, administer and operate the property to the extent deemed advisable by the Board, subject to the provisions of subparagraph (d) below. The cost of such services shall be a Common Expense.

(d) Use by Sponsor. During the period of sale of any Units by Sponsor, Sponsor's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Property as may be required for purposes of said sale of Units. While Sponsor owns any of the Units and until each Unit is sold and it is occupied by the purchaser thereof, Sponsor and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units or a portion of the Common Elements as a sales office and may maintain customary signs in connection therewith. In addition, Sponsor shall have a right of access to the Common Elements for any purpose until it conveys its last Unit.

(e) Nonliability of the Trustees, Board, Officers, Sponsor. Neither the Trustees, Board, officers of the Association nor Sponsor shall be liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Trustees, Board, officers or

Sponsor, except for such acts or omissions found by a Court to constitute gross negligence or fraud. The Unit Owner's shall indemnify and hold harmless each of the Trustees, officers and Sponsor and their respective devisees, legatees, heirs, executors, administrators, legal representatives, successors and assigns in accordance with the provisions of Article VII of the By-laws. This paragraph shall not be deemed to exculpate the members of the Board of Trustees appointed by Sponsor from their fiduciary responsibilities.

(f) Determination of Board to be Binding. Matters of dispute or disagreement between Unit Owners or with respect to the interpretation or application of provisions of Master Deed or the By-laws shall be determined by the Board of Trustees, which determination shall be final and binding on all Unit Owners.

6. COMMON EXPENSE ASSESSMENTS; LISTS OF ASSESSMENTS; NOTICE OF ASSESSMENTS; CERTIFICATE AS TO PAYMENT; LIEN FOR ASSESSMENTS.

It shall be an affirmative and perpetual obligation of the Board to fix Common Expense assessments in an amount at least sufficient to maintain the exterior of the buildings and to maintain and operate all other Common Elements and to pay taxes assessed to the Association. The amount of monies for Common Expenses of the Association deemed necessary by the Board shall be a matter for the sole discretion of the Board, subject to the By-laws.

Annual assessments shall be made for the period from January 1 through December 31 and one-twelfth of each such assessment shall be payable in monthly installments, in advance, due on the first day of each month. Written notice of the Common Expense assessments for each Unit shall be sent to the owners subject thereto. The Board shall cause to be prepared, at least thirty days in advance of the due date of each installment, a list of the Units and common expenses applicable thereto, which list shall be kept in the office of the Association and available for inspection, upon request, by any Unit Owner.

In the event that the Board fails to make an annual assessment, it shall be presumed that an assessment was made in the amount of the last prior year's assessment and any installments on such assessment shall continue to be due upon each installment assessment date and shall change by the amended assessment. In the event an annual assessment proves to be insufficient, the budget and assessments 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.

In addition to the annual assessments, the Board may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying the cost of any construction or reconstruction or unexpected repair or replacement upon or to the Common Elements. The due date of any special assessment shall be fixed in the resolution authorizing it.

While the Sponsor maintains the majority of the Board of Directors, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a governmental agency, title insurance company, mortgage lender or in the event of an emergency.

Every owner, by accepting a deed or other conveyance for a Unit, shall be deemed to have agreed to pay the Association such sums, by way of annual or special common expense assessments as are herein or in the By-laws of the Association more particularly described. The amount of the current annual assessment payable by the purchaser upon the purchase of the Unit, shall be an amount which bears the same relationship to the annual assessment as the remaining number of full calendar months in the then current annual assessment period bears to twelve, and shall be payable in equal monthly installments. Such first monthly installment of the annual assessment or a portion thereof to which a purchaser is liable shall be immediately due upon the first day of the calendar month following the closing of title to the purchaser.

Each assessment shall be a continuing lien upon the Unit against which it was made and shall also be the personal obligation of the owner of such Unit as of the time when the Common Expense assessment fell due, together with interest thereon as aforesaid and cost of collection thereof including reasonable attorneys fees. Liens for unpaid annual or special Common Expense 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. A suit to recover a money judgment for such unpaid assessments may be maintained without waiving the lien securing the same.

If any Unit Owner shall refuse or fail to make payment of the common expenses when due, the Association shall have a lien on each Unit for the unpaid common expenses assessed against such Unit, together with interest thereon at the rate as regularly fixed by the Board, but which rate shall not be greater than the excess of the maximum percentage then permitted under the laws of the State of New Jersey. However, any such lien shall be subordinate to the lien of any prior recorded mortgage or trust deed on the Property or any portion thereof, or any part thereof, or on the interest of the Unit Owner owned or held by any mortgagee of the Property, its successors and assigns.

Except as aforesaid, a purchaser or grantee of a Unit shall be required to pay the Common Expenses assessed against the Unit being acquired prior to the acquisition of such Unit. The Association shall provide upon the request of any owner, acquirer or mortgagee, for the issuance, within ten (10) days after the request therefor, of a certificate of the amounts due. Any prospective transferee's liability under this covenant shall be limited to the amount set forth in the certificate.

7. COMMON EXPENSES.

Each Unit Owner, including Sponsor, shall pay his proportionate share of the common expenses. Such proportionate share of the Common Expenses shall be in the percentage interest of the Unit Owner in the Common Elements as set forth in Exhibit C hereof. Payment of the common expenses shall be in such amount and at such times as determined in the manner provided in the By-laws. No Unit Owner shall be exempt from payment of his share of the common expenses for any reason whatsoever.

Sponsor shall pay the common expenses applicable to the completed Units still owned by it until it has initially sold each such Unit to a bona fide purchaser for value. The term "completed Units" for the purpose of the above shall mean a Unit for which a permanent Certificate of Occupancy has been issued.

8. EASEMENTS.

(a) Each Unit Owner shall have a perpetual easement in, upon, through and over the Common Elements to maintain, operate, repair and replace his Unit, and for ingress and egress to his Unit and to use all pipes, wires, ducts, cables, conduits, public utility lines, cable television line and other Common Elements which may be located in any other Units and serving his Unit. The use of the common elements shall be subject to

(1) all applicable rules and regulations promulgated by the Association being observed;

(2) any use by a Unit Owner which shall not interfere with the peaceful use of the Common Elements by other Unit Owners;

(3) the provisions of the Act, this Master Deed and the By-laws.

(b) Sponsor, its successors and assigns reserves easements:

(1) in, upon, through and over the Common Elements for as long as Sponsor, its successors and assigns shall be engaged in the construction, development and sale of Condominium Units, which

easement shall be for the purpose of construction, installation, maintenance and repair of any improvements, and for ingress and egress to all Units, Common Elements and for the use of all roadways and parking lots;

(2) to enter into, upon, over or under any Unit for a period of one year after the delivery of the deed for such Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service any Unit thereof, or the Common Elements, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the owner. However, in a case of emergency, such right of entry shall be immediate, whether the owner is present at that time or not;

(3) a blanket perpetual and non exclusive easement in, upon, over, under, across, and through the Common Elements for surface water runoff and drainage caused by natural forces and elements, grading, and/or the improvements located upon the property;

(4) through and over the lands comprising the Common Elements for the purpose of maintaining, repairing, replacing and installing sewer, water, power and telephone lines, mains, conduits, waters, poles, transformers and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility system serving the Condominium;

(5) for access to the premises so long as the Sponsor owns any Units in the normal course of business; to permit its agents, servants, hosts and sales personnel to escort prospective purchasers through the buildings and Common Elements; and to permit its agents, servants and personnel unrestricted access to the buildings and Common

Elements for any reasonable use or purpose and to utilize the parking area without limitation.

(c) A valid easement does and shall continue to exist for the utility suppliers throughout the Common Elements for the purpose of installation, maintenance, repair and replacement of all sewer, water, power, heating, telephone, television and other transmission pipes, lines, mains, conduits, wires, poles and any and all other equipment or machinery necessary or incidental to the proper functioning thereof. Sponsor reserves the right to grant future easements to utility suppliers which shall serve the Condominium.

(d) The Association shall have a perpetual irrevocable right exercisable by the Board of Trustees or their duly assigned agents to enter each Unit during reasonable hours for the purpose of maintaining, repairing or replacing the Common Elements or for making any emergency repairs that are necessary to prevent damage to the Common Elements or to another Unit. Advance notice is to be given a Unit owner except in the case of an emergency.

(e) To the extent that any Unit or Common Element now or hereafter actually encroaches upon any other Unit or any other Common Element, whether by deviation from the plans in the construction, repair, restoration, renovation, or replacement, or by reason of condemnation or eminent domain proceedings, or shifting and settling of the land, there shall be deemed to be a valid easement for such encroachment.

(f) The Common Elements shall be subject to a valid easement hereby granted to the Township of Rockaway for the purposes of entering upon such roadways, parking areas, driveways, sidewalks and walkways to maintain the safety, health, welfare, police and fire protection of the citizens of the Township of Rockaway including the residents of the Condominium.

9. COVENANTS.

The Braemar at Rockaway Condominium Association for itself, its successors and assigns, shall assume the continuing commitment and obligation to maintain the Common Elements and any areas owned by it for the benefit of the Unit Owners of Braemar at Rockaway, a Condominium, and for the benefit of the Township of Rockaway said obligations to include the following commitments on the part of the said Braemar at Rockaway Condominium Association.

(a) The Association will maintain, repair and keep in functional order and aesthetic appearance all Common Elements as delineated on the map of the development and will further maintain and keep in the state of good repair all site improvements contained therein including private roads, walkways, parking areas, planted and landscaped areas and exterior lighting facilities, and any other property or facilities owned by it;

(b) The Association will plow and shovel so as to keep clear from snow all private roads and walkways contained in said premises;

(c) The Association will provide for removal of all trash and garbage from said premises twice weekly;

(d) The Association shall make such structural repairs as may be required to the Buildings on the premises and shall keep same in the state of good appearance;

(e) The Association shall comply with all of the Township regulations, zoning and fire codes and building codes as amended from time to time and shall restrict the use of the land to the purposes approved for the development. The Association shall make no alterations or additions to Buildings nor shall it permit occupancy of living Units in said Buildings except in conformity with the approval granted therefor by the said Planning Board of the Township of Rockaway; and

(f) The Association shall enforce the parking lot and ingress and egress restrictions approved by the Township of Rockaway Planning Board.

10. USE AND OCCUPANCY RESTRICTIONS

(a) No part of the property may be used for any purpose prohibited under law nor under this Master Deed or the By-laws.

(b) The Common Elements shall be used only by the Unit Owners, occupants and their agents, servants, tenants, family members, invitees and licensees for access, ingress to and egress from the respective Units and for such other purpose incidental to the use of the Units; provided, however, areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance, and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner and shall be subject to any lease, concession or easement presently in existence or entered into by the Board at some future time affecting any part or all of the said Common Elements.

(c) No part of the Property may be used for purposes other than housing and the related common purposes for which the property was designed. The foregoing restrictions as to a residence shall not, however, be construed in such a manner to prohibit a Unit Owner from maintaining a personal professional library, or keeping his business or professional records or accounts or handling his personal business or professional telephone calls or correspondence.

(d) No clothes poles or lines shall be installed or maintained in common areas or decks or balconies.

(e) No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements. Dogs, cats or other household pets are permitted, provided, they not be in excess of two in the

aggregate per Unit and provided that they are not kept, bred or maintained for any commercial purpose and that they are housed within the Unit. No outside dog pens or yards shall be permitted.

(f) No trailer, tractor, truck (commercial or unregistered), recreation vehicle, boat, boat trailer, and no mobile home of any size shall be stored or housed on the Property.

(g) No portion of the Common Elements or of the Property shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the property for collection twice weekly.

(h) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted. No unshielded flood lights shall be installed in any exterior area of any Unit.

(i) No signs of any kind shall be permitted upon the property except as specifically provided herein or in the By-laws.

(j) No external or visible radio, television or any type of communication aerial shall be installed or affixed on or about the exterior of any building constructed or erected on the Property, or elsewhere on such Property.

(k) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of the building(s) or the contents thereof beyond the rates applicable for all Units, without the prior written consent of the Association. No owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which would result in the cancellation of insurance on any of the buildings or the contents thereof, or which would be in violation of any law.

(l) 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 willfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium.

(m) No immoral, improper, offensive, or unlawful use shall be made of any Unit; nor shall any activity which is offensive or abhorrent to prevailing concepts of morality and decency be conducted, and all valid laws, zoning ordinance and regulations of all governmental bodies having jurisdiction thereof shall be complied with.

(n) No Unit shall be rented by the owner thereof, (except by the Sponsor or a lender in possession of such Unit following default on a first mortgage, a foreclosure proceeding or any other deed or arrangement in lieu of foreclosure) or otherwise utilized for any period less than one month or for transient purposes; provided, however, that any Unit Owner may rent a Unit for a period of less than one month to a contract purchaser. No owner may lease less than an entire Unit. All leases shall be made in writing and made subject to all provisions of this Master Deed, the By-laws of the Association and other documents referred to herein including any right of amendment thereof 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.

(o) No Unit Owner may make any structural additions, alterations or improvements in his Unit or of the Common Elements without the prior written approval of the Board, except as hereinafter set forth. Should any Unit Owner make any alterations, additions, or improvements within the Unit, such Unit Owner shall be responsible for any damage to other Units, the Common Elements, and the property or any part thereof, resulting from such alterations, additions or improvements.

(p) 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 Owners, each Owner shall give the Secretary of the Association, timely notice of his intent to list his Unit for sale, and, upon closing of title shall forthwith notify such Secretary of the names and home address of the purchasers.

(q) Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicap use.

11. MAINTENANCE, REPAIRS AND REPLACEMENTS.

Each Unit Owner shall furnish and be responsible for all maintenance, repairs and replacements within his own Unit, at his own cost and expense. Each owner shall maintain his Unit in good condition. Maintenance of repairs to and replacements within the Common Elements shall be responsibility of and furnished by the Association, as a Common Element cost and shall be part of the common expenses. No Unit Owner shall have the right to paint, otherwise decorate or change the appearance of any portion of the exterior of any building. Decorating of the Common Elements and any redecorating of Units to the extent made necessary by any damage to existing Units caused by maintenance, repair or replacement work on the Common Elements by the Association, shall be furnished by the Association as part of the Common Expenses.

12. INSURANCE.

(a) The Board of Trustees is authorized and directed to obtain and maintain to the extent obtainable, the insurance for the property as more particularly set forth in the By-laws. Such coverage shall be written in the name of and the proceeds payable to the Association, as the Trustee for each Unit Owner in direct ratio to said Unit Owners respective percentage ownership

in the Common Elements, as set forth in Exhibit C attached hereto, and for the holders of mortgages on each Unit, if any. The premiums for such insurance shall be a Common Expense. The Board shall notify all persons insured under such policy in the event of any cancellation thereof.

(b) The Board shall also have authority to and shall obtain comprehensive public liability insurance and workers compensation insurance and other liability insurance insuring the Unit Owners, any mortgagee of record, the Association, its officers, Trustees and Board and the Sponsor and managing agent, if any, and their respective employees and agents and all persons acting as their respective agents, from liability in connection with the ownership, existence, use or management of the property. Sponsor shall be included as an additional insured in its capacity as a Unit Owner. Each Unit Owner shall be included as an additional insured but only with respect to that portion of the property not reserved for their exclusive use. Each such policy shall cover the claims of one or more insured parties against other insured parties and shall also contain, if possible, a waiver of subrogation rights by the insurer against such insured persons or entities. The premiums for such insurance shall be a Common Expense. The Board shall notify all persons insured under any such public liability policy in the event of cancellation thereof.

