

MASTER DEED

FOR

COTTAGE STREET STATION COURT, A CONDOMINIUM

10 COTTAGE STREET

BERKELEY HEIGHTS, NJ

DATED:

RECORD & RETURN TO:

Corey Klein, Esq.
Hehl & Hehl
370 Chestnut Street
Five Points
Union, NJ 07083

Law Office
of
Martin D. Eagan
82 Maple Avenue
Morristown, NJ 07960



Received & Recorded Deed-1

Union County, NJ

1/31/2017 14:23

Joanne Rajoppi

County Clerk

Operator
BENITEZ

Inst# 282858

Consider.

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DB6169-0948

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OF
COTTAGE STREET STATION COURT, A CONDOMINIUM

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DB6169-0949

MASTER DEED

OF

COTTAGE STREET STATION COURT, A CONDOMINIUM

THIS MASTER DEED, made this 26 day of JAN, 2017, by Cottage Street Station Court Development LLC, having an address at 210 South Street, New Providence, NJ 07974 (hereinafter referred to as "Sponsor").

WHEREAS, The Sponsor is the owner of the fee simple title to those lands and premises in the Township of Berkeley Heights, County of Union and State of New Jersey, more particularly described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, said lands and premises include three (3) buildings in which are located eleven (11) residential condominiums and two (2) affordable housing units in addition to mechanical, storage, trash and utility meter areas, as more particularly shown on that certain survey map prepared by Yannaccone, Villa & Aldrich, LLC, Christopher J. Aldrich, N.J. Professional Land Surveyor, 460 Main Street, P.O. Box 459, Chester, NJ 07930, dated September 20, 2007, and attached hereto and made a part hereof as Exhibit "B"; and Floor Plans prepared by Robert E. Coleman, A.I.A., attached hereto and made a part hereof as "Exhibit "C".

WHEREAS, it is the intention of the Sponsor to establish the form of ownership of the Property as a condominium granted by the New Jersey Department of Community Affairs and the provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1, et seq., under the name of COTTAGE STREET STATION COURT, A CONDOMINIUM (hereinafter referred to as the "Condominium"); and

WHEREAS, the Sponsor has established or is about to establish the Cottage Street Station Court Condominium Association, Inc., A New Jersey non-profit corporation (hereinafter referred to as the "Association") as the condominium association for the administration, operation and management of the Condominium and other improvements intended for the common use and enjoyment of the residents of the Condominium; and

Prepared By:



Corey Klein, Esq.

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

THEREFORE, WITNESSETH:

Establishment of Condominiums. The Sponsor does hereby, submit, declare and establish in accordance with N.J.S.A. 46:8b-1 et seq. the condominium form of ownership described in Exhibit "A" and as more particularly shown on Exhibits "B" and "C" aforesaid.

1. Definitions

For the purpose hereof, the following terms shall have the following meanings unless the context in which same is utilized clearly indicates otherwise:

a. "Association" shall mean the Cottage Street Station Court Condominium Association, 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.

b. "Board" shall mean the board of directors 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, right 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.

c. "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 Exhibits "B" and "C", respectively.

d. "Certificate of Incorporation" shall mean the Certificate of Incorporation of the Cottage Street Station Court Condominium Association, 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.

e. "By-Laws" shall mean the By-Laws of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit "E", together with all future amendments or supplements thereto.

f. "Common Elements" shall mean "General Common Elements" and "Limited Common Elements".

g. "Common Expenses" shall, subject to the provisions of Paragraph 6 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 directors, officers, agents or employees in the lawful performance of their respective duties or powers.

h. "Condominium" shall mean (i) all the lands and premises which are submitted to the condominium form of ownership; (i) all improvements now or hereinafter constructed in, upon over or through such lands and premises; (iii) all rights, streets, roads, waters, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed.

i. "Condominium Act" shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and all applicable amendments and supplements thereto.

j. "Eligible Mortgage Holder" shall mean any holder of a first mortgage encumbering any Unit who has requested notice of certain matters from the Association.

k. "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 paragraph 4 hereof.

l. "Institutional Lender" shall mean any bank, mortgage, banker, savings and loan association or other financial institution or pension fund, which is the record owner of a first mortgage loan which encumbers any Unit.

m. "Lease" shall mean any agreement for the leasing or rental of any Unit of the Condominium.

n. "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 paragraph 4 hereof.

o. Language and definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth above shall be used in conjunction therewith.

p. "Master Deed" shall mean the Master Deed for the Cottage Street Station Court Condominium Association, together with all future amendments and supplements thereto which are recorded in the office of the Register of Union County.

q. "Member" shall mean all those Unit Owners who are Members of the Association as provided in Article VII of the Certificate of Incorporation and Article II of the By-Laws.

r. "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 Union County Register, 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".

s. "Permitted Mortgage" shall mean and refer to any mortgage lien encumbering a Unit held by a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency or any Eligible Mortgage Holder, or which is a purchase money mortgage held by the seller of a Unit, or any mortgage lien which is expressly subordinate to any existing or future common expense lien imposed against a Unit by the Association.

t. "Property" shall mean the Buildings, 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.

u. "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.

v. "Sponsor" shall mean and refer to Cottage Street Station Court Development LLC, or any successor to the Sponsor contemplated by Paragraph 27 of this Master Deed.

w. "Unit" shall mean a part of the Condominium designated and intended for independent ownership and use, having a direct exit to a public street or way or to a common element or common elements leading to a public street or way or to an easement or right of way leading to a public street or way, and including the proportionate undivided interest in the common elements and in any limited common elements assigned thereto in the master deed or any amendment thereof.

2. General Description of the Condominium

The Condominium will include the lands described in Exhibit "A" together with the Building and all other site improvements as shown on Exhibits "B" and "C" aforesaid, and includes all rights, privileges, water and appurtenances thereto belonging to the Building as shown on Exhibit "B". Each Unit is identified by a number which indicates the floor upon which each Unit is situated.

3. Description of the Units

a. The dimensions, areas and location of the Buildings and all of the aforesaid 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 the perimeter walls of each Unit and the floor and the ceiling of each Unit 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, and extending in every direction to the point where it closes with a side of such Unit.

Top: The top of each Unit is an imaginary plane along and coincident with the unfinished and unexposed surface of the gypsum board or other material which forms the uppermost ceiling of the Unit and

extending in every direction to the point where it closes with every side of such 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. Where no wall exists, the side is an imaginary vertical plane along and coincident with the exterior surface of the 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. Each Unit also includes all built-in appliances, fixtures, doors, 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 flooring tile, ceramic tile, finished flooring, carpeting and padding) and all other improvements located within such Unit described, which are exclusively appurtenant to such Units, although all or part thereof may not be located within the Unit, 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 systems as extends from the interior surface of the walls, floors or ceilings into the Unit; and

(ii) All electrical wires which extend from the interior surface of walls, floors or ceilings into the Units and fixtures, switches, outlets and circuit breakers; and

(iii) All utility meters not owned by the public utility agency supplying the service; and

(iv) All equipment, appliances, machinery, mechanical or other systems which serve the Unit exclusively whether or not same are located within or without 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 Institutional Lender for such Unit and the Board. None of the foregoing approvals shall apply to Sponsor prior to the initial conveyance of and Units (s) owned by it to another Unit Owner.

4. Description of General and Limited Common Elements

a. General Common Elements. All appurtenances and facilities and other items which are not part of the Units hereinbefore described or part of the Limited Common Elements hereinafter described in subparagraph 4b. shall comprise the General Common Elements as graphically shown on Exhibits "B" and "C" aforesaid. The General Common Elements shall also include by way of description but not by way of limitation:

(i) All land described in Exhibit "A" aforesaid, whether improved or unimproved; and

- (ii) All curbs and sidewalks, subject to the easements and provisions set forth in paragraph 8 hereof; and
- (iii) All Master antenna wiring which extends from the interior surface of the walls, floors, or ceiling into the unit. This item applies only if the Building is wired for a Master Antenna.
- (iv) Conduits, utility lines, if any, subject to the easements and provisions set forth in paragraph 8 hereof, backyard; and
- (v) Public connections and meters for gas, electricity, telephone and water not owned by the public utility or other agencies providing such services; and
- (vi) The roof, backyard, the foundations, footings, columns, girders, beams, supports, exterior or interior bearing or main walls and floors between units; and
- (vii) Exterior lighting and other facilities necessary to the upkeep and safety of the building and grounds; and
- (viii) Any easement or other right which may now or hereafter be granted for the benefit of the Unit Owner(s) or others for access to or use of the General Common Elements not included within the Condominium or for any other purpose; and
- (ix) All tangible personal property required exclusively for the operation, maintenance and administration of the Condominium which may be owned by the Association; and
- (x) 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. Trash areas, storage areas, mechanical areas, boiler areas, laundry area, hallways and stairways and Building exits and entrances; and

5. Estate Acquired; Determination of Percentage Interest,
Common Expenses and Voting Rights

a. The Owner of each Unit shall have such 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 "F" attached hereto and made a part hereof. The percentages shall remain fixed. The percentage interest of each Unit is set forth in Exhibit "F" and shall be used to allocate the division of proceeds, if any, resulting from (i) casualty loss or eminent domain proceedings which affect any portion of the property within the Condominium or (ii) any disposition of the physical assets of the Association.

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

c. The voting rights of Unit Owners in the association shall be based upon one (1) vote for each Unit.

6. Maintenance and Capital Improvement Assessments, Lien for Assessment

a. It shall be an affirmative and perpetual obligation of the Board to fix Common Expense Assessments in an amount at least sufficient to maintain the exterior of the 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 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.

b. Annual Common Expense Assessments shall be made for an annual period to be determined by the Board and shall be payable in monthly installments due on the first day of each month. The Board shall cause to be prepared annually at least thirty (30) days in advance of the due date of the first 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 Assessments shall be sent by mail or delivered to every Unit Owner, as more particularly described in Article III of the By-laws.

c. In the event the annual Common Expense Assessment proves to be insufficient, the budget and assessment may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency.

d. In addition to the annual Common Expense Assessments hereinbefore authorized, the Board may levy in any assessment year, a Special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common property including the necessary furniture, fixtures, equipment and other personal property related thereto, or for other lawful purposes. The due date(s) of any Special Assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing such Special Assessment.

e. 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 such sums, by way of Annual or Special Common Expense Assessments are contemplated herein or in the By-Laws. Upon the conveyance of title to a Unit, the portion of the then current Annual Assessment payable by the new Unit Owner shall be an amount which bears the same relationship to the

Annual 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 is liable shall be immediately due upon the closing of title to the purchaser.

f. The Association shall, upon the request of any Unit Owner liable for a Common Expense Assessment, or of the Institutional Lender for any Unit, furnish to such Unit Owner or Institutional Lender, a certificate in writing, signed by an officer of the Association, setting forth whether or not such Common Expense Assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any Common Expense Assessments therein stated to have been paid. Unit Owners cannot rely on said certificate.

g. No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each such 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 the Common Expense Assessment fell due and of each subsequent record owner of such Unit, except as otherwise contemplated by subparagraph 24i. of this Master Deed together with such interest thereon as may be permitted by law and cost of collection thereof (including reasonable attorney's fees). Liens for unpaid Common Expense Assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid Common Expense Assessments may be maintained without waiving the lien securing the same.

h. The declaration or its equivalent shall describe the authority of the owners association to levy and enforce the collection of general and special assessments for common expenses and shall describe adequate remedies for failure to pay such common expenses. The common expenses assessed against any unit, with interest, costs and reasonable attorney's fees shall be a lien upon such unit in accordance with applicable law. Each such assessment, together with interest, costs, and attorney's fees shall also be the personal obligation of the person who was the owner of such unit at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them, or required by applicable law.

Common expenses as used in this Statement of Policies shall mean expenditures made or liabilities incurred by or on behalf of the owners association, together with any assessments for the creation and maintenance of reserves.

i. To the extent permitted by applicable law, HUD, VA, FNMA and FHLMC require that the declaration shall provide any lien of the owners association for common expense charges and assessments becoming payable on or after the date of recordation of the first mortgage, shall be subordinate to the first mortgage on the unit. Such a lien for common expense charges and assessments shall not be affected by any sale or transfer of a unit, except that a sale or transfer of a unit pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for common expense charges and assessments which became payable prior to such sale or transfer. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchase or transferee of a unit from liability for, nor the unit so sold or transferred from the lien of, any common expense charges thereafter becoming due.

7. Common Expenses; Responsibilities of Owners; Damage Due to Negligence

a. The Annual Common Expense Assessments 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; landscaping of common property; the maintenance and repair of the exterior and roofs of the buildings, including but not limited to cleaning and painting of the exterior surfaces and finishes; maintenance, repair and replacement of the common elements or any other improvements on the property; payment of 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. 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 Common Expense.

b. Each Unit Owner shall promptly furnish, perform and be responsible for, at his own expense, all maintenance, repairs and replacements within his own Unit, provided, however: (i) such maintenance, repairs and replacements as may be required for the functioning of the common plumbing, heating, mechanical, electrical and water supply systems within the Building shall be furnished by the Association; and (ii) the Association, its agents and employees may effect emergency or other necessary repairs which the Unit Owner has failed to perform; but any and all expenses incurred pursuant to the foregoing provisions shall be the responsibility of the Unit Owners affected thereby. Except as hereinbefore provided, maintenance, repairs and replacements of the plumbing fixtures and systems, window, doors, balconies, electrical wiring and receptacles, kitchen appliances and equipment, and lighting fixtures within any Unit which are not common shall be the Unit Owner's responsibility at its sole cost and expense, and if the Unit Owner fails to perform such work the Association may do so on the Unit Owner's behalf and charge the reasonable expenses thereof to the Unit Owner. Maintenance, repair, replacement, cleaning and washing of all wallpaper, paint, paneling, floor covering, draperies and window shades or curtains within any Unit shall also be the Unit Owner's responsibility at its sole cost and expense.

c. If, due to the negligent act or omission of or misuse by a Unit Owner, or a member of his 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) owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, the Unit Owner so responsible shall pay for such damage and be liable for any damages, liability, costs and expense, including attorney's fees, caused by or arising out of such circumstances; and such maintenance, repairs and replacements to the General or Limited Common Elements or the Unit(s) shall be subject to the By-Laws and the Rules and Regulations.

8. Easements

a. Every Unit Owner, his successors and assigns, shall have the following perpetual easements with respect to the Property:

(i) 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 nature and the elements; and

(ii) 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 a result of condemnation or eminent domain proceedings so that any such encroachment may remain undisturbed as long as the building stands; and

(iii) A non-exclusive easement for ingress and egress to his Unit in, upon, under, over, across, and through the General Common Elements; and

(iv) An exclusive easement to use and enjoy the surfaces of the main walls, (including windows, doors, chimneys or stoops therein), ceilings and floors contained within his Unit; and

(v) An easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines, television systems, master antenna facilities or other General Common Elements located within any of the other Units or Common Elements and serving his Unit; and

(vi) A perpetual and non-exclusive easement in, over and through the General Common Elements to use the driveways, walks and other common facilities subject to the right of the Board to:

(A) promulgate Rules and Regulations for the use and enjoyment thereof; and

(B) 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.

b. Sponsor, its 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 the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units or the Common Elements, for a period no more than two (2) years from the date of recording of this Master Deed or until the last unit is sold whichever is earlier.

