

**MASTER DEED**

**OF THE**

**ORCHARD STREET TOWNHOMES AT DENVILLE,**

**A CONDOMINIUM**

Denville, Morris County, State of New Jersey

A 5 Unit Townhouse Development

# MASTER DEED

## OF THE

### ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM

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## **MASTER DEED**

### **OF THE**

#### **ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM**

**THIS MASTER DEED**, made this 5<sup>th</sup> day of June 2015 by FORGE HILL CONSTRUCTION, INC., with a business address of 11 Countryside Drive, Rockaway, New Jersey (hereinafter referred to as "Sponsor or Developer").

**WHEREAS**, Sponsor is the owner of the fee simple title to those lands designated as Lots 11 and 23, Block 50410 of the official tax map of the Township of Denville, Morris County, New Jersey, more particularly described in Exhibit "A" attached hereto and made a part hereof ("Property"); and

**WHEREAS**, the Property includes one (1) residential buildings ("Building") which consists of a combined total of five (5) dwelling Units, together with all certain improvements, as more particularly shown on that certain Survey Map prepared by Kenneth D. Dykstra, P.E. of Dykstra Walker Design Group, 21 Bowling Green Parkway, Suite 204, Lake Hopatcong, NJ 07849, dated February 12, 2015, attached hereto and made a part hereof as Exhibit "B" and on those certain architectural drawings prepared by Lawrence Korinda, AIA, 550 West Main Street, Boonton, New Jersey, dated November 26, 2013 and revised thru January 15, 2014, attached hereto and made a part hereof as Exhibit "C"; and

**WHEREAS**, it is the intention of the Sponsor is to establish the form of ownership of the Property as a Condominium pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., and Planned Real Estate Development Full Disclosure Act, under the name of ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM (hereinafter referred to as the "Condominium"); and

**WHEREAS**, this Master Deed is intended to establish the condominium form of ownership for the lands described in Exhibit "A" and shown on Exhibit "B" aforesaid.

**WHEREAS**, the ORCHARD STREET TOWNHOMES AT DENVILLE, INC., a New Jersey not-for-profit corporation (hereinafter referred to as the "Association"), has been or is about to be established as the condominium association to have the responsibility for the administration, operation and management of the Condominium and the recreation facilities, and other improvements intended for the common use and enjoyment of the residents of the Condominium; and

**WHEREAS**, all owners of the Units in the Condominium will automatically be members of the Association and subject to the Master Deed, the Certificate of Incorporation and By-Laws of the Association; and

**WHEREAS**, the Master Deed imposes certain covenants, conditions and restrictions regarding the use, operation and administration of the lands and buildings within the Community, including but not limited to, the organization of the not-for-profit association known as ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM, INC., (the "Association").

**NOW THEREFORE, WITNESSETH:**

Establishment of Condominium: Sponsor does hereby, submit, declare and establish in accordance with N.J.S. 46:8B-1 et seq. and the Planned Real Estate Development Full Disclosure Act. The condominium form of ownership described in Exhibit "A" aforesaid, together with all improvements thereon, and as more particularly shown on Exhibits "B" and "C" as the ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM.

ARTICLE I

RECORDATION OF MASTER DEED

Upon the recording of this Master Deed and the establishment of the Condominium, the Sponsor shall be the owner of every Unit, whether built or unbuilt, and its appurtenant percentage interest in the Common elements, and shall have the right (i) to sell and convey, lease, or otherwise dispose of each such Unit as it may deem appropriate in its sole discretion, and (ii) cast the votes for each such Unit.

ARTICLE I

DEFINITIONS

1. The following words and terms, when used in this Master Deed, the Certificate of Incorporation, or the By-Laws, shall have the following meanings unless the context in which same is utilized clearly indicates otherwise. All definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth shall be used in conjunction therewith, unless the context clearly indicates to the contrary:
  - a. "Affiliate" of a Sponsor means any entity which controls, is controlled by, or is under common control with the Sponsor. An entity "controls" a Sponsor if the entity (i) is a general partner, officer, member, director, or employee of the Sponsor, (ii) directly or indirectly or acting in concert with one or more entities, or through one or more subsidiaries, owns, controls, holds with power to vote, or hold proxies representing more than twenty (20%) percent of the voting interest in the Sponsor, (iii) controls in any manner the election of a majority of the directors of the Sponsor, or (iv) has contributed more than twenty (20%) percent of the capital of the Sponsor. An entity "is controlled by" the Sponsor if the Sponsor (i) is a general partner, officer, member, director, or employee of the entity, (ii) directly or indirectly or acting in concert with one or more other entities, or

though one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing more than twenty (20%) percent of the voting interest in the entity, (iii) controls in any manner the election of a majority of the directors of the entity, or (iv) has contributed more than twenty (20%) percent of the capital of the entity. Control does not exist if the powers described in this paragraph are held solely as security for an obligation and are not exercised.

- b. "Annual Common Expenses Assessment" shall mean and refer to those assessments imposed upon the Unit Owners(s) as described herein.
- c. "Association" shall mean ORCHARD STREET TOWNHOMES AT DENVILLE, INC., a New Jersey nonprofit corporation, formed to administer, manage and operate the common affairs of the Unit Owners of the Condominium and to maintain, repair and replace the General and Limited Common Elements of the Condominium as provided in this Master Deed and the By-Laws as they may be amended or supplemented.
- d. "Board" shall mean the Board of Trustees of the Association and any reference herein or in the Certificate of Incorporation, By-Laws or Rules and Regulations to any power, duty, right of approval or any other right of the Association shall be deemed to refer to the Board and not the membership of the Association, unless the context expressly indicates to the contrary. In any reference herein or in the Certificate of Incorporation, By-Laws, or Rules and Regulations to any power or duty of approval or any other right which may be delegated, "Board" shall mean the entity to which such power or duty, right of approval or any other right has been delegated.
- e. "Building" shall mean all the enclosed structures containing Units, and structural improvements appurtenant thereto which are located in the lands described in Exhibit "A" and shown on Exhibit "B" and "C", respectively.
- f. "By-Laws" shall mean the By-Laws of the Association, copy of which document is attached hereto and made a part hereof as Exhibit "E", together with all future recorded amendments or supplements thereto.
- g. "Capital Improvement Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described herein.
- h. "Certificate of Incorporation" shall mean the Certificate of Incorporation of the ORCHARD STREET TOWNHOMES AT DENVILLE, INC. (hereinafter "Association"), a copy which is attached hereto and made a part hereof as Exhibit "D" together with all future amendments or supplements thereto.
- i. "Common Elements" shall mean "General Common Elements," "Limited Common Elements" and "Reserved Common Elements."

- j. "Common Expenses" shall, subject to the provisions of Article VI hereof, mean all those expenses anticipated by N.J.S.A. 46:8B-3e, in addition to all expenses including reserves incurred or assessed by the Association, or its trustees, officers, agents or employees in the lawful performance of their respective duties or powers.
- k. "Condominium" shall mean (i) all the lands and premises described in Exhibit "A"; (ii) all improvements now or hereinafter constructed in, upon over or through such lands and premises; (iii) all privileges and appurtenances belonging or pertaining to the land described in Exhibit "A"; and (iv) the entire entity created by the execution and recording of this Master Deed.
- l. "Condominium Act" shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and all applicable amendments and supplements thereto.
- m. "Condominium Documents" shall mean and refer to this Master Deed and its exhibits, which the Sponsor has recorded or will record in the Office of the Hudson County Register, the Association's Certificate of Incorporation, By-Laws and Rules and Regulations.
- n. "Developer" shall mean FORGE HILL CONSTRUCTION, INC.
- o. "Eligible Mortgage Holder" shall mean and refer to the holder, insurer or guarantor of a first mortgage encumbering any Unit who has given written requested notice to the Association in the manner provided herein, of its desire to have notice of those matters which are the subject of Article XIV of this Master Deed. The notice to the Association must state the name of the mortgage holder and the address to which notices should be directed and must identify the Unit for which the mortgage holder holds a first mortgage. It is the obligation of the Eligible Mortgage Holder to inform the Association of any change of address to which required notices should be sent.
- p. "Emergency Assessment" shall mean and refer to those assessments imposed upon the Unit Owner(s) as described in Article VII herein.
- q. "First Mortgage" shall mean and refer to the first or paramount mortgage, the lien of which encumbers a Unit.
- r. "General Common Elements" shall have the same meaning as "Common Elements" pursuant to N.J.S.A. 46:8B-3d, except as same may be modified by the provisions of Article V hereof.

- s. "Institutional Lender" shall mean any bank, mortgage, banker, trust company, savings and loan association, pension fund or other financial institution or government agency providing, acquiring, insuring, guaranteeing or proposing to provide, insure or guarantee Mortgages.
- t. "Lease" shall mean any agreement for the leasing or rental of any Unit of the Condominium.
- u. "Limited Common Elements" shall have the same meanings as "Limited Common Elements" pursuant to N.J.S.A. 46:8B-3k, except as same may be modified by the provisions of Article V hereof.
- v. "Limited Common Expenses" shall mean Common Expenses for which some, but less than all, of the Unit Owners are proportionately liable, including, but not limited to, those expenses which are declared to be Limited Common Expenses by the provisions of this Master Deed or the By-Laws.
- w. "Master Deed" shall mean the Master Deed for the ORCHARD STREET TOWNHOMES AT DENVILLE, A CONDOMINIUM, together with all future amendments and supplements thereto which are recorded in the Office of the Clerk of Morris County.
- x. "Member" shall mean all those Unit Owners who are Members of the Association as provided in the Certificate of Incorporation.
- y. "Member in Good Standing" shall mean and refer to any Member who has, at least thirty (30) days prior to the date fixed for any meeting or other Association action, fully paid all installments due for assessments made or levied against him and his Unit by the Board, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and to his Unit.
- z. "Miscellaneous Assessments" shall mean and refer to those assessments imposed upon the Unit Owner(s) as described in Article VII herein.
- aa. "Mortgage" shall mean and refer to the duly recorded instrument and underlying obligation giving rise to a mortgage lien upon any Unit.
- bb. "Mortgage Holder" shall mean and refer to the holder of record of a Mortgage or one who insures or guarantees a Mortgage.

- cc. "Owner" or "Unit Owner" shall mean and refer to those persons or entities in whom record fee simple title to any Unit is vested as shown in the records of the Morris County Clerk, including the Sponsor, unless the context expressly indicates otherwise, but despite any applicable theory of mortgage, shall not mean or refer to any mortgages unless and until such mortgages have acquired title to any such Unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Unit Owner" refer to any lessee or tenant of a "Unit Owner".
- dd. "Permitted Mortgage" shall mean and refer to any mortgage that is held by an Institutional Lender or which is a purchase money first Mortgage held by the Sponsor or any other seller of a Unit. It shall also mean and include any other mortgage, the lien of which by the expressed terms of the mortgage is subordinate to existing or future Common Expenses liens imposed by the Association. Any acquisition, construction, permanent or other Mortgage placed by the Sponsor upon all or a portion of the Property including any Unit, shall also be a Permitted Mortgage so long as same is expressly made subordinate to the Condominium Documents and provides a mechanism for securing partial releases for Units and their respective percentage interest in the Common Elements encumbered by the same.
- ee. "Property" shall mean the Building, the land and premises described in Exhibits "A" and "B" and all improvements now or hereafter constructed in, upon, over or through such land and premises.
- ff. "Remedial Assessment" shall mean and refer to those assessments imposed upon the Unit Owner(s) as described in Article VII herein.
- gg. "Rules and Regulations" shall mean those Rules and Regulations of the Association that may be promulgated by same together with all future amendments or supplements thereto.
- hh. "Special Assessment" shall mean and refer to those assessments imposed upon the Unit Owner(s) as described in Article VII herein.
- ii. "Sponsor" shall mean and refer to FORGE HILL CONSTRUCTION, INC., its successors and assigns, and any successor to the Sponsor contemplated by Article XV of this Master Deed.
- jj. "Supplement and/or Amendment" shall mean any alteration or supplementation to this Master Deed permitted by any of the provisions of this Master Deed after



dually recorded in the County Clerk's office in connection with the Sponsor's exercise of any of the reserved rights established herein or otherwise.

- kk. "Unit" shall mean a part of the Condominium designed and intended for independent ownership and use, regardless of type; all as more specifically described in Article IV hereof, and shall not be deemed to include any part of General Common Elements or Limited Common Elements situated in or appurtenant to a Unit.

### ARTICLE III

#### GENERAL DESCRIPTION OF THE CONDOMINIUM

The Condominium is intended to include the lands described in Exhibit "A" aforesaid consisting of approximately 4,904 square feet or 0.113 acres in the aggregate as legally described and geographically depicted, respectively, consisting of not more than five (5) residential Units located in one building, together with all appurtenant site improvements, as shown on Exhibits "B" and "C" aforesaid, and includes all rights, privileges, roads, waters, and appurtenances thereto belonging or appertaining.

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

### ARTICLE IV

#### DESCRIPTION OF UNITS

##### 1. Description of the Units

a. Boundary. The dimensions, areas and location of the Building and all of the Units within the Condominium are as shown graphically on Exhibits "B" and "C". Each Unit is intended to contain all space within the area bounded by the interior surface of its perimeter walls and the lowermost floor and its uppermost ceiling as follows:

Bottom: The bottom of each Unit is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of subfloor, if any, within the Unit as originally

installed by the Developer (generally a concrete or gypcrete slab), and extending in every direction to the point where it closes or intersects with the sides of the Unit.

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

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

b. Items included in the Unit. Each Unit also includes all appliances; fixtures; interior and exterior doors; door frames and hardware; garage doors, window frames, panes, hardware and systems; skylights; interior and exterior windows; interior walls and partitions; gypsum board and/or other facing material on the walls and ceilings thereof; the inner decorated and/or finished surface of the floors (including all wood, flooring tile, ceramic tile, finished flooring, carpeting and padding) and all other improvements located within the boundaries of such Unit described or are exclusively appurtenant to such Unit, although all or part thereof may not be located within the Unit, as set forth in Paragraph 1.a. above, and shall include, but not be limited to the following individual appurtenances to the extent that same serve each individual Unit only and not any other Unit or any portion of the Common Elements:

- (i) So much of the common heating, plumbing and ventilating system as extends from the interior surface of the walls, floors or ceilings unto the Unit: and
- (ii) All electrical wires which extend from the interior surface of walls, floors or ceilings into the Unit and fixtures, switches, outlets and circuit breakers and security alarm system wiring, except where personal property; and
- (iii) All master antenna or cable television wiring which extends from the interior surface of the walls, floors or ceilings into the Units and fixtures, switches, outlets and circuits breakers; and
- (iv) Any fireplace, chimney, or flue; and
- (v) All utility meters not owned by the public utility agency supplying the service; and

- (vi) All equipment, appliances, machinery, mechanical or other systems whether or not same are located within the Unit including, but not limited to, the heat pumps of HVAC units and windows or wall sleeve air conditioning units, if any; and
- (vii) Any elevator or shaft; and
- (viii) All water pipes and hose bibs and sewer pipes and clean-outs whether or not same are located within the Unit; and
- (ix) All storage areas located within a Unit which provide exclusive storage for the Unit.

c. Interior partitions, or nonbearing walls within the confines of each Unit may, from time to time, be removed or replaced subject to the prior written approval of the Board. In the event a Unit Owner does remove or replace any or all such interior partitions or walls, no amendment of the Master Deed will be necessary or required. No Unit may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such Unit and the Board. If such approval is obtained, this Master Deed shall be amended by the Board to reflect any such reconfiguration and no consent of the Unit Owners shall be required for any such amendment, except for the consent of those Unit Owners whose Units are directly affected. None of the foregoing approvals shall apply to Sponsor prior to the initial conveyance of the Units(s) owned by it to another Unit Owner and in the event of any reconfiguration, the Sponsor shall have the right to execute and record an amendment to this Master Deed reflecting such reconfiguration without any Unit Owner or Board consent.