(c) The Board shall also have authority to and may obtain such insurance as it deems desirable insuring the property and each member of the Board and officer of the Association and member of any committee appointed pursuant to the By-laws of the Association from liability arising from the fact that the person is or was a Trustee or officer of the Association or a member of such committee. The premiums for this insurance shall also be a Common Expense.

(d) A Unit Owner shall be liable for any claim, damage or judgment entered as a result of the use or operation of his Unit or caused by his own conduct. Each Unit Owner shall be responsible for obtaining his own insurance on the contents of his own Unit, as well as the additions and improvements thereto and personal property stored on the property. In addition, a Unit Owner, at his own expense, may obtain additional insurance insuring his personal liability and loss or damage by fire or other hazards above and beyond the extent that his liability, loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board.

13. CASUALTY AND EMINENT DOMAIN.

If any buildings, improvement, or Common Element or any part thereof is damaged or destroyed by fire or casualty, or taken by eminent domain, then the repair, restoration or ultimate disposition shall be as provided in N.J.S.A. 46:8B-24 and 25 and any amendments or supplements thereto.

14. MORTGAGING OF UNITS.

Each Unit Owner shall have the right to mortgage or encumber his Unit provided that such mortgage or encumbrance is made to a bank, trust company, insurance company, savings and loan association, pension fund or other institutional lender or a purchase money mortgage made to the Sponsor or to the Seller of a Unit. The Unit Owner shall supply a copy of the mortgage as executed to the Association and shall deliver to the Association the address upon which the Association may serve and deliver all notices to the mortgagee.

15. PROPERTY TAXES, ASSESSMENTS AND CHARGES.

All property taxes, special assessments of other charges imposed by any governmental authority are to be separately assessed against each Unit and collected from each Unit Owner, as provided in the Act. In the event that any

such taxes, assessments or other charges 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 interest in the Common Elements.

16. UTILITIES.

Each Unit Owner shall pay for his own telephone, electric and other utilities which are separately metered or billed to each Unit by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the Common Elements, and each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided interest in the Common Elements.

17. PROTECTIVE PROVISIONS FOR THE BENEFIT OF INSTITUTIONAL MORTGAGEES.

Each Unit Owner shall have the right, subject to the act and the provisions herein, to make or create or cause to be made or created any mortgage or other lien affecting his respective Unit together with his respective ownership in the Common Elements; provided however that no Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or other lien on or affecting the property or any part thereof in excess of his own Unit and the Common Elements corresponding thereto. Sponsor shall have the right to make or create or cause to be made or created one or more mortgages or other liens on or affecting all or some of the Units to which Sponsor has fee simple title, and the Common Elements pertinent thereto.

As to each institutional holder of the first mortgage on any Unit, the following shall apply:

(a) The prior written approval of each institutional holder of the first mortgage ("First Mortgage") on any Unit is required for the following:

(1) The abandonment or termination of the Condominium except for abandonment or termination provided by law in the case of casualty or eminent domain;

(2) Any material amendment to the Master Deed or to the By-Laws or Articles of Incorporation;

(b) No Unit in the Condominium may be partitioned or subdivided without the prior written approval of the holder of any first mortgage of said Unit.

(c) The Association's lien for unpaid Common Expense assessments attributable to any particular Unit shall be subordinate to the lien of the first mortgage or other equivalent security interest recorded prior to the date when any such Common Expense assessment became due.

(d) In the event of substantial damage to or destruction of any Unit or any part of the Common Elements or condemnation thereof, the institutional holder of any first mortgage shall be given timely written notice of such damage, destruction or taking. No owner or other party shall have priority with respect to the distribution to such Unit Owner of any insurance proceeds or condemnation awards. If an institutional holder of the first mortgage on any Unit comes into possession of the Unit pursuant to the remedies provided for in such mortgage through foreclosure or deed or assignment in lieu of foreclosure, or if a purchaser of such Unit obtains title thereto at a sale of such Unit as a result of such foreclosure, then such holder or purchaser, as the case may be, and their successors and assigns, shall not be liable for and such Unit shall not be subject to, a lien for the payment of the share of Common Expenses pertaining to such Unit or chargeable to a former owner of such Unit, which became due prior to such possession or foreclosure sale, as the case may be, except for claims for a proportionate share of such unpaid

Common Expenses resulting from a proportional allocation thereof among all of the remaining Unit Owners, including such holder or other purchaser at foreclosure, or their successors and assigns.

18. SUBDIVISION OR COMBINATION OF UNITS.

Subject to the provisions of this Master Deed, Certificate of Incorporation, the By-laws, and the Act, the Common Elements shall remain undivided and no Unit Owner shall bring any action of partition and division thereof. A Unit may be transferred by the Unit Owner thereof to the owner of a Unit or Units adjacent thereto, and may be combined with such adjacent Unit or Units and made a part thereof, for use together with such adjacent Unit or Units (thereby forming a new larger Unit) and the Common Elements affected by such transfer in combination may be located or relocated, as required to affect such transfer and combination, provided that such transfer and combination is made in compliance with this paragraph. The Unit Owner or Unit Owners desiring to make such subdivision or transfer and combination shall make written application to the Board requesting an amendment to this Master Deed and containing, in the case of a transfer and combination, a survey of the proposed alteration of the affected Unit or Units and the affected Common Elements and a proposed reallocation to the new Unit to be created by such proposed transfer and combination, of the percentage of interest in the Common Elements appurtenant to such affected Units. No such proposed transfer and combination shall be effective unless first approved in writing by a majority of members of the Board, which approval shall not be unreasonably withheld. If so approved by the Board, such proposed transfer shall be effective upon recording of an amendment to this Master Deed, consistent with and reflecting said transfer and combination and executed by the Unit Owner or owners and the mortgagees of the Units involved therein, together with an amended plat, in

accordance with the Act, and all other provisions with this Deed and the By-laws. Any expenses incurred in connection with accomplishing any such transfer and combination as provided herein, including without limitation attorney's fees, and recording fees, shall be paid by the Unit Owners of the Units involved and such Unit Owners shall be jointly and severally liable for the payment thereof.

19. REMEDIES.

In the event of any violation or default by any Unit Owner of the provisions of the Act, Master Deed, By-laws or rules and regulations of the Association (either by his own conduct or by the conduct of any occupant of his Unit) the Trustees shall have each and all of the rights and remedies which may be provided for in the Act, Master Deed, By-laws, rules and regulations of the Association or which may otherwise be available at law or in equity and may prosecute an action or other proceeding against such defaulting Unit Owner and/or others for enforcement of any lien or other right and for the appointment of a receiver for the Unit or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof or the right to take possession of the such Unit Owner's interest in the Property and to sell the same or for any combination of remedies or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs, attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate determined by the Board as herein before provided, shall be charged to and assessed against such defaulting Unit Owner and shall be added to and deemed part of his respective share of the Common Expenses and the Association shall have a lien for all of the same, as well as for non payment of his respective share of the Common Expenses, upon the Unit

of such defaulting Unit Owner.. Provided, however, that such lien shall be subordinated to the lien of any prior recorded mortgage or trust deed on the property or any portion thereof or the interest of such Unit Owner, held by any existing mortgagee of the property, except for the amount of the proportionate share of said Common Expenses which become due and payable from and after the date on which said mortgage or trust deed owner or holder either takes possession of the Unit, accepts an advance of any interest therein (other than as a security) or files suit to foreclose its mortgage or trust deed and causes a receiver to be appointed. In the event of any such default by any Unit Owner, the Association and the Board of Trustees and any manager or managing agent so authorized by the Board shall have the authority to correct such default and to do whatever may be necessary for such purposes and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner together with interest thereon at the rate aforesaid. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of such holders of a recorded mortgage or trust deed encumbering any one or more of the Units.

The violations of any provisions of the Act, this Deed, the By-laws, or rules and regulations of the Association by any Unit Owner (either by his own conduct or by the conduct of any occupant of his Unit) shall give the Board and its employees and agents the right, in addition to any other rights provided for in this Master Deed, (a) to enter upon the Unit or any portion of the Property upon which or as to which such violation or breach exists pursuant to legal process and to summarily abate and remove, at the expense of

the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions of this Act, this Deed, the By-laws or such rules and regulations and the Board or its employees or agents shall not thereby be deemed guilty in any manner of trespass, or (b) to enjoin, abate, or remedy by appropriate legal proceedings either at law or in equity, the continuance of any such breach or (c) to take possession of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit Owner, either by his own conduct or by the conduct of any occupant of his Unit, shall violate any provisions of this Act, this Deed, or the regulations of the Association and such default or violation shall occur for ten days after notice to the Unit Owner in writing from the Board or shall recur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting owner a notice in writing terminating the rights of the defaulting owner to continue as a Unit Owner and to continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the Board against such defaulting owner for a decree of mandatory injunction against such defaulting owner or occupant or in the alternative for a decree declaring the termination of said defaulting owner's right to occupy, use or control the Unit owned by him on account of said violation and ordering that all right, title and interest of said defaulting owner in the property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the Court shall determine and except that the Court shall enjoin and restrain said defaulting owner from reacquiring his interest at such judicial sale. The proceeds of any such judicial sale shall be first paid to discharge court costs, reasonable attorney's fees and all

other expenses of the proceeding and sale and all such items shall be taxed against said defaulting owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to said defaulting owner. Upon confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements and to immediate possession of the Unit sold and may apply to the Court for a writ of assistance for the purpose of acquiring such possession and it shall be a condition of any such sale and the decree shall so provide that the Purchaser shall take the interest in the Unit Ownership sold subject to the Master Deed.

20. AMENDMENT OF MASTER DEED.

Sponsor hereby reserves for itself, its successors and assigns for such period as Sponsor may be the owner of one or more Units in the Condominium in the regular course of business, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lien holders or parties claiming a legal or equitable interest in the Condominium, any such agreements, documents, amendments or supplements to this Master Deed which may be required by an institutional mortgage lender or by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor or others to insure title to any Units or by the Sponsor for such purposes as it deems desirable.

In the event that the Sponsor shall no longer be the owner of one or more Units in the Condominium, this Master Deed then may be amended or supplemented only by the affirmative vote of the Unit Owners representing 75% of the undivided interest in the Common Elements as set forth herein, or in any amendment thereto. In the event that there shall be an amendment or supplement to this Master Deed by such percentage of owners, or by the

Sponsor, no amendment or supplement shall change a Unit or Units percent of the Common Elements unless otherwise provided for herein, without the owner of record of said Unit and the holders of record of any liens thereon joining in the execution of the amendment or supplement or executing consent thereto with the formalities of a deed. Such amendments, supplements or consent shall be recorded in the County Clerk's Office before such amendment or supplement becomes effective.

Where the provisions of this Deed have been complied with relating to casualty or eminent domain or combination of Units have been complied with, the Secretary of the Board shall execute and record an amendment to this Master Deed setting forth all pertinent aspects of the events or transactions resulting in such amendment and a legal description sufficient to indicate the location of any property involved in said events or transactions and specifying any resulting reapportionment of percentages of ownership in the Common Elements, provided that any such amended deed, plat or certification shall be prepared at the expense of the Unit Owners affected thereby.

The developer shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the master deed, by-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

21. RIGHTS AND OBLIGATIONS.

The provisions of this Master Deed and the By-Laws and all rights and obligations established hereby shall be deemed to be covenants running with the land so long as the property remains subject to the provisions of the Act. By recording of the acceptance of a deed conveying a Unit or any interest therein, the person to whom such Unit or interest is conveyed shall

be deemed to accept and agree to be bound by and subject to all of the provisions of the Act and the provisions of this Master Deed and the By-Laws. Such grantee shall accept same subject to all restrictions, conditions, covenants, reservations, liens and charges which affect the property.

22. HEADINGS.

The headings of paragraphs, Articles and sections in this Master Deed and the By-Laws are for convenience and reference only and shall not in any way limit or define the contents or substance of such paragraphs and sections.

23. NUMBER AND GENDER.

As used in this Master Deed, the singular shall include the plural and the masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires.

24. SEVERABILITY.

If any provision of the Master Deed or By-laws or any section, sentence, clause, phrase, word or the application thereof, in any circumstances is held invalid, the validity of the remainder of this Master Deed and the By-laws and of the application of any such provision, section, sentence, clause, phrase or word and any other circumstances shall not be affected thereby and the remainder of this Master Deed or the By-laws shall be construed as if such invalid part was never included therein.

25. WAIVER.

No provision contained in this Master Deed or the By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

26. PERPETUITIES AND RESTRAINTS ON ALIENATION.

If any of the options, privileges, covenants or rights created by this Master Deed shall be unlawful, void or voidable for violation of the rule of

property known as the Rule Against Perpetuities, then such provision shall continue in force and effect only until 21 years after the death of the survivor of the now living descendants of the President of the United States, George Bush.

IN WITNESS WHEREOF, the Sponsor has caused these presents to be signed and duly executed the day and year first above.

Attest:

BRAEMAR CONSTRUCTION COMPANY
a New Jersey Corporation

RALPH A. LOVEYS, JR., Secretary

By: JAMES B. LUKE, President

STATE OF NEW JERSEY)
 ss:
COUNTY OF MORRIS)

BE IT REMEMBERED, that on this day of June, 1990 , before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Ralph A. Loveys, Jr., who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is the Secretary of Braemar Construction Company, a New Jersey Corporation, the Corporation named in the within Instrument; that James B. Luke is the President of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of the said Corporation; that deponent well knows the corporate seal of said Corporation; and that the seal affixed to said Instrument is the proper corporate seal and was thereto affixed and said Instrument signed and delivered by said President as and for the voluntary act and deed of said Corporation, in presence of deponent, who thereupon subscribed his name thereto as attesting witness.

Sworn to and subscribed before me,
the date aforesaid.

Notary Public of New Jersey

Ralph A. Loveys, Jr., Secretary

3925B/51589/cmc

All the real property located in the Township of Rockaway, County of Morris, State of New Jersey and more particularly described as follows:

Beginning at a point in the southerly sideline of Sanders Road at its point of intersection with the Westerly line of lands of Andrew Gacjala and running thence

- 1) along lands of Andrew Gacjala and along lands of Alfred Scott, South 32 degrees 50 minutes 22 seconds West 262.15 feet to a point;
- 2) still along lands of Alfred Scott, South 16 degrees 10 minutes 22 seconds West 173.58 feet to a monument found for a corner;
- 3) along lands, now or formerly, of Farm Rite Implement Co., North 62 degrees 57 minutes 55 seconds West 489.54 feet to a point;
- 4) along lands of Joseph H. Oram, Jr., North 16 degrees 10 minutes 17 seconds East 498.95 feet to a point;
- 5) along the Southerly sideline of Sanders Road, South 62 degrees 54 minutes 13 seconds East 260.58 feet to a point;
- 6) along lands of M. Maliszewski, South 27 degrees 07 minutes West 113.00 feet to a point;
- 7) still along same lands, South 62 degrees 54 minutes 13 seconds East 75.00 feet to a point;
- 8) still along said lands, North 27 degrees 07 minutes East 110.99 feet to a point;
- 9) along the Southerly sideline of Sanders Road, South 58 degrees 29 minutes 23 seconds East 55.78 feet to an angle point therein;
- 10) still along same, South 48 degrees 46 minutes 43 seconds East 84.92 feet to an angle point therein;
- 11) still along same, South 46 degrees 15 minutes 03 seconds East 108.45 feet to the place of beginning.