In addition, Sponsor hereby reserves 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 reasonably

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; and

(ii) 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.

c. The Property shall also be subject to the following easements:

(i) The Association shall have a perpetual exclusive easement for the maintenance of any common elements, including those which presently or may hereafter encroach upon a Unit; and

(ii) 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 (A) to inspect same (B) to remedy any violations of the provisions of this Master Deed, the By-Laws or any Rules and Regulations of the Association, and (C) to perform any operations required in connection with the maintenance, repairs or replacements of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not; and

(iii) Any Institutional Lender, 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 of 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; and

(iv) A blanket, perpetual and non-exclusive easement, in, upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair and 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;

9. By-Laws and Administration; Changes in Documents;
Power of Attorney

a. The administration 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, this Master Deed, the Certificate of Incorporation, the By-Laws, the Rules and Regulations and of 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 or by any governmental or

quasi-governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor to insure title to any Unit(s). Sponsor hereby reserves for itself, its successors and assigns for a period of two (2) years from the date the first Unit is conveyed to an individual purchaser, or until Sponsor 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 agreement, documents, amendments or supplements to the above described documents which may be so required by any such Institutional Lender, governmental or quasi-governmental agency or title insurance company. Any document, amendment or supplement 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 increases the financial obligations of the Unit Owner or reserves any additional or special privileges shall not 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); or if such agreement, document, amendment or supplement adversely affects the priority or validity of any mortgagees which encumbers any Unit, without prior written consent of the owners of all such mortgages.

b. By acceptance of a deed to any Unit or by the acceptance 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 (i) Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended or supplemental Master Deed(s) and other instrument(s) necessary to effect the foregoing subject to the limitations set forth above in the preceding paragraph, and (ii) the Association as attorney-in-fact 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 not to vote the votes appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Unit so leased by the Association.

c. 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 powers of attorney shall not be affected by the death or disability of any principal and are intended to deliver all right, title and interest of the principal in and to said powers. Said powers of attorney shall be vested in the Sponsor, its successors and assigns until same effectuate the initial conveyance of all Units. Thereafter, said powers of attorney shall automatically vest in the Association to be exercised by its Board of Directors.

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

10. Restrictions

a. No Unit shall be used for any purpose other than as a private residence and/or as a home profession, as long as same is permitted by the Berkeley Heights Zoning Ordinance.

b. There shall be no obstruction of the Common Elements nor shall anything be temporarily or permanently placed upon, stored in or affixed to the Common Elements without the prior written consent of the Board or unless expressly permitted by the Rules and Regulations. In addition, the use by a Unit Owner of any designated storage area which is part of the General Common Elements shall be prescribed by the Rules and Regulations.

c. Domestic animals are allowed however the Unit Holder shall have to abide by the Municipal Sanitary Regulations if he 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, garbage or other waste shall be kept in sanitary containers within the Condominium for weekly or more frequent collections.

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. The owner of each Unit, regardless of type, shall not cause or permit any clothes, sheets, blankets or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills or walls of the property and no signs, awnings, grills, fence, canopies, shutters, or radio or television antenna or aerial shall be erected or installed in or upon the Common Elements or any part thereof without the prior consent of the Board. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building. Each Unit Owner is responsible to promptly report to the Board any defect or need for repairs, 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 or thing 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. Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows of his Unit and also the front door.

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

k. 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 owners shall be subject to this Master Deed, the By-Laws and the Rules and Regulations of the Association.

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

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

n. No unlawful use shall be made of any Unit; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction there over shall be observed.

o. Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Building or which will structurally change any Building. No Unit Owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his Unit or in or to the Common Elements, without the prior written approval of the Board or impair any easement without the prior written approval of the Board or the Covenants Committee, as appropriate. Despite the foregoing, while the Sponsor maintains a majority on the Board of Directors, it shall make no additions, alterations, improvements or purchases which would necessitate a Special Assessment or a substantial increase in the monthly Common Expense Assessment unless required by a governmental agency, title insurance company, Institutional Mortgage Lender or in the event of an emergency. The Board or the Covenants Committee, as appropriate, shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement to his Unit within forty-five (45) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Such denial will not prejudice a unit owner's right to reapply. 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 or Covenants Committee, as appropriate, and, if approved shall be executed by the Board or Covenants Committee, as appropriate 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 Owners shall furnish the Board or the Covenants Committee as appropriate with a copy of any such permit which he has procured. The provisions of this subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor. Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicap use.

p. Draperies, blinds, curtains or other window coverings must be installed by each Unit Owner on all windows of his Unit and must be maintained in said windows at all times.

q. The Common Elements shall be used only for the furnishing of the services and facilities for

which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.

r. (i) Except as hereinafter provided, no Unit shall be leased by the Owners thereof (except as 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 proceeding or otherwise utilized for transient or hotel purposes, which shall be defined as (A) rental for any period less than twelve (12) months; or (B) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry and linen, and bellboy service. Despite the foregoing, any Unit Owner, including Sponsor, may rent a Unit for any period of less than twelve (12) months to any bona fide contract purchaser thereof. No Unit Owner may lease less than an entire Unit.

(ii) Other than the foregoing obligations, the Unit Owners shall have the right to lease same provided that said Lease is in writing and made subject to all provisions of this Master Deed, the By-Laws of the Association and other documents referred to herein, including the right of amendment reserved to Sponsor herein and provided further that any failure of the Lessee to fully comply with the terms and conditions of such documents shall constitute a default under the lease.

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

s. No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a permitted first mortgage. 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.

t. All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided by the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the Common Elements.

u. Each Unit Owner shall pay for his own telephone, and other utilities, which are separately metered or billed to each used 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 Expense.

v. No clothes poles, lines or clothes trees shall be installed or maintained, nor shall any laundry or other thing be hung out to dry outside of any Unit.

w. The Board shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring lawsuits to enforce the Rules and Regulations so promulgated. The Covenants Committee of the Board whichever is applicable shall further have the right to levy fines for violation which may not, under any circumstances, exceed \$250.00. Each day that a violation continues after receipt of a notice by a Unit Owner shall be considered a separate violation, and should be treated 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.

11. Obligations of Sponsor

Until the Association makes an assessment for common expenses, the developer will pay all of the expenses of the common areas and facilities. When the association has made a common expense assessment, the assessment will be assessed against the units individually owned and under development in proportion to the benefit derived by the unit from the items included in the budget. This means that every unit owner will pay the full common expense assessment from the day the unit owner owns the unit, except that the developer, in lieu of the full assessment, will pay the difference between the total amount assessed and due from unit owners other than the developer and the actual amount of operating expense incurred during the association's fiscal year end budget. Any expenses incurred beyond budgeted amounts shall be borne equally by all units, either existing or under development. The developer will also pay the amount of reserves for replacement assessed against each unit for each unit owned by the developer with a certificate of occupancy, and, if the units are attached, for each unit in each building for which at least one certificate of occupancy has been issued.

12. No Partition

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

13. 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 owned by it and shall be entitled to that number of votes equal to the total number of Units within the Condominium which have been conveyed to the individual purchasers.

14. 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 provisions of this Master Deed, the Certificate of Incorporation, By-Laws, Rules and Regulations or any other documents, amendments or supplements to the foregoing as described in paragraph 10 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 against 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.

15. Damage or Destruction to Property

If any Building, any improvement or Common Element 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 following:

a. If the insurance proceeds derived from such loss amount of \$200,000 or less, then 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 sliding scale arrangement for compensation to the contractors.

b. If the insurance proceeds derived from such loss exceed \$200,000, all such insurance proceeds shall be paid directly to an Insurance Trustee as may be designated by the Board, as Trustee for all Institutional and Other Lenders holding first mortgages on any portion of the Property, and all Unit Owners as their interests may then appear. Insurance Trustee shall not be the Sponsor.

Disbursement of such funds shall be made only upon the signatures of a majority of the Members of the Board.

(i) 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.

(ii) The Board shall enter into said contract with a 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 certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board.

(iii) The Board shall employ a licensed architect to supervise the repair and rebuilding to 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.

c. If the damage is only to those parts of a Unit for which the responsibility for 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 have been obtained by the Association shall be made available for such purpose. Subject to the provisions of this Master Deed, in all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

d. 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 whose Units were damaged or destroyed, in sufficient amounts to provide funds for the payment of such costs. Despite anything to the contrary in this Master Deed or By-Laws, such assessments shall be in proportion to the Unit Owner's Percentage Interest in the Common Elements. The foregoing provisions of this subparagraph are applicable to the repairs and reconstruction to be undertaken by the Association and do not cover damages 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 if there is a mortgage endorsement as to such Unit, then to the Unit Owner and mortgagee, jointly.

e. 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.

f. 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 Institutional Lender(s), as their interests may appear, for application to the appropriate mortgage

indebtedness with the excess, if any, paid to the appropriate Unit Owners, all in accordance with N.J.S.A. 46:8B-24.

16. Eminent Domain

a. 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. Any awards made in connection with such proceedings shall be collected by the Association and applied or distributed by it in accordance with the following, unless the award or decree provides to the contrary:

(i) Upon acquisition by the condemning authority, unless the decree provides otherwise or the Unit remains habitable, each affected Unit's entire Percentage Interest and its liability for payment of Common Expenses shall be automatically reallocated to the remaining Units on the same basis as such Percentage Interest and Common Expense liability were initially established pursuant to paragraph 6 of this Master Deed and the Association shall promptly prepare, execute and record an amendment to the Master Deed reflecting the reallocations. 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; and

(ii) In the case of a Unit(s) which remains habitable after condemnation, upon acquisition by the condemning authority, unless the decree provides otherwise, (1) the Percentage Interest of each affected Unit which remains habitable and its liability for payment of Common Expenses shall automatically be reduced in proportion to the reduction in square footage of each such Unit as compared with the aggregate square footage of all Units before the taking; and (2) the portion of Percentage Interest and Common Expense liability divested from the acquired Unit(s) shall be automatically reallocated to the remaining Unit(s) on the same basis as such Percentage Interest and Common Expense liability were initially established pursuant to paragraph 5 of the Master Deed, with the partially acquired Units participating in the reallocation on the basis of their reduced Percentage Interest and liabilities; and

(iii) If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Association and unless the decree provides otherwise, 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 on an equitable basis.

(iv) If all of the Common Elements are acquired by eminent domain, the award must be paid to the Association and unless the decree provides otherwise, the Association shall divide the award among all Unit Owners in accordance with their respective Percentage Interest in the Common Elements.

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

17. Insurance

Type and Scope of Insurance Coverage Required

(i) Insurance for Fire and Other Perils

The owners association is required either to obtain, maintain, and pay the premiums upon, as a common expense, a "master" or "blanket" type policy of property insurance covering all of the common elements, (except land, foundation, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the common elements of the condominium, building service equipment and supplies, and other common personal property belong to the owners association. All references herein to a "master" or "blanket" type policy of property insurance, are intended to denote single entity condominium insurance coverage. In addition, any fixtures, equipment or other property within the units which are to be financed by a mortgage to be purchased by FNMA or FHLMC (regardless of whether or not such property is a part of the common elements) must, by the terms of the declaration or equivalent document, be required to be covered in such "blanket" or "master" policy. The declaration or other appropriate constituent document of the condominium must contain a clear delineation of all property which is to be covered by such policy. For the purposes hereof, the term "limited common elements" shall have the meaning described by any applicable law of the jurisdiction or as defined in the declaration or other constituent document of the condominium.

Such policy must be constituent with state and local insurance laws and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area in which the condominium is located. The policy shall be in an amount equal to 100% of current replacement cost of the condominium exclusive of land, foundation, excavation and other items normally excluded from coverage.

The policies may also be issued in the name of an authorized representative of the owners association, including any insurance trustee with whom the association has entered into an Insurance Trust Agreement, or any successor trustee, as insured, for the use and benefit of the individual owners. Loss payable shall be in favor of the owners association (or Insurance Trustee), as a trustee, for each unit owner and each such owner's mortgagee. The owners association or insurance trustee, if any, must be required to hold any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear. Each unit owner and each unit owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership or in an amount determined pursuant to a reasonable formula prescribed in the declaration or appropriate exhibit thereto. Certificates of insurance shall be issued to each unit owner and mortgagee upon request. Such policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area in which the property is located and which appropriately names FNMA and FHLMC if such corporations are holders of first mortgages on units within the condominium. Such policies must also provide that they may not be cancelled or substantially modified, without at least 10 days' prior written notice to the owners association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies.

Policies are unacceptable where: (i) under the terms of the insurance carrier's charter, by-laws, or policy, contributions or assessments may be made against borrowers, FNMA, FHLMC, or the designee of FNMA

or FHLMC; or (ii) by the terms of the carrier's charter, by-laws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members, or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA, FHLMC, or the borrowers from collecting insurance proceeds.

The policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against unit owners individually; that the insurance is not prejudiced by any act or neglect of individual unit owners which is not in the control of such owners collectively; and that the policy is primary in the event the unit owner has other insurance covering the same loss. The requirements stated in this paragraph are generally provided by the insurer in the form of a "Special Condominium Endorsement" or its equivalent.

The insurance policy shall afford, as a minimum, protection against the following:

- (1) loss or damage by fire and other perils normally covered by the standard extended coverage endorsement;
- (2) in the event the condominium contains a steam boiler, loss or damage resulting from steam boiler equipment accidents in an amount not less than \$50,000 per accident per location (or such greater amount as deemed prudent based on the nature of the property);
- (3) all other perils which are customarily covered with respect to condominium similar in construction, location and use, including all perils normally covered by the standard "all-risk" endorsement, where such is available.

In addition, FNMA requires that such policies include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement". FHLMC requires the foregoing endorsements only if they are available and are commonly required by prudent institutional mortgage investors in the area in which the condominium is located. FNMA and FHLMC may also require, on an individual case basis, construction code endorsements (such as Demolition Cost Endorsement, a Contingent Liability from Operation of Building Laws Endorsement and an Increased Cost of Construction Endorsement) if the condominium is subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the condominium by an insured hazard.

(ii) Liability Insurance

The owners association must be required either by the terms of the declaration (or other appropriate constituent document of the condominium) or by applicable law, to maintain comprehensive general liability insurance coverage covering all of the common elements, commercial space owned and leased by the owners association, and public ways of the condominium project. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location, and use. However, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence, with the exception that FHLMC does not require coverage in such amount if the condominium consists of 30 or fewer units. Coverage under this policy shall include, without limitation, legal liability of the insured for property damage, bodily injuries and

deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the owners association. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least 10 days' prior written notice to the owner's association and to each holder of a first mortgage on any unit in the condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. FNMA and FHLMC may also require such coverage to include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance.

(iii) Flood Insurance

FNMA and FHLMC will not purchase any mortgage secured by a condominium property located in an area which has been identified by the Secretary of Housing and Urban Development as having special flood hazards (by publication in the Federal Register of a Flood Insurance Boundary Map or Insurance Rate Map) for which flood insurance is not available because the community in which the condominium is located is ineligible for participation in the National Flood Insurance Program, except for any mortgage which was closed prior to July 1, 1975 or is closed within one year following the publication of the Flood Hazard Boundary Map, whichever is later.

Where the condominium is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program (NFIP), the owners association must be required by the terms of the declaration or other appropriate constituent documents of the condominium to obtain and pay the premiums upon, as a common expense, a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy (herein insurable property), in an amount deemed appropriate by the owners association, but not less than the following:

The lesser of: (a) the maximum coverage available under the NFIP for all buildings and other insurable property within the condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) 100% of current replacement cost of all such buildings and other insurable property within such area.

Such policy shall be in a form which meets the criteria set forth in the most current Guidelines on the subject issued by the Federal Insurance Administrator.