## ARTICLE V

### DESCRIPTION OF GENERAL AND LIMITED COMMON ELEMENTS

#### 1. General Common Elements

All appurtenances and facilities and other items which are not part of the Units hereinbefore described in Article IV or part of the Limited Common Elements hereinafter described in Section 2 shall comprise the General Common Elements, including the Shared Common Areas, as graphically shown on Exhibits "B" and "C" aforesaid. The General Elements shall also include by way of description but not by way of limitation:

- (a) All land described in Exhibit "A" aforesaid, whether improved or unimproved; and
- (b) All private streets, curbs, and sidewalks, subject to the easements and provisions set forth in Article IX hereof; and

- (c) Any landscaped area, shrubbery and planting; and
- (d) Conduits, sewer laterals located under the building slabs, and other utility lines, underground sprinkler system, if any, and waterways, subject to the easements and provisions set forth in Article IX hereof; and
- (e) Public connections and meters for gas, electricity, telephone and water not owned by the public utility or other agencies providing such services; and
- (f) The roof, the foundation, footage, columns, girders, beams, supports, exterior, or interior bearing or main walls and floors between Units; and
- (g) Exterior lighting and other facilities necessary to the upkeep and safety of the building and grounds; and
- (h) Any common equipment storage areas located within the Condominium for use by all Unit Owners, subject to the Rules and Regulations of the Association; and
- (i) Any easement or other right which may now or hereafter be granted for the benefit if the Unit Owner(s) or others for access to or use of the General Common Element not included within the Condominium or for any other purpose; and
- (j) All tangible personal property required exclusively for the operation, maintenance and administration of the Condominium which may be owned by the Association; and
- (k) All other facilities or elements of any improvement within any building or within the Condominium necessary or convenient to the existence, management, operation, maintenance or safety of the Condominium normally in common use.

2. Limited Common Elements. The Limited Common Elements shall be as graphically shown on Exhibits "B" and "C" aforesaid and shall include by way of description and not by way of limitation, all of the following:

- (a) Any exterior landing, walkway or stairway to where there is direct access from the interior of the appurtenant Unit(s) shall be a limited Common Element and shall be for the exclusive use of Owners of such Unit(s). The Owner(s) of such Unit(s) having exclusive use of any landings, walkways, driveways, or stairways shall be responsible for all routine cleaning and snow cleaning of such landings, walkways, driveways, or stairways as appropriate. All other maintenance of the landings, walkways, driveways, or stairways shall be the responsibility of the Association. However, the Owner of a Unit having exclusive use of any Limited Common Element is responsible for the cost and expenses of any maintenance, repairs or replacement of that Limited Common Element due to the Owner's own negligent act or mission, misuse or neglect or the neglect act or omission, misuse or neglect of family members, pets, guests, visitors or occupants, regardless of whether authorized by the Unit Owner.

- (b) Any balcony, terrace, patio or deck to which there is direct access from the interior of an appurtenant Unit(s) shall be a Limited Common Element and shall be for the exclusive use of Owners of such Unit(s). The Owner(s) of such Unit(s) having use of any balcony, terrace, patio, or deck shall be responsible for all routine cleaning and snow cleaning of such balcony, terrace, patio or deck as appropriate. All other maintenance of balconies, terraces, patios and decks shall be the responsibility of the Association.
- (c) The rear yard areas as depicted in the site plan attached hereto as part of Exhibit "C" shall be a Limited Common Element for the exclusive use of the appurtenant Unit(s) Owners.
- (d) The roof area as depicted on the roof plan attached hereto as part of Exhibit "C" shall be a Limited Common Element for the exclusive use of the Unit Owners to whom the roof area are assigned.

3. Repair and Maintenance. The Owners of a Unit(s) having use of any Limited Common Elements shall be responsible to pay the cost and expenses of any maintenance, repairs or replacement of their Limited Common Elements necessitated by their own negligent act or omissions, misuse or neglect, or the negligent act or omission, misuse or neglect of their family members, guests, occupants, or visitors, regardless of whether authorized by the Unit Owner(s). Any other repairs, maintenance, or replacement of said Limited Common Elements shall be the responsibility of the Association.

The Association and Unit Owners and all others must not use de-icing products containing salts on any uncured concrete surfaces. The Owners are never to use ammonium sulfate or ammonium nitrate as they are chemically aggressive and destroy concrete. Clean sand is to be used for traction.

4. Rights to Use Limited Common Elements. Each Unit Owner's rights to use the Limited Common Element appurtenant to his Unit or building may not be transferred apart from the conveyance of his title to his Unit.

5. Reserved Common Elements. The Board shall have the power in its discretion to ; (i) designate from time to time certain General Common Elements as "Reserved Common Elements;" (ii) grant rights to use the Reserved Common Elements on an Exclusive basis for a specific time period to the Association and/or to any or less than all of the Unit Owners: and (iii) establish a reasonable sum of money to be charged to the reserving party for the use and maintenance of the Reserved Common Element. Said designation shall not be construed as a sale or disposition of that Common Element. Any fee paid for reserved rights is to be paid to the Association and is to be available for use by the Association in the same manner as Common Expense Assessments. No part of the Common Elements is to be designated as Reserved

Common Elements for exclusive use by non-Unit Owners, except for those who are lessees occupying applicable Units. Under such circumstances, the Unit Owner must accept in writing primary responsibility and liability for any Common Element to be designated as a Reserved Common Element for exclusive use by the Unit Owner's lessee before such designation can be made for the lessee's benefit.

## ARTICLE VI

### DETERMINATION OF PERCENTAGE INTEREST, COMMON EXPENSES AND VOTING RIGHTS

1. Estate Acquired. The Owner of each Unit shall have an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple; and shall acquire as an appurtenance thereto an undivided percentage interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains, as set forth in Exhibit "C" attached hereto and made a part hereof.

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

2. Percentage Interest. The percentage interest is based upon the initial value established by the Sponsor for each Unit within the Condominium and shall be used to allocate the division of proceeds, if any, resulting from casualty loss or any eminent domain proceedings which affect any portion of the Common Elements within the Condominium. Each percentage has been adjusted to permit it to be expressed as a finite number to avoid an interminable series of digits. Except as otherwise provided in Article XIII hereof pertaining to reallocations following eminent domain, the percentage shall remain fixed.

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

4. Common Expenses. All assessments for the Common Expenses of each Unit in the Condominium shall be allocated in accordance with the percentage interest of each Unit as set forth in Exhibit "C". Any common surplus of the Association resulting from the operations of the Association shall also be allocated among all the Unit Owners including Sponsor, based upon the percentage interest of each Unit.

5. Voting. Each Member in Good Standing shall be entitled to cast one (1) unweighted vote for each Unit to which he holds title in all elections of Trustees. In all other questions, each Member in Good Standing shall be entitled to cast one (1) vote for each Unit to which he holds title, which vote shall be equal in weight to the percentage of interest in the Common Elements appurtenant to the Unit for which it is cast. The Sponsor shall be entitled to cast all votes for all existing of future Units owned by it, but the Sponsor shall not be permitted to cast any votes held by him for unsold Units for the purpose of electing Unit Owner Trustees, amending the Master Deed, By-Laws or any other document or for the purpose of changing the permitted use of a Unit or for the purpose of reducing the Common Elements.

6. Membership in the Association. Upon acceptance of a Deed to a Unit each Unit Owner shall automatically become a Member of the Association and shall be a Member so long as he shall hold legal title to his Unit subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Certificate of Incorporation, and the By-Laws and Rules and Regulations which may now or hereafter be established for or by the Association. The Sponsor shall be a Member of the Association with respect to all Units covered by the Master Deed and not yet conveyed to others.

7. Compliance by Unit Owners. Each Owner or occupant of a Unit shall comply with and shall assume ownership or occupancy subject to Laws, Rules and Regulations of governmental authorities having jurisdiction over the Condominium, the provision of this Master Deed, the Certificate of Incorporation, By-Laws, Rules and Regulations or any other documents, amendments or supplement to the foregoing as described in Article X hereof. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both by the Sponsor, the Association, or any Unit Owner, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid, and any Unit Owner to enforce any lien created by this Master Deed or any covenant contained herein. Failure by the Sponsor, the Association, or any Unit Owner to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

## ARTICLE VII

### MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENT, LIEN FOR ASSESSMENTS

1. Covenant to Pay Assessment. Every Unit Owner, by acceptance of a deed or other conveyance for a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association all assessments and all fines and other charges contemplated herein or in the By-Laws, towards the expenses of administration, maintenance, repair and replacement of Common Elements, expenses declared common by this Master Deed or Bylaws and expenses of administrating and maintaining the Association and all of its real and personal property in such amounts as are from time to time found by the Association to be necessary, including but not limited to: (a) expenses for the operation, maintenance, repair or replacement of Buildings, grounds or facilities within the Condominium, including the recreation facilities, if any; (b) all costs of carrying out the duties and powers of the Association and compensation of Association employees, if any; (c) insurance premiums and expenses relating thereto; (d) taxes which may be assessed against Association or its property; (e) the cost of utility services supplied to the Common Elements or to each individual Unit if utility service usage is not metered and billed to each Unit by any utility supplier, but is metered and billed to the Association; and (f) any other expenses of the Association set forth herein, in the Bylaws or that may be designated by the Board as Common Expenses.

2. Lien in Favor of the Association. All charges and expenses chargeable to any Unit constitute a lien against said Unit in favor of the Association. That lien is prior to all other liens except (a) assessments, liens and charges for taxes past due and unpaid on the Unit; and (b) payments due under bona fide and duly recorded Mortgage instruments, if any, except to the extent modified by any applicable New Jersey or federal law. The charges and expenses represented in the annual Common Expense Assessment or maintenance fees become effective as a lien against Unit on the first day of each year. Additional or added assessments, any and all types, amounts ordered as per the Bylaws, fines, charges, expenses and water usage fees, if any, chargeable to Units and not covered by the annual Common Expense Assessment, become effective as lien against each Unit as of the date when the expense, fine or charge giving rise to such additional or added assessment is levied or incurred. If the assessment, charge or other expenses giving rise to any lien remains unpaid for more than ten (10) days after it is due and payable, the entire amount of the next due twelve (12) monthly installments of the then current or next annual Common Expense Assessment and other additional or added assessments, charges and expenses immediately become due and payable. Liens for unpaid Common Expense Assessment 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. Suit to recover a money judgment for unpaid Common Expense Assessments may be maintained without waiving the lien securing the



same. All liens may be recorded in accordance with N.J.S.A. 46:8B-21. In the event of foreclosure, in addition to the Common Expense and other assessments or amounts due, the Association is entitled to recover the expenses of the action including court costs and reasonable attorney and paraprofessional fees. The Association's right to foreclose its lien is in addition to any other remedies available at law or equity for the collection of annual, additional or added charges and expenses, including the right to proceed personally against any delinquent Unit Owner for the recovery of a personal judgment for the amount due, court costs and reasonable attorney and paraprofessional fees. The title acquired by any purchaser following any foreclosure sale or sheriff's judgment sale is subject to all provisions of this Master Deed, Bylaws, Rules and Regulations and the Condominium Act, and by so acquiring title to the Unit, the purchaser automatically agrees to abide by and be bound by same. Interest, fines and penalties may only be levied, imposed and collected by the Association to the extent they are permitted by this Master Deed and law.

3. Liability for Assessment. No Unit Owner may waive or otherwise avoid liability for Common Expense Assessment by non-use or enjoyment of the Common Elements or the community or recreation facilities, if any, or by abandonment of their Unit. Each Common Expense Assessment shall be a continuing lien upon the Unit against which it was made and shall also be the joint and several obligation of the owner of such Unit at the time when Common Expense Assessment fell due and of each subsequent record owner of such Unit, except as otherwise contemplated by Article XIV of this Master Deed or N.J.S.A. 46:8B-21 together with such interest thereon as may be permitted by law and cost of collection thereof (including reasonable attorney's fees).

4. Annual Common Expense Assessment. It shall be an affirmation and perpetual obligation of the Board to fix Common Expense Assessment in an amount at least sufficient to maintain the exterior of the Building and to maintain and operate the Common Elements as contemplated by the Master Deed or By-Laws as required by the Condominium Act. The amount of monies for Annual Common Expenses of the Association deemed necessary by the Board and the manner of expenditure thereof shall be a matter for the sole discretion of the Board.

5. Notice of Annual Common Expense Assessment. The Board shall cause to be prepared annually at least thirty (30) days in advance of the due date of the first Annual Common Expense installment, a list of the Units and the annual Common Expense Assessment applicable thereto, according to the names of the Unit Owners, which list shall be kept in the office of the Association and shall be open to inspection, upon request, by any Unit Owner. Written notice of the annual Common Expense Assessment shall be sent by mail or delivered to every Unit Owner, as more particularly described in Article VII of the By-Laws.

6. Use of Annual Common Expense Assessment. The Annual Common Expense

Assessment levied by the Board shall be used exclusively for promoting the health, safety, pleasure and welfare of the Members of the Association, including but without limitation: street lighting, refuse collection, snow clearing from sidewalks and roadways, landscaping of unimproved General Common Elements, the maintenance and repair which is the responsibility of the Association pursuant to Article VIII Section 2 herein, payment of applicable taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Association; and such other items as may from time to time be deemed appropriate by the Board; provided that the Annual Common Expense Assessment shall not be used for new capital improvements subject to Section 11 hereof.

7. Allocation. The Annual Expense Assessment levied against each Unit shall be computed as follows: The General Common Expenses shall be allocated among all Units within the Condominium according to Article VI Section 4 of this Master Deed.

Obligations of the Sponsor and/or Developer. After the conveyance of title is transferred to the first Unit in any building dedicated to the Condominium, the Sponsor and/or Developer shall be solely responsible for all Common Expenses and if there are unsold Units in such Building, the Sponsor and/or Developer is deemed the Owner of the unsold Units under the same terms and conditions as all other Unit Owners. The obligation of the Sponsor and/or Developer to pay any type of Common Expense or other assessments, commences on the date that the Unit is issued a municipal Certificate of Occupancy, subject to the Developer's duty to pay for benefits it derives from the Association. The Sponsor and/or Developer are not, however, obligated to pay any Common Expense or other assessments for so long as Sponsor and/or Developer are providing any subsidy or guarantee of maintenance fees or Common Expense Assessments to Unit Owners. Following the first conveyance, the Owners of the Units to whom title shall have been conveyed shall be responsible for their proportionate share of all Common Expenses.

8. Annual Common Expense Assessment Not Made. After Sponsor turns over control of the Board to Unit Owners, if an Annual Expense 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 any installments of such annual assessments shall be due upon each installment payment date until a new Annual Common Expense Assessment is made.

9. Due Dates of Annual Common Expense Assessment. Annual Common Expense Assessments shall be made for a yearly period to be determined by the Board and shall be payable in advance in monthly installments or such other installments as may be established by the Board. Upon the conveyance of title to a Unit, the portion of the then current annual Common Expense Assessment payable by the new Unit Owner shall be an amount which bears the same relationship of the annual Common Expense Assessment as the remaining number of months in the then current annual assessment period bears to twelve. Such first annual

assessment or portion thereof for which a new Unit Owner is liable shall be immediately due upon such owner's acquisition of title.

10. Emergency Assessment. In the event the Annual Common Expense Assessment proves to be insufficient for an immediate need or emergency, the budget and assessment may be amended at any time by the Board and the Board may impose an Emergency Assessment. The determination of an immediate need or emergency shall be in the sole discretion of the Board. Notice of any such amendment of the budget and assessment and the levying of an Emergency Common Expense Assessment is to be in writing delivered to Unit Owners in the manner provided in this Master Deed and Bylaws. The notice is to specify the due dates of the Emergency Common Expense Assessment or any installments therein. Within thirty (30) days of any Emergency Common Expense Assessment, the Board is to memorialize by written resolution the factual basis for and the fact that an Emergency Common Expense Assessment was made.