NOTE: Being Lot(s) 8, Block 22102, Tax Map of the Township of Rockaway.

EXHIBIT A

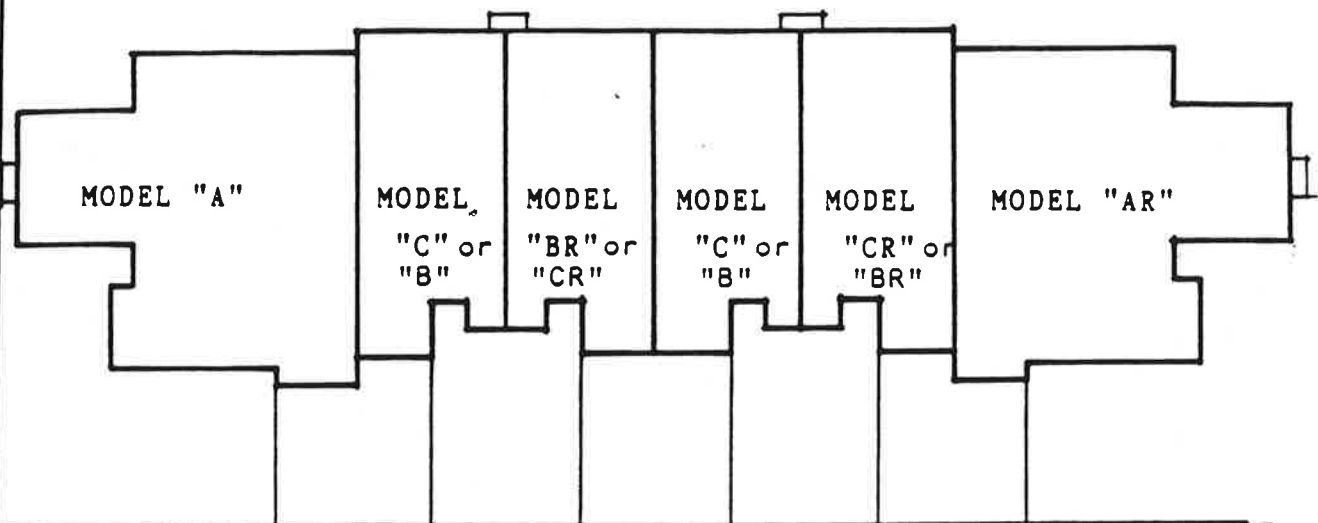


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

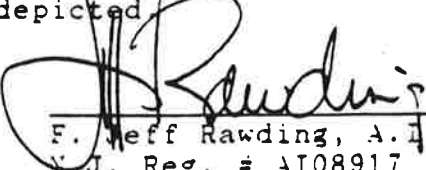
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



BUILDING "A" & "A1"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.A.A.
N.J. Reg. # AI08917

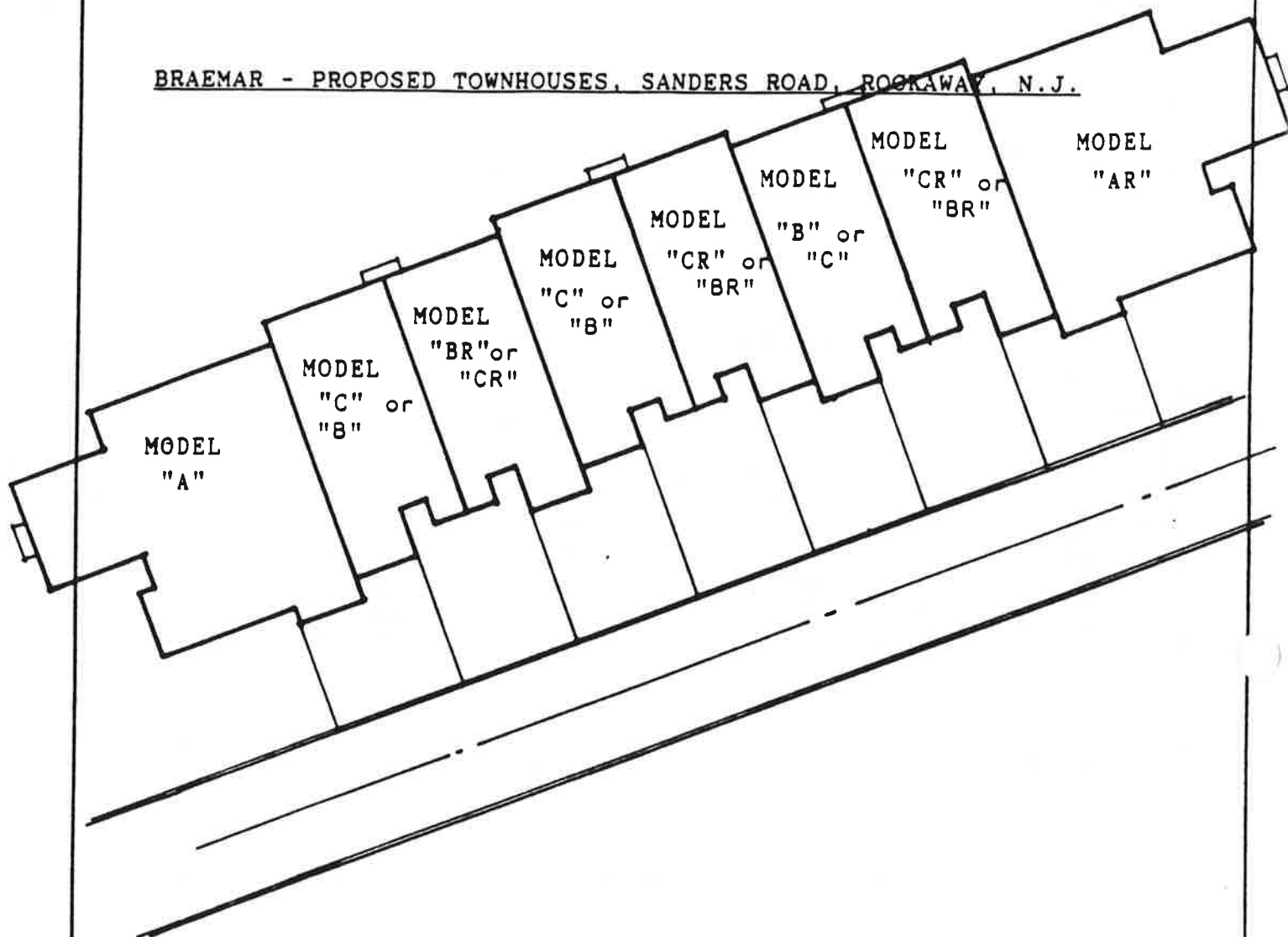


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

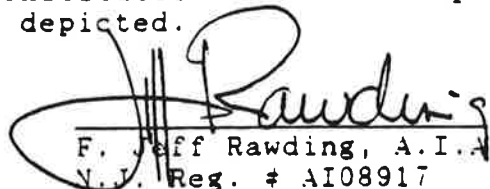
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



BUILDING "B"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. # AI08917

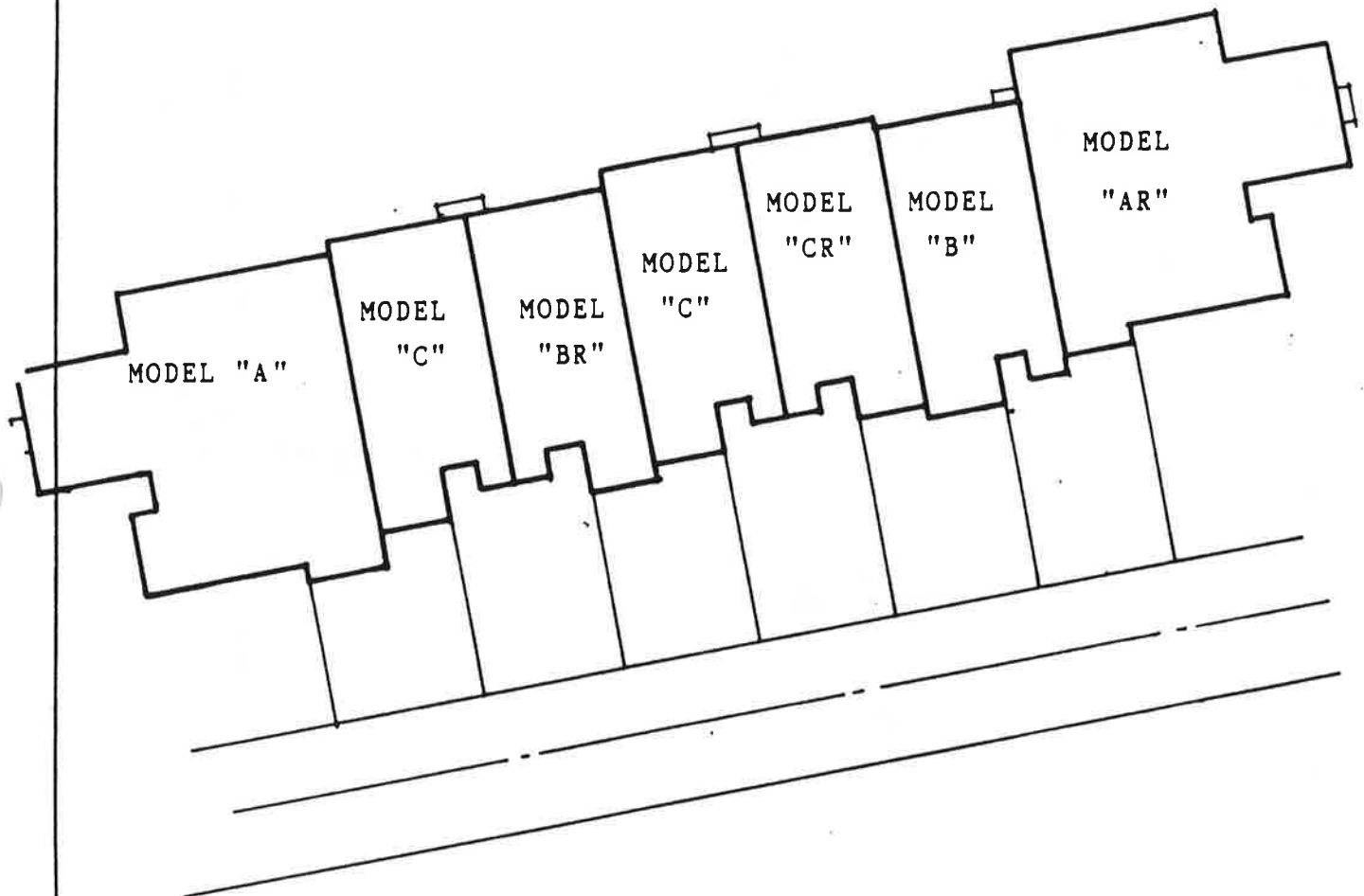


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

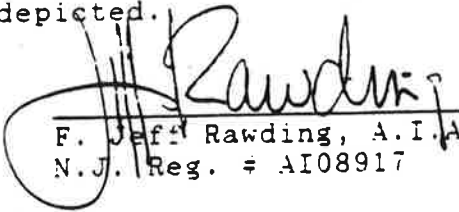
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



BUILDING "C"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. # AI08917

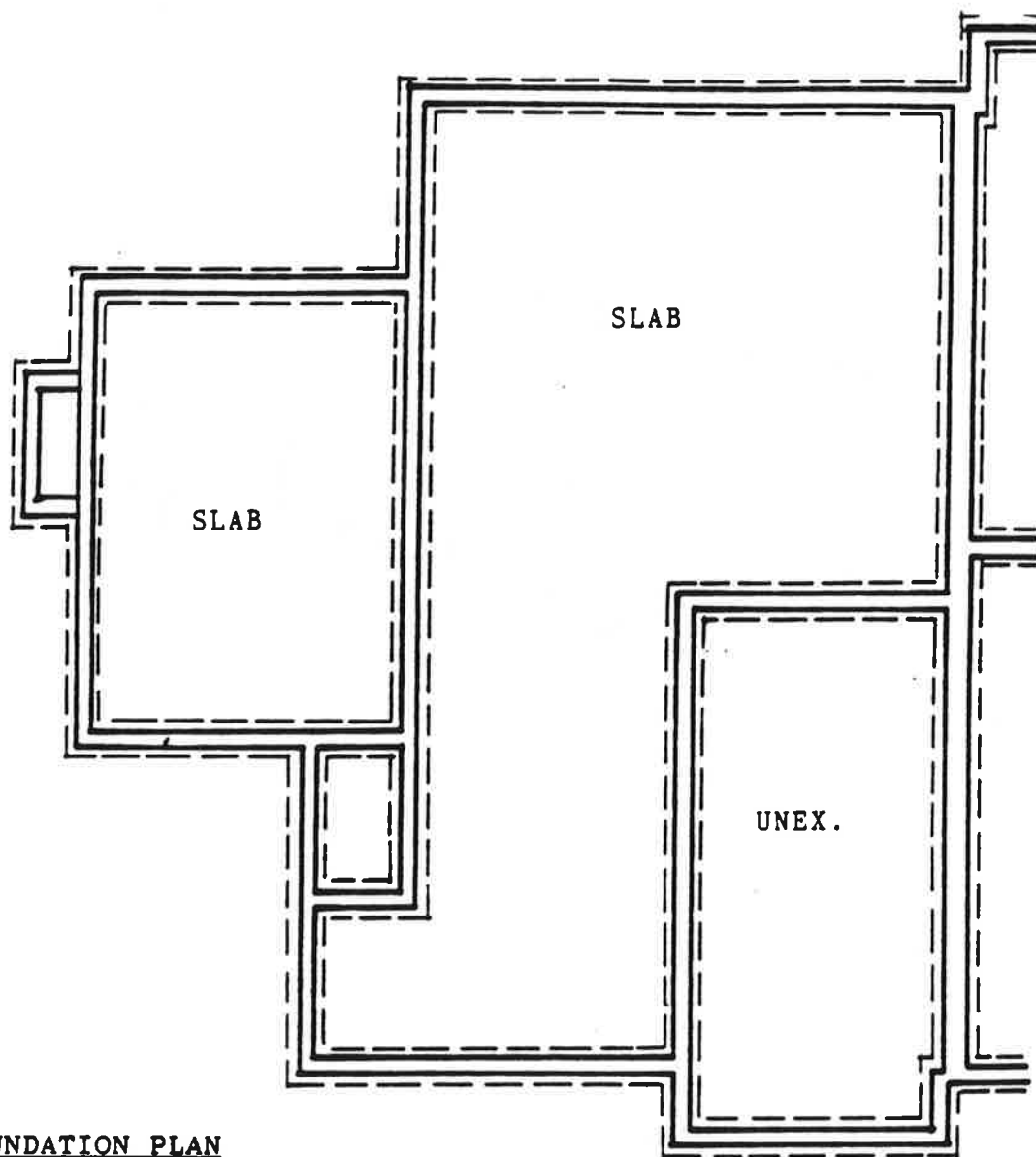


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

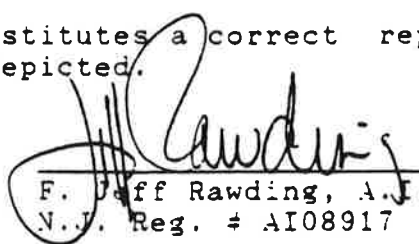
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FOUNDATION PLAN
MODEL "A"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.E.A.
N.J. Reg. # AI08917