(iv) Fidelity Bonds

By the terms of the declaration or other appropriate constituent document of the condominium, blanket fidelity bonds shall be required to be maintained by the owners association for all officers, directors, and employees of the owners association and all other persons handling, or responsible for, funds of or administered by the owners association. Where the management agent has the responsibility for handling or administering funds of the owners association, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the owners association. Such fidelity bonds shall name the owners association

as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the owners association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bond be less than a sum equal to 3 months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the owners association as a common expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 10 days' prior written notice to the owners association or Insurance Trustee. The Federal National Mortgage Association also requires, as a condition to approval of condominium projects, that such bonds provide that the FNMA Servicer, on behalf of FNMA, also, receive such notice of cancellation or modification. Fidelity bond coverage is not required for condominiums consisting of 30 or fewer units.

(a) Insurance Trustees; Power of Attorney

The declaration or other appropriate constituent document of the condominium shall provide that, notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the owners association, the owners association's authorized representative, including any trustee with whom such owners association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. Where appropriate under applicable law, the declaration shall contain a provision whereby each unit owner appoints the owners association, or any Insurance Trustee or substitute Insurance Trustee designated by the owners association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

(b) Qualifications of Insurance Carriers

FNMA and FHLMC reserve the right to set standards and qualifications for insurance carriers. The declaration shall require the owners association to use generally acceptable insurance carriers. Reference should be made to the FNMA Conventional Home Mortgage Selling Contract Supplement and the FHLMC Sellers Guide for specific requirements regarding the qualifications of insurance carriers.

(c) Condemnation and Total or Partial Loss or Destruction

The following provisions contain the requirements of FNMA regarding condemnation and total or partial loss or destruction of the condominium property.

The owners association shall represent the unit owners in the condemnation proceedings or in

negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Where appropriate under applicable law, the declaration should contain a provision whereby each unit owner appoints the owners association as attorney-in-fact for such purpose. The declaration may provide for the appointment of a Trustee to act on behalf of the unit owners, in carrying out the above functions, in lieu of the owners association.

In the event of a taking of acquisition of part or all of the common elements by a condemning authority, the award or proceeds of settlement shall be payable to the owners association, or any Trustee, to be held in trust for unit owners and their first mortgage holders as their interests may appear.

A reasonable method for dealing with any total or partial loss or destruction of the condominium property, and with any total or partial condemnation of such property, must be provided in the declaration or other appropriate constituent document of the condominium or applicable law.

18. Amendment of Master Deed

This Master Deed may be amended at any time after the date hereof by a vote of at least fifty-one (51%) percent of the total votes of all Members of the Association 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 shall comply with the provisions of paragraph 24. The Sponsor shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending the Master Deed, 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. No amendment shall be effective until recorded in the Office of the Register of Union County, New Jersey. This paragraph is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor pursuant to paragraph 9 hereof. In the alternative, an amendment may be 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 Union County, New Jersey.

No amendment shall impair or adversely affect the rights of the Sponsor or cause the Sponsor 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 for capital improvements.

19. Enforcement and Arbitration

a. Enforcement of this Master Deed shall be by any arbitration provided for in this Master Deed shall be conducted before one arbitrator in Union County, New Jersey by the American Arbitration Association, in accordance with its rules then obtaining and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. All expenses of arbitration hereunder including the fees and expenses of counsel and experts shall be Common Expenses.

b. In the event the Condominium is not maintained in reasonable order and condition, the Township

of Berkeley Heights shall have the right to enter upon and maintain the Condominium in accordance with the procedures set forth in N.J.S.A. 40:55D-43(b), and despite any limitations as to the applicability of such statutory provisions to "open space". 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 Berkeley Heights in the manner provided by law with respect to real estate taxes assessed directly against each such Unit.

20. 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.

21. 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.

22. Ratification, Confirmation and Approval of Agreements

The fact that some or all of the officers, directors, Members or employees of the Association and the Sponsor may be identical, and the fact that the Sponsor or its nominees, have heretofore or may hereafter enter into agreement 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 therefor 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 By-Laws.

23. Rights Reserved To Sponsor

Despite anything to the contrary herein or in the Certificate of Incorporation or By-Laws of the Association, Sponsor hereby reserves for itself, its successors and assigns, for so long as it owns one or more Units in the Condominium, the right to sell, lease, mortgage, sublease or otherwise dispose of any unsold Units within the Condominium.

24. Protective Provisions for the Benefit of Eligible Mortgage Holders

Despite anything to the contrary in this Master Deed or the By-Laws or Certificate of Incorporation, the provisions herein shall apply with respect to each Eligible Mortgage Holder.

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

- (i) voting rights;
 - (ii) reserves for maintenance, repair and replacement of Common Elements;
 - (iii) responsibility for maintenance and repairs;
 - (iv) reallocation of interests in the General Common Elements or rights to their use;
 - (v) boundaries of any Unit;
 - (vi) convertibility of Units into Common Elements or vice versa;
 - (vii) expansion or contraction of the Condominium or the addition, annexation or withdrawal of land to or from the Condominium;
 - (viii) insurance or fidelity bonds;
 - (ix) leasing of Units;
 - (x) a decision by the Association to establish self-management rather than professional management.
-
- (xi) restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;
 - (xii) any action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs; or
 - (xiii) any provisions that expressly benefit Eligible Mortgage Holders.

b. The prior written approval of at least sixty-seven (67%) percent of the eligible Mortgage Holders is required before the effectuation of any decision by the Unit Owners to terminate the legal status of the Condominium as a Condominium for reasons other than substantial destruction or condemnation of the Property.

c. Any Eligible Mortgage Holder 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 notice 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.

d. Any Eligible Mortgage Holder shall be entitled to timely written notice of:

(i) 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

(ii) any sixty (60) day delinquency in the payment of Common Expense assessment installments or other assessments or charges owed to the Association by a Unit Owner of any Unit for which the Eligible Mortgage Holder holds a mortgage; and

(iii) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(iv) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

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

f. Any lien the Association may have on any Unit in the Condominium for the payment of Common Expense assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any first mortgage on the Unit held by an Eligible Mortgage Holder and recorded prior to the date any such Common Expense assessment became due.

g. Any Eligible Mortgage Holder shall upon 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 Master Deed, Certificate of Incorporation, By-Laws and Rules and Regulations, and any respective amendments thereto.

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

i. Any Eligible Mortgage Holder that obtains title to a Unit as a result of foreclosure of the first mortgage, 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.

j. Any management agreement for the Condominium will be terminable by the Association with or without cause upon thirty (30) days' prior to written notice thereof, and the term of any such agreement shall not exceed one year.

k. Despite the absence of any express provision to such effect in the mortgage instrument, in the event that there is any default in the payment of any installment of a Common Expense assessment with respect to any Unit, either regular or special any Eligible Mortgage Holder holding a mortgage which encumbers such Unit shall be entitled to declare such mortgage in default in the same manner that is permitted by such mortgage with respect to any default in the payment of real estate taxes.

25. 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, administrators, and personal representatives, except that the covenants and restrictions set forth in paragraph 10 shall have an initial term of forty years from the date this Master Deed is recorded in the Office of the Union County Register, the end of which period such covenants and restrictions shall automatically be extended for successive periods of ten (10) years each, unless at least two-thirds (2/3) of the Unit Owners at the 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.

26. Rule Against Perpetuities

If any provision of this Master Deed, or the By-Laws shall be interpreted to constitute a violation of the rule against perpetuities, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Dave Matthews, leader of the Dave Matthews Band, plus twenty-one (21) years thereafter.

27. Transfer of Special Sponsor's Rights

a. No special rights created or reserved to the Sponsor 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 Union County, New Jersey. The instrument shall not be effective unless executed by the Transferee.

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

(i) 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.

(ii) 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.

(iii) A transferor who retains no such Special Sponsor Rights has no liability for any act or omission 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.

c. 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.

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

(i) The Sponsor ceases to have any Special Sponsor Rights; and

(ii) The period of Sponsor control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Rights to a successor to Sponsor.

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

(i) A successor to all such Special Sponsor Rights who is an affiliate of the Sponsor is subject to all obligations and liabilities imposed on any Sponsor by law or by the Master Deed.

(ii) A successor to all such Special Sponsor Rights, or other than a successor described in paragraphs (iii) or (iv) hereof who is not an affiliate of Sponsor, is subject to all obligation and liabilities imposed upon Sponsor 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 or made before the Condominium was created, or for a breach of fiduciary obligation by any previous Sponsor.

(iii) A successor to only a Special Sponsor Right to maintain models, sales offices and signs, if he is not an affiliate of Sponsor, may not exercise any other Special Sponsor Right, but is not subject to any liability or obligation as a Sponsor.

(iv) A successor to all Special Sponsor Rights who is not an affiliate of Sponsor and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under subparagraph "c" aforesaid, 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 rights, that successor may not exercise any of those rights is void. So long as a successor may not exercise Special Rights under this subparagraph 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.

f. Nothing in this paragraph subjects any successor to a Special Sponsor Right to any claims against or other obligations of a transferor other than claims and obligations arising under the Master Deed.

g. Any successor Sponsor must register with Department of Community Affairs.

28. Invalidity

The invalidity of any provision of this Master Deed, the Certificate of Incorporation, or By-Laws of the Association shall not be deemed to impair or affect in any manner the validity or enforceability or affect the remainder of this Master Deed or said By-Laws and in such event all of the other provisions of this Master Deed and said By-Laws shall continue in full force as if such invalid provisions had never been included.

29. Exhibits

Attached hereto and made a part hereof are the following Exhibits:

Exhibit "A"	Metes and Bounds Description of the Property
Exhibit "B"	Survey Map of Property
Exhibit "C"	Floor Plans of Units and Common Elements of Building By Robert E. Coleman
Exhibit "D"	Certificate of Incorporation of the Cottage Street Station Court Condominium Association, Inc.
Exhibit "E"	By-Laws of the Cottage Street Station Court Condominium Association, Inc.
Exhibit "F"	Schedule of Percentage Interest in Common Elements

MASTER DEED

EXHIBIT #A

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

DB6169-0980

**First American
Title Insurance Company****SCHEDULE C****DESCRIPTION**

Policy Number: 106317053 NJO

File Number: ATA-20213

ALL that certain tract or parcel of land, situated, lying and being in the Township of Berkeley Heights, County of Union, State of New Jersey, more particularly described as follows:

BEING known and designated as Lot 1 in Block 114 as shown and designated on a certain map entitled "Final Map Summit Park" Township of Berkeley Heights, Union County, N.J., made Aurhammer Associates, Inc., C.E., L.S., dated September 19, 1973, revised December 12, 1973 and filed in the Union County Register's Office on March 15, 1974 as Map No. 690-C.

BEING further described as follows in accordance with a survey prepared by Yannacone, Villa & Aldrich, LLC, dated September 10, 2007:

BEGINNING at a nail & disc set at the most westerly corner of said Lot 1 as shown on the aforementioned filed map, in the northeasterly right-of-way line of Cottage Street, and from said point of beginning runs:

(1) North 53 degrees 35 minutes 00 seconds East 166.83 feet to an iron pipe; thence

(2) Along the southerly right-of-way line of New Jersey Transit, 202.24 feet along the arc of a curve to the right having a radius of 2,814.93 feet, a central angle of 4 degrees 06 minutes 59 seconds and a chord bearing South 78 degrees 24 minutes 29 seconds East 202.20 feet to an iron pipe; thence

(3) Along a line dividing said filed map Lot 1 (Tax Lot 8) and filed map Lot 1-1 (Tax Lot 7.03), South 38 degrees 45 minutes 00 seconds West 311.09 feet to an iron pipe in the northeasterly right-of-way line of Cottage Street; thence

(4) Along said northeasterly right-of-way line, 29.96 feet along the arc of a curve to the right having a radius of 325.00 feet and a central angle of 5 degrees 16 minutes 54 seconds; thence

(5) Continuing along said northeasterly right-of-way line, North 36 degrees 25 minutes 00 seconds West 200.01 feet to the point and place of BEGINNING.

NOTE: Being Lot(s) Lot: 8, Block: 1301. Tax Map of the Township of Berkeley Heights, County of Union, State of New Jersey.

NOTE: Lot and Block shown for informational purposes only.

MASTER DEED
EXHIBIT #B
SURVEY MAP OF PROPERTY

DB6169-0982

NEW JERSEY TRANSIT
R-2814.95
7/24/2007



COTTAGE STREET
(50' WIDE R.O.W.)

RECEIVED 8/2/07 - ADD REAR SECTIONS
REVISED 8/1/07 - CORRECTIONS & ENHANCEMENT

1. THIS SURVEY IS VALID ONLY WHEN EMPOWERED SEAL IS AFFIXED HERETO.
2. THE CORPORATION SHOWN HEREON IS NOT TRANSFERRED TO ANOTHER INSTITUTION OR SUBSEQUENT OWNERS.
3. THIS SURVEY IS SUBJECT TO SUCH FACTS AS AN ADDRESS TITLE SEARCH MAY DISCLOSE.
4. THIS SURVEY MAY NOT BE USED BY PERSONS THAT ARE NOT THE SAME PERSONS WHO OBTAINED THE SURVEY. THIS SURVEY IS VALID FOR THE PERSONS WHO OBTAINED THE SURVEY AS SHOWN HEREON. NAME, ADDRESS, ETC.

1. Матрица смежности

TO THE FOLLOWING PARTIES THAT I AM A PROFESSIONAL LAND SURVEYOR LICENSED TO PRACTICE IN THE STATE OF NEW JERSEY AND THAT THIS PLAN IS BASED UPON MY ACTUAL FIELD SKETCH PERFORMED UNDER MY MAJORITARY SUPERVISION. I FURTHER DECLARE THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THIS PLAN IS A CORRECT AND ACCURATE REPRESENTATION OF CONDITIONS EXISTING AS OF THE DATE HEREON.

CONTRICE, INC. ASSOCIATES, LLC
FIRST CLASSICALLY INSURED COMPANY
ADVANTAGE TRULY ASSURES
CONVENEES OWN IN A CO. OF ITS SUCCESSORS OR ASSIGNS
OF THEIR INTERESTS AND APPOINT
MUTUALITY SUCCESSORS COULD OWNERS & INSURANCE, PC;
OVER 7. ALIENS, INC.