11. Special Assessments. In addition to the other Assessments hereinbefore authorized, the Board may levy, in any assessment year, a Special Common Expense Assessment, for the purpose of defraying in whole or in part, the cost of any reconstruction, repair or replacement of an existing Common Element not determined by the Board to constitute an emergency or immediate need but for which funds held in reserve are inadequate, or for any other lawful purpose, other than the construction or acquisition of new capital improvement, which shall be subject to Section 12 hereof. If, during any assessment year, a Special Common Expense Assessment exceeds in the aggregate more than ten (10%) percent of the Annual Common Expense Assessment provided for in the last annual budget, it shall receive the assent of two thirds (2/3) in interest of the affected Members in Good Standing. This vote shall be taken at a meeting duly called for this purpose. Written notice of such meeting, stating the purpose of the meetings, shall be sent to all Unit Owners no less than thirty (30) days in advance. The due date(s) of any Special Common Expenses Assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing the Special Common Expense Assessment. While the Sponsor maintains a majority on the Board of Trustees, it shall make no additions, alterations, improvements or purchases which necessitate a Special Common Expense Assessment or a substantial increase in the Annual Special Common Expense Assessment installment unless required by a governmental agency, title insurance company or institutional Lender or in the event of an emergency.

12. Capital Improvement Assessment. In addition to the other Assessments herein authorized, the Board may levy, in any assessment year, a Capital Improvement Assessment for the purpose of acquiring real or personal property or constructing a new capital improvement, provided that the acquisition of real or personal property or construction of any new capital improvement, the cost of which exceeds in the aggregate more than ten (10%) percent of the Annual Common Expense Assessment provided for in the last budget, shall have been authorized by the approval of a simple majority of all Members in Good Standing. This vote shall be taken

at a meeting duly called for this purpose. Written notice of such meeting, stating the purpose of the meeting, shall be sent to all Unit Owners no less than thirty (30) days in advance. The due date(s) of any Capital Improvement Assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing the Capital Improvement Assessment.

13. Exemption for Capital Improvement Assessment. Despite anything to the contrary herein, neither Sponsor nor any Permitted Mortgage Holder shall be required to pay any Capital Improvement Assessment. Further, this provision may not be amended without the written consent of Sponsor and every Permitted Mortgage Holder.

14. Remedial Assessment. In addition to the other Assessments herein authorized, the Board may levy a Remedial Assessment against any individual Unit(s) in accordance with the provisions of Article VIII hereof regarding Unit Maintenance performance by the Association. The Board may also provide, by its Rules and Regulations, for ordinary maintenance and minor repairs and replacements to be furnished to Units by Association personnel or representatives and charged as a Remedial Assessment.

15. Miscellaneous Assessments. Any and all fines, late charges, costs of collection (including reasonable attorneys' fees), interest on unpaid Assessments, capital contributions, membership fees, escrow deposits or any other sums required to be paid to the Association by a Unit Owner(s) by the provisions of the Condominium Documents of the Association or any duly adopted Resolution of the Board, shall be deemed Assessments which each Unit Owner has covenanted and agreed to pay according to the provisions of Section 1 herein and for which each Unit Owner is liable according to the provisions of Section 2 herein, and shall be collectible by the Association in the same manner as other Assessments pursuant to the provisions hereof and N.J.S.A. 46:8B-21.

16. Exemption. Despite anything to the contrary herein, in the event Sponsor designates a Unit deeded or to be deeded to the Association without cost to the Association for the purpose of use by a residential building superintendent, that Unit shall be exempt from Common Expenses Assessments of any type for so long as the Association shall hold title thereto, and the costs of ownership of the Unit, including the proportionate responsibility for Common Expenses attributable to such Unit, shall be borne by the other Unit Owners in their proportionate share. With the exception of the one (1) Unit which may be deemed without charge to the Association for the use by the residential building superintendent, the Sponsor will not cause the Association to acquire title to any Unit for so long as the Sponsor controls the Board of Trustees.

17. Certificate of Payment. The Association shall, within ten (10) days after receipt of the written request of any Unit Owner, Purchaser of any Unit, or of any Permitted Mortgage Holder for any Unit, furnish to such Unit Owner, Purchaser, or Permitted Mortgage Holder, a certificate in writing, signed by an officer of the Association, setting forth whether or not such assessment, fine, or other charge as would constitute a continuing lien against the Unit pursuant to Section II

has been paid. Such certificate shall constitute conclusive evidence of the payment of any Assessment therein stated to have been paid.

18. Interest in Common Surplus. Any common surplus of the Association resulting from the excess of income over expenses shall be allocated among the Members in the same manner as those expenses were assessed. Any common surplus of the Association resulting from the distribution of proceeds of liquidation of assets of the Association shall be allocated among the members of the Association including the Sponsor, according to their percentage interest, subject to an adjustment to reflect an appropriate credit for any initial contribution to working capital, if applicable, in accordance with general accounting principles.

19. Limitations of Sponsor. While the Sponsor maintains a majority of the Board of Trustees, it shall make no additions, alternations, improvements or purchases which would necessitate a Special Common Expense Assessment or a substantial increase in the Annual Common Expenses Assessment installments unless required by a governmental agency, title insurance company or Institutional Lender or in the event of an emergency.

## ARTICLE VIII

### MAINTENANCE RESPONSIBILITIES

#### 1. Responsibilities of Unit Owners.

a. Each Unit Owner is responsible to perform all maintenance, repairs and replacements that may be required within the boundaries of his own Unit at his own expense, and in accordance with the requirements of this Master Deed, the By-Laws and any Rules and Regulations of the Association. Each Unit Owner is responsible for all of the improvements appurtenant to his Unit described in Article IV Section 1.b when same are located within the boundaries of his Unit.

b. In addition, each Unit Owner shall be responsible to perform all of the maintenance, repairs and replacements that may be required for improvements appurtenant to his Unit, as such improvements are defined in Article IV Section 1.b herein, which are not located within the boundaries of his Unit when the following conditions are met:

(ii) The improvement is accessible without breaking or intrusion into the Common Elements or any Unit; and

(iii) The improvement is not functionally connected with a Common Element or a component of an integrated system which serves more than one Unit.

c. In addition, each Unit Owner shall be responsible to perform all of the cleaning, snow

clearing and lawn maintenance that may be required for any Limited Common Element reserved for the exclusive use of his Unit, as such Limited Common Elements are defined in Article V Section 2 et al. Each Unit Owner shall be responsible for the maintenance and cleaning of the interior surfaces of all windows and skylights, and the front door and back door, if any, of his Unit, and any locks, hinges, or other hardware pertaining to them. Each Unit Owner shall be solely responsible for any repair or replacement of any broken glass, damaged window, damaged exterior door or damaged screens in any windows and skylights, and the front door, back door and garage door, if any, of the Unit, with windows or doors of same style, model, color, material and manufacturer to maintain the uniform aesthetic of the Building or when the same style, model, color, material and/or manufacturer no longer exists, replacement of any window and door, including garage doors, must be of a style, model, color, material and manufacturer approved by the Association.

2. Responsibilities of the Association.

a. The Association shall be responsible for the maintenance, repairs and replacements that are required for the functioning of the Common Elements, including and common plumbing, common heating, common air-conditioning, common mechanical, common electrical or common water supply systems within the Building. The Association shall furnish all maintenance, repairs and replacements required for the General Common Elements as such are defined in Article V herein, including but not limited to, the exterior and roof of buildings, roadways, sidewalks, walkways, General Common Element stairways and fences.

b. The Association shall furnish the maintenance, repairs and replacements that are required for any improvement appurtenant to a Unit as such improvements are defined in Article IV Section 1.b, unless specified otherwise herein. The expenses incurred by the Association in doing so shall be levied against the Owner of that Unit as a Remedial Assessment.

c. In addition, except as otherwise provided in Section 1c, the Association shall furnish all maintenance, repair and replacement of patios, balconies, terraces, decks, and stoops which are Limited Common Elements reserved for the exclusive use of certain Units, but the expenses incurred by the Association in doing so shall be levied against the Owner of that (those) Unit(s) as a Remedial Assessment.

3. Rights of the Association. The Association may effect emergency repairs to any Unit which the Owner of that Unit has failed to perform, but the expense incurred by the Association in doing so shall be levied against the Owner of that Unit as a Remedial Assessment. The Association may also effect non-emergency repairs within the boundaries of a Unit which the Unit Owner has failed to perform and charge the reasonable expenses of the repair to the Unit Owner as a Remedial Assessment, but only if (i) any failure to maintain by the Unit Owner will have a material and adverse impact upon any other portion of the Condominium and (ii) the Unit

Owner(s) responsible for such maintenance, repairs or replacement have failed to remedy the situation within sixty (60) days after written notice given by the Association to do so.

4. Damage Due to Negligence. If, due to the negligent act or omission of or misuse by a Unit Owner, or a member of his/her family or household pet, or a guest, occupant or visitor (whether authorized or unauthorized by the Unit Owner), damage shall be caused to the Common Elements, or to a Unit(s) Owner by other, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, Unit Owner so responsible shall pay for such damage and be liable for any damages, liability, costs and expenses, including attorney's fees, caused by or arising out of such circumstances; and such maintenance, repairs and replacements to the General of Limited Common Elements or the Units(s) shall be subject to the By-Laws and the Rules and Regulations.

## ARTICLE IX

### EASEMENTS

1. Unit Owner Easements. Every Unit Owner, his successors, and assigns, shall have the following perpetual easement with respect to the Property which shall be for the benefit of all owners and occupants of Units in the Condominium and their invitees:

- (a) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair, and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements;
- (b) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a building or a Unit, or as result of condemnation or eminent domain proceedings so that any such encroachment may remain undisturbed as long as the Building stands;
- (c) A non-exclusive easement for ingress to his Unit in, upon, under, over, across, and through the General Common Elements;
- (d) An exclusive easement to use and enjoy the surfaces of the main walls, (including any windows, skylights, doors, fireplace, and chimneys therein), ceilings, floors, stairway and foyer of his Unit;
- (e) An easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conducts, public utility lines, television systems, master antenna facilities or other General Common Elements located within any of the other Units or Common Elements serving his Unit;

- (f) A perpetual and non-exclusive easement in, over and through the General Common Elements to use the walks and other common facilities subject to the right of the Board to:
  - (i) Promulgate Rules and Regulations for the use and enjoyment thereof; and
  - (ii) Suspend the enjoyment and voting rights of any Unit Owner for any period during which an assessment for Common Expenses remains unpaid, or for any period during which any infraction of its published Rules and Regulations continues, it being understood that any suspension for either non-payment of any assessment or a breach of the Rules and Regulations of the Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment; and
  - (iii) Designate portions of the General Common Elements as Reserved Common Elements pursuant to Article V Section 5.
- (g) A non-exclusive easement for pedestrian ingress and egress to and from the other Unit(s) over and through all common walkways and roadways located within the General Common Elements, which easement shall be for all Unit Owners and occupants in the Condominium and their invitees;
- (h) A non-exclusive easement for access to or use of the General Common Elements within the Condominium for any other purposes not prohibited by the Condominium Documents, which easement is for the benefit of all Owners and occupants of Units in the Condominium and their invitees; and
- (i) A non-exclusive easement for vehicular ingress and egress reasonably required to and from the Units over and through roadways in the Condominium, which easements shall be for the benefit of all Owners and occupants on Units in the Condominium and their invitees.

2. Sponsor and/or Developer Easements. (a) The Sponsor, his respective successors and assigns, shall have the following easements with respect to the Property:

- (i) A blanket and non-exclusive easement in, upon, through under and across all Common Elements for the purpose of (i) construction, installation, maintenance and repair of any improvements to the Units or the Common Elements, (ii) the utilization of existing and future model Units for sales and promotion and exhibition until the last unit is sold and conveyed in the normal course of business and (iii) installation, maintenance, and repair of all sales, promotional, directional, and identification signs deemed appropriate by the Sponsor, all of which may be illuminated and located anywhere on the Common Elements at the sole cost and discretion of Sponsor, until the expiration of one (1) year from the date the last Unit is sold and conveyed in the normal course of business;
- (ii) The irrevocable right to enter into, upon, over or under any Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service such Unit



or any part of the Building provided that requests for entry are made in advance and that such entry is at a time reasonable convenient to the Unit Owner. In case of an emergency, such right or entry shall be immediate whether the Unit Owner is present at the time or not;

- (iii) A perpetual, blanket 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. No individual Unit Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Condominium;
  - (iv) A blanket and non-exclusive easement in, upon, over, under, across and through the Common Elements for ingress and egress to, and for construction, installation, use, maintenance, repair and replacement of pipes, wires, ducts, cables, conduits, public, utility lines, television systems, master antenna facilities, water and sewer systems to serve all or any portion of the Property, including on site service trailers which the Sponsor and/or Developer may relocate at its discretion to other areas of the Property. This easement may be assigned. Unit Owners must not in any directly or indirectly interfere with or alter the use of this easement or systems. Neither the Association nor any Unit Owner is obligated by this Master Deed or the reservation of this easement to contract for the use of any such system installed in accordance with this easement; and
  - (v) A blanket and non-exclusive easement in, upon, through, under and across all Common Elements and existing and future model Units for sale and promotion and exhibition, including the posting of signs and other forms of advertisements, and the right of access to community facilities for marketing purposes, until the last Unit in the Condominium is sold conveyed in the normal course of business; and
  - (vi) A perpetual, blanket and nonexclusive easement in, on, through, across and over the Common Elements for access to the site entrance sign or signs. The Association is responsible to maintain and light these signs as originally constructed. Sponsor and/or Developer reserves the right to maintain these signs if the Association fails to do so. These signs must not be altered or change in any way without Sponsor and/or Developer's prior written consent; and
- (b) Sponsor and/or Developer reserves the easement and the right to assign and to grant future easements to neighboring properties to permit the grantee to connect into one or more of the water, storm sewer, sanitary sewer, gas, electric or other utility systems servicing the Condominium all for the benefit and enjoyment of the neighboring properties; provided that the grantee of any such easement is obligated to maintain its connections to said systems and its lines. The right to grant such easement expires on Sponsor and/or Developer's conveyance of title to the last Unit ultimately to be conveyed within the Property.

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

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

3. Association Easements. The Property shall also be subject to the following perpetual easements for the benefit of the Association:

- (a) The Association shall have a perpetual and exclusive easement for the maintenance of any Common Elements, including those which presently or may hereafter encroach upon a Unit;
- (b) The Association, through the Board or any manager, or managing agent, or their respective agents or employees shall have the perpetual and non-exclusive right of access to each Unit (i) to inspect same, (ii) inspect a condition that is affecting other Units, (iii) to remedy any violations of the provisions of the Condominium Documents of the Association, and (iv) to perform any operations required in connection with the maintenance, repairs or replacements as set forth in Article VIII hereof; provided that requests for entry are made in advance and that any such entry is at time reasonable convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

4. Permitted Mortgage Holder Easement. Any Permitted Mortgage Holder, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair the Common Elements, or any Units so encumbered by a first mortgage owned by it. This right shall be exercised only during reasonable daylight hours, and then whenever practicable, only after advance notice to and with the permission of the Board and the Unit Owner.

5. Utility Easement. A blanket, perpetual and non-exclusive easement, in , upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains,

conduits, waters, poles, transformers and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the property, which easement shall be for the benefit of any governmental agency, or utility company or other entity which requires same for the purpose of furnishing one or more of the foregoing services. The width of this easement is to be of reasonable size so as not to interfere with the use and enjoyment of the Common Elements.

6. Governmental Easement. The Property shall also be subject to the following easements:
- (a) A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across, and through the Common Elements to the Township of East Hanover, their respective officers, agents and employees (but not the public in general) and all police, fire, and ambulance personnel in the proper performance of their representative duties (including but not limited to emergency repairs to a Unit), and for repair and maintenance of the Common Elements. Except in the event of emergencies, the rights accompanying the easements provided for in this subsection shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Unit Owner(s) directly affected thereby; and
  - (b) A blanket, perpetual and non-exclusive easement, in, upon, over, across, and through the Common Elements to the Township of East Hanover their respective officers, agents and employees (but not the general public) for surface water runoff and drainage caused by natural forces and elements, grading and/or the improvements located upon the Property. No individual Unit Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Property.