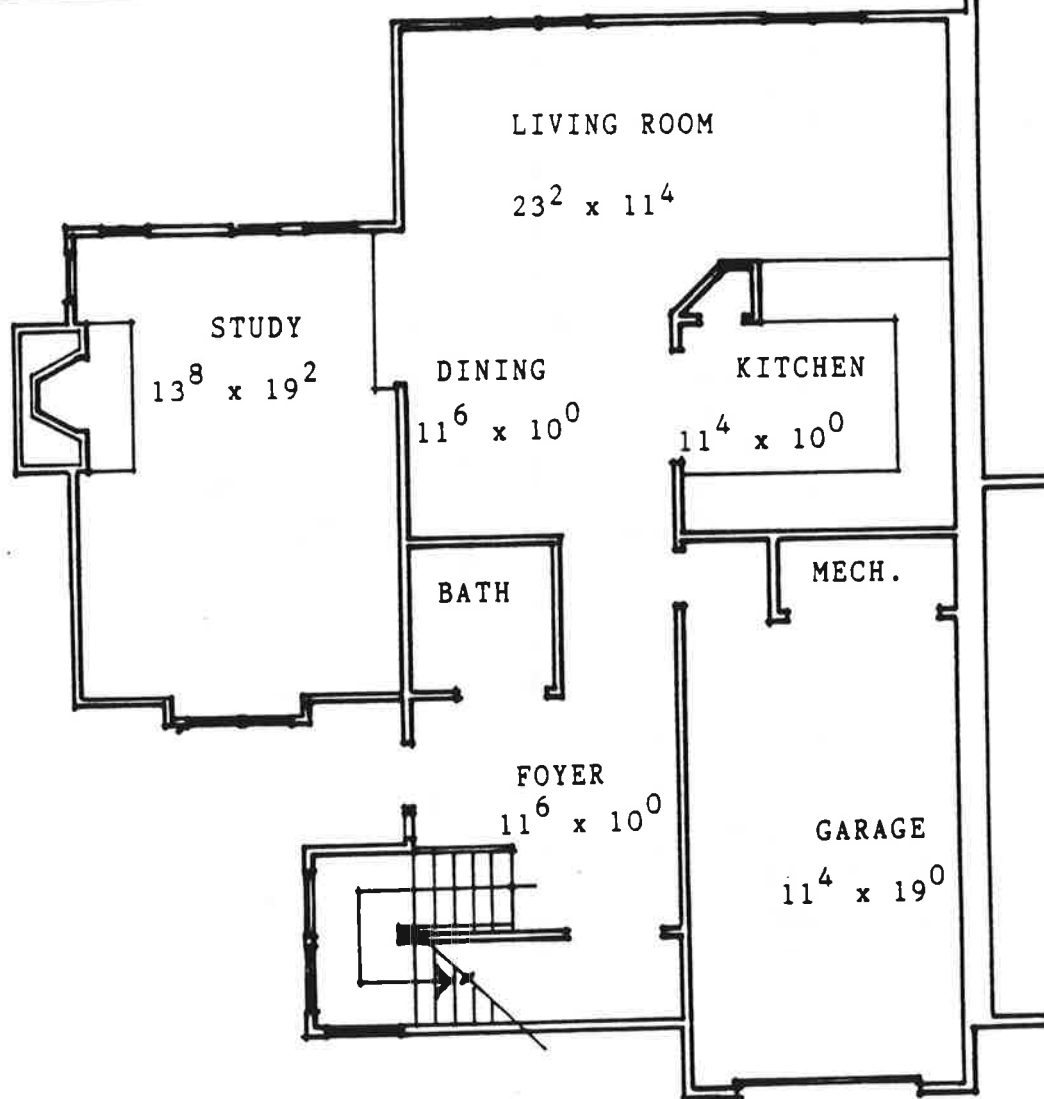


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

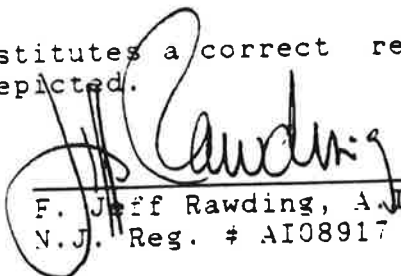
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FIRST FLOOR PLAN
MODEL "A"

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F. Jeff Rawding, A.I.A.
N.J. Reg. # AI08917

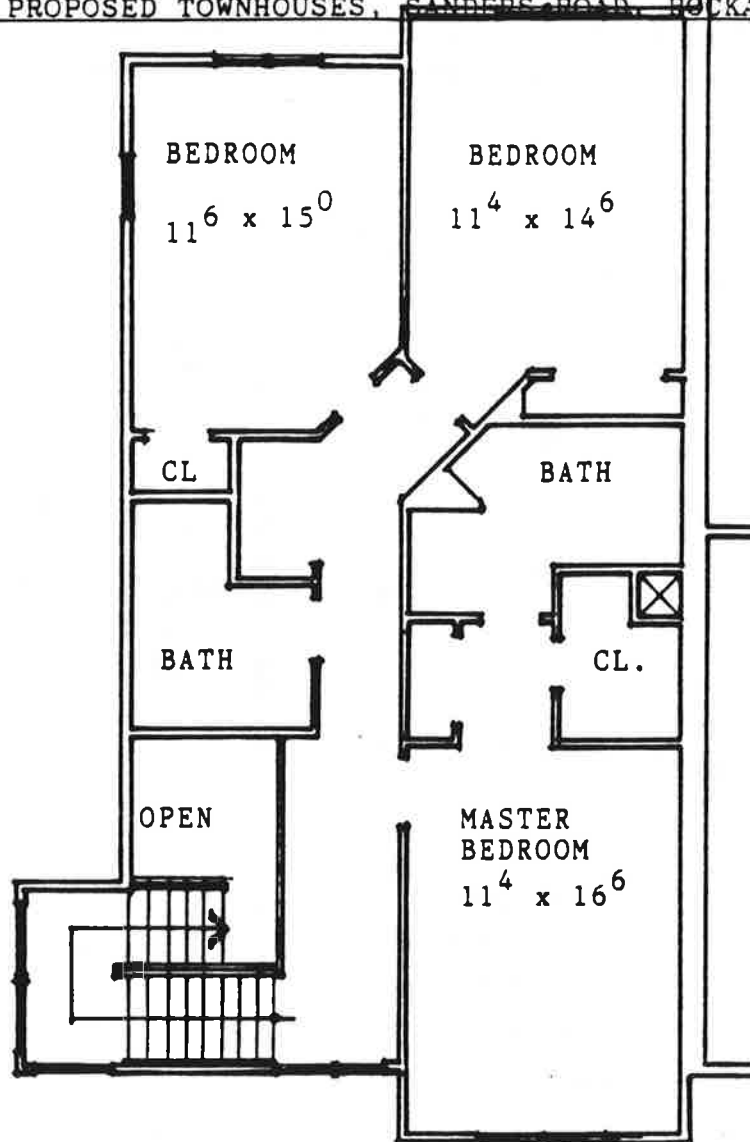


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

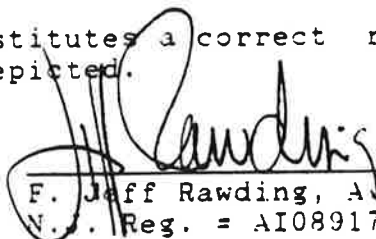
BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



SECOND FLOOR PLAN

MODEL "A"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. = AI08917

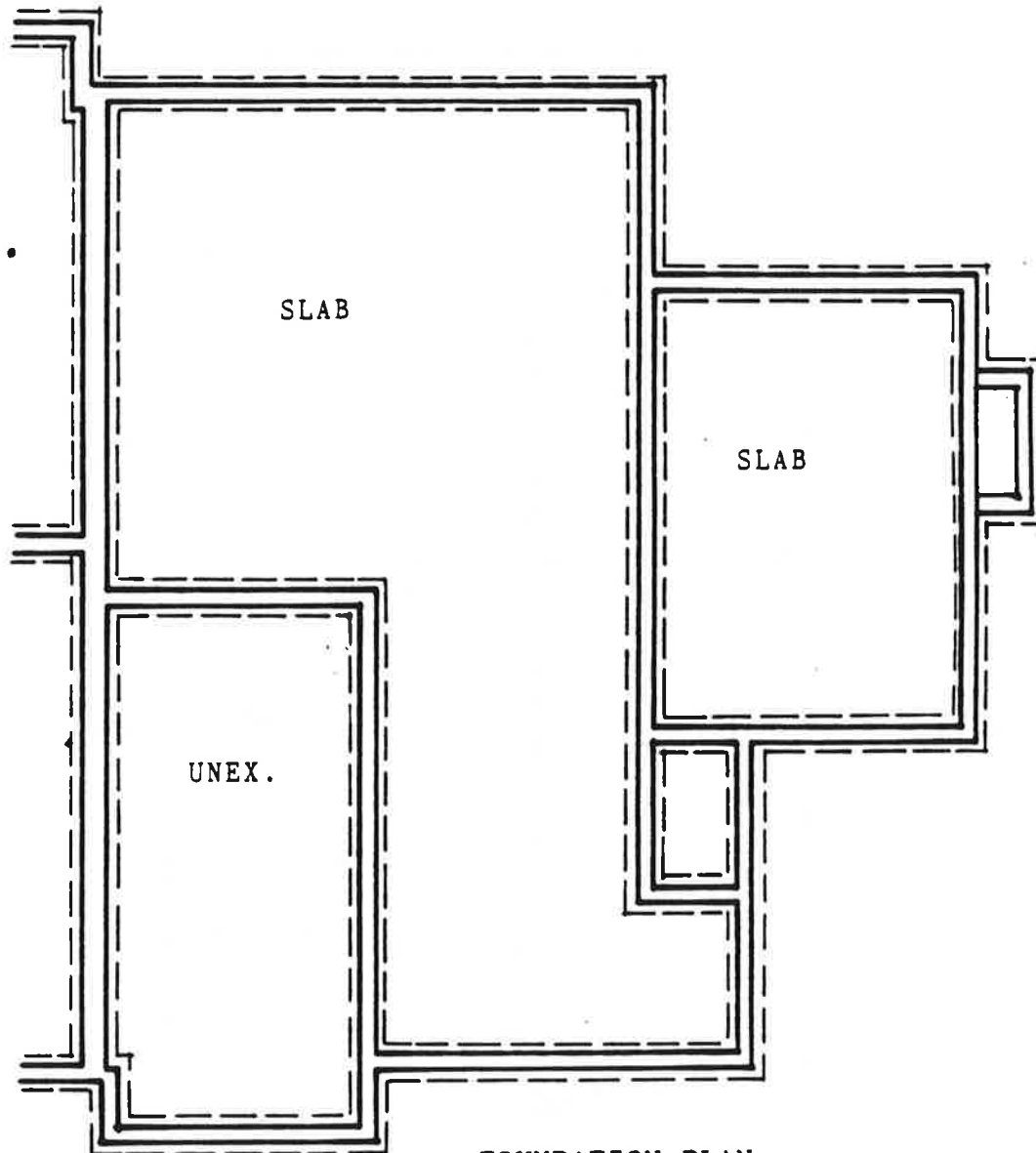


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

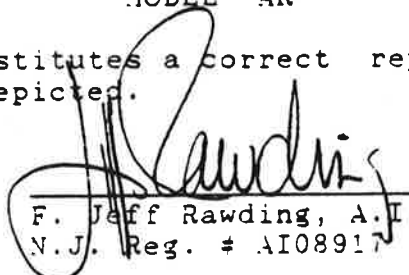
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FOUNDATION PLAN
MODEL "AR"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.L.A.
N.J. Reg. # AI08917

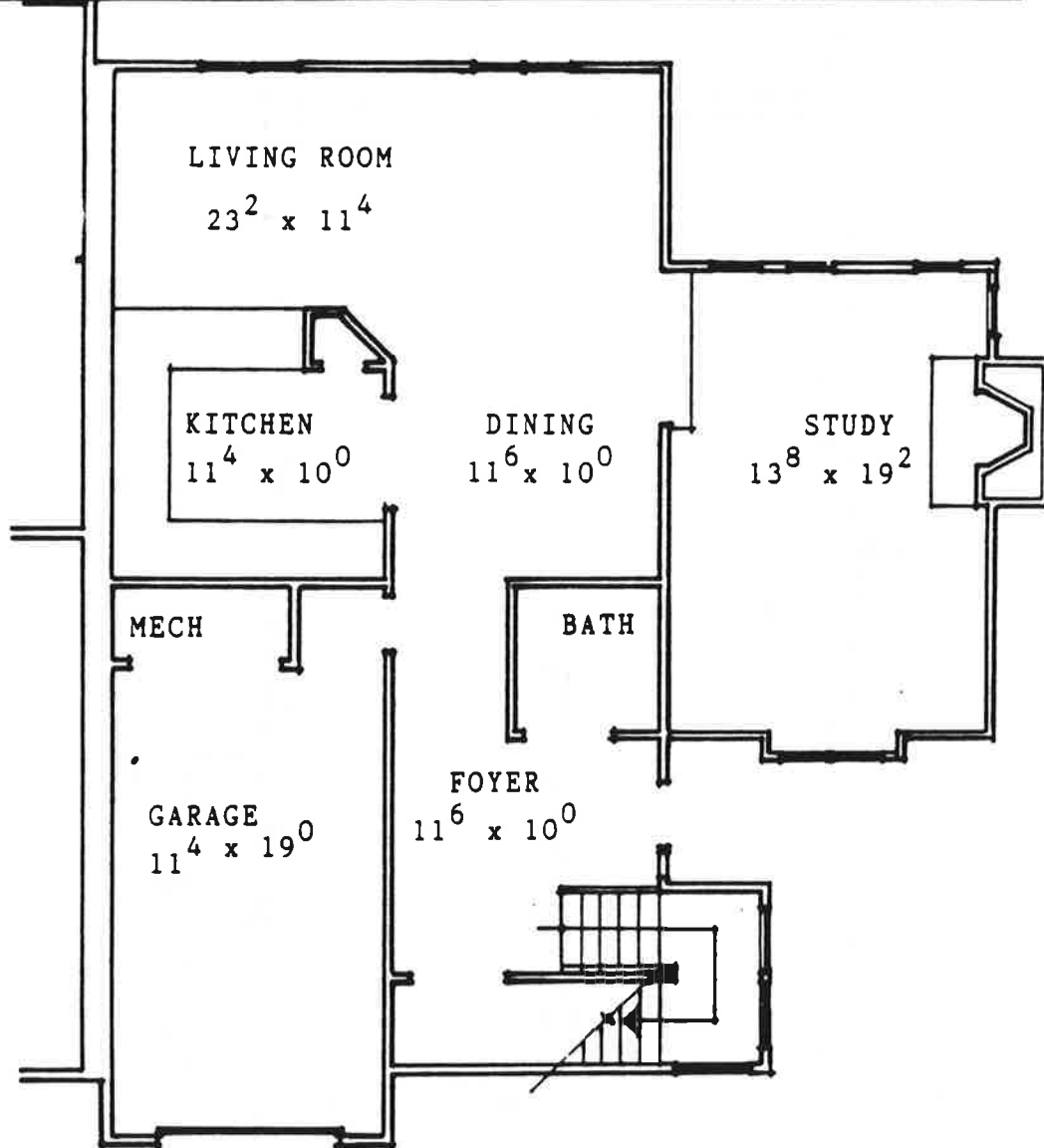


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

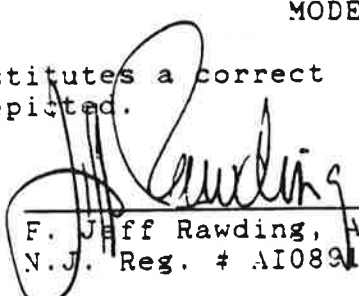
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FIRST FLOOR PLAN
MODEL "AR"