REINWOLDT, WELLS & ALDRICH, LLC

400 MAIN STREET, P.O. BOX 459
CHESTER, NEW JERSEY 07930
PHONE 908-879-8816
FAX 908-879-8591

SUMMARY OF

LOT 8 ~ BLOCK 1301
TOWNSHIP OF BERKELEY HEIGHTS
UNION COUNTY, NEW JERSEY

CHRISTOPHER J. ALDRICH
9/20/07
DATE

PROFESSIONAL LAND SURVEYOR NO. 34418	SCALE:	F.B.
--------------------------------------	--------	------

SE-1 10, 2007	1" = 40'	734/104
SE-2 10, 2007	1" = 40'	734/104

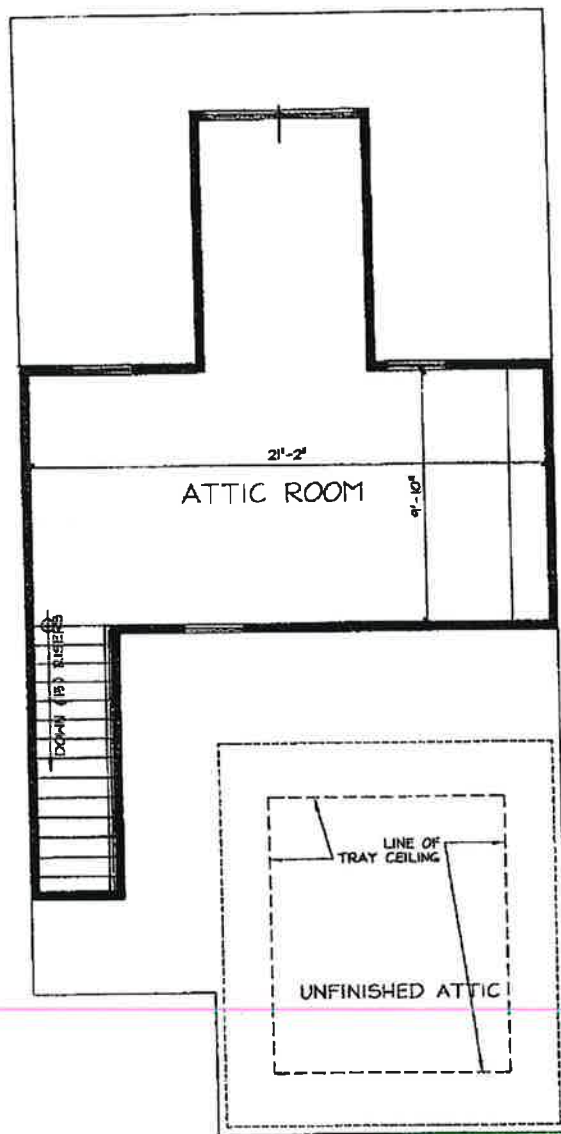
20	2.4	207105
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MASTER DEED

EXHIBIT "C"

**FLOOR PLANS OF UNITS AND COMMON
ELEMENTS OF BUILDING BY
ROBERT E. COLEMAN, ARCHITECT**

DB6169-0984



10 COTTAGE STREET
UNITS 3, 7, 11



COTTAGE STREET STATION COURT UNIT A ATTIC FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 274.2 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
OF THE IMPROVEMENTS DESCRIBED

THE FLOOR AREA INDICATED IS BASED ON THE
NET METHOD AS DEFINED IN MULTI-UNIT
RESIDENTIAL BUILDINGS: STANDARD METHODS OF
MEASUREMENT (2010)

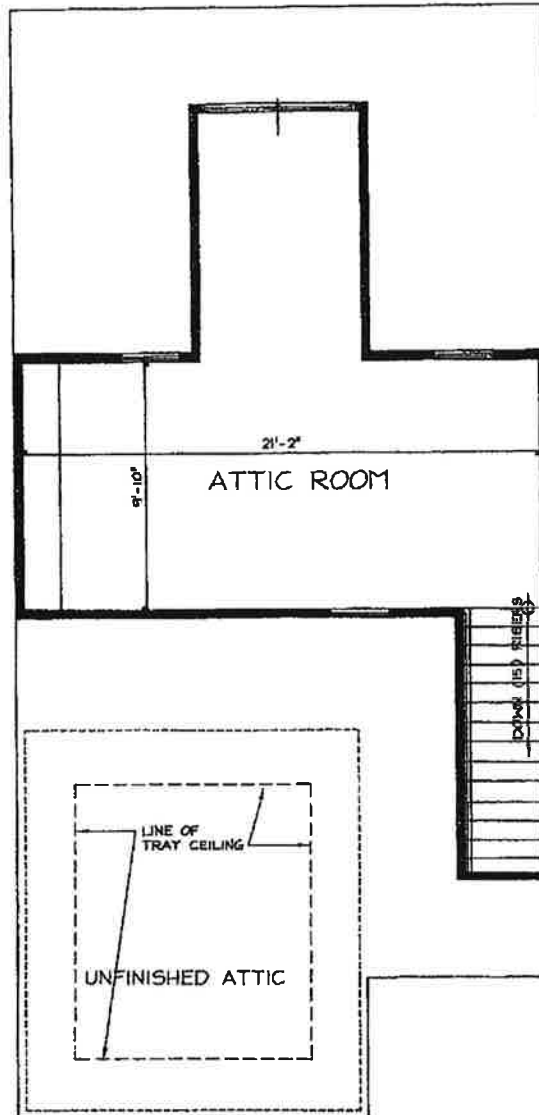
908-604-4929 cell 908-209-6515
rjarchitectbob@natscope.net FAX 908-859-0748

Robert E Coleman
architect ncarb aia

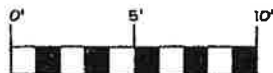
1390 valley road
stirling

suite 2h
nj 07980

DB6169-0985



10 COTTAGE STREET
UNITS - 2 , 8 , 12



COTTAGE STREET STATION COURT UNIT B ATTIC FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 274.2 SQ FT

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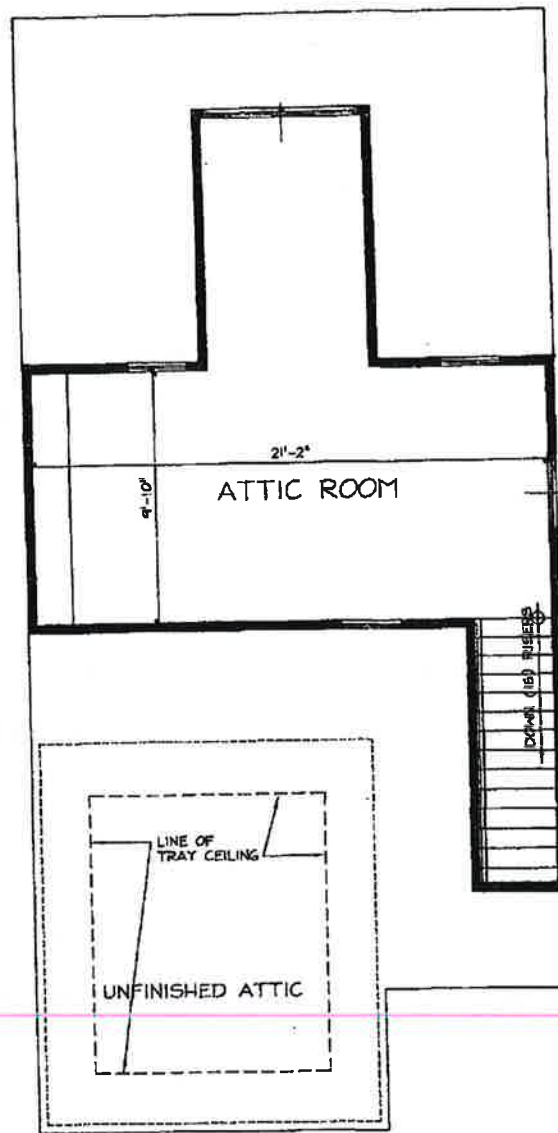
908-604-4929 cell 908-209-6515
njarchitectbob@netscape.net FAX 908-859-0748

Robert E Coleman
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nj 07980

DB6169-0986



10 COTTAGE STREET
UNITS 6, 10



COTTAGE STREET STATION COURT UNIT C ATTIC FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 274.2 SQ FT

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THE FLOOR AREA INDICATED IS BASED ON THE
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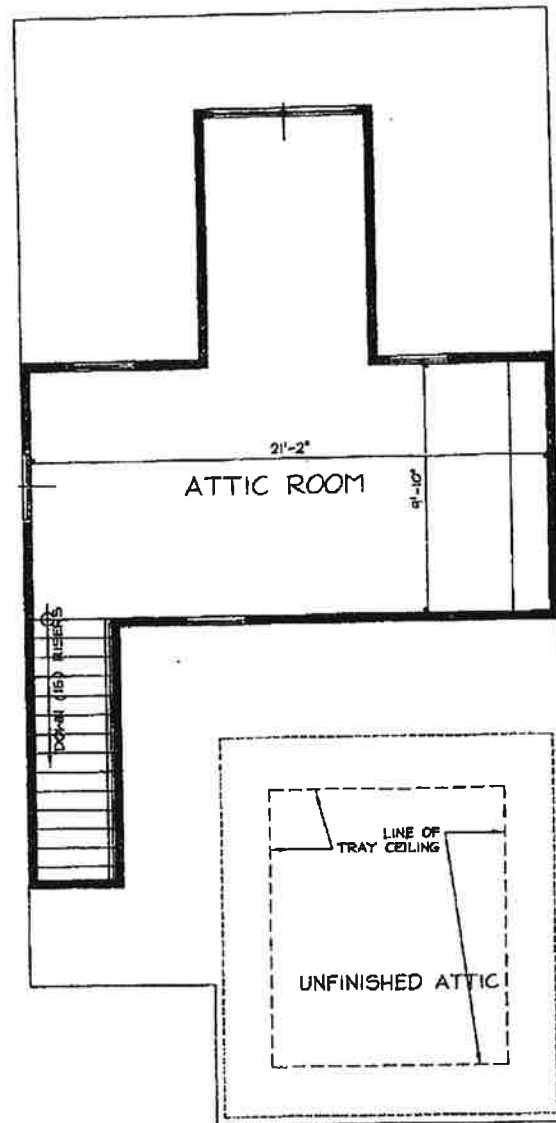
908-604-4929 cell 908-209-6515
nrcarchitect@bobsnet.net FAX 908-859-0748

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nj 07980

DB6169-0987



10 COTTAGE STREET
UNITS 1, 9, 13

COTTAGE STREET STATION COURT UNIT D ATTIC FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 274.2 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
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THE FLOOR AREA INDICATED IS BASED ON THE
NET METHOD AS DEFINED IN MULTI-UNIT
RESIDENTIAL BUILDINGS: STANDARD METHODS OF
MEASUREMENT (2010)

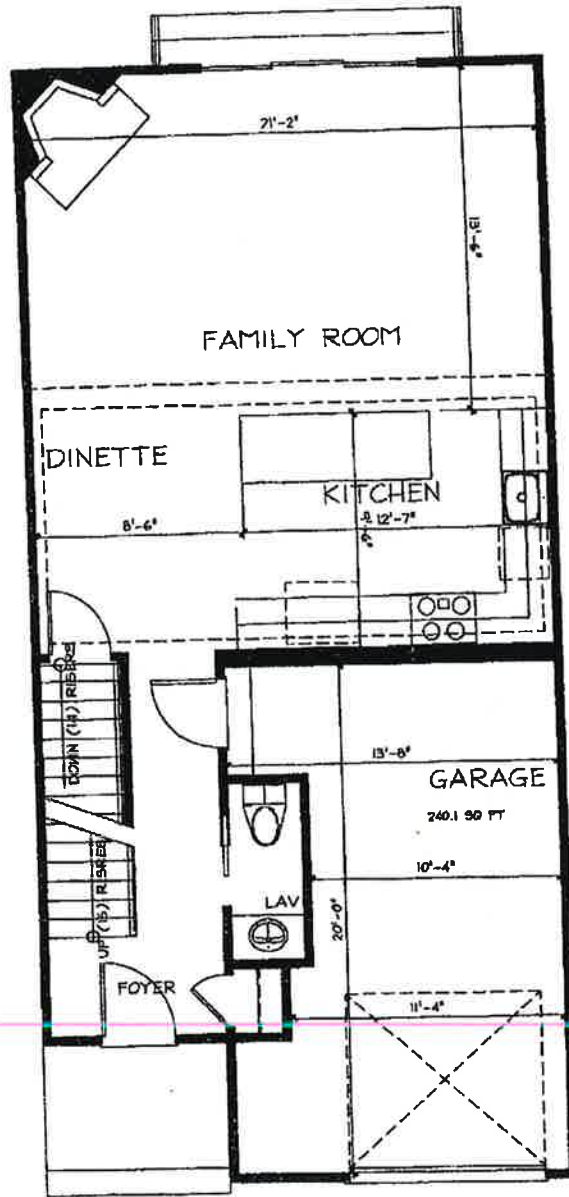
908-604-4029 cell 908-209-6515
narchitectbob@netscape.net FAX 908-659-0748

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architect ncarb aia

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stirling

suite 2h
nj 07980

DB6169-0988



10 COTTAGE STREET
UNITS 3, 7, 11

COTTAGE STREET STATION COURT UNIT A FIRST FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 634 SQ FT LIV AREA

THIS CONSTITUTES A CORRECT REPRESENTATION
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THE FLOOR AREA INDICATED IS BASED ON THE
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RESIDENTIAL BUILDINGS: STANDARD METHODS OF
MEASUREMENT (2010)

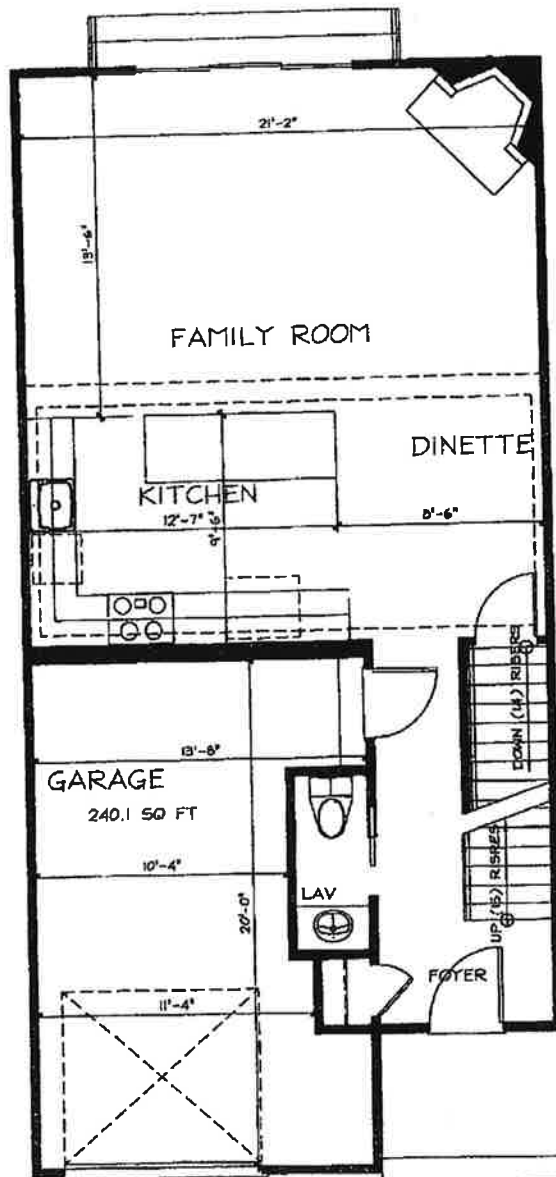
908-604-4929 cell 908-209-6515
rjarchitect@bobsnet.net FAX 908-859-0748

Robert E Coleman
architect ncarb aia

1390 valley road
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suite 2h
nj 07980

DB6169-0989



10 COTTAGE STREET
UNITS - 2 , 8 , 12

COTTAGE STREET STATION COURT UNIT B FIRST FLOOR

DATED - MAR 26, 2016 SCALE - 3/16 = 1'-0" AREA - 634 SQ FT LIV AREA

THIS CONSTITUTES A CORRECT REPRESENTATION
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THE FLOOR AREA INDICATED IS BASED ON THE
NET METHOD AS DEFINED IN MULTI-UNIT
RESIDENTIAL BUILDINGS, STANDARD METHODS OF
MEASUREMENT (2010)