7. Responsibility for Damages. In the event that any easement right set forth in this Article is exercised, the person or entity exercising such right shall be responsible for the repair of any damage and liable for any personal injury or property damage arising directly or indirectly from its use or maintenance of the easement area.

## ARTICLE X

### BY-LAWS AND ADMINISTRATION; CHANGES IN DOCUMENTS; POWER OF ATTORNEY

1. Administration of Common Elements. The administration, operation and maintenance of the Common Elements within the Condominium and all other common facilities shall be by the Association in accordance with the provisions of the New Jersey Condominium Act and the Condominium Documents and any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently be required by any Institutional Lender designated by the Sponsor and/or Developer or by any governmental or quasi-

governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor and/or Developer to insure title to any Unit(s). Nothing to the contrary contained in either this Master, Deed, Certificate of Incorporation or the Bylaws serves to exculpate members of the Board appointed by the Developer from their fiduciary duties and responsibilities.

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

- (a) is subject to the Master deed, Bylaws, the Declaration of Covenants and restrictions, if any, or other instruments of creation and may do all that is legally entitled to do under the laws applicable to its form of organization;
- (b) is to discharge its powers to protect and further the health, safety and general welfare of Condominium residents; and
- (c) is to provide a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association and between different Unit Owners that is to be readily available as an alternative to litigation.

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

2. Sponsor's Power of Attorney. Sponsor hereby reserves for itself, its successors and assigns for a period of five (5) years from the date the first Unit is conveyed to an individual purchaser, or until it conveys title to the last Unit, whichever occurs first, 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 the documents described in Section 1 of this Article X which may be so required by any such Institutional Lender, governmental or quasi-governmental agency or title insurance company designed by the Sponsor.

(a) Appointment. By acceptable of a deed to any Unit within the Condominium or by the acceptable of any other legal or equitable interest in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee, or other lien holder or party having such legal or equitable interest does automatically irrevocably name, constitute appoint and confirm the Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such agreements, documents, amendments or supplements to this Master Deed and other instrument(s) necessary to effect the foregoing subject to the limitations set forth herein.

(b) Limitations. No such agreement, document, amendment, supplement or other instrument which adversely affects the value or substantially alters the floor plan of any Unit, or changes the percentage of the undivided interest in the Common elements or Substantially

increases the financial obligations of the Unit Owner, or reserves any additional or special privileges for the Sponsor not previously reserved, shall be made without the prior written consent of the affected Unit Owner(s) and all owners of any mortgage(s) encumbering the affected Unit Owner(s). Any such agreement, document, amendment or supplement which adversely affects the priority or validity of any mortgage which encumbers any Unit shall not be made without prior written consent of the owners of all such mortgages.

(c) Duration. The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Units and be binding the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and are intended to deliver all rights, title and interest of the principal in and to said powers. Said power of attorney shall be vested in the Sponsor, its successors and assigns, until the initial conveyance of all Units or the expiration of five (5) years from the date of the first conveyance. Therefore, said powers of attorney shall automatically vest in the Association to be exercised by its Board of Trustees.

3. Sponsor's Prohibited Voting. Despite the foregoing, the Sponsor shall not be permitted to cast any votes held by it unsold Units for the purpose of amending this Master Deed, the By-Laws or any other document for the purpose of changing the permitted use of a Unit or the purpose of reducing the Common Elements or common facilities. However, Sponsor may prepare, execute and record Amendments and Supplements to the Master Deed, Bylaws or any other governing documents for any other purpose. At no time can the Association or the Board impose any right of first refusal or similar restriction on any Units.

4. Association's Power of Attorney. By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee, or other lien holder or party having such legal or equitable interest in the Condominium does automatically irrevocably name, constitute, appoint and confirm the Association as attorney-in-fact for the following purposes: (i) to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners to convey, sell, lease, mortgage (but no to vote appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Unit so leased by the Association; (ii) to prepare, execute and record any amendments to the Master Deed required under Article XIII hereof; and (iv) to prepare, execute and record any amendments to the Master Deed made pursuant to Article VXi hereof.

## ARTICLE XI

### RESTRICTIONS

1. General Covenants and Restrictions. The Condominium is subject to all covenants,

restrictions and easements of record and to the following restrictions:

- (a) No Unit or Limited Common Elements appurtenant to any Unit except those Units used by Sponsor as sales offices, administrative offices or models, shall be used for any purpose other than as a private residence. No business, trade or profession shall be conducted in any Unit.
- (b) There shall be no obstruction of the Common Elements nor shall stored in or upon the Common Elements without the prior consent of the Board. The use by a Unit Owner of any designated storage area which is a Limited Common Element appurtenant to his Unit shall be prescribed by the Rules and Regulations promulgated by the Board.
- (c) Domestic animals shall be permitted. Unit Owner(s) must abide by Municipal Sanitary Regulations, as well as any Rules and Regulations promulgated by the Board, if he or she should decide to keep a domestic animal within the Condominium.
- (d) No portion of the Common Elements or other portion of the Condominium shall be used or maintained for the dumping of rubbish or debris except in designated areas. Trash, garage or other waste shall be kept in sanitary containers within the Condominium for weekly or more frequent collections. Owners shall comply with any and all recycling regulations that are promulgated by the Board and all recyclable material shall be disposed of in containers designated by the Board.
- (e) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted, nor shall unshielded floodlights be installed in any exterior area of any Unit without the permission of the Board.
- (f) No signs (other than those of Sponsor) awnings, grills, balcony enclosures, fences, canopies, shutters, or radio or television antennae or aerials shall be erected or installed in or upon the Common Elements or any part thereof without the prior consent of the Board. Satellite dishes having a diameter of one meter or less shall be permitted subject to such Rules and Regulations as are permitted by law. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building. Each Unit Owner is responsible to promptly report to the Board any defect or need of repair, the responsibility for which is that of the Association.
- (g) In order to provide an orderly procedure in the case of title transfers and to assist in the maintenance of a current, up to date roster of Unit Owners, each Unit 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 addresses of the purchasers.
- (h) No Unit Owner or occupant shall build, plant or maintain any matter if things upon, in, over or under the General or Limited Common Elements without the prior written consent of the Board unless permitted by the Rules and Regulations.

- (i) No Unit Owner or occupant shall burn, chop or cut anything on, over or about the Common Elements.
- (j) To the extent that equipment, facilities and fixtures, within any Unit(s) shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owner(s) shall be subject to this Master Deed, the By-Laws and the Rules and Regulations of the Association.
- (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 any Building or the contents thereof beyond the rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements will result in the cancellation of insurance on any Building or the contents thereof, or which will 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 offensive or unlawful use shall be made of any Unit; and all laws, zoning, ordinances and regulations of all government bodies having jurisdiction there over shall be observed.
- (n) Draperies, blinds, curtains or other window coverings must be installed by each Unit Owner all windows of his Unit and must be maintained in said windows at all times.
- (o) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.
- (p) No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a permitted first mortgage. Further, any permitted mortgage which is not a first lien shall expressly and automatically subordinate to the Common Expense lien of the Association. No other mortgages or encumbrances shall be permitted without the prior written approval of the Association.
- (q) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided by the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the Common Elements.
- (r) Each Owner shall pay for his own telephone, cable television services, and other utilities, which are separately metered or billed to each user by the respective

- utility company. Utilities which are not separately metered or billed or which serve the Common Elements shall be treated as part of the Common Expenses.
- (s) No clothes poles, lines or clothes trees shall be installed or maintained, nor shall any laundry or other things be hung out to dry outside of any Unit or elsewhere within the Condominium. The Owner of each Unit shall not cause or permit any clothes, sheets, blankets, or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills, walls, balconies or decks of any Building.
  - (t) All Units must be heated to the extent necessary to prevent damage from freezing temperatures during the months of October through April, inclusive, regardless of whether or not occupied. Any Unit Owner failing to so heat his Unit shall be obligated to pay a Remedial Assessment for the costs of any damage caused to any portion of the Condominium due to his neglect, or if such damage is insured by the Association for any deductible or other amount not received by the Association from the proceeds of the insurance.
  - (u) No bicycles, baby carriages, wagons, or similar non-motorized vehicles or toys, nor moped, motorcycles or similar motorized vehicles shall be parked or otherwise left unattended in any Common Element or Limited Common Element.
  - (v) No Unit Owner shall place or store any item in any "attic" space or other space above gypsum board or other material constituting the ceiling of his Unit. No Unit Owner shall enter, or permit any other person to enter, such "attic" or other space, or the roof of any Building.
  - (w) No Unit Owner shall be use or permit to be brought into or stored in any Unit or in or upon the property any flammable oils or fluids such as gasoline, kerosene, naphtha, benzene or other explosives or articles deemed hazardous to life, limb or property without, in each case, obtaining written consent of the board.
  - (x) Every Unit Owner shall be liable for any and all damage to the property that shall be caused by that Owner, his family members, employees, servants, agents, tenants, visitors, or licensees.
  - (y) No Unit Owner shall be permitted to install any loudspeaker, solar collector, floodlight, window air conditioner, fan, heat pump or similar cooling, heating or ventilation device in any window, door or other exterior opening of a Unit or Common Element without the prior written approval of the Board or its designee.
  - (z) Garages may not be converted to living space or storage space to the extent that inhibits the use of the garage for motor vehicle parking or storage as originally designed.
  - (aa) Recreational vehicles (e.g. campers, house trailers, motor homes) and Commercial vehicles must not be parked overnight on the Common or Limited Common Elements without the prior written approval by the Board or its designated committee or representative for this purpose, except if parked within enclosed Unit Owner's garages. Vehicles are not to be used as living quarters. "Commercial vehicles" refers to pick-up trucks, vans, trucks, tractors, trailers,



wagons or any oversized or other motor vehicles having commercial license plates or used for commercial purposes or which have advertisements of one or more businesses painted, wrapped or permanently affixed to same which cover an aggregate of more than thirty (30) square inches.

2. Restrictions on Alterations. Nothing shall be done to any Unit or in the Common Elements which will impair the structural integrity of any Building or which will structurally change any Building. Interior partitions or non-bearing walls in each Unit may be removed or replaced by the Unit Owner subject to the prior written approval of the Board. If a Unit Owner removes or replaces any interior partitions or non-bearing walls, no amendment to the Master Deed is necessary or required. No Unit may be partitioned or subdivided without prior written approval of any Mortgage Holder for that Unit and the Board. Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for use by a handicapped resident in accordance with the provisions of the Fair Housing Amendment Act of 1988, as amended from time to time.

No Unit Owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his Unit or in or to the Common Elements, without the prior written approval of the Board. The Board shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement to his Unit within sixty (60) days after the receipt of such request, and failure to do so within the stipulated time shall constitute approval of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must be reviewed by the Board and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or material man on account of such addition, alteration or improvement, to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owner(s) shall furnish the Board with a copy of any such permit which he has procured. The provisions of this subsection shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor in the ordinary course of Sponsor's business.

No Unit Owners may erect or have erected any fence, partition, wall, divider or similar structure interior or exterior to their Unit other than any such structure erected by the Sponsor and/or Developer; make or allow to be made any alterations or replacements to the exterior of the Unit including, but not limited to, doors, windows or skylights (despite that such alteration or replacements are to portions of the Unit) or to any Common Elements without the prior written approval of the Board or its duly authorized representatives.

Despite the foregoing, while Sponsor maintains a majority on the Board, it shall make no additions, alterations, improvements or purchases which would necessitate a Special Assessment or a substantial increase in the monthly Common Expense Assessment unless required by a governmental agency, title insurance company, Institutional Mortgage Lender or in the event of an emergency.

3. Restrictions on Leasing. Except as thereafter provided, no Unit shall be leased by the Owners thereof (except the Sponsor or Lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or by any Deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as (i) rental for any period less than six (6) months; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room services for food and beverages, maid services, furnishing, laundry and linen, and bellboy service. Despite the foregoing, any Unit Owner, including Sponsor, may rent a Unit so long as such rental is (i) of the entire Unit, (ii) for a period of at least six (6) months, except rentals may be for less than six (6) months if either rented (1) by an Institutional Lender in possession of a Unit following a default in a first mortgage or a foreclosure proceeding or under any deed or other arrangement in lieu of foreclosure, or (2) to a person who is under contract to purchase such Unit; and (iii) by the Sponsor pursuant to leases which (1) are in writing; (2) expressly subject to all provisions of the Condominium Documents including without limitation; the right of amendment reserved to the Sponsor herein, provided that any failure of the lessee to fully comply with terms and conditions of such Condominium Documents shall constitute a default under the lease; and (3) expressly assigns to the Association all rents due under the lease in the event of any delinquency in the payment of Common Expenses or other charges due and payable to the Association for more than thirty (30) days, including authorization for the tenant to pay such rent directly to the Association to the extent that such Common Expenses and other charges are due and payable to the Association with respect to the Unit. Moreover, no lease or occupancy of a Unit shall be permitted unless a true copy of the lease is furnished in advance to the Association, together with the current address and phone number of both the owner and the lessee. In addition, the Owner of the Unit shall not have the right to utilize the Common Elements during any period that said Unit is rented. No Unit Owner may lease less than an entire Unit.

Subject to the foregoing restrictions, the Unit Owners shall have the right to lease their Units provided that a Lease is in writing and made subject to all provisions of this Master Deed, the Bylaws of the Association and other documents referred to herein, including the right of amendment reserved to Sponsor herein, and provided further that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a material default under the lease and be grounds for termination and eviction.

In the event a tenant of a Unit fails to comply with the provisions of the Condominium Documents then, in addition to all other remedies which it may have, the Association shall notify the Unit Owner of such violation(s) and demand that the same be remedied through the Unit Owner's efforts within thirty (30) days after such notice. If such violations(s) is not remedied within said thirty (30) day period, then the Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such violation(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Unit Owner fails to fulfill the foregoing

obligation, then the Board shall have the right, but not the duty to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said cost and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his attorney-in-fact for the purpose described in this Section.

A Unit Owner may not lease a Unit unless the lease expressly assigns to the Association all rents due under the lease in the event of any delinquency in the payment of Common Expenses or other charges due and payable to the Association for more than thirty (30) days, including authorization for the tenant to pay such rents directly to the Association to the extent that such Common Expenses and other charges are due and payable to the Association with respect to the Unit.

4. Rules and Regulations: Fines. The Board shall have the power to promulgate and adopt such Rules and Regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring lawsuits to enforce the Rules and Regulations so promulgated. Without limiting the foregoing, to the extent that New Jersey law may in the future permit, the Covenants Committee or the Board, whichever is applicable shall also have the right to levy fines for violations of the Condominium Documents, provided that the fine for a single violation may not, under any circumstances, exceed the maximum amount permitted by law. Each day that a violation continues after receipt of notice by the Unit Owner may be considered as a separate violation. Any fine so levied shall be considered as a Common Expense to be levied against the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses.

## ARTICLE XII

### DAMAGE OR DESTRUCTION TO PROPERTY

1. Insurance. The Board shall obtain and continue in effect blanket property insurance on the Common Elements in an amount equaling replacement value (exclusive of land, foundations or slabs, excavations and such other items as are usually excluded from insurance coverage), and without prejudice to the right of the Owner of any Unit to obtain individual Unit insurance at his own cost. In addition, the Board shall obtain and continue such other amounts of insurance as may be required by the provisions of the Bylaws and in accordance with the provisions of N.J.S.A. 46:8B14(d). Premiums for all such insurance coverage obtained by the Board shall be Common Expenses to be included in the Annual Common Expenses Assessment.

2. Disposition of Insurance Proceeds. If any insured improvements or any part thereof is

damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the provisions of this Article XII.

3. Insurance Proceeds Less or Equal to \$200,000.00. If the insurance proceeds derived from such loss amount of \$200,000.00 or less, than the Board shall contract with any licensed contractor or contractors to rebuild or repair such damage or destroyed portions of the property in conformance with the original plans and specifications, or if adherence to such original plans and specifications is impracticable in the Board's opinion, then in conformance with revised plans and specifications provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other scale arrangement for compensation to the contractor.