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N.J. Reg. # AI08917

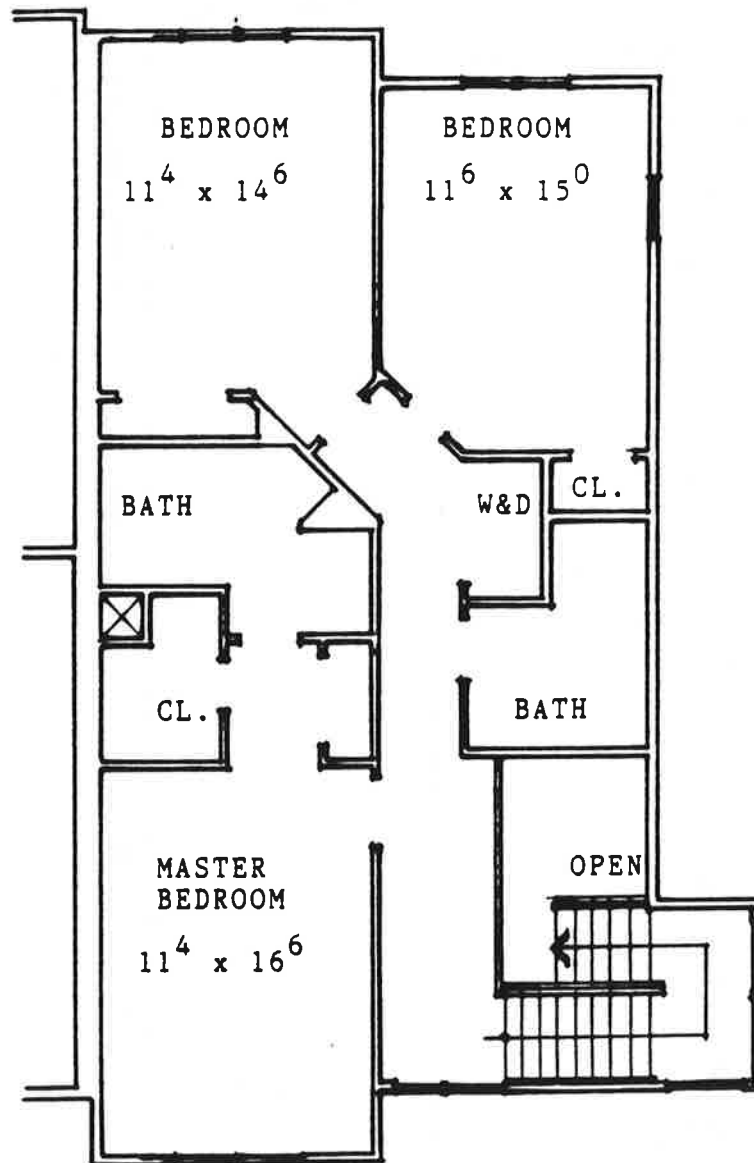


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

437 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

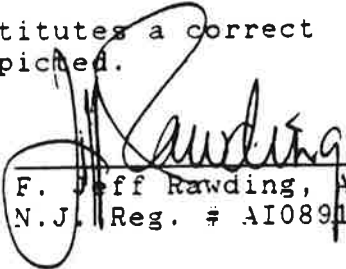
BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



SECOND FLOOR PLAN

MODEL "AR"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. # AI08917

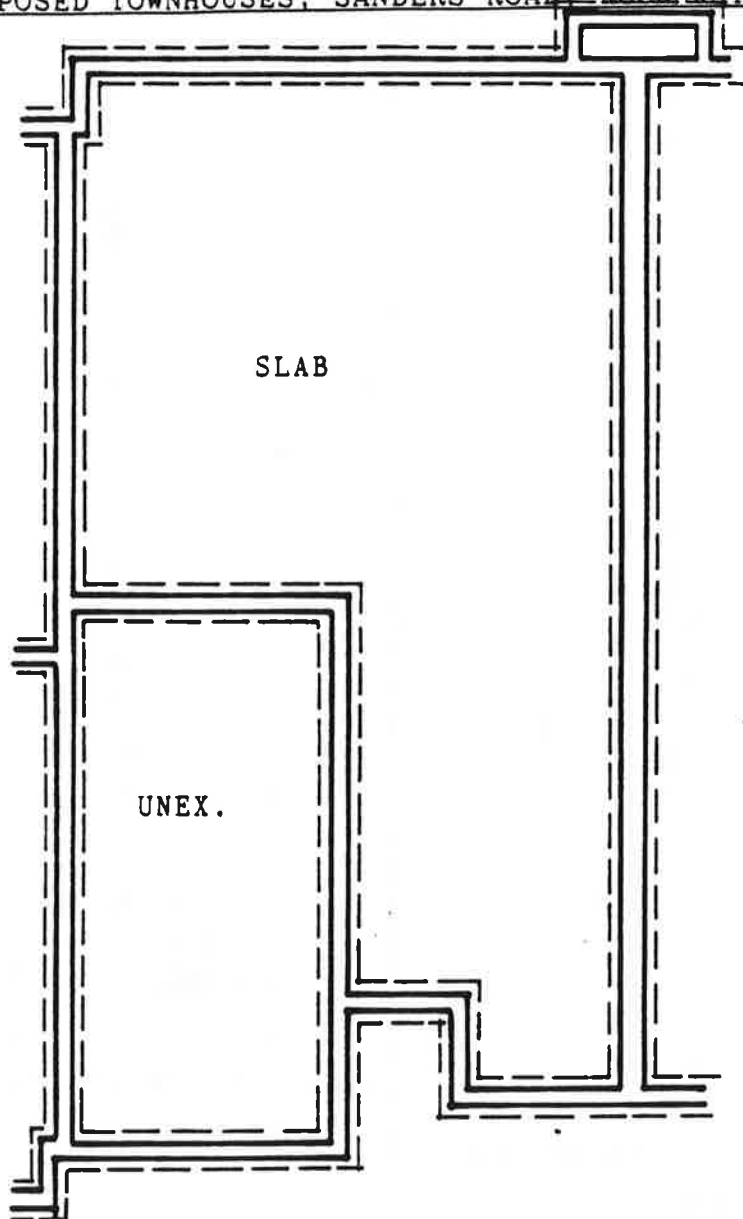


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

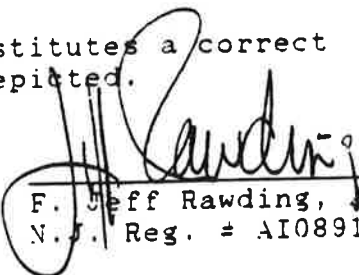
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FOUNDATION PLAN
MODEL "C" & "B"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. # AI08917

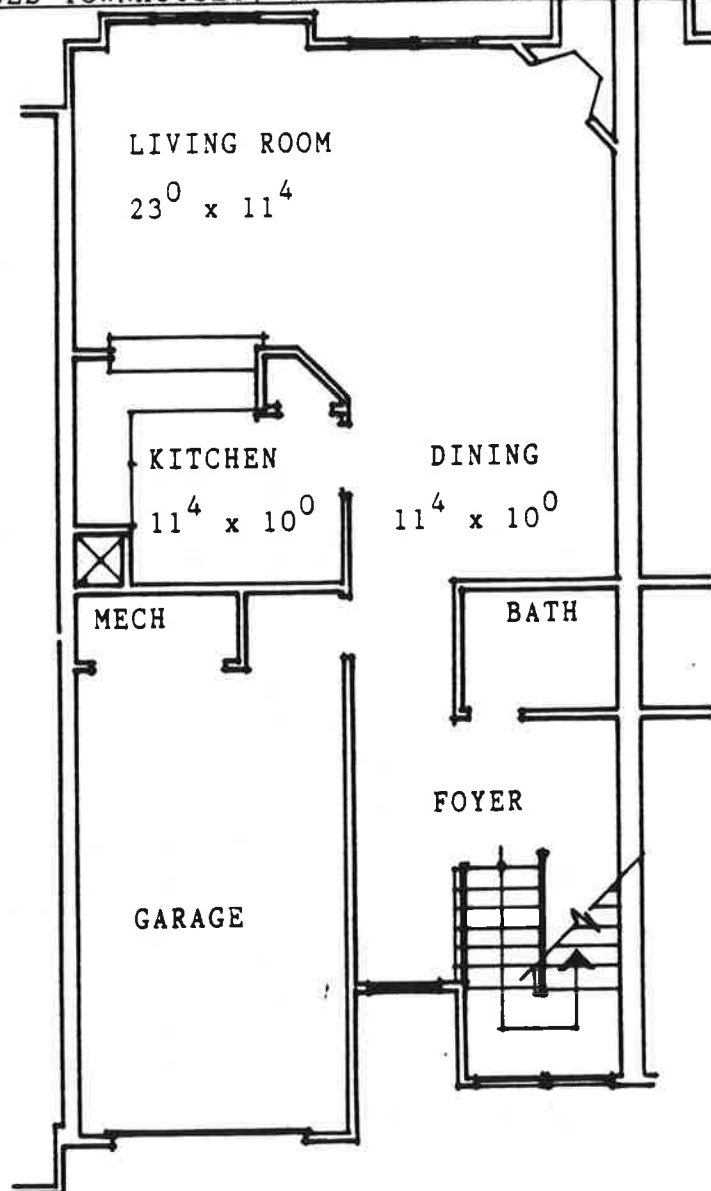


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

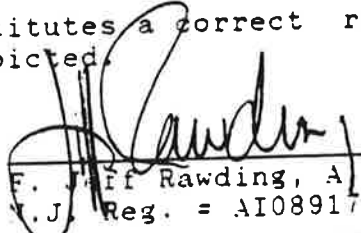
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FIRST FLOOR PLAN
MODEL "C" & "B"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. = AI08917

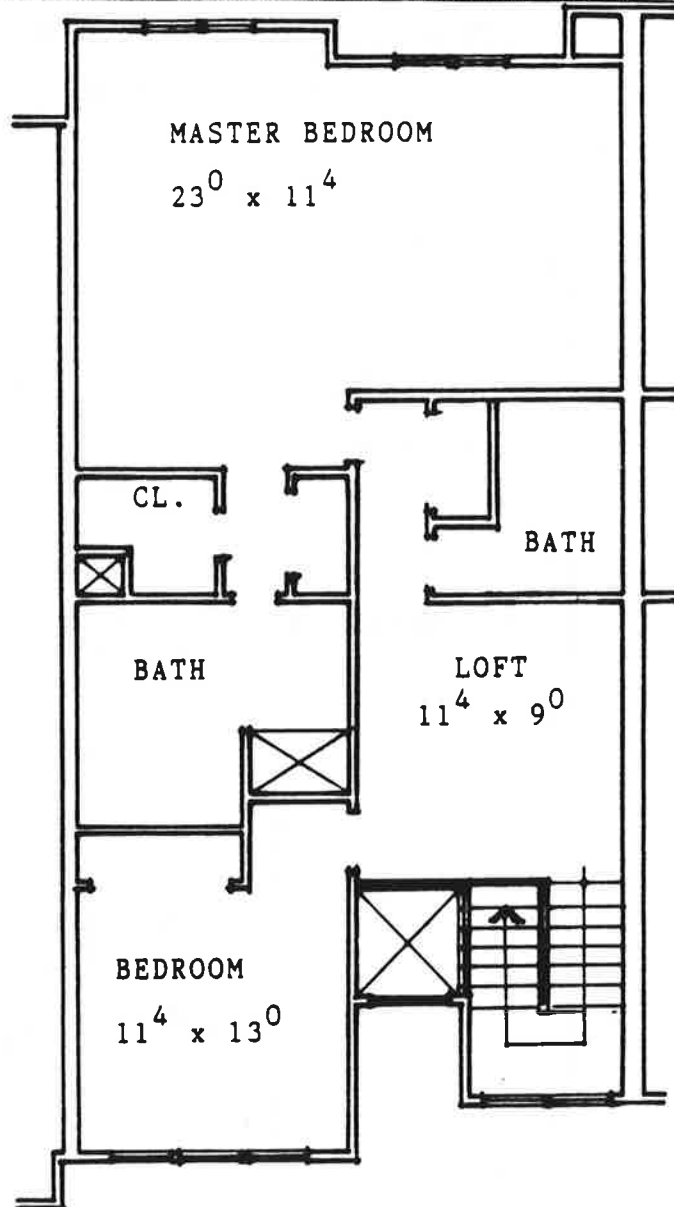


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

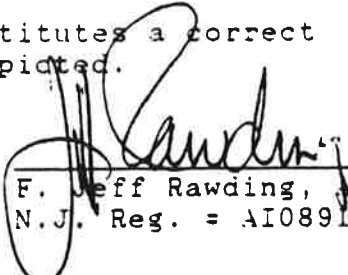
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



SECOND FLOOR PLAN
MODEL "C"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. = AI08917

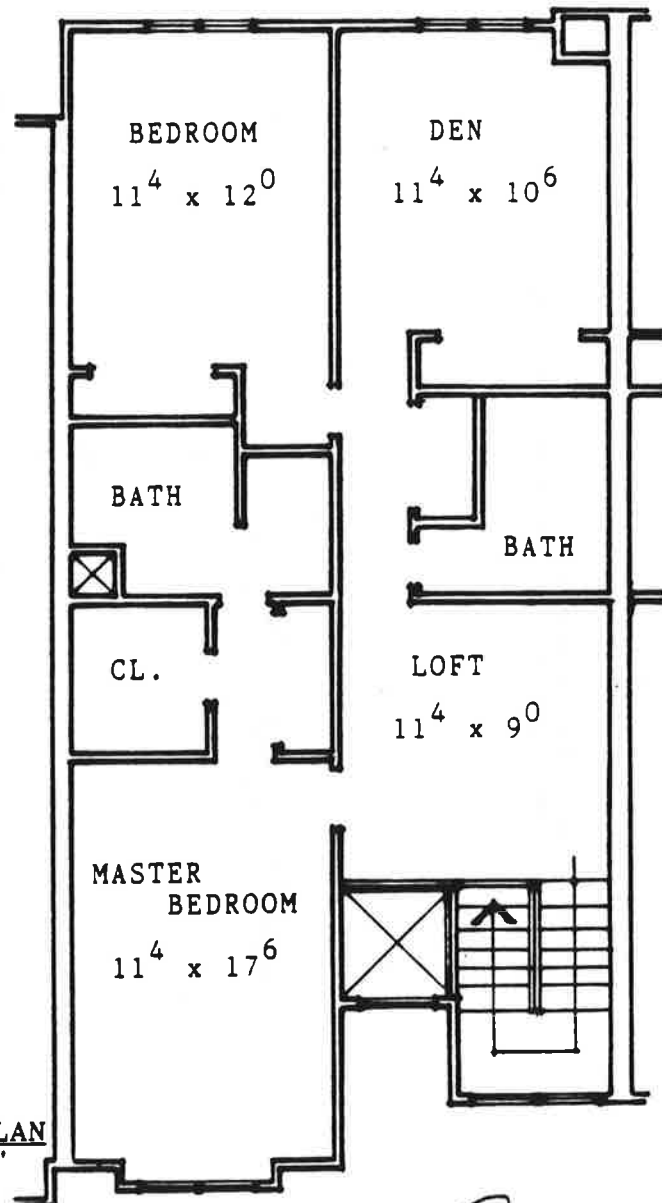


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



SECOND FLOOR PLAN
MODEL "B"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.