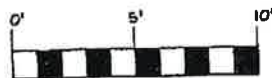
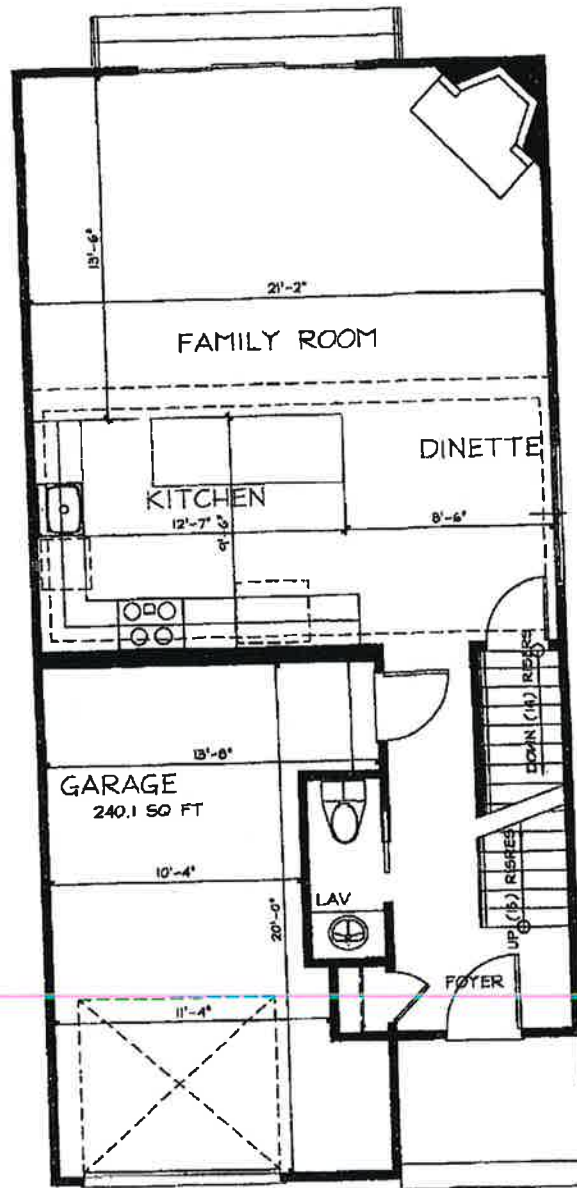
908-604-4929 cell 908-209-6515
njarchitectbob@netscape.net FAX 908-859-0748

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architect ncarb aia

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suite 2h
nj 07980

DB6169-0990



10 COTTAGE STREET
UNITS 6, 10

COTTAGE STREET STATION COURT UNIT C FIRST FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 634 SQ FT - LIV AREA

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NET METHOD AS DEFINED IN MULTI-UNIT
RESIDENTIAL BUILDINGS: STANDARD METHODS OF
MEASUREMENT (2010)

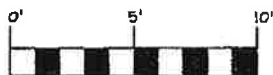
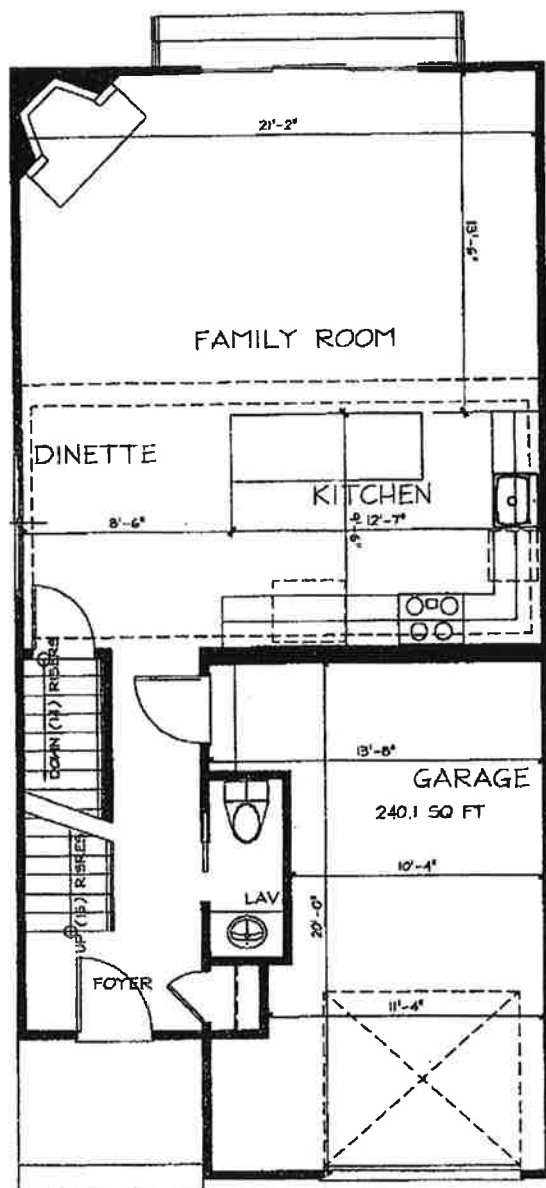
908-604-4929 cell 908-209-6515
njarchitectbob@netscape.net FAX 908-859-0748

Robert E Coleman
architect ncarb aia

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stirling

suite 2h
nj 07980

DB6169-0991



10 COTTAGE STREET
UNITS 1, 9, 13

COTTAGE STREET STATION COURT UNIT D FIRST FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 634 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
OF THE IMPROVEMENTS DESCRIBED

THE FLOOR AREA INDICATED IS BASED ON THE
NET METHOD AS DEFINED IN MULTI-UNIT
RESIDENTIAL BUILDINGS: STANDARD METHODS OF
MEASUREMENT (2010)

908-604-4929
njarchitectbob@netscape.net

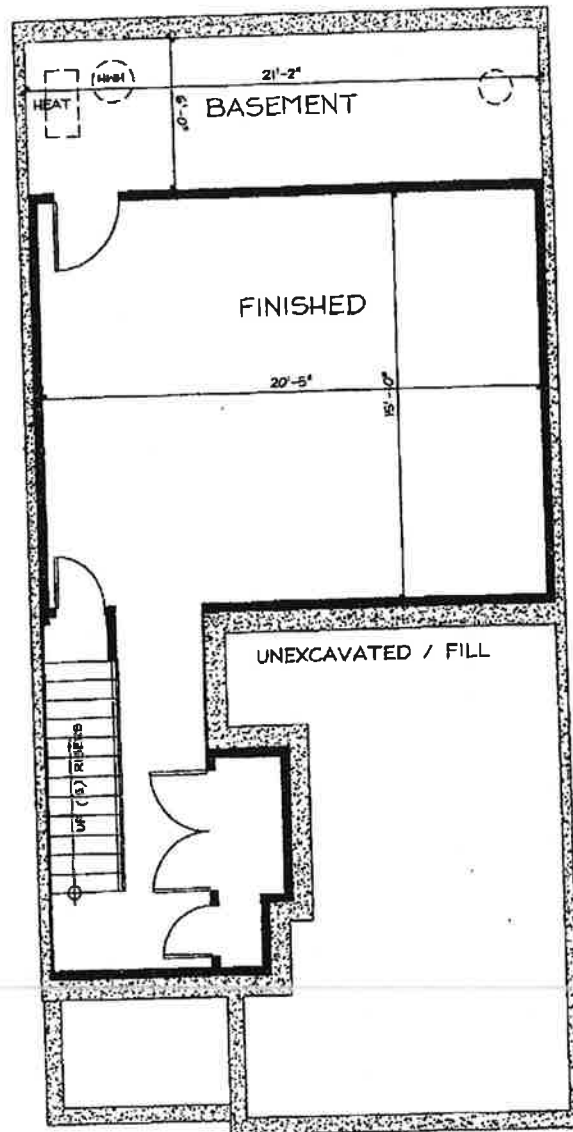
cell 908-209-6515
FAX 908-859-0748

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architect ncarb aia

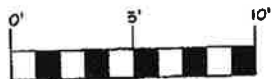
1390 valley road
stirling

suite 2h
nj 07980

DB6169-0992



10 COTTAGE STREET
UNITS 3, 7, 11



COTTAGE STREET STATION COURT UNIT A BASEMENT FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0" AREA - 598 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
OF THE IMPROVEMENTS DESCRIBED

THE FLOOR AREA INDICATED IS BASED ON THE
NET METHOD AS DEFINED IN MULTI-UNIT
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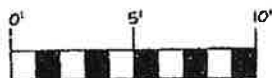
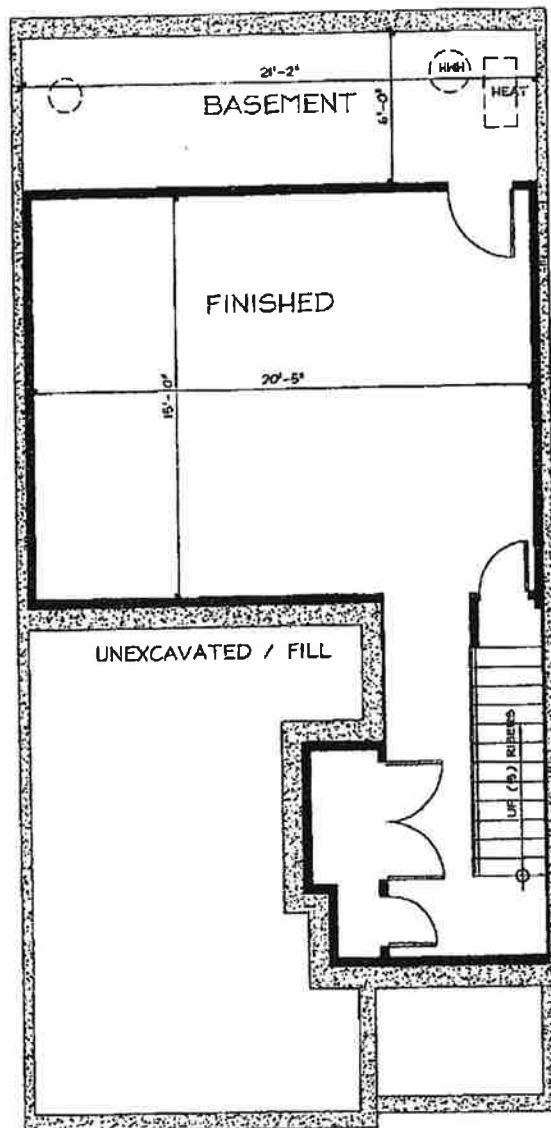
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rjarchitect@bobsfmetascapes.net FAX 908-859-0748

Robert E Coleman
architect ncarb aia

1390 valley road
stirling

suite 2h
nj 07980

DB6169-0993



10 COTTAGE STREET
UNITS - 2 , 8 , 12

COTTAGE STREET STATION COURT UNIT B BASEMENT FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 598 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
OF THE IMPROVEMENTS DESCRIBED

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njarchitect@bobsnopes.net

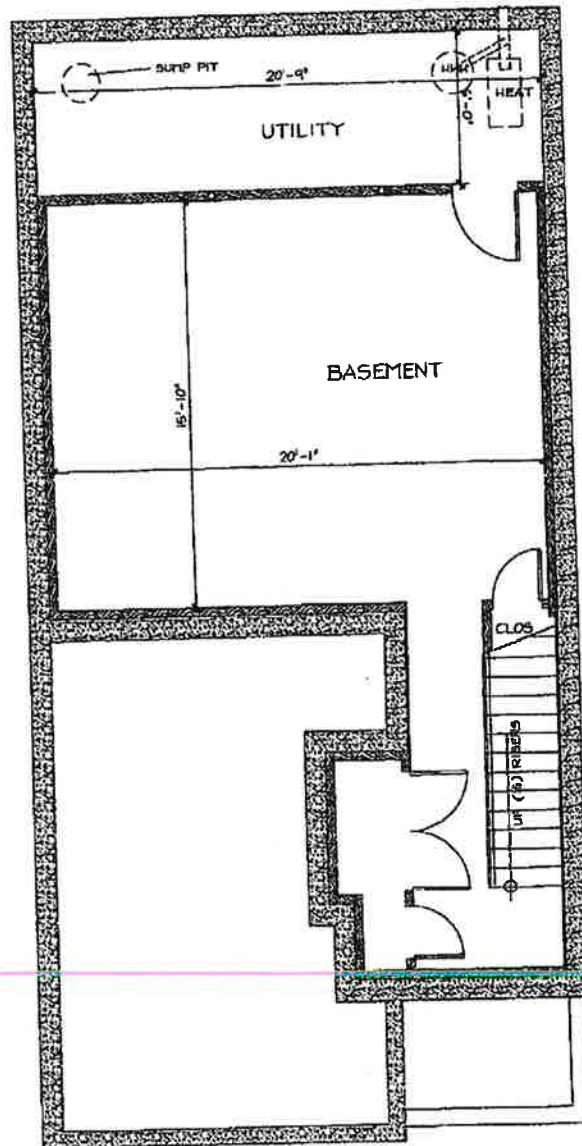
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10 COTTAGE STREET
UNITS 6, 10

COTTAGE STREET STATION COURT UNIT C BASEMENT FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0" AREA - 598 SQ FT

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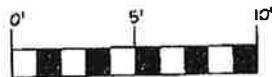
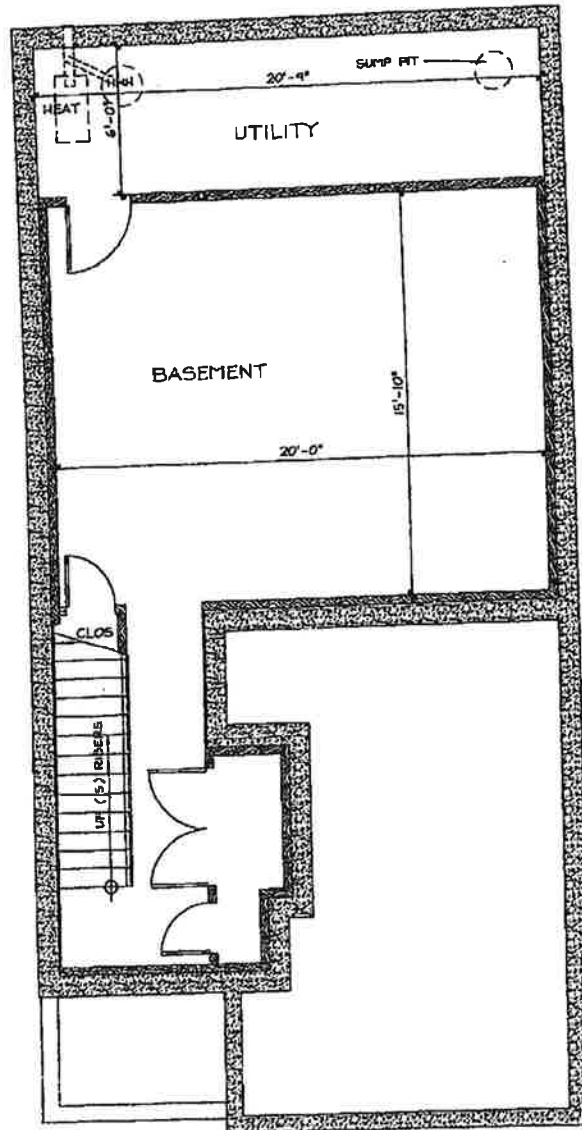
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10 COTTAGE STREET
UNITS 1, 9, 13