4. Insurance Proceeds Greater than \$200,000.00. If the insurance proceeds derived from such loss exceed \$200,000.00, all such insurance proceeds shall be paid directly to an insurance Trustee as may be designated by the Board, as Trustee for all Permitted Mortgage Holders and all Unit Owners as their interest may then appear. Disbursement of such funds shall be made only upon the signatures of a majority of the Members of the Board in accordance with the following:

- (a) Upon notification of the receipt of insurance proceeds by the Insurance Trustee, the Board shall enter into a contract for a specific dollar amount with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed portions of the Property, as nearly as practicable to the original plans and specifications thereof and in accordance with all applicable building codes.
- (b) The Board shall enter into said contract with licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the Trustee. Disbursement to the contractor shall be made subject to the prior presentation of an architect's certification containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board.
- (c) The Board shall employ a properly qualified party to supervise the repair and rebuilding in insure that such work, services and supplies are of proper quality and that construction is completed in a workmanlike manner and according to plans and specifications.

5. Responsibility of Unit Owner. If the damage is only to those parts of a Unit for which the responsibility for payment for and performance of maintenance and repair is that of the Owner, then that Owner shall be responsible for reconstruction and repair, but the proceeds of any insurance that may been obtained by the Association shall be made available for such purpose. Subject to the provisions of this Master Deed, in all other instance the responsibility of reconstruction and repair after casualty shall be that of the Association.

6. Insurance Proceeds Insufficient. If the proceeds of insurance are not sufficient to defray

the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners, in sufficient amount to provide funds for the payment of such costs. Despite anything to the contrary in this Master Deed or Bylaws, such assessment shall be in proportion to the Unit Owner's Percentage Interest in the Common Elements. The foregoing provision of this subsection are applicable to the repairs and reconstruction to be undertaken by the Association and do not cover damage to those portions of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner for which the costs and expenses must be borne by each Owner; provided, however, any portion of the insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an individual Unit Owner shall be paid to said Unit Owner, or there is a mortgage endorsement as to such Unit, then to the Unit Owner and mortgagee, jointly.

7. Excess Insurance Proceeds. If the amount of available insurance proceeds should exceed the cost of any such reconstruction or repair, the excess shall be retained by the Association and applied by it to reduce the Common Expenses of the Unit Owners.

8. Assignment of Permitted Mortgage Holders. In the event the Association determines not to repair or restore the damaged property in accordance with N.J.S.A. 46:8B-24, any insurance proceeds payable to a Unit Owner as a result of damage or destruction to his Unit and/or interest in the Common Elements are hereby assigned and shall be paid to any appropriate mortgage holder(s) as their interest may appear, for application to the appropriate mortgage indebtedness and the access, if any, shall be paid to the appropriate Unit Owners, all in accordance with N.J.S.A. 46:8B-24.

### ARTICLE XIII

#### EMINENT DOMAIN

1. General. This Article shall be deemed to be supplemental to and not in derogation of the provisions of N.J.S.A. 46:8B-25.

2. Notice and Participation of Unit Owners. If any Building improvement or Common Element or any part thereof shall be taken, injured or destroyed by eminent domain, each Unit Owner affected shall be entitled to notice of such taking and to participate through the Association in the proceeding incident thereto.

3. Allocation of Awards. Any awards made in connection with such proceedings shall be collected by the Association and applied or distributed by it in accordance with Article VI, Section 2, unless the award or decree provides to the contrary.

If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Association unless the decree provides that the Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit Owners affected in proportion to their respective damage suffered and their respective percentage Interest in the Common Elements before the taking.

4. Reallocation Following Condemnation. (a) Units Rendered Uninhabitable. Upon acquisition by the condemning authority, each affected Unit's entire Percentage Interest and its corresponding liability for payment of Common Expenses shall be automatically reallocated to the remaining Units on the same basis as their respective percentage interests and Common Expense liability were initially established. The Association shall promptly prepare, execute and record an amendment to the Master Deed reflecting the reallocation. Any remnant of a Unit which has been rendered uninhabitable and remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element. (b) Units Remaining Habitable. Upon acquisition by the condemning authority, the percentage interest and corresponding liability for Common Expenses of each affected Unit shall be that fraction, the numerator of which is the square footage of the Unit remaining after the taking, and the denominator of which is the aggregate square footage of all Units within the Condominium after the taking. The amount by which the percentage of interest and corresponding liability of each affected Unit is reduced shall thereafter the proportionately reallocated to all Units within the Condominium.

#### ARTICLE XIV

##### PROTECTIVE PROVISIONS FOR THE BENEFIT OF ELIGIBLE MORTGAGE HOLDERS

1. Notice to Eligible Mortgage Holders. The Association shall be deemed to have fulfilled its obligations hereunder and an Eligible Mortgage Holders shall be deemed to have been given any required notice hereunder so long as the Association can establish that it served the notice in question in the manner provided herein directed to the Eligible Mortgage Holder at the last address given by it to the Association in the manner provided herein. The manner in which the Association shall give the notices required to notice mortgagees pursuant to this Article XIV shall be via United States Postal Service by certified mail, with return receipt requested and sufficient prepaid post affixed thereto, addressed to the last address of the Eligible Mortgage Holder identified to the Association as provided herein.

2. Notice. Any Eligible Mortgage shall be entitled to timely written notice of:

- (a) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Eligible Mortgage Holder's mortgage; and no Unit Owner or other party shall have priority over such Eligible Mortgage Holder with respect to the distribution to such Unit(s) of the proceeds of any

condemnation award of settlement in the event of condemnation or with respect to the distribution to such Unit(s) of any insurance proceeds in the event of casualty loss; and

- (b) any sixty (60) day delinquency in the payment of Common Expense assessment installments or other assessments or charged owed to the Association by a Unit Owner of any Unit for which the Eligible Mortgage Holder holds a mortgage; and
- (c) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- (d) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

The Eligible Mortgage Holder for any Unit must send a written request to the Association stating both its name and address and the address of the Unit on which it holds the mortgage to be entitled to receive the information discussed in subparagraphs (a) through (b) of this Section.

3. Amendments Requiring Approval of 51% of Eligible Mortgage Holders. The prior written approval of at least fifty-one (51) of the Eligible Mortgage Holders is required for any material amendment to this Master Deed or to the By-Laws or to the Certificate of Incorporation including, but not limited to, any amendment which would charge any provision relating to:

- (a) voting rights;
- (b) reserves for maintenance, repair and replacement of Common Elements;
- (c) responsibility for maintenance and repairs;
- (d) reallocation of interests in the General Common Elements or rights to their use;
- (e) boundaries of any Unit;
- (f) convertibility of Units into Common Elements or vice versa;
- (g) expansion or contraction of the Condominium or the addition, annexation or withdrawal of land to or from the Condominium;
- (h) insurance of fidelity bonds;
- (i) leasing of units;
- (j) a decision by the Association to establish self-management rather than professional management;
- (k) restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;
- (l) any action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs;
- (m) any provisions that expressly benefit Eligible Mortgage Holders;
- (n) imposition of restrictions upon Unit Owner' right to sell or transfer their Unit; or
- (o) assessment allocations, assessment liens or subordination of assessment liens.

4. Amendments Requiring Approval of 75% of Eligible Mortgage Holders. The prior written approval of at least seventy-five (75%) percent of the Eligible Mortgage Holders is required before the effectuation of any decision of any decision by the Unit Owners to terminate

the legal status of the Condominium as a Condominium for reason other than substantial destruction or condemnation of the Property.

5. Implied Approval of Eligible Mortgage Holders Assumed. In spite of the requirements of prior written approval of Eligible Mortgage Holders provided in Sections 2 and 3 of this Article XIV, provided that the Association serves notice on Eligible Mortgage Holders of those matters which are the subject of Section 2 and 3 of this Article XIV in the manner provided in Section I of this Article XIV, the Association may assume implied approval of any Eligible Mortgage Holder failing to submit a written response to any notice given thirty (30) days after it receives such notice as provided herein and so long as the notice was delivered by certified mail as indicated by a signed return receipt.

6. Notice of Non-Material Amendment. Any Eligible Mortgage Holder who requests same shall be entitled to receive thirty (30) days advance notice from the Association of any proposed non-material amendment to the Master Deed, the By-Laws or the Certificate of Incorporation permitted by same, which shall include a copy of the proposed change; and any Eligible Mortgage Holder shall be deemed to have implicitly approved such change as proposed unless it states in a written response to the Association its objections or comments relative to such proposed change.

7. No Partition. No Unit in the Condominium may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such Unit.

8. Common Expenses Lien Subordinate. Except to the extent permitted by N.J.S.A. 46:8B-21 or any other applicable law authorizing the establishing of a limited lien priority for the payment of Common Expense assessment, any lien that the Association may have on any Unit for the payment of Common Expenses assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any first mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.

9. Inspection of Records. Any Eligible Mortgage Holder shall upon written request (i) be permitted to inspect the books and records of the Association during normal business hours; and (ii) receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association. The Association shall maintain current copies of the Condominium Documents and any respective amendments thereto, as well as its own books, records and financial statements. These documents shall be available for inspection by the Units Owners and Permitted Mortgage Holders.

10. Notice of Meetings. Any Eligible Mortgage Holder shall receive written notice of all meetings of the Association and be permitted to designate a representative to attend as such meetings.



11. Liability for Common Expense Assessments. Any Permitted Mortgage Holder holding a first mortgage lien on a Unit that obtains title to a Unit as a result of foreclosure of the first mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which became due prior to the acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquirer, his successors and assigns.

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

13. Management Agreements. Any management agreement for the Condominium will be terminated by the Association with or without cause upon sixty (60) days prior written notice thereof, and the term of any such agreement shall not exceed one (1) year.

## ARTICLE XV

### SPONSOR'S AND DEVELOPER'S RIGHTS AND OBLIGATIONS

1. Ratification, Confirmation and Approval of Agreements. The fact that some or all of the Officers, Trustees, Members or Employees of the Association and the Sponsor and/or Developer may be identical and the fact that the Sponsor and/or Developer or its nominees, have heretofore or may hereafter enter into agreements with the Association or with third parties, will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit, and the acceptance of the Deed thereafter by any party, shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the propriety and legality of said agreements, or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation or the Bylaws.

2. Rights Reserved To Sponsor and/or Developer. Despite anything to the contrary herein or in the Certificate of Incorporation or By-Laws of the Association, Sponsor and/or Developer hereby reserves for itself, its successors and assigns, for so long as it owns one or more Units in the Condominium:

- (a) the right to sell, lease, mortgage, sublease or otherwise dispose of any unsold Units within the Condominium;

- (b) to correct, supplement or provide technical changes to the Master Deed, Bylaws or other documents that create or implement the creation of the Condominium or Association;
- (c) to amend the Master Deed, Bylaws or other documents that create or implement the creation of the Condominium or Association to qualify the Property for programs and requirements of the secondary mortgage market and lenders in same, such as the Federal National Mortgage Association, Federal Unit loan Mortgage Corporation or any other similar secondary mortgage lender, or as required by governmental or quasi-governmental agencies with regulatory jurisdiction over the Condominium, or by any title insurance company insuring title to a Unit, or to comply with a court order or decree;
- (d) to grant, add or alter the location, size or purpose of easements and lands for utilities, roads, access, ingress or egress, drainage or financing purposes or to convey or assign such easements to the appropriate governmental authority, utility agency or company or title insurance company or otherwise as set forth in this Master Deed;
- (e) to surrender or modify the Sponsor and/or Developer's rights in favor of the Unit Owners or Association or their respective Mortgage Holders;
- (f) to enter into contracts, service agreements, cleaning, landscaping or other plans affecting the upkeep, maintenance and repair of the Property;
- (g) reserves for itself and its Affiliates for a period of five (5) years from the date the first Unit is conveyed to an individual purchase or until closing of the last Unit, whichever event occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, Institutional Lenders, Mortgage Holders, eligible insurers or guarantors, other lien holders or parties claiming a legal or equitable interest in the Condominium or Units, any such agreements, documents, Amendments or Supplements to this Master Deed and the Bylaws, which may be required by any such governmental or quasi-governmental agency or institutional lender or title company designated by the Developer a reservation of rights/durable power of attorney as further described in this Master Deed Article X.

3. Transfer of Special Sponsor's and/or Developer's Rights. No special rights created or reserved to the Sponsor and/or Developer under this Master Deed ("Special Sponsor Rights") may be transferred except by an instrument evidencing the transfer recorded in the Office of the Register of Morris County, New Jersey. The instrument shall not be effective unless executed by the transferee.

4. Liability of Transferee. Upon transfer of any such Special Sponsor Right, the liability of the transferor is as follows:

- (a) A transferor is not relieved of any obligations or liability arising before the transfer and remains liable for warranty obligations imposed upon him. Lack of privity does not deprive any Unit Owners of standing to bring an action to enforce any obligation of the transferor.

- (b) If a transferor retains any such Special Sponsor Right, or if a successor to any such Special Sponsor Right is an affiliate of the Sponsor, the Transferor is subject to liability for all obligations and liabilities imposed on a Sponsor by law or by the Master Deed, arising after the transfer, and is jointly and severally liable with the successor for the liabilities and obligations of the successor which relate to the Condominium.
- (c) A transferor who retains no such Special Sponsor Rights has no liability for any act or omissions or any breach of a contractual or warranty obligation arising from the exercise of any such Special Sponsor Right by a successor Sponsor who is not an affiliate of the transferor.

5. Transfer of Rights Requested. Unless otherwise provided in a mortgage instrument or deed of trust, in case of foreclosure of a mortgage, sale by a trustee under a deed of trust, or sale under any bankruptcy or receivership proceedings, of any Units owned by Sponsor in the Condominium, a person acquiring title to all the Units being foreclosed or sold, but only upon his request, succeeds to all such Special Sponsor Rights, or only to any such Special Sponsor Rights to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Sponsor Rights requested.

6. Foreclosure, Bankruptcy, Receivership. Upon foreclosure, sale by a trustee under a deed of trust, or sale any bankruptcy or receivership proceedings, of all Units in the Condominium owned by Sponsor:

- (a) The Sponsor and/or Developer ceases to have any Special Sponsor Rights; and
- (b) The period of Sponsor and/or Developer control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Rights to a successor to Sponsor and/or Developer.

7. Liabilities of Successors. The liabilities and obligations of persons who succeed to all Special Sponsor Rights are as follows:

- (a) A successor to all such Special Sponsor Rights who is an affiliate of the Sponsor and/or Developer is subject to all obligations and liabilities imposed on any Sponsor by law or by the Master Deed.
- (b) A successor to all such Special Sponsor Rights, or other than successor described in Section (c) or (d) hereof who is not an affiliate of Sponsor and/or Developer, is subject to all obligations and liabilities imposed upon Sponsor and/or Developer by law or the Master Deed, except he is not subject to liability for misrepresentations or warranty obligations on improvements made by any previous Sponsor and/or Developer or made before the Condominium was created, or for a breach of fiduciary obligation by any previous Sponsor and/or Developer.
- (c) A successor to only a Special Sponsor Right to maintain models, sales offices and signs, if he is not an affiliate of Sponsor and/or Developer, may not exercise any

other Special Sponsor Right, but is not subject to any liability or obligation as a Sponsor and/or Developer.

- (d) A successor to all Special Sponsor Rights who is not an affiliate of Sponsor and/or Developer and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under Section 5 of this Article, may declare his intention in a recorded instrument to hold those rights solely for transfer to another party. Thereafter, until transferring all such Special Sponsor Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those right, that successor may not exercise any of those rights is void. So long as a successor may not exercise Special Rights under this section he is not subject to any liability or obligation as a Sponsor other than liability for the successor's acts and omissions under the Master Deed.