F. Jeff Rawding
F. Jeff Rawding, A.I.A.
N.J. Reg. = A108917

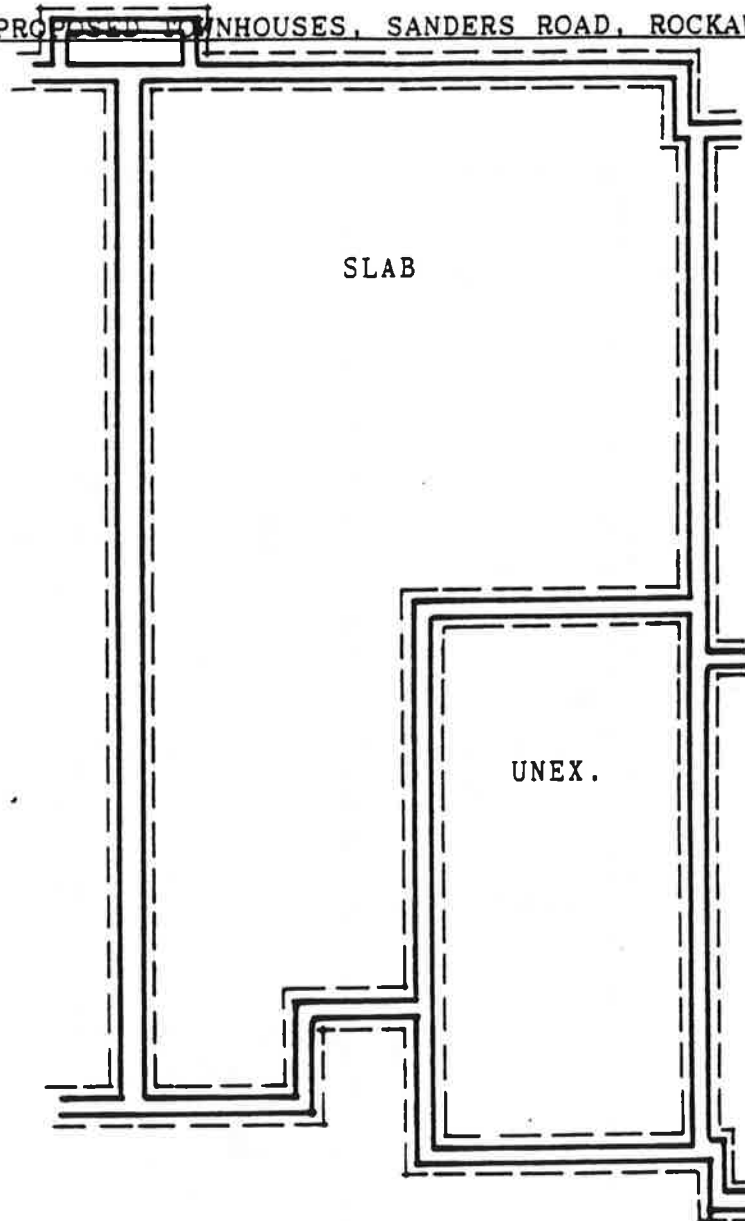


LEE • RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

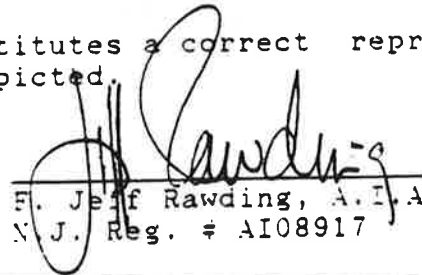
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BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FOUNDATION PLAN
MODEL "CR" & "BR"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.E.A.
N.J. Reg. # AI08917

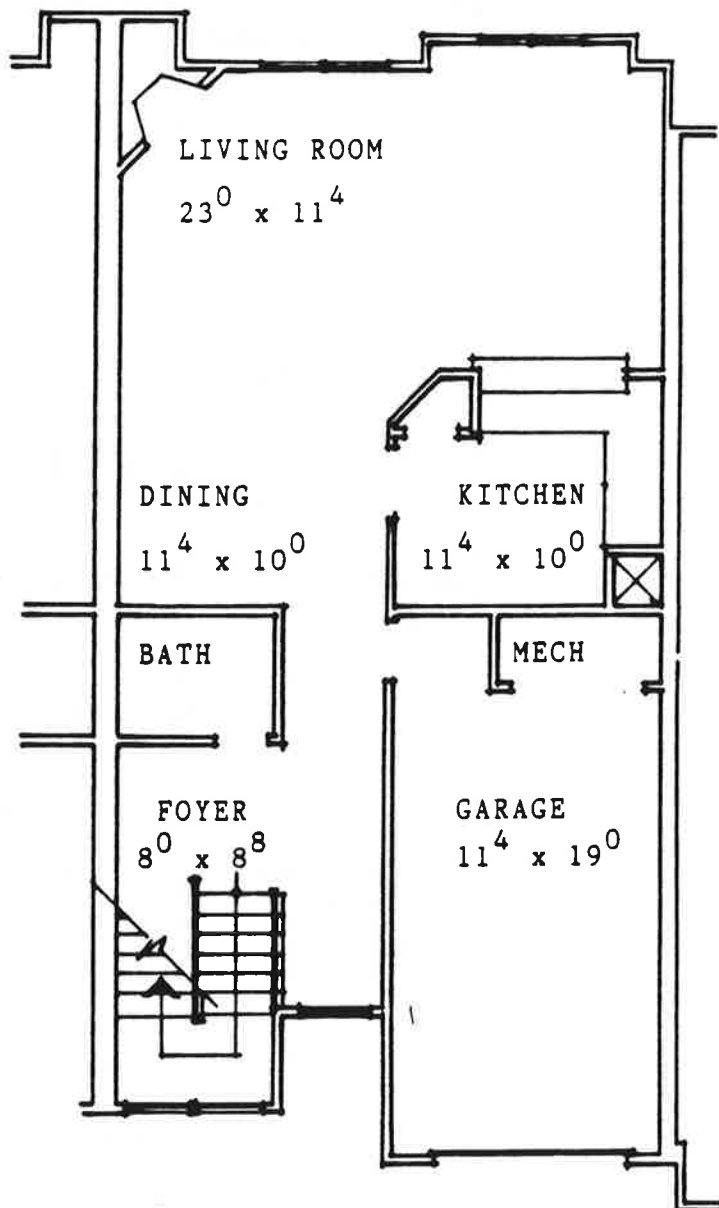


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

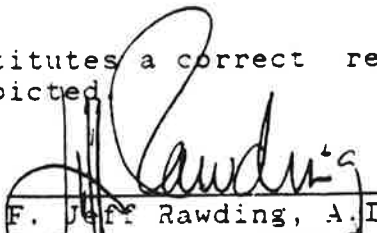
457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



FIRST FLOOR PLAN
MODEL "CR" & "BR"

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N.J. Reg. # AI08917

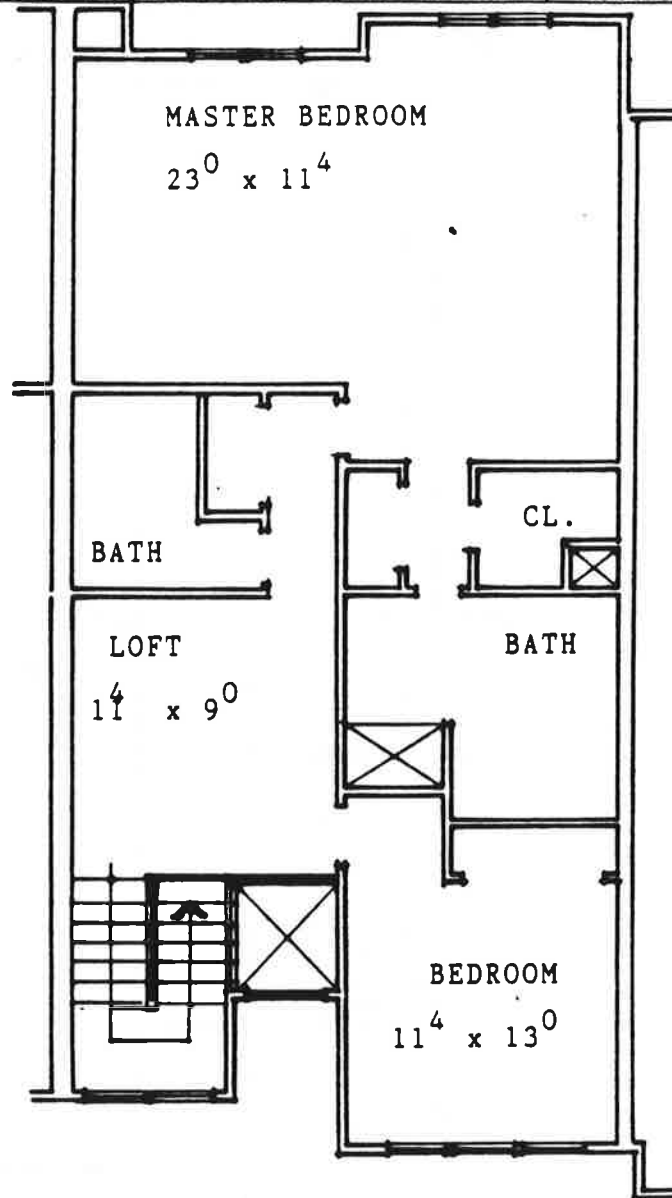


LEE-RAWDING, P.A.

ARCHITECTURE • ENGINEERING • PLANNING

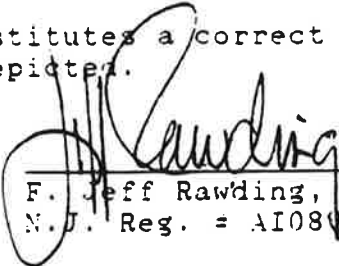
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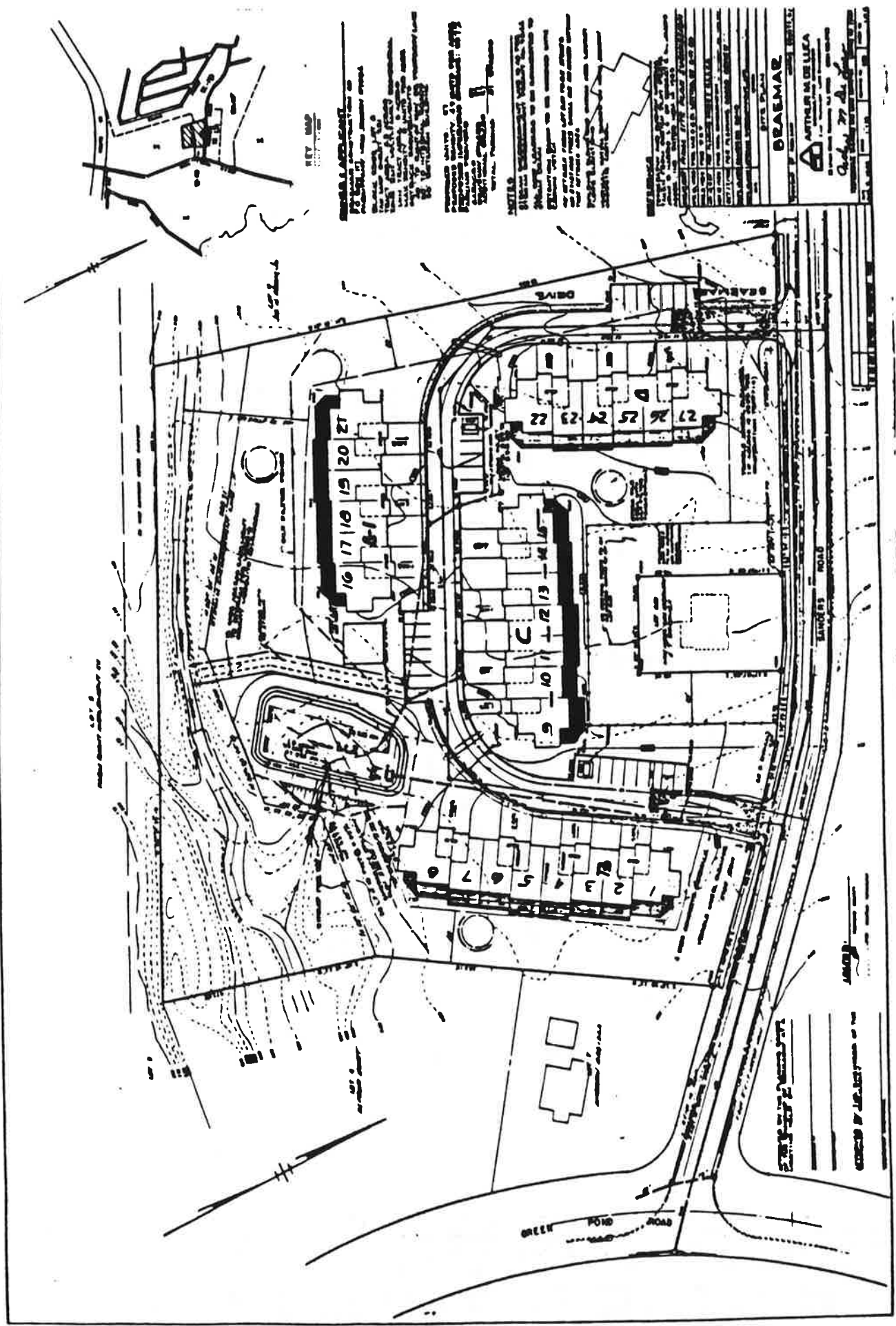
BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.



SECOND FLOOR PLAN
MODEL "CR"

I certify that this drawing constitutes a correct representation of the improvements and units depicted.