COTTAGE STREET STATION COURT UNIT D BASEMENT FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0" AREA - 598 SQ FT

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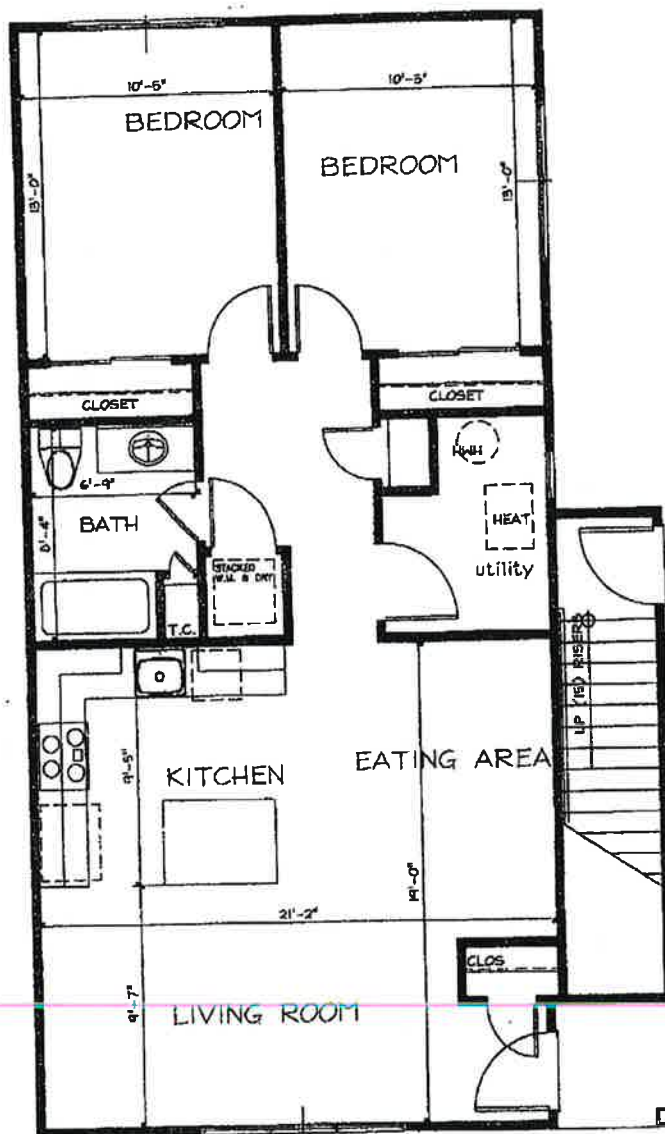
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10 COTTAGE STREET

UNIT - 4



COTTAGE STREET STATION COURT LOW INCOME UNIT FIRST FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 914.8 SQ FT

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narchitect@bobnietz.com

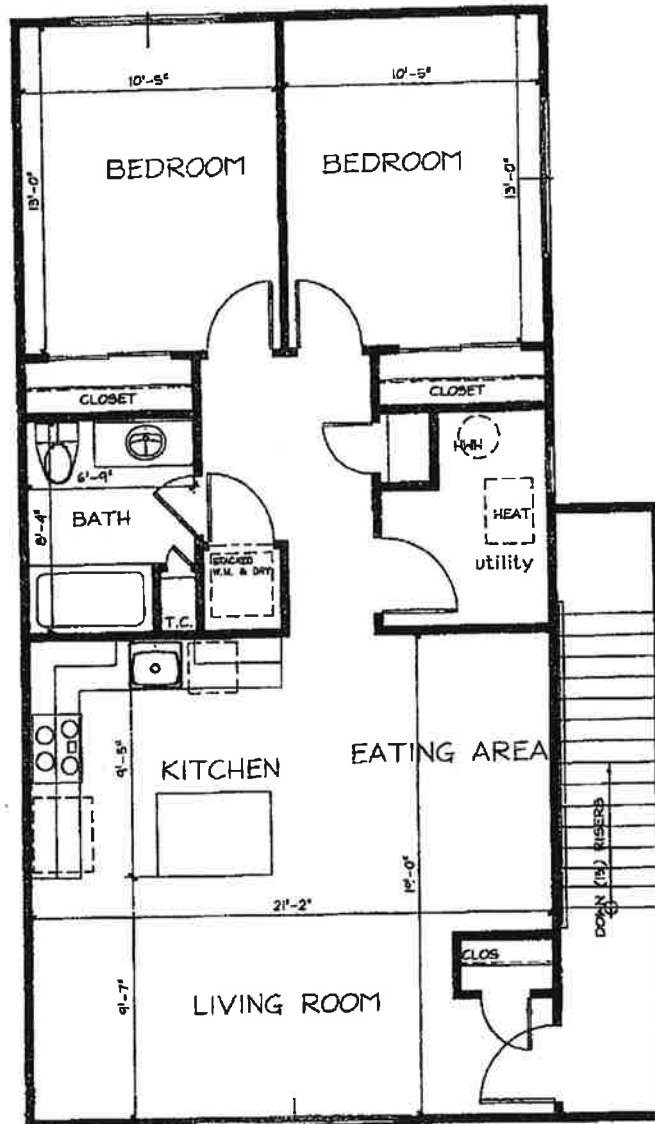
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FAX 908-859-0748

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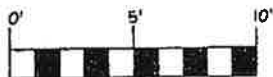
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nj 07980

DB6169-0997



10 COTTAGE STREET
UNIT - 5



COTTAGE STREET STATION COURT LOW INCOME UNIT SECOND FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0" AREA - 1019 SQ FT

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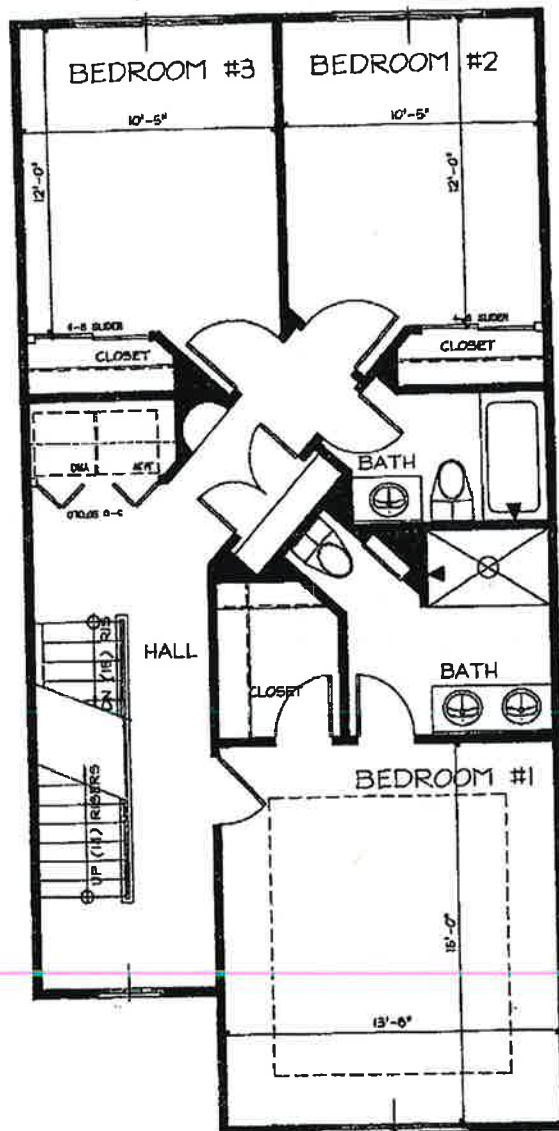
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DB6169-0998



10 COTTAGE STREET
UNITS 3, 7, 11



COTTAGE STREET STATION COURT UNIT A SECOND FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 876 SQ FT

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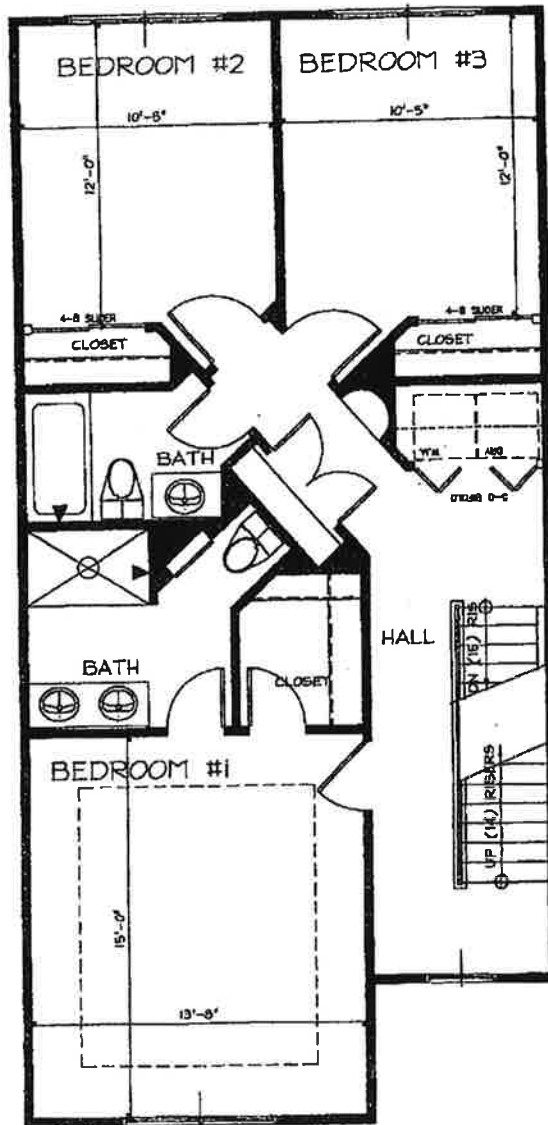
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086169-0999



10 COTTAGE STREET
UNITS - 2, 8, 12



COTTAGE STREET STATION COURT UNIT B SECOND FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0"

AREA - 676 SQ FT

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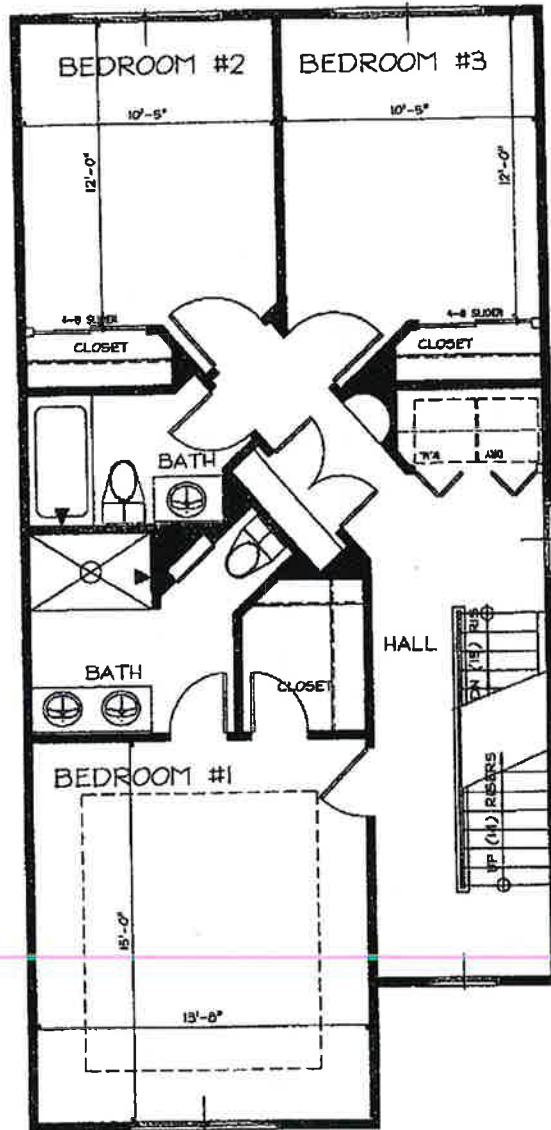
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DB6169-1000



10 COTTAGE STREET
UNITS 6, 10

COTTAGE STREET STATION COURT UNIT C SECOND FLOOR

DATED - MAR 26, 2016 SCALE - 3/16" = 1'-0" AREA - 876 SQ FT

THIS CONSTITUTES A CORRECT REPRESENTATION
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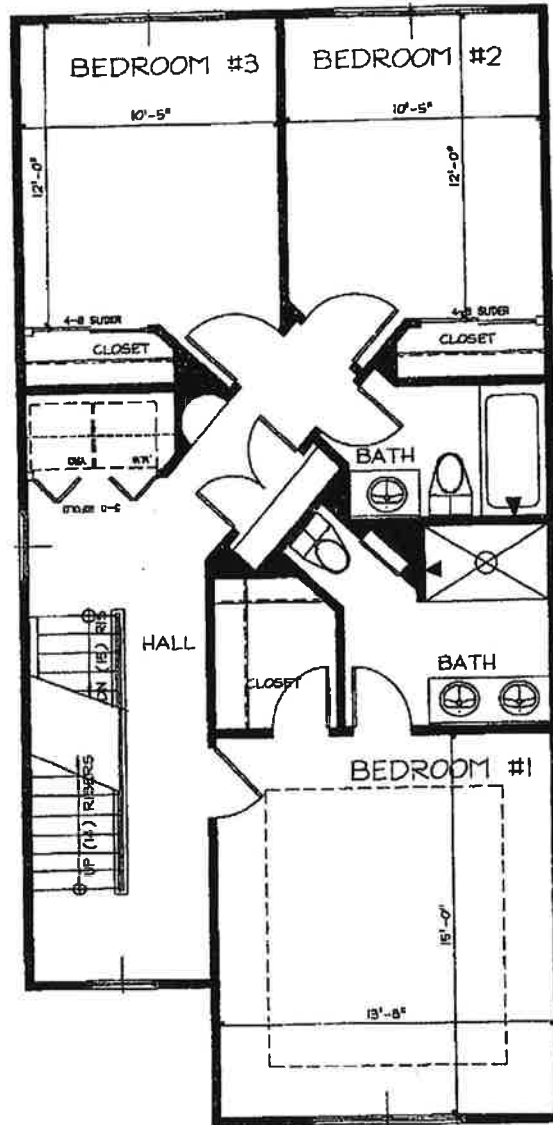
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DB6169-1001



10 COTTAGE STREET
UNITS 1, 9, 13

COTTAGE STREET STATION COURT UNIT D SECOND FLOOR

DATED - MAR 26, 2016 SCALE - 3/16 = 1'-0"

AREA - 876 SQ FT

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DB6169-1002

MASTER DEED

EXHIBIT "D"

**CERTIFICATE OF INCORPORATION OF THE COTTAGE STREET
STATION COURT CONDOMINIUM ASSOCIATION, INC.**

DB6169-1003

ARTICLES OF INCORPORATION
OF
COTTAGE STREET STATION COURT CONDOMINIUM ASSOCIATION, INC.

A non-profit Community Association

We, the undersigned, acting as incorporators for a non-profit corporation under Title 15A, Chapter 1, et seq. of the New Jersey Statutes, do hereby adopt the following Articles of Incorporation.

ARTICLE I

The name of the Corporation is the **COTTAGE STREET STATION COURT CONDOMINIUM ASSOCIATION, INC.**

ARTICLE II

The Corporation is a corporation not-for-profit.

ARTICLE III

The period of duration of the corporation is perpetual.

ARTICLE IV

The place of business of the Corporation or the place at which its activities will be conducted will be 10 Cottage Street, Berkeley Heights, New Jersey.

ARTICLE V

The purposes for which the Corporation is organized are to provide for the maintenance, preservation and control of the common elements within that certain parcel of property described in Exhibit "A" of a certain Master Deed entitled "COTTAGE STREET STATION COURT, A CONDOMINIUM" recorded or intended to be recorded in the Office of the Register of

Union County.