8. Ineffectiveness. Nothing in this Article XV subjects any successor to a Special Sponsor Rights to any claims against or other obligations of a transferor other than claims and obligations arising under the Master Deed.

## ARTICLE XVI

### GENERAL PROVISIONS

1. Duration. The provisions of this Master Deed shall be perpetual in duration shall run with and bind all of the land included in the Condominium and shall insure to the benefit of and be enforceable by the Association and the Unit Owners, their respective successors, assigns, heirs, executors, administrator, and personal representatives, except that the covenants and restrictions set forth in Article XI shall have an initial term of forty (40) years from the date this Master Deed is recorded in the Office of the Morris County Register, the end of which period such covenant and restrictions shall automatically be extended for successive periods of ten (10) years each, unless at least three-fourths (3/4) of the Unit Owners at time of expiration of the initial period, or any extension period, shall sign an instrument or instruments (which may be in counterparts), in which they shall agree to change said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Unit Owner at least ninety (90) days in advance of the action taken in authorizing said agreement; and, in any event, any changes concerning any such agreement shall not become effective and binding until three (3) years after the recording of the aforesaid fully executed instrument or instruments containing such agreement, and provide further, that in no event may the Common Elements be conveyed to any third person, firm, or corporation, without the express consent, by ordinance, of the governing body of the municipality (or such municipal corporation or other governmental entity as may then have zoning and subdivision jurisdiction over the Property).

2. Amendment of Master Deed. This Master Deed may be amended at any time after the date hereof by a vote of at least sixty-six (66%) percent in interest of all Unit Owners, at any meeting of the Association duly held in accordance with the provisions of the By-Laws provided, however, that any amendment so requiring it under the provisions of Article XIV, shall also have the prior written approval of fifty-one (51%) percent of the Eligible Mortgage Holders, and further, provided that any amendment, deed, or revocation or other document regarding termination of the condominium form of ownership shall be governed by Section 3 herein. No amendment shall be effective until recorded in the Office of the Register of Morris County, New Jersey. This Section is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor pursuant to Article X hereof. In the alternative, an amendment made by an agreement signed and acknowledged by the Unit Owners in the manner required for the execution of a Deed, and such amendment shall be effective when recorded in the Office of the Register of Morris County, New Jersey.

No amendment shall impair or adversely affect the rights of the Sponsor and/or Developer or cause the Sponsor and/or Developer to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with the sale of Units, or the assessment of the Sponsor and/or Developer for capital improvements.

Despite the foregoing, the Sponsor and/or Developer shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, the By-Laws or any other document for the purpose of changing the permitted use of a Unit or for the purpose of reducing the Common Elements or Facilities.

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

4. Enforcement and Fines. Enforcement of the Condominium Documents, whether by the Association or any Member thereof, shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any persons, firm or corporation violating or attempting to violate any covenant herein contained, either to restrain or enjoin such violation or threatened violation, or to recover damages, and against any Owner to enforce any lien created by this Master Deed in any covenant herein contained. Failure by the Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same. To the extent permitted by law, this includes the ability to impose and collect fines and other forms of penalties for violations.

5. Maintenance by Municipality. In the event the Condominium is not maintained in

reasonable order and condition, the Township of East Hanover shall have the right to enter upon and maintain in Condominium in accordance with the procedures set forth in N.J.S.A. 40:55D-43(b) and (c), and despite any limitations as to the applicability of such statutory provision to "open space," provisions of this paragraph shall be deemed to apply to all maintenance obligations as set forth in this Master Deed. The cost of such maintenance by the municipality shall be assessed pro rata against the Owners of each Unit affected thereby and shall become a lien and tax on each such Unit, and shall be enforceable by the Township of East Hanover in the manner provided by law with respect to real estate taxes assessed directly against each such Unit.

6. Validity. The invalidity of any provision of this Master Deed, the Certificate of Incorporation, or Bylaws of the Association shall not be deemed to impair or affect in any manner the validity or enforceability or effect the remainder of this Master Deed or said Bylaws and in such event all of the other provisions of this Master Deed and said Bylaws shall continue in full force as if such invalid provisions had never been included. In the event of a conflict between the provisions of this Master Deed and the Bylaws, the provisions of the Master Deed control.

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

8. Waiver. No provision contained in this Master Deed 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.


9. Gender. The use of the masculine gender in this Master Deed shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.


10. Notice-Condominium Association. Unless a particular document permits or requires a particular notice to be given or served in a different manner, notice permitted or required to or served upon the Association under the Condominium's governing documents shall be deemed to have been properly given to or served upon the Association when same is mailed via the United States Postal Service by certified mail, with return receipt requested and sufficient prepaid postage affixed thereto, addressed to the current Secretary or corporation Registered Agent of the Condominium Association as reflected in the official records of the New Jersey Secretary of State as of the date such notice is mailed.

IN WITNESS WHEREIN, the Developer has caused this Master Deed to be signed, sealed and delivered by its proper corporate officers and its corporate seal to be affixed this 5<sup>th</sup> day of June, 2015.

ATTEST:

FORGE HILL CONSTRUCTION, INC.,  
Developer


  
Robert Kovacs, Secretary


  
Robert Kovacs, President

FORGE HILL CONSTRUCTION, INC., as owner of the lands described on Exhibit "A" and depicted on Exhibit "B" joins the execution of this Master Deed solely for the purpose of consenting to the encumbrance of said lands by the terms, conditions and restrictions set forth herein.

ATTEST:

FORGE HILL CONSTRUCTION, INC.,  
Owner

  
Robert Kovacs, Secretary

  
Robert Kovacs, President

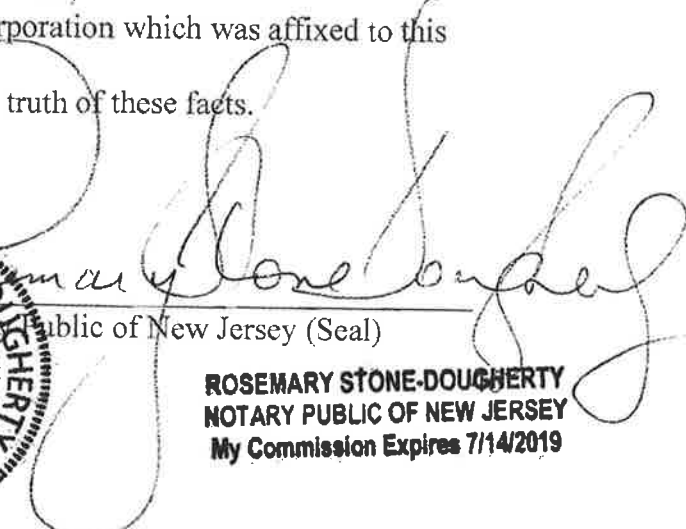
STATE OF NEW JERSEY                    )  
COUNTY OF MORRIS                    )SS:

I certify that on June 5<sup>th</sup>, 2015, Robert Kovacs, personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the secretary of FORGE HILL CONSTRUCTION, INC., the company named in the attached document;
- (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Robert Kovacs, the President of the company;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Signed and sworn to before me on  
June 5, 2015.



  
Rosemary Stone-Dougherty  
Notary Public of New Jersey (Seal)  
ROSEMARY STONE-DOUGHERTY  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires 7/14/2019

MASTER DEED

EXHIBIT "A"

Metes and Bounds Description of the Property



## LEGAL DESCRIPTION

ALL THAT CERTAIN LOT, PARCEL OR TRACT OF LAND, SITUATE AND LYING IN THE TOWNSHIP OF DENVILLE, COUNTY OF MORRIS, STATE OF NEW JERSEY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHWESTERLY SIDELINE OF ORCHARD STREET (33' ROW), SAID POINT BEING THE INTERSECTION OF SAID SIDELINE OF ORCHARD STREET AND THE SOUTHEASTERLY SIDELINE OF 35' RIGHT OF WAY AS SHOWN ON THE OFFICIAL TAX MAP OF DENVILLE TOWNSHIP KNOWN AS CLARK STREET, AND RUNNING THENCE;

- 1) ALONG SAID SIDELINE OF ORCHARD STREET SOUTH 28 DEGREES 00 MINUTES 00 SECONDS EAST 60.00 FEET TO A POINT; THENCE
- 2) LEAVING SAID SIDELINE OF ORCHARD STREET SOUTH 61 DEGREES 37 MINUTES 00 SECONDS WEST 161.81 FEET TO A POINT; THENCE
- 3) NORTH 30 DEGREES 09 MINUTES 55 SECONDS WEST 60.02 FEET TO A POINT; THENCE
- 4) NORTH 61 DEGREES 37 MINUTES 00 SECONDS EAST 164.07 FEET TO THE POINT AND PLACE OF BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY: ALSO KNOWN AS LOT 11 & 23 IN BLOCK 50410 ON THE TOWNSHIP OF DENVILLE TAX MAP.

THE ABOVE DESCRIPTION IS IN ACCORDANCE WITH A SURVEY MADE BY DYKSTRA WALKER DESIGN GROUP, DATED MARCH 21, 2008.

MASTER DEED

EXHIBIT "B"

Survey Map of Property

© 2001 All rights reserved by The McGraw-Hill Companies, Inc.

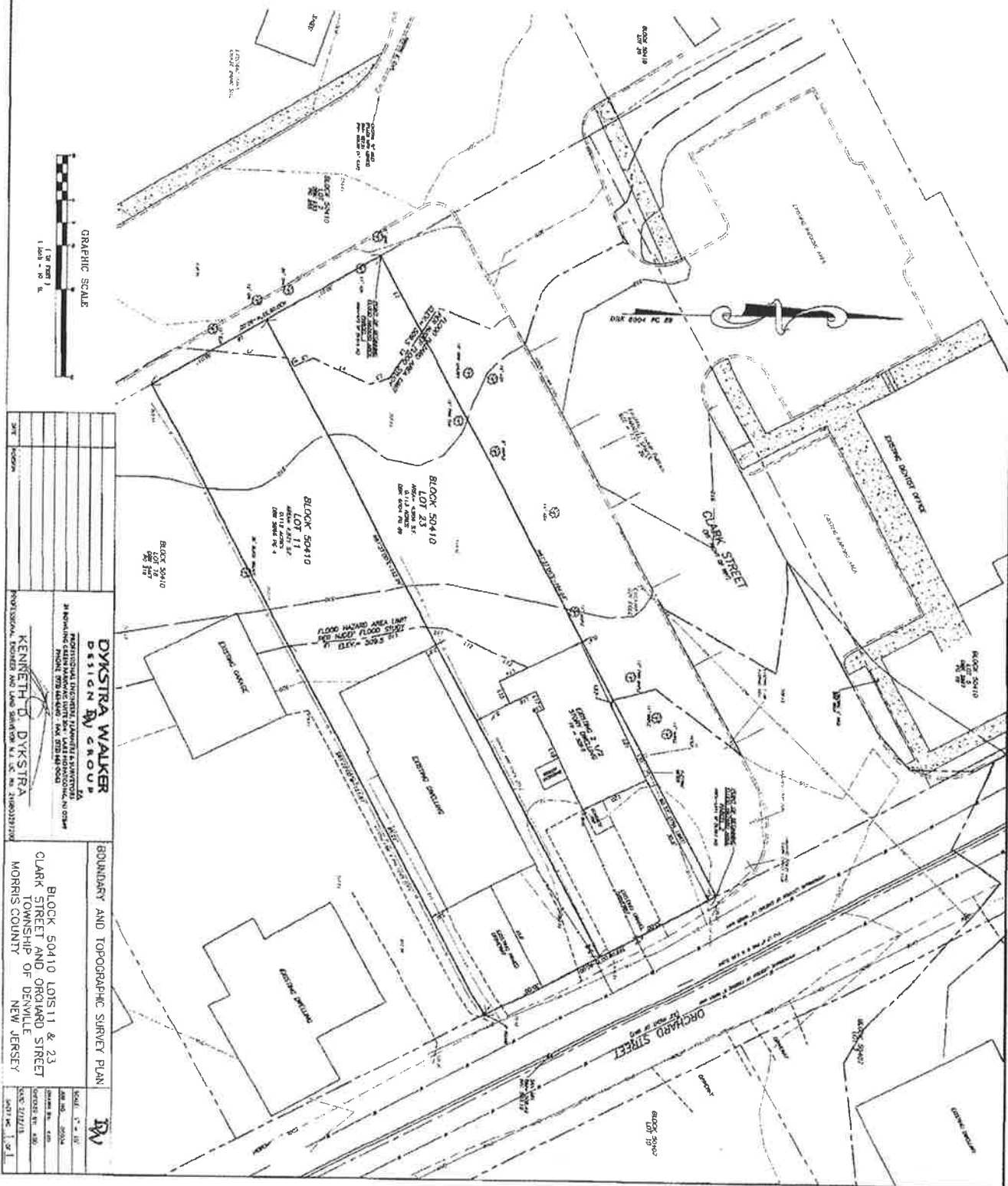
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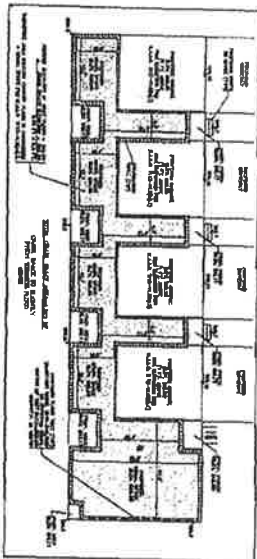
THE UNIVERSITY OF CHICAGO

[illegible]

INDIANAPOLIS STATE BANK, BRANCH, A TRUST  
INDIAN TITLE AGENCY, INC.  
INDIAN TITLE INSURANCE CO.

ROSEMARY STORE-DOLGHEITY, ESQ.  
FORCE WILL CONSTRUCTION, INC.

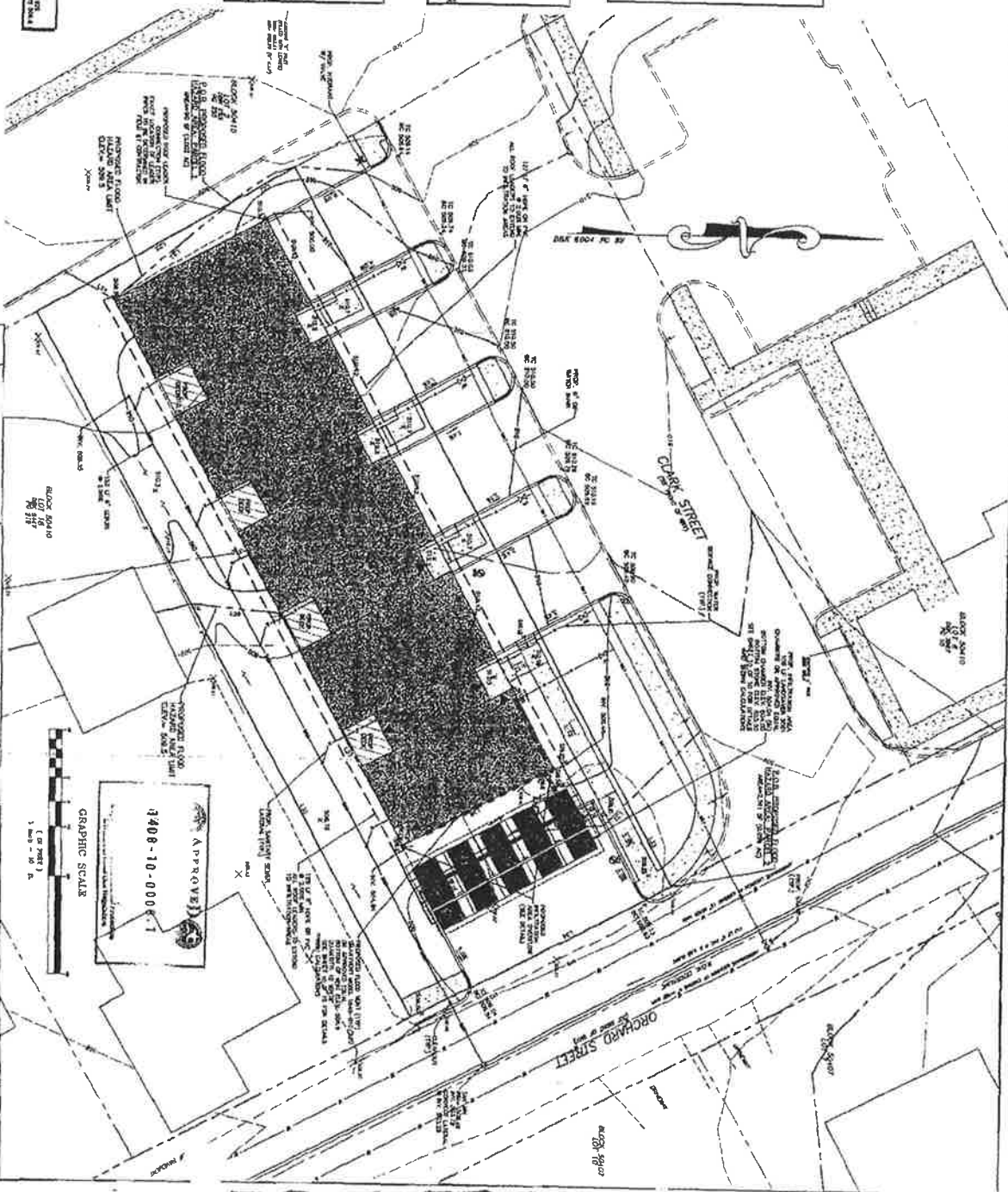
[illegible]

[illegible]

A vertical strip of a building facade, showing a repeating pattern of windows and decorative elements. The pattern consists of a central rectangular window with a grid of panes, flanked by smaller rectangular windows and topped by a triangular pediment. The entire strip is framed by a decorative border.