F. Jeff Rawding, A.I.A.
N.J. Reg. = AI08917



KEY MAP

GENERAL INFORMATION
This map shows the location of the property in relation to the surrounding area. The property is located on the corner of the intersection of the main road and the side road. The map also shows the location of the nearest public facilities, including the school and the church.

NOTES
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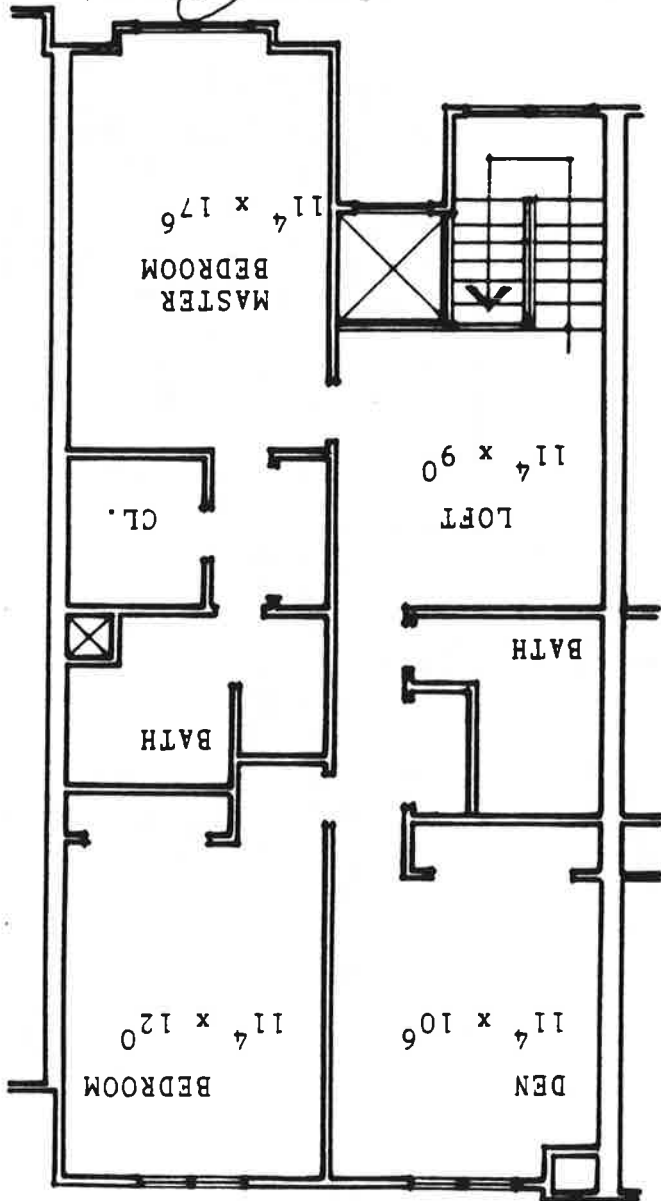
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F. Jeff Rawding, A.I.A.
N.J. Reg. # A108917

I certify that this drawing constitutes a correct representation of the improvements and units depicted.

SECOND FLOOR PLAN
MODEL "BR"



BRAEMAR - PROPOSED TOWNHOUSES, SANDERS ROAD, ROCKAWAY, N.J.

457 SOUTH STREET, MORRISTOWN, NEW JERSEY 07960 201-539-7878

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DESIGNATION OF UNITS AND PERCENTAGE OF COMMON INTEREST

<u>BUILDING</u> <u>DESIGNATION</u>	<u>UNIT</u> <u>NO.</u>	<u>UNIT</u> <u>TYPE</u>	<u>PERCENT COMMON</u> <u>ELEMENT INTEREST</u>	<u>STREET ADDRESS</u> <u>ROCKAWAY, N.J. 07866</u>
B	1	A	3.704%	1 Braemar Drive
B	2	B or C	"	2 "
B	3	BR or CR	"	3 "
B	4	B or C	"	4 "
B	5	BR or CR	"	5 "
B	6	C or B	"	6 "
B	7	CR or BR	"	7 "
B	8	AR	"	8 "
C	9	AR	"	9 "
C	10	B	"	10 "
C	11	CR	"	11 "
C	12	C	"	12 "
C	13	BR	"	13 "
C	14	C	"	14 "
C	15	A	"	15 "
A1	16	A	"	16 "
A1	17	B	"	17 "
A1	18	CR	"	18 "
A1	19	B	"	19 "
A1	20	BR	"	20 "
A1	21	AR	"	21 "
A	22	AR	"	22 "
A	23	CR	"	23 "
A	24	C	"	24 "
A	25	BR	"	25 "
A	26	C	"	26 "
A	27	A	"	27 "

UNIT DEED

THIS DEED, made the ____ day of _____, One Thousand Nine Hundred Ninety,

Between:

BRAEMAR CONSTRUCTION COMPANY, a New Jersey corporation, having an office at 50 Route 46, Suite 100, Township of Parsippany, County of Morris, and State of New Jersey, herein designated as the Grantor,

And:

herein designated as the Grantee,

FOR AND IN CONSIDERATION OF the sum of

Dollars (\$_____).

the Grantor does hereby grant and convey in fee simple unto the Grantee, pursuant to N.J.S.A. 46:8B-10, the following described real property situate, lying and being in the Township of Rockaway, County of Morris, State of New Jersey, being Unit #_____ situate in Braemar at Rockaway, a Condominium, together with an aggregate 3.7037% undivided interest in the Common Elements of said condominium appurtenant to the aforesaid Unit, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions, easements, agreements and other provisions set forth in that certain Master Deed for Braemar at Rockaway, a Condominium dated _____ and recorded on _____ in Deed Book _____ at page _____, etc., in the Office of the Clerk of Morris County, New Jersey and as same may all now or hereafter be lawfully amended.

BEING designated as part of Block 22102, Lot 8 on the Tax Map of the Township of Rockaway, County of Morris, New Jersey.

SUBJECT to the provisions, covenants and agreements set forth in the said Master Deed and the By-laws of Braemar at Rockaway Condominium Association, Inc., and any amendments thereto.

SUBJECT to current general real estate taxes, easements, covenants, restrictions, encroachments, if any, zoning and building laws and all other matters of record, if any, and such further facts as shown on the surveys attached to the Master Deed.

TO HAVE AND TO HOLD all and singular, the premises herein described, together with the appurtenances unto the Grantee and to the Grantee's proper use and benefit forever.

Prepared by: _____
Attorney of the State of New Jersey

EXHIBIT F

THE GRANTOR covenants that it has not done or executed, nor knowingly suffered to be done any act, deed or thing whatsoever whereby, or by means whereof, the premises conveyed herein, or any part thereof, now are or at any time hereafter will or may be charged or encumbered in any manner or way, whatsoever.

IN WITNESS WHEREOF, the Grantor has hereunto set its hands and seals the day and year written above.

BRAEMAR CONSTRUCTION COMPANY,
a New Jersey Corporation

Attest:

Ralph A. Loveys, Jr., Secretary

By: James B. Luke, President

STATE OF NEW JERSEY:

SS:

COUNTY OF MORRIS :

I am a Notary Public of the State of New Jersey, an officer authorized to take acknowledgments and proofs in this State.

On _____, 1990, (from now on called the "Witness") appeared before me in person. The Witness was duly sworn by me according to law under oath and stated and proved to my satisfaction that:

1. The Witness is the Secretary of the Corporation which is the Grantor in this Deed.
2. James B. Luke, the Officer who signed this Deed, is the President of the Corporation (from now on called the "Corporate Officer").
3. The making, signing, sealing, and delivery of this Deed have been duly authorized by a proper resolution of the Board of Directors of the Corporation.
4. The Witness knows the corporate seal of the Corporation. The seal affixed to this Deed is the corporate seal of the Corporation. The seal was affixed to this Deed by the Corporate Officer. The Corporate Officer signed and delivered this Deed as and for the voluntary act and deed of the Corporation. All this was done in the presence of the Witness who signed this Deed as attesting witness. The Witness signs this proof to attest to the truth of these facts.

The Witness also acknowledged that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, §1(c), is \$ _____.

Sworn to and signed before me
on the date written above.

Ralph A. Loveys, Jr.,

Witness

Notary Public of New Jersey

39238/05/16/89/

CONDOMINIUM PURCHASE AGREEMENT

BRAEMAR AT ROCKAWAY, A CONDOMINIUM

This Agreement made this _____ day of _____, 1990 between:

BRAEMAR CONSTRUCTION COMPANY, a New Jersey Corporation, with an office located at 50 Route 46, Suite 100, Parsippany, New Jersey 07054, (hereinafter referred to as "Seller"),

and

(address) _____,
(phone # at home) _____, (business) _____,
(hereinafter referred to as "Buyer").

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25. Entire Agreement
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27. Provisions Survive Closing
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29. Receipt of Public Offering Statement.

WITNESS:

1. Description of Property Being Sold. The Seller shall sell and the Buyer shall buy the Unit designated as Unit No. _____ (the "Unit") in Braemar at Rockaway, a Condominium, located at Sanders Road, Township of Rockaway, County of Morris, and State of New Jersey, together with a undivided 3.7037% interest in the Common Elements upon the terms and conditions set forth in the Offering Plan for Braemar at Rockaway, a Condominium (hereinafter "Plan"). A copy of said Plan, including a copy of the Master Deed and By-Laws, has been delivered to Buyer and receipt thereof is hereby acknowledged by Buyer. The terms and phrases used herein are as defined and shall have the meaning set forth in the Plan and Master Deed.

2. Property Sold is Subject to Condominium Act of New Jersey. The Unit and Common Element ownership in the Condominium Property (hereinafter "Property") is subject to the terms of the Condominium Act of New Jersey.

3. Buyer Accepts Master Deed Provisions and Association By-Laws - Deposit of Two Months Condominium Assessment. Buyer accepts membership in Braemar at Rockaway Condominium Association, Inc., and agrees to assume, as of the date of closing, the obligations for his Unit, under the Master Deed and the Association By-Laws. At closing, Buyer shall deposit with Braemar at Rockaway Condominium Association, Inc., two (2) months assessments based on the then current budget of the Association. The sum deposited shall be used by the Association as a reserve for working capital to the Property. This deposit shall not be refunded upon a resale of this unit by the Buyer.

4. Purchase Price and Manner of Payment. The purchase price is \$ _____, and shall be paid by the Buyer to the Seller as follows:

- | | |
|--|----------|
| (a) Deposit previously paid | \$ |
| (b) Deposit paid at the signing of this agreement, subject to collection | \$ |
| (c) Balance due at closing, in cash or certified check | \$ _____ |

TOTAL \$

5. Mortgage. The Buyer's obligation to complete this Contract depends on the receipt by the Buyer of a written mortgage commitment of an established mortgage lender to make a first mortgage loan on the property in the amount of \$ _____ at the prevailing rates at the time the contract is fully executed. This commitment must be received by Buyer within forty-five (45) days after the complete execution of the Contract.

Buyer shall apply within fourteen (14) days from the date of full execution of this Agreement for this loan and use his best efforts to obtain it. If a mortgage commitment is not obtained within the time allotted above, either Buyer or Seller may cancel the contract on written notice to the other without penalty.

In the event the commitment has been obtained and expires prior to the closing date, the obligation to renew the commitment shall be on the Buyer.

6. New Home Features. Seller agrees to complete a Unit substantially in accordance with the model. Buyer and Seller agree that model furnishings, decorations, wallpaper, shrubs and other items on display in the model home are for display purposes only and are not included in this sale.

Buyer and Seller agree that lighting fixtures and floor coverings as shown in the model are not included in this sale. The Seller will make available to Buyer a selection of floor coverings and one set of lighting fixtures that are included in the purchase price of the dwelling.

All selections and options regarding colors, items, extras, styles and the like, shall be made, obtained and/or purchased through the Seller or through Seller's designated subcontractors and suppliers. Buyer agrees to make all selections or supply all materials required of Buyer within 48 hours after written notice by Seller that selections are to be made or materials are to be supplied. Seller shall display samples and lists to Buyer from which Buyer is to make selections. Any installations are to be completed by Seller or Seller's designate. If Buyer delays in making of selections, choosing colors, choosing types of material or styles of items, such a delay will be considered by Seller as a waiver by Buyer of Buyer's right to choose. Seller will then make these selections for Buyer and complete construction of the dwelling.

7. Closing of Title, When, Where and Status of Title. The closing of title at which the Seller transfers ownership of the property by Deed and the Buyer pays the remainder of the purchase price. Buyer and Seller agree to make _____, the estimated date of closing. Closing shall be held at the offices of Nusbaum, Stein, Goldstein, Bronstein & Compeau, P.A., 20 Commerce Boulevard, Succasunna, New Jersey 07876.

Seller agrees to convey or cause to be conveyed to Buyer insurable title, at regular rates, by any title insurance company licensed to do business in New Jersey, to the Unit and the stated interest in Common Elements by a Bargain and Sale Deed with Covenants Against Acts of Grantors subject to: (a) current general real estate taxes; (b) easements, covenants, restrictions and other matters of record; (c) such facts as an accurate survey may disclose, and encroachments, if any; (d) applicable zoning and building laws or ordinances; (e) Condominium Master Deed and Condominium Association By-Laws and all amendments thereto; and (f) possible additional taxes for the year of sale imposed by the municipality under N.J.S.A. 54:4 - 63.1. An agreement by the Seller to provide Buyer with an owner's form policy of Lawyers Title Insurance Corporation, or of another title company authorized to do business in the State of New Jersey, showing title in the Buyer subject to (a) the general exceptions contained in the policy, and (b) title exceptions set forth above (all as more particularly shown in the pro forma title policy contained in the Public Offering Statement of Braemar at Rockaway), shall be conclusive evidence that insurable title is being conveyed to Buyer. Said title commitment shall be in the amount of the purchase price.

If title to a Unit is found uninsurable, Seller agrees to reimburse Buyer costs of a title search and survey. Closing of title shall not take place earlier than the date set above without the prior written consent of the buyer.

8. Force Majeur. In the event that completion is delayed due to poor weather conditions, labor strikes or lockouts, or other labor disputes affecting either Seller or any of Seller's suppliers or materials or labor, delay in issuance of permits, or mortgage commitments or inspections, acts of war, emergency proclamations, governmental regulations or for any other reason whatsoever beyond Seller's control, it is agreed that the closing date will be extended for a period of time equal to the time lost by reason of any of these causes. If any of the foregoing causes make the performance of this Agreement by Seller impossible, then this Agreement shall be terminated, and all deposit monies will be returned and Buyer and Seller will be released from all obligations under this Agreement. Seller agrees to advise Buyer as soon as Seller is aware of any of the causes that will delay title closing. If the date of closing is delayed for more than six (6) months after the estimated date of closing, Buyer may terminate the Contract without penalty. Under no circumstances will Seller be liable for damages, monetary or otherwise, due to any delay in completion or delay in closing of title. In the event that the Buyer terminates this contract in accordance with this provision, Seller shall refund all deposit monies paid without interest within ten (10) business days.

9. Adjustments to be Made at Closing. General real estate taxes, monthly condominium assessments, and any other items commonly prorated are to be adjusted as of the date of closing. The Seller will pay for the cost of all improvements and assessments prior to the date of settlement. The Buyer shall be responsible for all improvements and assessments after the date of closing.