The Corporation is organized and operated solely for the administrative and managerial purposes, and no part of any net earnings shall inure to the benefit of any private member. If in any taxable year, the net income of the Corporation from all sources other than casualty insurance proceeds and other non-recurring items exceed the sum of:

- 1) Total common expenses for which payment has been made or liability incurred within the taxable year; and
- 2) Reasonable reserves for common expenses in the next succeeding taxable year, such excess shall be returned to unit owners, the share of each being in proportion to the amount of assessments for common expenses paid by him within the taxable year.

ARTICLE VI

To promote the health, safety, and welfare of the residents of COTTAGE STREET STATION COURT, A CONDOMINIUM, the Corporation may as follows:

- 1) Exercise all of the powers and perform all of the duties of the Association as set forth in the Master Deed and in the By-Laws attached thereto, as those documents may from time to time be amended;
- 2) Determine, levy, collect and enforce payment by any lawful means of all assessments for common charges and pay such common charges as the same become due;
- 3) Engage the services of a professional corporate management agent and delegate to such agent any of the power or duties granted to the Association of a unit owner under the declaration of By-Laws other than the power to engage or discharge such agent the power to adopt, amend and repeal the provisions hereof, of the Master Deed, By-Laws, or rules and regulations of the

Condominium; and

4) Have and exercise any and all rights, privileges and powers which may be held or exercised by non-profit corporations generally under Title 15A, Chapter 1, et seq. of the New Jersey Statutes, or by the Associations of Unit Owners under the New Jersey Condominium Act.

ARTICLE VII

Each condominium unit shall have appurtenant thereto a membership in the Corporation, which membership shall be held by the person or entity or in common by the person or entities owning such unit, except that no person or entity holding title to a unit as security for performance of an obligation shall acquire the Membership appurtenant to such unit by virtue of such title ownership. In no event, may any membership be severed from the unit to which it is appurtenant.

ARTICLE VIII

Each unit owner in the Corporation shall be entitled to exercise one (1) vote.

ARTICLE IX

The affairs of the Corporation shall be managed by a Board of Trustees. The initial Board of Trustees shall consist of three (3) persons who need not be members of the Association the names and post office addresses of the initial Board of Trustee members are:

Martin Adams
210 South Street
New Providence, NJ 07974

Robert Barnacle
210 South Street
New Providence, NJ 07974

Walter Mruk
210 South Street
New Providence, NJ 07974

The number of Trustees may be changed pursuant to the By-Laws of the Association.

ARTICLE X

The name and post office address of the resident agent of the Corporation on whom process against the corporation may be served is Martin Adams, 210 South Street, New Providence, NJ 07974.

ARTICLE XI

This Corporation may be dissolved at any time with the written consent of all members thereto. On dissolution, the assets of the Corporation shall be dedicated to an appropriate municipality, public agency or authority to be used for purposes similar to those for which the Corporation is organized. In the event such dedication is not accepted, such assets shall be conveyed or assigned to any non-profit Corporation, Association, or other organization devoted to purposes similar to those for which this Corporation is organized.

ARTICLE XII

The names and addresses of the incorporators are as follows:

Martin Adams
210 South Street
New Providence, NJ 07974

ARTICLE XIII

This Certificate of Incorporation may be amended by the affirmative vote of those members exercising not less than two thirds of the total voting power of the Corporation.

IN WITNESS WHEREOF, for the purpose of forming this non-profit Corporation under the laws of the State of New Jersey, we, the undersigned constituting the incorporators of this Corporation, have executed these Articles of Incorporation on this _____ day of _____, 2016.

_____, Witness Martin Adams

ACKNOWLEDGEMENT

STATE OF NEW JERSEY)

: SS.:

COUNTY OF _____)

BE IT REMEMBERED that on this _____ day of _____, 2016, before me the subscriber, _____, a Notary Public of the State of New Jersey, personally appeared Martin Adams, who I am satisfied is the person who signed the within instrument and thereupon she acknowledged that she sealed and delivered the same as her act and deed for the uses and purposes therein expressed.

Notary

MASTER DEED

EXHIBIT "E"

**BY-LAWS OF THE COTTAGE STREET STATION COURT
CONDOMINIUM ASSOCIATION, INC.**

DB6169-1009

BY-LAWS

FOR

COTTAGE STREET STATION COURT
CONDOMINIUM ASSOCIATION, INC.

DB6169-1010

BY-LAWS

FOR

COTTAGE STREET STATION COURT
CONDOMINIUM ASSOCIATION, INC.

ADOPTED:

DB6169-1011

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BY-LAWS OF

COTTAGE STREET STATION COURT CONDOMINIUM ASSOCIATION, INC.

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BY-LAWS

FOR

COTTAGE STREET STATION COURT CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

NATURE OF BY-LAWS

Section 1/Purpose

These By-Laws are intended to govern the administration of the Cottage Street Station Court Condominium Association, Inc., a nonprofit corporation organized under Title 15A of the New Jersey Statutes Annotated and provide for the management, administration, utilization and maintenance of the Common Elements described in the Master Deed for Cottage Street Station Court, A Condominium.

Section 2/Definitions

Unless the Context clearly indicates otherwise, all definitions set forth in the aforesaid Master Deed or in N.J.S.A. 46:8B-3 are incorporated herein by reference.

Section 3/Fiscal Year

The fiscal year of the corporation shall be the calendar year.

Section 4/Principal Office

The principal office of the corporation is located at 10 Cottage Street, Berkeley Heights, NJ.

ARTICLE II
MEMBERSHIP AND VOTING RIGHTS

Section 1/Members

Every person, firm, association, corporation or other legal entity who is a record owner or co-owner of the fee simple title to any Unit shall be a Member of the Association; provided however, that any person, firm, association, corporation, or legal entity who holds such title or interest merely as a security for the performance of an obligation (including but not limited to mortgagees or trustees under deeds of trust) shall not be a Member of the Association.

Section 2/Associate Members

Every person who is entitled to possession and occupancy of Unit as a tenant or lessee of a Unit Owner may be an Associate Member of Association, but shall not be entitled to vote with respect to Association matters.

Section 3/Change of Membership

Every person who is entitled to membership in the Association, pursuant to the provisions of the Certificate of Incorporation and these By-Laws, shall be privileged to use and enjoy the General Common Elements, subject however to the right of the Association to:

- a) Promulgate rules and regulations governing such use and enjoyment;
- b) Suspend the use and enjoyment of the General Common Elements as provided in Section 5 of this Article II; and
- c) Dedicate or transfer all or part of the General Common Elements, other than any Building in which any Units are contained.

Section 4/Rights of Membership

Every person who is entitled to membership in the Association, pursuant to the provisions of the Certificate of Incorporation and these By-Laws, shall be privileged to use and enjoy the general common elements, subject, however, to the right of the Association to:

- a) Promulgate rules and regulations governing such use and enjoyment;
- b) Suspend the use and enjoyment of the General Common Elements as provided in Section

V of this Article II; and

c) Dedicate or transfer all or part of the General Common Elements, other than any Building in which any Units are contained.

Section 5/Suspension of Rights

The membership and voting rights of any Member may be suspended by the Board for any period during which any assessment against the Unit to which his membership is appurtenant remains unpaid; but upon payment of such assessments, and any interest accrued thereon, his rights and privileges shall be immediately and automatically restored. Further, if rules and regulations governing the use of the Common Elements and the conduct of person thereon have been adopted and published, as authorized in the By-Laws, the rights and privileges of any person in violation thereof may be suspended at the discretion of the Board for a period not to exceed thirty (30) days for any single violation. No such action shall take place until the Unit owner has been given at least ten (10) days written notice and an opportunity to be heard consistent with the principals of due process of law.

Section 6/Membership Fees

The Board will impose upon each Unit Owner, upon acquisition of title to his Unit, a non-refundable fee for membership in the Cottage Street Station Court Condominium Association in an amount to be determined by the Board, consisting of two (2) months' monthly maintenance charge payable to the Cottage Street Station Court Condominium Association to be used for the Condominium Association's working capital and one (1) month's maintenance charge for reserves. If imposed, payment of such fee shall be a condition precedent to membership in the Association. Any unpaid membership fee shall be deemed a lien on the Unit in the same manner as any unpaid Common Expenses attributable to such Unit.

Section 7/Votes

Each Unit Owner shall be entitled to such vote(s) for each Unit to which he holds title as is provided in Paragraph 5 of the Master Deed. When more than one person holds title, the vote(s) for each Unit shall be exercised as the Co-Owners among themselves determine.

When one or more Co-Owners signs a proxy or purports to vote for his or her Co-Owners, such vote(s) shall be counted unless one or more of the other Co-Owners is present and objects to such vote(s); or, if not present, submits a proxy or objects in writing delivered to the Secretary of the Association before the vote(s) are counted. If Co-Owners disagree as to the vote(s), the vote(s) shall be split equally among the Co-Owners.

Section 8/Proxies

Proxy ballots shall be permitted with respect to all elections of Directors and all amendments to the Certificate of Incorporation, the Master Deed or these By-Laws, or any other matter requiring more than a

simple majority of votes. All proxies shall be in writing, signed by all individual Unit Owners, or by his or their duly authorized representative(s) and delivered to the Secretary of the Association, or such other person as the President may designate, at any time prior to the commencement of the meeting at which ballots are to be cast. Proxies may be revoked at any time prior to closing of the polls, and no proxy shall be voted on after eleven (11) months from its date unless said proxy provides for a longer period, not to exceed three (3) years from the date of execution.

ARTICLE III

BOARD OF DIRECTORS

The affairs of the Association shall be governed by the Board of Directors of the Cottage Street Station Court Condominium Association. The decision of a majority of the Directors shall prevail. The initial Board of Directors need not be unit-owners.

Section 1/Powers of the Board of Directors

The Property, affairs and business of the Association shall be managed by the Board of Directors, which shall have all those powers granted to it by law. In addition, it shall have the following powers herein granted or necessarily implied which it shall exercise in its sole discretion.

- a) Operation, care, up-keep and maintenance of the general common elements;
- b) Employment by contract or otherwise, a manager or an independent contractor to oversee, supervise and follow out the responsibilities of the Board. Said manager or ~~said independent contractor shall be compensated upon such term or terms as the~~ Board deems necessary and proper;
- c) Adoption and amendment of the rules and regulations covering the details of the corporation and use of property;
- d) Purchasing or leasing or otherwise acquiring in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners, units offered for sale or lease by their Owners to the Board. The above shall not constitute as a first right of refusal.
- e) Purchasing of units, regardless of type, at foreclosure or other judicial sales in the name of the Association or its designee, corporate or otherwise, on behalf of all dwelling unit owners;
- f) Selling, leasing, mortgaging (but not voting the votes appurtenant thereto) or otherwise dealing with units acquired by, and subleasing units leased by the Association or its designees, on behalf of all dwelling unit owners;
- g) Enforcing obligations of the unit owners, to allocate profits and expenses and to do

anything and everything else necessary and proper for the sound management of the condominium, including the right to bring lawsuits to enforce the rules and regulations promulgated by the Board;

- h) Levying fines against the unit owners for violations of rules and regulations established by it to govern the conduct of the unit owners. No fine may be levied for more than \$250.00 for any one violation but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against the unit owner or unit owners involved as if the fine were a common charge owed by the particular unit owner or unit owners. No such action shall take place until the Unit owner has been given at least ten (10) days written notice and an opportunity to be heard consistent with the principals of due process of law.
- i) Employing a managing agent and/or a manager for the Condominium at compensation to be established by the Board, to perform such duties and services as the Board shall authorize, including but not limited to duties granted to the Board as set forth above. The Board may delegate to the manager or managing agent such powers as may be necessary to carry out the function of the Board;
- j) Establishing rules and regulations for the use of the building storage areas as it sees fit, but it shall not be obligated to make such storage areas available to any unit owners;
- k) Employing any person, firm or corporation to repair, maintain and renovate all common elements;
- l) Employing professional counsel to obtain advice from persons, firms or corporations such as but not limited to landscape architects, recreation experts, architects, planners, biologists, lawyers, accountants and consultants;
- m) Employing or contracting for water and supply, reselling or leasing the same, electricity, gas or other forms of utilities, snow plowing or removal, painting, building, repairing, renovating and remodeling, if any;
- n) Employing all managerial personnel necessary or entering into managerial contracts for the efficient discharge of the duties of the Board of Directors hereunder. These employees who handle or are responsible for the handling of monies shall be bonded by a fidelity bond. While the developer maintains a majority of representation on the Board of Directors, he shall post a fidelity bond or other guarantee acceptable to the Department of Community Affairs, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves;
- o) Investigating, hiring, paying, supervising and discharging the personnel necessary to be employed in order to properly maintain and operate the condominium.

Compensation for services of such employees shall be considered an operating expense of the Condominium;

- p) Coordinating the plans of owners and occupants of dwelling units for moving their personal effects into the condominium or out of it with a view towards scheduling such movements so that there shall be a minimum of inconvenience of other owners or occupants;
- q) Maintaining businesslike relations with owners or occupants whose service request shall be received, considered and recorded in a systematic fashion, in order to show the action taken with respect to each. As part of a continuing program, securing full performance by such owners or occupants of all such items and maintenance for which they are responsible;
- r) Causing the common elements of the Condominium to be maintained according to accepted standards, including but not limited to, interior and exterior cleaning, painting and decorating, plumbing, steam cleaning, carpentry and such other normal maintenance and repair work as may be necessary;
- s) Taking such action as may be necessary to comply promptly with any and all orders or requirements affecting the Association placed herein by any federal, state, county or municipal authority having jurisdiction thereover and order of the Board of Fire Underwriters or other similar bodies;
- t) Arranging for removal of refuse from all building and common areas;
- u) Arranging for security protection as necessary;
- v) Placing and keeping in force all of the insurance coverages hereinafter described in Article X hereof;
- w) Borrowing and repaying monies, giving notes, mortgages or other security upon such term or terms as it deems necessary;
- x) Investing and reinvesting monies due and to be used, collection of interest, dividends, capital gains, exercising rights, paying taxes, making and entering into contracts, insuring, entering into leases or concessions and passing good and marketable title without the necessity of any third party seeing to the application of the funds, making and executing any and all proper affidavits for various purposes, including but not limited to, title to real estate, compromising any action without leave of Court, insuring its own liability for claims against it or for damages to the Association, including moral claims, and all powers contained herein and those necessary and incidental thereto; and

- y) Borrowing money on a real estate mortgage, passing title to real estate, or purchasing real estate shall be exercised by the Board with the assent of Sixty-six and two thirds (66 2/3) percent of the Members.

Powers and Duties of the Board of Directors

The Powers herein granted or necessarily implied shall be construed to favor the broadest discretion of the Board of Directors. The Board shall have the duty to exercise all of such powers as required by the law and by subparagraphs r), u), v) and w) of this Section 1 of Article III and shall be governed by the following with respect to its fiscal duties and responsibilities:

- (a) Subject to the Master Deed, declaration of covenants and restrictions or other instruments of creation, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization.
- (b) The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community.
- (c) The Association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the Association, and between different unit owners, that shall be readily available as an alternative to litigation.