**BEAR ELEVATION:**  
WET TO POLE

**NOTE:**  
VERTICAL CARTON IS APPROX 1875  
FLUID OUNCES CAPACITY BY 2004



KENNETH D. DYKSTRA  
AND DRONDI AND LOUD JEFFERSON N.A. THE NEW YORK

[illegible]

GRADING & UTILITY PLAN

PRELIMINARY & FINAL SITE PLAN

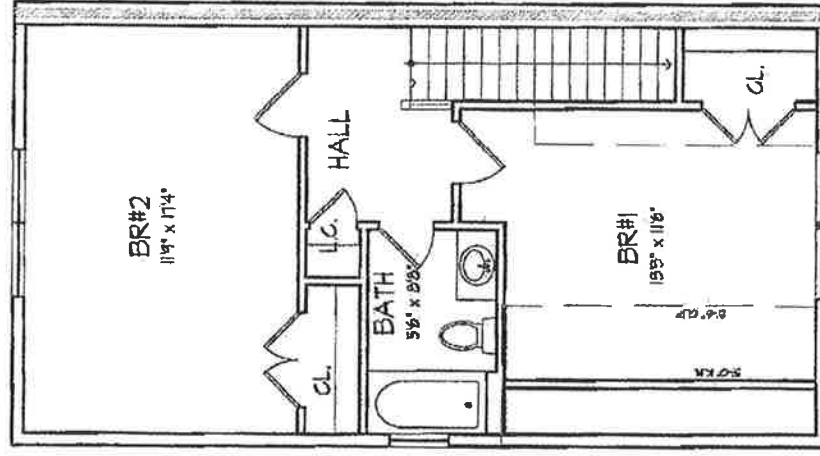
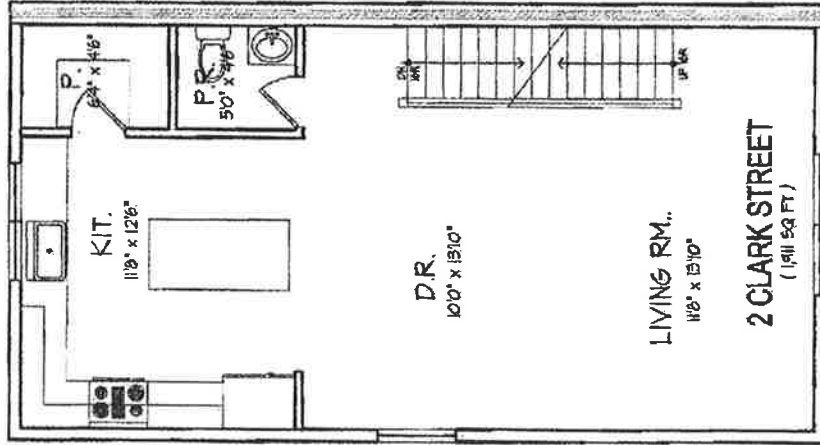
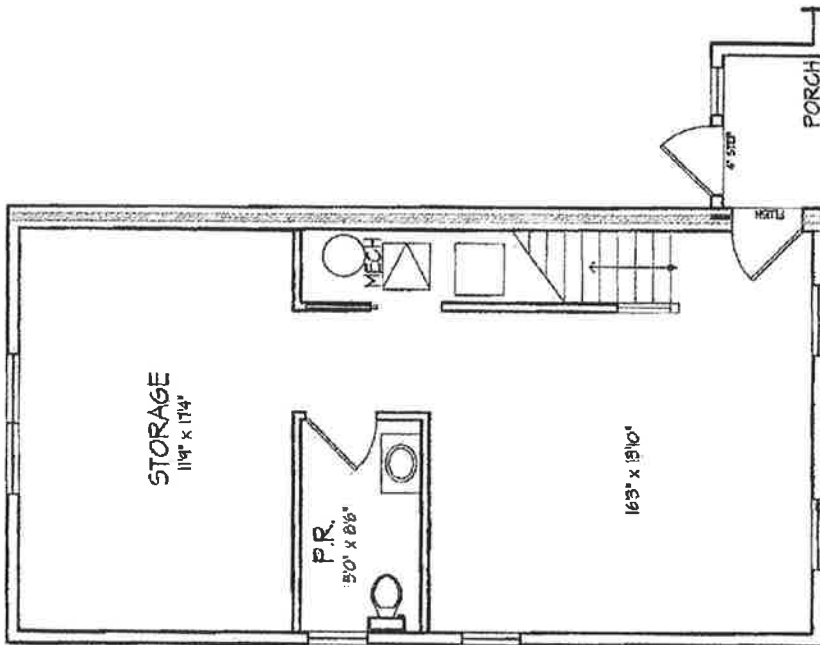
BLOCK 50410 LOTS 11, & 23  
CLARK STREET AND ORCHARD STREET  
TOWNSHIP OF DENVILLE  
MORRIS COUNTY NEW JERSEY

DATE 2/23/08  
SHEET NO 4 OF 10

MASTER DEED

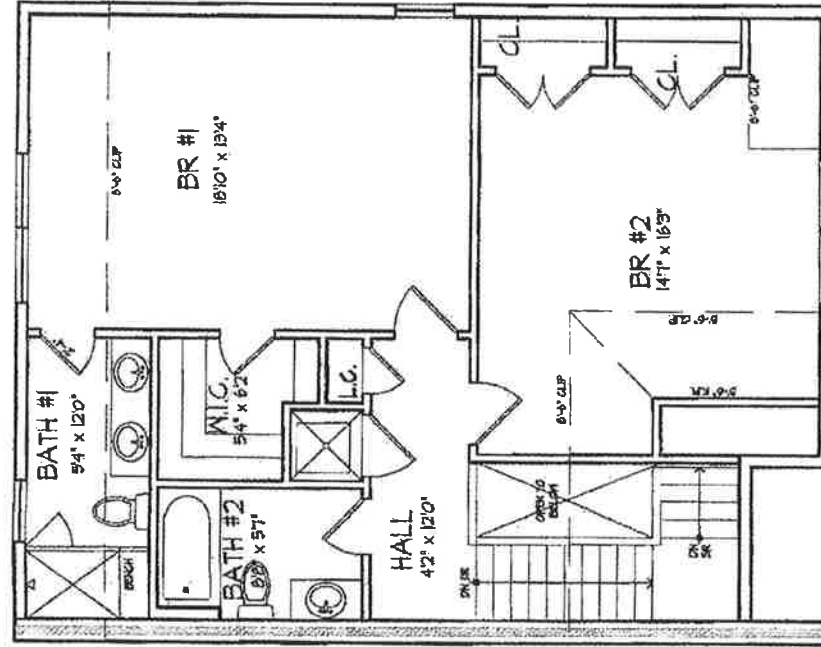
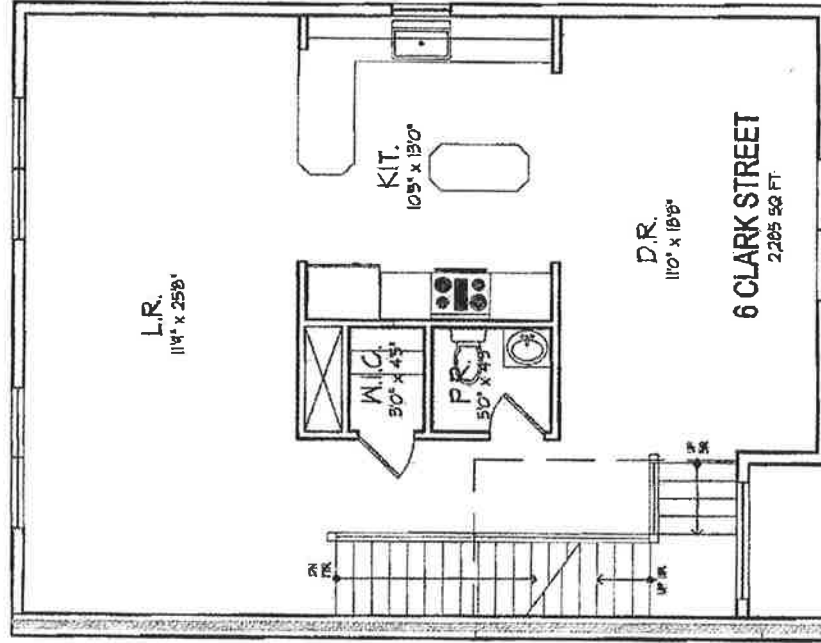
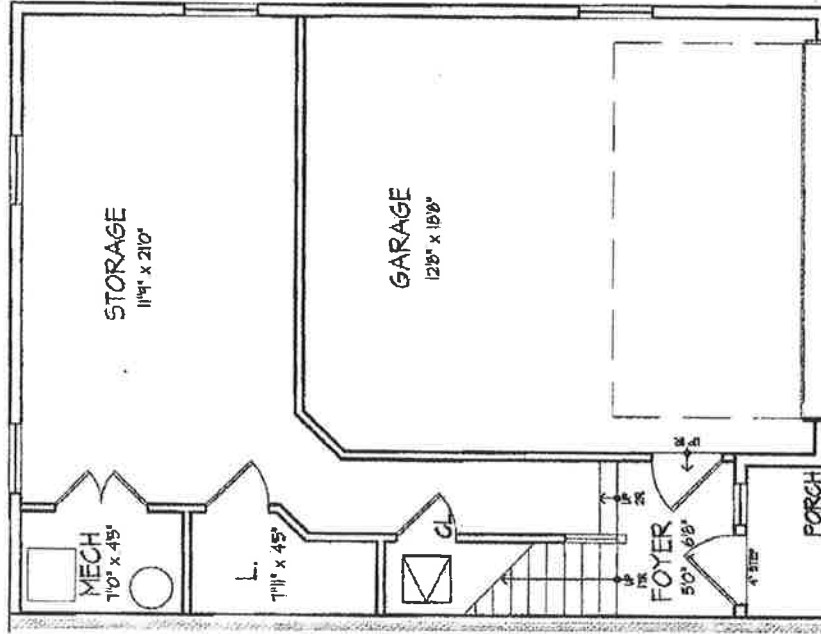
EXHIBIT "C"


Floor Plans and Common Elements of Building



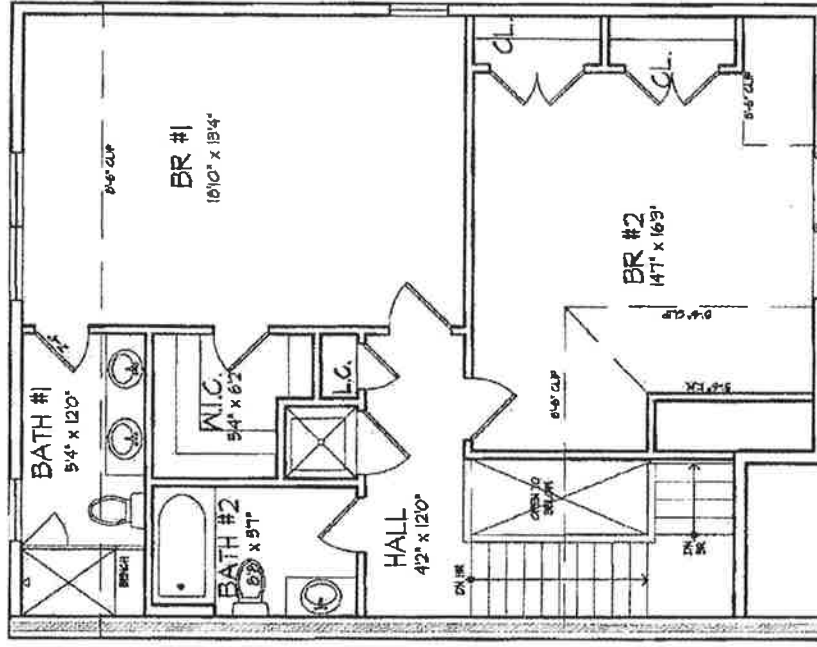
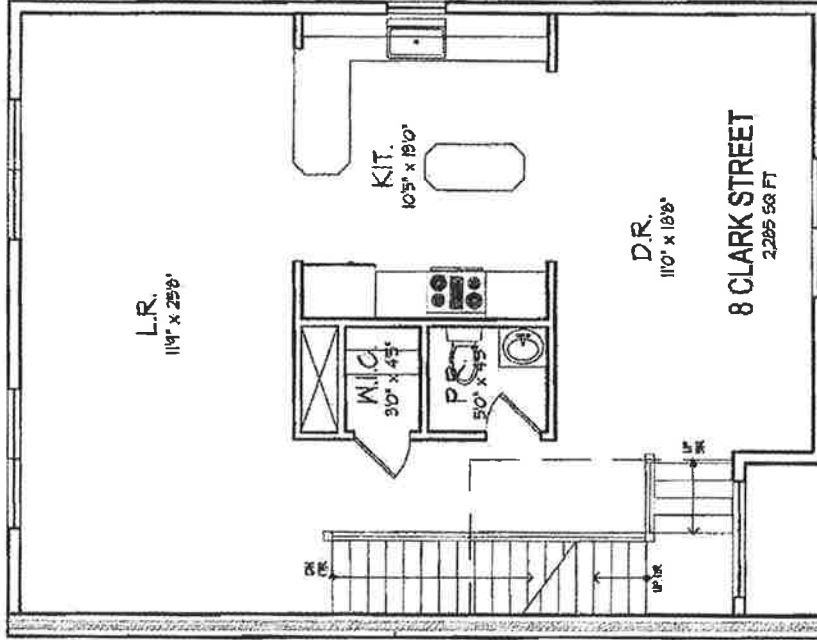
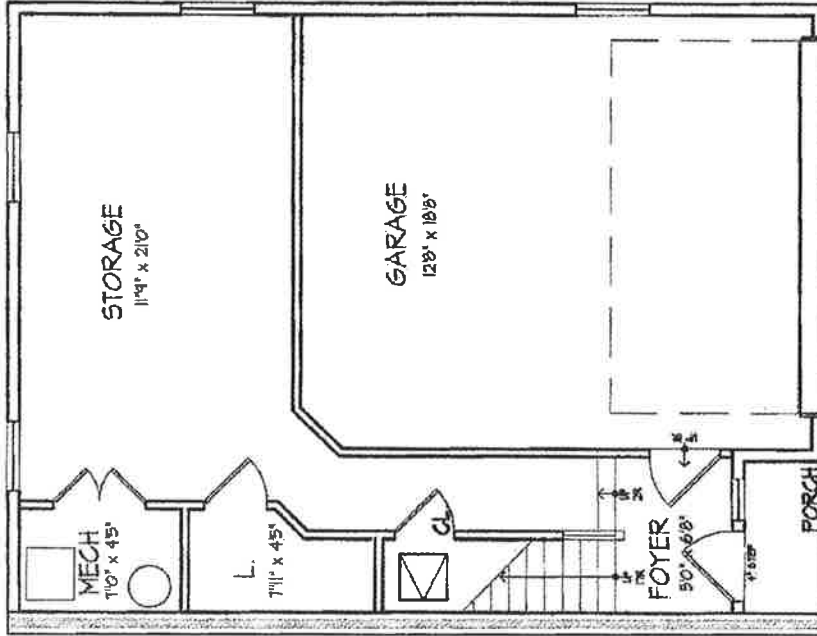
**LAWRENCE  
KORINDA  
ARCHITECT**  
859 W. Main Street, Bergenfield, NJ 07620  
T: 201 253 2476 • F: 201 253 4194  
info@lawrencekorindaarchitect.com

DRAWN BY: DFO  
**PROPOSED  
TOWNHOUSES**  
BLOCK 50410, LOTS 11 & 23  
2 CLARK ST.  
DENVER, N.J.  
DATE: 1 of 5



 <b>LAWRENCE KORINDA ARCHITECT</b> 469 N. 1st Street, Jersey, NJ 07005 T. 973.253.2472 info@lawrencekorindaarchitect.com	DRAWN BY: DPC DATE:
	<b>PROPOSED TOWNHOUSES</b> BLOCK 50410, LOTS 11 & 23 8 CLARK ST. DENVER, N.J.