10. Amendments to Master Deed, By-Laws and Other Condominium Documents. Buyer consents to any and all amendments to the Master Deed, By-Laws of the Association or any other Condominium documents which may be reasonably required by any lending institution having an interest in the Condominium, any title company insuring title or by any governmental authority exercising jurisdiction. This consent is without the necessity of the execution of any further documents by Buyer. However, no amendment shall be made without the consent of the Buyer which changes the Buyer's percentage of the undivided interest in the Common Elements, or increases the financial obligation of the Buyer, or reserves any special additional privileges to the Seller, or which shall adversely affect the value of any Unit.

11. Subordination. Buyer acknowledges that Seller has or may in the future borrow money to build the development. Buyer agrees that all terms and conditions of this Agreement are subject and subordinate to the lien of any land or building mortgage presently recorded against the lot and unit, or to be recorded against the lot and unit. This means that the land and building mortgage remains a first lien against the lot and dwelling regardless of the existence of this agreement. The terms of the Agreement are subordinate to such mortgages whether the monetary advances are made voluntarily or involuntarily, and whether they are made in accordance with a building loan schedule of payments or accelerated by virtue of the lender's right to make payments before they become due. In any case, Seller promises that all liens affecting the property will be discharged prior to or at closing.

12. Assignment of Contract Prohibited. Buyer shall not assign or transfer this Contract or any of the Buyer's rights or interests without the prior written consent of the Seller. This Contract shall not be filed or recorded in any public office or court.

13. Default of Buyer Defined - Remedies. A failure to appear at the time and place stated above on notice to close the transaction shall be a default. A failure to sign customary papers relating to the mortgages shall be a default. A failure to make the deposits required hereunder shall be a default.

Should Buyer be in default, the Seller may retain, from the deposit monies, a sum not to exceed 10% of the purchase price plus the cost of any extras installed, either on account of the purchase price or as compensation for charges and expenses which Seller has sustained, as Seller may elect, in which latter event this Contract shall be terminated.

14. Risk of Loss by Casualty. Partial loss or damage to said Unit by fire, storm, or other casualty between the date hereof and closing shall not void this Agreement. In such case the Seller shall have the option to repair all damage at its own cost or to cancel this Agreement. If Seller cancels this Agreement, Seller shall refund all deposit monies paid, without interest within ten (10) business days. In the event of loss or damage as a result of the hazards mentioned, the time for completion of repairs shall be extended for such time as may be reasonably required to repair the damage, but in no event beyond six (6) months after the estimated date of closing. If the time for repairs extend six (6) months Buyer shall have the right to cancel the Contract. Seller shall notify Purchaser of Seller's election within 30 days after the loss or damage.

15. Seller's Right to Maintain Sales Office. Seller has the full right and authority to maintain at the Condominium Property (excluding the subject Unit) until the sale of the last Unit in the regular course of business, signs, transient parking, sales offices and model Units, together with the rights of ingress and egress therefrom for Seller and any of Seller's agents, licensees or invitees.

16. Inspection of Premises by Buyer. Buyer shall have the right to inspect the Unit, accompanied by Seller or his agent, during normal business hours within three (3) days prior to the date of closing.

17. Seller's Warranties. Seller agrees to give Buyer the following warranties concerning the construction of the Unit and the Common Elements:

(a) Warranties as required by the New Home Warranty and Builders' Registration Act, N.J.S.A. 46:3B - 1 et. seq.;

(b) Warranty that outbuildings, driveways, walkways, patios, retaining walls and fences shall be free from defect due to material and workmanship for a period of one year from the date of possession or settlement whichever shall occur first;

(c) Warranty that the drainage is proper and adequate and that off sites improvements are free from defect for one year from date of construction;

(d) Warranty that all lots, parcels, units, or interests are fit for their intended use;

(e) Warranty that common elements constructed by Seller are fit for their intended use and for two years from the date of completion, Seller shall repair or correct any defect in construction, material or workmanship in the common elements within a reasonable time after notification of the defect;

(f) Warranty that the Unit and Common Elements will substantially conform to the model, description or plans used to induce the Buyer to enter into this Agreement unless otherwise provided in this Agreement.

At the closing, Seller will assign to Buyer any unexpired, assignable warranties issued by the manufacturers or suppliers of appliances, equipment or other personal property installed in or sold with the Unit.

The only warranties which are given by the Seller to the Buyer are those listed above. By signing this Agreement, the Buyer acknowledges and agrees to the following statements:

(a) That the Seller is not obligated to repair or replace any part of the Unit or other property which is the subject of this Agreement unless it is covered by one of the warranties listed above;

(b) That the Seller has not made any promises or representations as to the condition of the Unit or other property which is the subject of this Agreement, except for the Public Offering Statement.

(c) That the Seller has not authorized anyone else to make any promise or representation as to the condition of the Unit or other property which is the subject of this Agreement.

Seller expressly disclaims liability for any consequential damages arising out of any breach of warranty.

18. Assessments Paid by Seller. If at the time of the delivery of the Deed or the Unit or any part of the Condominium Property shall be affected by an assessment(s) imposed by any governmental taxing authority, the same shall be deemed to be due and payable and to be liens upon the premises, and shall be paid by the Seller, at or prior to the delivery of the Deed.

19. Deposit to be Held in Trust. The Seller will hold all deposit monies received by it from Buyer, in trust until closing of title or termination of the Contract, or until a bond or other guarantee acceptable to the Division of Housing of the Department of Community Affairs of the State of New Jersey is provided. No monies shall be released before the expiration of the seven day right of rescission period. In the event that the Master Deed is not recorded or the Condominium Conversion Plan is abandoned or withdrawn for any reason

before being declared effective, then such monies shall be returned to the Buyer. All bank interest actually earned on such money shall belong to and be retained by the Seller and shall not be a part of or be credited to the purchase price.

The trust depository of the Seller for all deposit monies shall be held by Nusbaum, Stein, Goldstein, Bronstein & Compeau, Seller's attorney, in an account entitled "Braemar at Rockaway, a Condominium, trust account" which account shall be in National Westminster Bank N.J., 23 Sunset Strip, Succasunna, New Jersey, 07876, and/or any successor financial institution. If the Seller transfers such account, Seller shall immediately notify the Buyer of the depository together with the branch address and account number.

20. Captions. Paragraph title or captions contained in this Agreement are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

21. Notice. All notices and demands required shall be made in writing and shall be deemed received on the day following the day on which such notice is deposited in the United States mail, first class postage prepaid, addressed to Seller at c/o Nusbaum, Stein, Goldstein, Bronstein & Compeau, P.A., 20 Commerce Boulevard, Succasunna, New Jersey 07876, and to Buyer at the address given in this Agreement, or to Buyer's attorney. Said written notices and demands may be made by personal delivery to either party or their attorney.

22. Agreement Not to be Recorded. This Agreement shall not be recorded with the Office of the County Recording Officer. If this provision is breached, any such recording shall be deemed void. The person so recording this Agreement shall be liable to Seller for any resultant damages, costs, and attorney's fees including those invoked in having the Agreement discharged of record.

23. Survey. Buyer may purchase a survey certification of the property.

24. Pronouns. It is understood that the masculine pronoun, singular number, as used throughout this Agreement shall include the appropriate parties hereto whether singular or plural, masculine or feminine, whether individuals, partnerships, associations or corporations.

25. Entire Agreement. This writing and the matters contained in this Agreement and in the Public Offering Statement contain the entire Agreement between the parties. No agent, representative, salesman or officer of the parties has authority to make any agreement or representation modifying, adding to or changing the terms and conditions set forth herein.

26. Binding Upon Heirs, Executors, etc. This Agreement shall extend and be binding upon the heirs, executors, administrators, successors and assigns (if assignment by Buyer is approved by Seller), of the respective parties hereto.

27. Provisions Survive Closing. The terms and provisions of paragraphs 2, 3, 10, 15, 17, and 26 hereof shall survive the delivery of the Deed and the closing of title.

28. Broker. The Buyer represents that they have not been introduced to the property by any other Broker.

NOTICE TO THE BUYER: YOU HAVE THE RIGHT TO CANCEL THIS AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE SPONSOR (SELLER) OR ITS AGENT BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH IT WAS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY, AND ALL MONIES PAID BY YOU SHALL BE PROMPTLY REFUNDED IN ITS ENTIRETY.

29. Receipt of Public Offering Statement. By signing below the Buyer acknowledges receipt of a copy of the Public Offering Statement.

BUYER:

Dated: _____, 19

SELLER:

BRAEMAR CONSTRUCTION COMPANY,
a New Jersey Corporation

Accepted this _____ day of _____,
1990.

By: _____

SELLER'S ATTORNEY:

Nusbaum, Stein, Goldstein, Bronstein & Compeau, P.A.
20 Commerce Boulevard
Succasunna, New Jersey 07876
Attn: Alan D. Goldstein, Esq.
Telephone: 201-584-1400

3922B/5/89

Lawyer's Title Insurance Corporation

RESIDENTIAL TITLE INSURANCE POLICY

One-To-Four Family Residences

POLICY NUMBER SPECIMEN COPY

OWNER'S INFORMATION SHEET

Your Title Insurance Policy is a legal contract between you and the Company. It applies only to a one-to-four family residential lot or a condominium unit. If your land is not either of these, contact us immediately.

The Policy insures you against certain risks to your land title. These risks are listed on page one of the Policy.

The Policy is limited by:

- * EXCLUSIONS on page 1
- * EXCEPTIONS in Schedule B
- * CONDITIONS on page 2

You should keep the Policy even if you transfer the title to your land.

If you want to make a claim, see Item 3 under Conditions on page 2.

You do not owe any more premiums for the Policy.

This sheet is not your insurance Policy. It is only a brief outline of some of the important Policy features. The Policy explains in detail your rights and obligations and our rights and obligations. Since the Policy — and not this sheet — is the legal document:

If you have any questions about your policy, contact the issuing office shown on Schedule A or



Page

OWNER'S COVERAGE STATEMENT	1
Covered Title Risks	1
Company's Duty to Defend Against Court Cases	1
EXCLUSIONS	1
SCHEDULE A	Insert
Policy Date, Amount, and Number	
Automatic Increase of Policy Amount	
1. Name of Insured	
2. Interest in Land Covered	
3. Description of the Land	
SCHEDULE B - EXCEPTIONS	Insert
CONDITIONS	2
1. Definitions	2
2. Continuation of Coverage	2
3. How to Make a Claim	2
4. Our Choices When You Notify Us of a Claim	2
5. Handling a Claim or Court Case	2
6. Limitation of the Company's Liability	2
7. Transfer of Your Rights	2
8. Our Liability is Limited to This Policy	2

OWNER'S COVERAGE STATEMENT

This Policy insures your title to the land described in Schedule A. If that land is a one-to-four family residential lot or a condominium unit. Your insurance, as described in this Coverage Statement, is effective on the Policy Date shown in Schedule A. Your insurance is limited by the following:

• EXCLUSIONS on page 1

• EXCEPTIONS in Schedule B

• CONDITIONS on page 2

We insure you against actual loss resulting from:

any title risks covered by this Policy - up to the Policy Amount; and
any costs, attorneys' fees, and expenses we have to pay under this policy

1. Someone else owns an interest in your title.
2. A document is not properly signed, sealed and acknowledged, or delivered.
3. Forgery, fraud, duress, incompetency, incapacity, or impersonation.
4. Defective recording of any document.
5. You do not have any legal right of access to and from the land.
6. There are restrictive covenants limiting your use of the land.
7. There is a lien on your title because of:
 - a mortgage or deed of trust
 - a judgment, tax, or special assessment
 - a charge by a homeowner's or condominium association
8. There are liens on your title, arising now or later, for labor and material furnished before the Policy Date - unless

you agreed to pay for the labor and material.

9. Others have rights arising out of leases, contracts, or options.
10. Someone else has an easement on your land.
11. Your title is unmarketable which allows another person to refuse to perform a contract to purchase, lease, or make a mortgage loan.
12. You are forced to remove your existing structure - other than a boundary wall or fence - because:
 - it extends onto adjoining land or onto any easement
 - it violates a restriction shown in Schedule B
 - it violates an existing zoning law
13. You cannot use the land for a single-family residence, because such a use violates a restriction shown in Schedule B or an existing zoning law.
14. Other defects, liens, or encumbrances.

We will defend your title in any court case that is based on a matter insured against by this Policy. We will pay the costs, attorneys' fees, and expenses we incur in that defense. We can end this duty to defend your title by exercising any of our options listed in Item 4 of the Conditions.

By: *Robert C. Dawson*
President

Attest: *Robert C. Dawson*
Secretary

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- land use
- improvements on the land
- land division
- environmental protection

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless a notice of taking appears in the public records on the Policy Date.
 3. Title Risks:
 - that are created, allowed, or agreed to by you
 - that are known to you, but not to us, on the Policy Date - unless they appeared in the public records that result in no loss to you
 - that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
 4. Failure to pay value for your title.
 5. Lack of a right: to any land outside the area specifically described and referred to in Item 3 of Schedule A; or in streets, alleys, or waterways that touch your land
- This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

CODE NAME
SPECIMEN COPY

CASE NO. 08- -T
POLICY NO. SPECIMEN COPY

Exception number 1 in Schedule B of this policy is hereby deleted and the following is substituted therefor:

1. Based upon a survey made by -----, dated -----, the Company hereby insures against loss or damage which the insured shall sustain by reason of any encroachments, overlaps, boundary line disputes or easements, except as follows:

This endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this Endorsement to be signed and sealed as of the --- day of ---, 19--, to be valid when countersigned by an authorized officer or agent of the Company, all in accordance with it's By-Laws.

Issued at: Morristown, New Jersey

COUNTERSIGNED:

Law Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

RESIDENTIAL TITLE INSURANCE POLICY

SCHEDULE A

Case Number:

08- -T

Policy Date:

Policy Amount:

\$

Policy Number:
SPECIMEN COPY

This Policy Amount will automatically increase by 10% of the amount shown above on each of the first five anniversaries of the Policy Date.

This number must be the same as the Policy number on the Owner's Information Sheet.

1. Name of Insured:

TO BE ADVISED

2. Your interest in the land covered by this Policy is: FEE SIMPLE

3. The land referred to in this Policy is described as follows:

Located in the _____ of _____, County of _____, State of _____, and is more particularly described in the deed to the insured from _____, dated _____, recorded _____, in Deed Book _____, Page _____, in the _____ County Clerk's/Register's Office.

Countersigned Authorized Officer

This Schedule is valid only when attached to the Residential Title Insurance Policy and Schedule B.

Issued at: Morristown, New Jersey

Lawyer Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

RESIDENTIAL TITLE INSURANCE POLICY

SCHEDULE B

Case Number:

Policy Number:
SPECIMEN COPY

EXCEPTIONS

In addition to the Exclusions, you are not insured against loss, attorneys' fees, and expenses resulting from:

1. Any facts about the land which a correct survey would disclose and which are not shown by the public records.
2. Possible additional taxes assessed or levied under N.J.S.A. 54:4-63.1 et seq.
3. Lien for unpaid taxes for the year 19 . Taxes are paid through the ---- quarter of 19 .