3 of 5



**LAWRENCE KORINDA ARCHITECT**  
 550 W. Main Street, Denville, NJ 07833  
 T. 973.603.2175 • F. 973.203.4184  
 info@lawrencekorindaarchitect.com

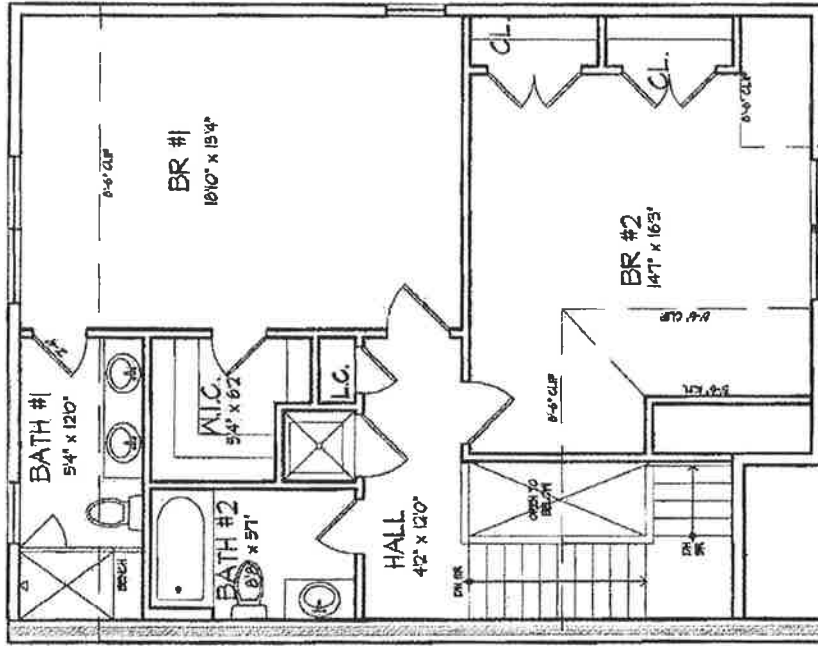
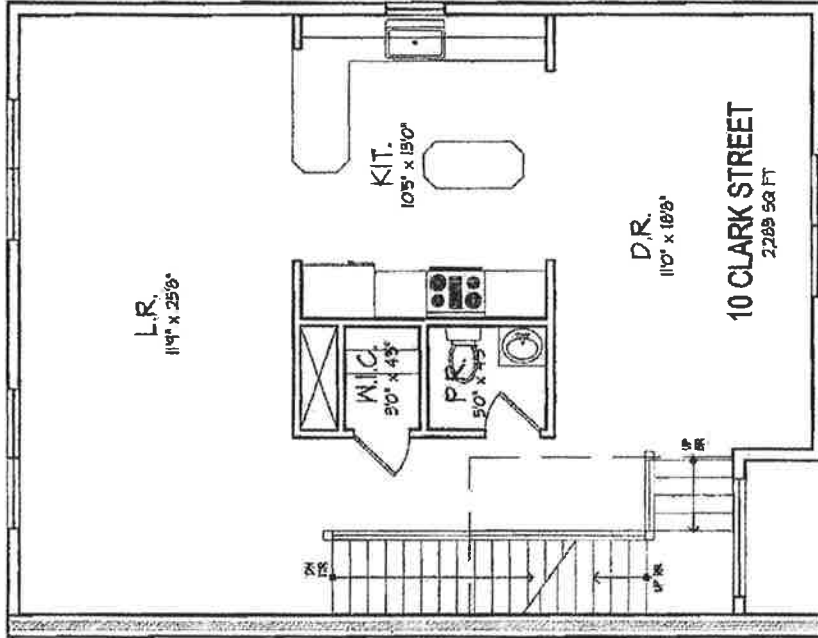
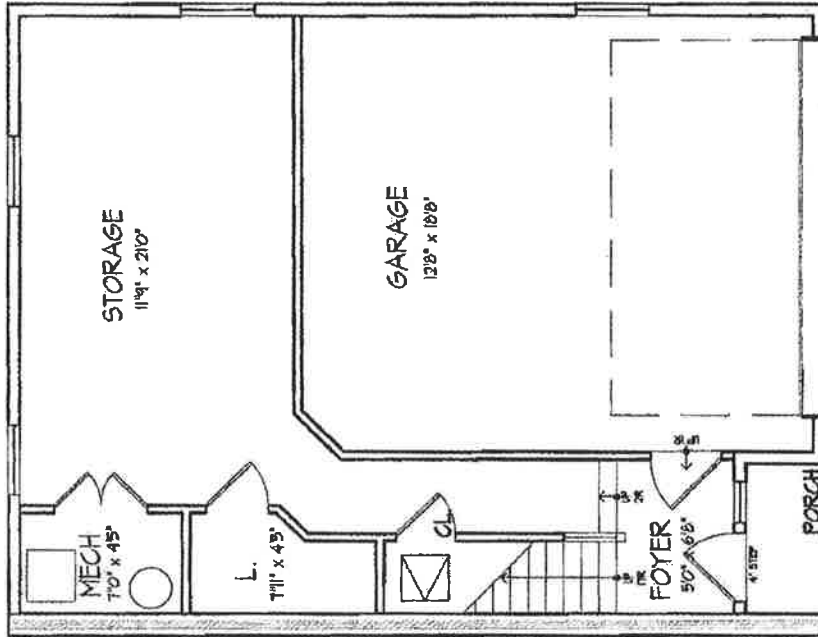
**PROPOSED TOWNHOUSES**  
 BLOCK 50410, LOTS 11 & 23  
 8 CLARK ST.  
 DENVER, N.J.

DRAWN BY: DPC

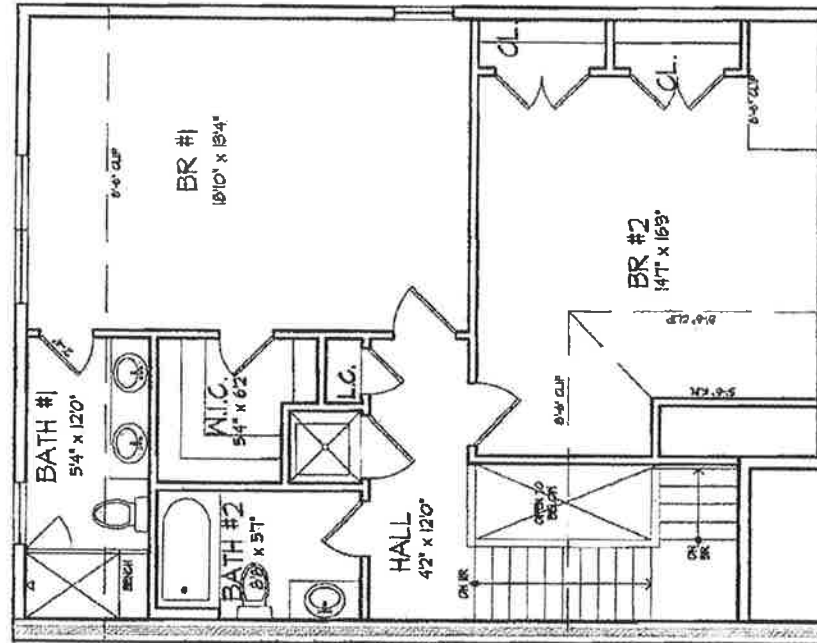
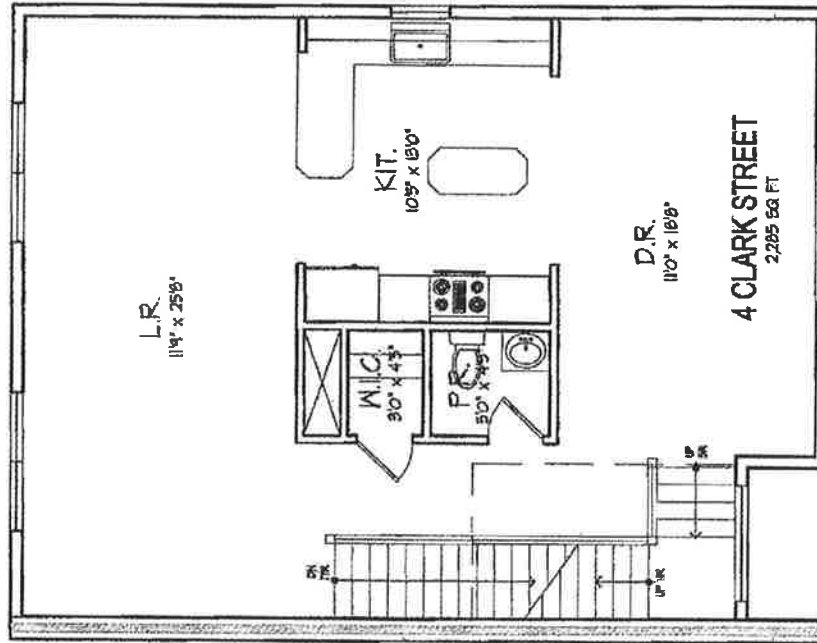
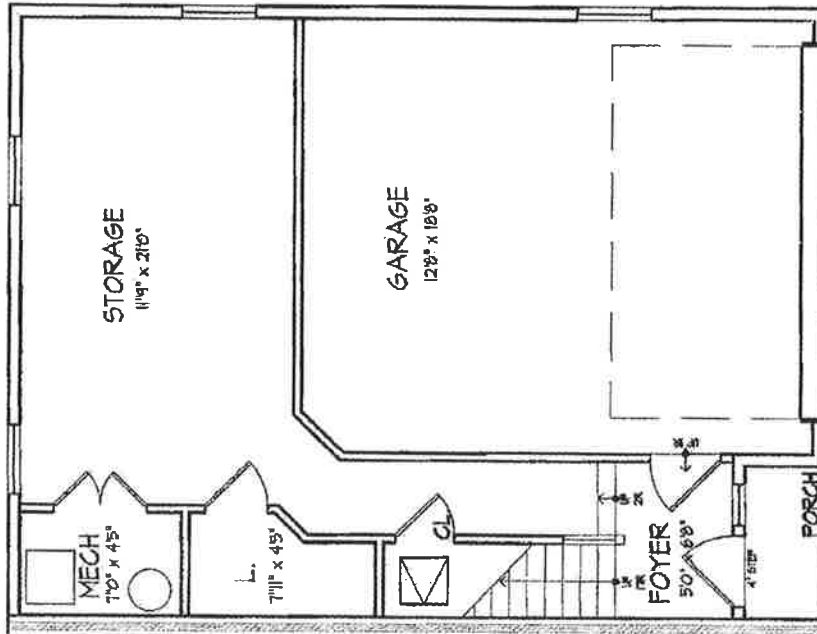
DATE:

4 of 9





<b>LAWRENCE KORINDA ARCHITECT</b> 682 W. 14th Street, Broomfield, NJ 07005 T. 973.253.2425 • F. 973.253.1154 info@lkorinda.com / lkorinda.com	DRAWN BY: DPC <b>PROPOSED TOWNHOUSES</b> BLOCK 50410, LOTS 11 & 23 10 CLARK ST. DENVER, N.J.	DATE: _____ 1 of 5
	<small>N.J. Lic. No. A-27864 • 10/1/06 • 10/1/06 • 10/1/06 • 10/1/06 • 10/1/06</small>	



 <b>LAWRENCE KORINDA ARCHITECT</b> 650 W. Main Street, Basking Ridge, NJ 07005 T. 973.263.5218 • F. 973.263.4184 info@lawrencekorindaarchitect.com	DRAWN BY: DMC DATE:
	<b>PROPOSED TOWNHOUSES</b> BLOCK 50410, LOTS 11 & 23 4 CLARK ST. DENVER, N.J.

2 of 6

EXHIBIT "D"

CERTIFICATE OF INCORPORATION

OF

ORCHARD STREET TOWNHOMES AT DENVILLE, INC.

**CERTIFICATE OF INC, (NON PROFIT)**

**ORCHARD STREET TOWNHOMES AT DENVILLE ASSOCIATION A NJ NONPROFIT CORPORATION**

0400754124

The above-named DOMESTIC NON-PROFIT CORPORATION was duly filed in accordance with New Jersey state law on 06/05/2015 and was assigned identification number 0400754124. Following are the articles that constitute its original certificate.

**1. Name:**

ORCHARD STREET TOWNHOMES AT DENVILLE ASSOCIATION A NJ NONPROFIT CORPORATION

**2. Registered Agent:**

ROBERT KOVACS

**3. Registered Office:**

11 COUNTRYSIDE DRIVE  
ROCKAWAY, NJ 07866

**4. Business Purpose:**

Community Association

**5. Method of electing Trustees as set forth herein:**

AS SET FORTH IN THE BYLAWS

**6. Asset Distribution:**

AS SET FORTH IN THE BYLAWS

**7. First Board of Trustees:**

ROBERT KOVACS  
11 COUNTRYSIDE DRIVE  
ROCKAWAY, NJ 07866  
  
CHRISTINE KOVACS  
11 COUNTRYSIDE DRIVE  
ROCKAWAY, NJ 07866  
  
ROSEMARY STONE-DOUGHERTY  
54 MAIN STREET  
CHATHAM, NJ 07928

**8. Incorporators:**

ROBERT KOVACS  
11 COUNTRYWIDE DRIVE  
ROCKAWAY, NJ 07866

**9. Main Business Address:**

11 & 13 ORCHARD STREET  
DENVILLE, NJ 07834

**Signatures:**

ROBERT KOVACS

**CERTIFICATE OF INC, (NON PROFIT)**

**ORCHARD STREET TOWNHOMES AT DENVILLE ASSOCIATION A NJ NONPROFIT  
CORPORATION**

0400754124



Certification# 136539252

Verify this certificate at  
[https://www1.state.nj.us/TYTR\\_StandingCert/JSP/Verify\\_Cert.jsp](https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp)

*IN TESTIMONY WHEREOF, I have  
hereunto set my hand and affixed my  
Official Seal at Trenton, this  
5th day of June, 2015*

*Andrew P Sidamon-Eristoff  
State Treasurer*

MASTER DEED

EXHIBIT "E"

By-Laws of Orchard Street Townhomes at Denville, Inc.