1. Common Expenses

The Board shall have the duty to collect as "common expenses" assessed against each dwelling unit owner, his, her or their heirs, administrators, successors and assigns, a proportionate part of the common expense of the entire condominium as provided in the Master Deed and in accordance with applicable law. The Board shall have the power to estimate the cost in advance on an annual basis and to give notice thereof to the individual unit owners in the manner herein provided and the same shall be a lien against each dwelling unit.

a) Liability for Assessments

All unit owners are obligated to pay the common charges assessed by the governing board at such times as the Board may determine. No unit owner may exempt himself from liability for any assessment for common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit. However, no unit owner shall be liable for any assessment for common charges against his unit subsequent to a sale, transfer, or other conveyance by him of such unit made in accordance with the provisions of Article III of these By-Laws. In all voluntary conveyances of units, the Grantee shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for his share of common expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover against the Grantor for any

amounts paid by the Grantee. However, any such Grantee, or any mortgagee shall be entitled within ten (10) days after making request therefore, to a certificate from the Board of Directors, or managing agent or manager, as the case may be setting forth the amount of unpaid assessments pertaining to such unit, and in such event, any person other than the unit owner at the time of issuance of any such certificate who relies on such certificate shall be entitled to rely thereon and shall not be liable for any amounts in excess of the amount stated therein, a mortgagee or other purchaser of a unit at a foreclosure sale shall not be liable for nonpayment of any common charges assessed prior to the date of the foreclosure sale, and such unit shall not be subject to a lien for nonpayment of such charge.

b) Foreclosure of Liens for Unpaid Common Charges

It shall be the right and duty of the governing board to attempt to recover unpaid common charges, together with interest thereon, and expenses of the proceeding, including reasonable attorneys' fees, in an action brought against any unit owner in default of his obligation to pay the same; or by foreclosure of the lien on any unit in respect to which such default occurred provided for in N.J.S.A. 46:8B-21. Any unpaid common expenses remaining uncollectible for more than sixty (60) days after such sheriff's sale may be assessed by the Board of Directors as common expenses to be collected from all unit owners including the purchaser who acquires title at the sheriff's sale, his successors and assigns. The Board of Directors, acting on behalf of all unit owners, shall have power to bid on and to purchase any unit offered for sale at a sheriff's sale and to acquire, hold lease, mortgage, convey or otherwise deal with the same. Suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of a suit to recover money judgment.

2. Notice

The Board shall give notice to each such unit owner in writing of the amount estimated by the Board, of common expenses for the management of the Association for the ensuing period directed to the member of its last address known to the Board by ordinary mail. The said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mail. In the event that no objection is made by the unit owners on or before the twentieth (20) day after receipt of such notice, the amount shall be deemed to be conclusive and binding.

3. Acceleration of Assessment Installments Upon Default

If a member shall be in default in the payment of an installment upon an assessment, the Board may accelerate the remaining annual installments of the assessments upon notice to the member and the then unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the member, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

4. Interest and Counsel Fees

The Board, at its option, shall have the right in connection with the collection of this, or any other charge to impose an interest charge at the legal maximum if such payment is made after certain date stated in such notice. In the event that the Board shall effectuate collection of said charges by report to Counsel, Board

may add to the aforesaid charge or charges a sum or sums of twenty (20%) percent of the gross amount due as counsel fees, in addition to such costs allowable by law.

5. Bank Accounts

The depository of the Association shall be such a bank or banks within the State of New Jersey as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board, provided that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association.

6. Expenditure of Funds

The amount of monies for common expenses deemed necessary by the Board of Directors and the manner of expenditure thereof including but not limited to, the allocation thereof shall be a matter for the sole discretion of the Board.

7. Reserves

The Board shall not be obligated to expend all of the revenues collected in any accounting period but may maintain a reasonable reserve for, among other things, emergencies, and contingencies of bad weather or uncollected accounts. Said reserve fund or funds shall, however, be kept in interest bearing savings account(s). The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, in a checking or petty cash account for the necessary discharge of its function.

8. Annual Audit

The Board of Directors shall submit its books, records and memoranda to an annual audit by an independent public accountant who shall audit the same and render a report thereon in writing to the Board and in summary form to the members and such other persons, firms or corporations as may be entitled to same. If in any year all unit members consent in writing, this provision shall be waived. While the developer maintains a majority of the Board of Directors, he shall have an annual audit of Association Funds prepared by an independent accountant, a copy of which shall be delivered to each unit owner within ninety (90) days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

9. Accounts

The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, of which all expenditures shall be common expenses.

a) Current Expenses. The classification shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, for replacements or to operations. The balance of this fund at the end of each taxable year shall be distributed to the membership in proportion to each member's percent interest as

indicated in the Master Deed, or by whatever formula the Board of Directors deems equitable;

b) Reserve for Deferred Maintenance. This classification shall include funds for maintenance items that occur less frequently than annually;

c) Reserve for Replacement. This classification shall include funds for repair or replacement required because of damages, depreciation or obsolescence;

d) Capital Expenditures. This classification shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements;

e) Operations. This classification shall include the gross revenues from the use of common elements and from other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account and any surplus from any operation shall be used to reduce the assessments for the current expenses for the year during which surplus is realized, or, at the discretion of the Board of Directors, in the year following the year in which the surplus is realized, losses from the operations shall be met by special assessments against members, which assessments may be made in advance in order to provide a working fund.

Section 2/Election and Term of Office

Prior to the first sale, the Sponsor shall appoint a board of trustees consisting of 3 members.

Within sixty (60) days after the Sponsor conveys four (4) Units to individual purchasers, which is approximately twenty-five (25%) percent of the total number of Units contemplated for the Condominium, a Special Meeting of Owners will be held ("the First Transition Election") at which time the unit owners, other than the Sponsor, will elect twenty-five (25%) percent of the members of the board.

Within sixty (60) days after the Sponsor conveys seven (7) Units to individual purchasers, which is approximately fifty (50%) percent of the total number of Units contemplated for the Condominium, a Special Meeting of Owners will be held ("the Second Transition Election") at which time the unit owners, other than the Sponsor, will elect forty (40%) percent of the members of the board.

Within sixty (60) days after Unit Owners other than the Sponsor owns ten (10) Units, which is approximately seventy-five (75%) percent of the total number of Units contemplated for the Condominium, a Special Meeting of Owners will again be held ("the Third Transition Election") at which time the Board shall elect all of the members of the Board, subject to the right of the Sponsor to appoint one Board member for so long as he holds any units for sale in the ordinary course of business.

The Sponsor may relinquish its rights to appoint a majority of any of said Trustees at any time, in its sole discretion, provided that the Owners, by majority vote, agree to assume control pursuant to N.J.A.C 5:26-8.4(d).

Although the developer can offer to yield control prior to reaching the 75% threshold, a majority vote of unit owners is required before control will be assumed.

An outside date, from date of the project's registration, will be set for the developer to offer to yield control prior to reaching the 75% threshold and a majority vote of unit owners is required before control will be assumed. Within three (3) years from the date of the project offering registration, notwithstanding the conveyance by the Developer of seventy-five percent (75%) of the maximum number of units to be constructed at the Condominium, the Association will hold a special meeting at which the Developer will offer to yield control and a majority vote of unit owners is required before control will be assumed. Should the unit owners vote not to accept control, then the developer will continue to control the association until the seventy-five (75%) percent threshold is reached.

Note that the developer will not have any votes for units still held by the developer.

The Association, when controlled by the unit owners, shall not take any action that would be detrimental to the sales of units by the developer and shall continue the same level of maintenance, operation and services as immediately prior to their assumption of control, until the last unit is sold in the normal course of business.

From the time of conveyance of seventy-five percent (75%) of the units, until the last unit in the development is conveyed in the ordinary course of business the Master Deed or By-Laws shall not require the affirmative vote of more than fifty-one percent (51%) of the votes to be cast in order to amend the By-Laws or rules and regulations.

The developer shall not be permitted to cast any votes allocated to unsold lots, parcels, units or interests in order to amend the Master Deed, By-Laws, or any other documents for the purpose of changing the permitted use of a lots, parcel, unit or interest or for the purpose of reducing the common elements or facilities.

Upon the assumption by the owners of the Board of Directors, the developer shall forthwith deliver to the Association all items and documents pertinent to the Association.

These documents shall include, but not be limited to, a copy of the Master Deed, certified by the Sponsor, documents of creation of the Association, By-Laws, Minute Book, including all minutes, rules and regulations and accounting of Association funds, all personal property, insurance policies, government permits, a membership roster and all contracts and agreements relative to the Association.

Section 3/Vacancies

On subsequent sale of a dwelling unit, the Owner thereof shall resign as a member of the Board and an election will be held as soon as possible to fill the vacancy. When the member of the Board of Directors who has been elected by unit owners, other than the Sponsor is removed or resigns, that vacancy shall be filled by a unit owner other than the Sponsor. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the Director whose term he is filling until his successor shall be elected.

Section 4/Compensation

No member of the Board of Directors shall receive any compensation. However, Directors may be

reimbursed for out-of-pocket expenses and may be compensated for services rendered to or for the condominium in any other capacity.

Section 5/Meeting of the Board of Directors

The first meeting of the Board of Directors following the first annual meeting of the unit owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the unit owners at their annual meetings and no notice shall be necessary. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Board, but at least two (2) meetings shall be held each year.

Notice of regular meetings of the Board of Directors must be given to each member of the Board by mail or telegram at least three (3) business days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) business days notice to each member of the Board given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice at the written request of at least three (3) members of the Board.

Any member of the Board may, at any time, waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving notice. Actual attendance by members of the Board at any meeting of the Board shall constitute a waiver by notice by him of the time and place thereof.

1. Open Meetings of Association

All meetings of the Association's Executive Board except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all unit owners.

2. Restrictions on Open Meetings

Despite (1) above, the Association's Executive Board may exclude or restrict attendance at those meetings or portions of meetings dealing with the following:

- (a) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (b) Any pending or anticipated litigation or contract negotiations;
- (c) Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer, or
- (d) Any matter involving the employment, promotion, discipline or dismissal of a specific employee of the Association.

3. Minutes at Open Meetings

At each meeting required to be open to all unit owners, minutes of the proceedings shall be taken, and copies of those minutes shall be made available to all unit owners before the next open meeting.

- (a) Each Association shall keep reasonable comprehensive minutes of all its meetings showing the time and place, the members present, the subjects considered, the actions taken, the vote of each member, and any other information required to be shown in the minutes by the By-Laws. Such minutes shall be made available to the public in the Association's office within a reasonable time period not to exceed 30 days.

4. Notice Requirements for Open Meetings

- (a) Notice. Adequate notice of any open meeting shall be given to all unit owners.
- (b) Adequate Notice Adequate notice means written advance notice of at least 48 hours, giving the date, time, location and, to the extent known, the agenda of any regular, special, or rescheduled meeting. Such notice shall accurately state whether formal action may or may not be taken. This notice shall be:
 - (i) Prominently posted in at least one place within the condominium property reserved for such or similar announcements.
 - (ii) Mailed, telephoned, telegraphed, faxed, or hand delivered to at least two newspapers designated by the Association's governing board.
 - (iii) Filed with the Association's secretary or administrative officer responsible for administering the Association's business office.

5. Annual Posting of Open Meetings

At least once each year within seven (7) days following the annual meeting of the Association, the governing body shall post and maintain posted throughout the year, notices of meetings in those locations set forth above.

Section 6/Quorum of the Board of Directors

At all meetings of the Board, a majority of the members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Board present and voting at a

meeting at which a quorum is present shall constitute a valid decision. If there is a tie, then the matter shall be submitted to arbitration. If at any meeting of the Board shall be less than a quorum present, the majority of those present may adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice.

Section 7/Non-Waiver

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

ARTICLE IV

OFFICERS, ELECTION, TERM, ELIGIBILITY COMPENSATION AND FIDELITY BONDS

Section 1/Designation of Officers

The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer. The Board may also appoint each other Assistant Treasurers and Assistant Secretaries as in their judgment may be necessary.

Section 2/Election of Officers

The officers of the Association shall be elected annually by the Board of Directors at the first Board of Directors meeting following each annual meeting and such officers shall hold office at the pleasure of the Board.

Section 3/Removal of Officer

Upon an affirmative vote of sixty-six and two-thirds (66 2/3's) of the members of the Board of Directors, any officer may be removed, either with or without cause and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors for such purpose.

Section 4/President/Vice President

The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors.

He shall have all of the general powers and duties which are usually invested in the Office of President of an Association, including but not limited to, the power to appoint committees from among the members of the Association from time to time as he may, in his discretion, deem appropriate to assist in the conduct of the affairs of the Association.

The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 5/Secretary/Treasurer

The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform the entire duties incidental to the office of the Secretary.

The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be authorized by the Board of Directors.

Section 6/Other Duties and Powers

The Officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

Section 7/Fidelity Bonds

The Association shall maintain Fidelity Bond Coverage in accordance with Exhibit 7 of the Public Offering Statement. While the developer maintains a majority of representation on the executive Board the Sponsor shall post a Fidelity Bond or other guarantee acceptable to the agency, in the amount equal to the annual budget. For the second and succeeding years, the Bond or other guarantee shall include accumulative reserves.

Section 8/Compensation of Officers

The President and Vice-President shall not receive any compensation for their services except for out-of-pocket expenses but may be compensated for services rendered in any other capacity. The Secretary and Treasurer may be compensated for their services if the Board determines that such compensation is appropriate.

Section 9/Eligibility of Directors

Nothing herein contained shall prohibit a director from being an Officer.

ARTICLE V

FISCAL YEAR

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

ARTICLE VI

MEETING OF THE UNITS OWNERS

Section 1/Time of Meetings

Annual meeting of the unit owners shall be held as hereinafter provided.

Section 2/Place of Meeting

The meeting of the unit owners shall be held at the principal office of the Association or at such other suitable place convenient to the unit owners as may be designated by the Board.

Section 3/First Annual Meeting and Regular Annual Meeting.

All annual meetings of the Unit Owners of the Association shall be held on the day and month of the year to be established by the Board, except that the first such annual meeting shall be held not more than sixty (60) days after the Unit Owners other than the Sponsor own twenty-five percent of the Units, or on such earlier date at the Sponsor in its sole discretion may elect. At the first annual meeting and each subsequent annual meeting the election of directors shall take place. If the election of Directors shall not be held at the annual meeting or any adjournment of such meeting, the Board shall cause the election to be held at a special meeting as soon thereafter as may be convenient. At such special meetings the Unit Owners may elect the Directors and transact other business with the same force and effect as at an annual meeting duly called and held. All proxies validly received for the originally scheduled meeting shall remain in full force and effect for any such adjourned meeting or special meeting and new proxies may be received for any such subsequent meeting.

Section 4/Special Meetings

After the first annual or special meeting, special meetings of members may be called by the President whenever he deems such a meeting advisable and shall be called by the Secretary when so ordered by the Board of Directors to or upon the written request of members entitled to not less than thirty-three (33%) percent of all votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matter proposed to be acted on thereat. The Secretary shall give notice stating the purpose or purposes of the meeting to all members entitled to vote at such meeting.

No special meeting need be called upon the request of members entitled to cast less than fifty (50%) of all votes entitled to be cast at such meeting to consider any matter which is substantially the same as a matter voted upon at any meeting of the members held during the preceding twelve (12) months.

Section 5/Notice of Meeting

Except as otherwise provided by law, notice of each meeting of members whether annual or special, shall be given not less than ten (10) days, nor more than ninety (90) days before the day on which the meeting is to be held, to the representative of each unit owner at the address of its unit, by delivering a written or printed notice thereof to him personally or mailing such notice, postage prepaid. Every such notice shall state the time and place of the meeting and shall state briefly the purpose thereof. Notice of any meeting of the members shall not be required to be given to any members who shall attend such meeting in person or by proxy. Notice of any adjourned meeting of the members shall not be required to be given, except where expressly required by law, no publication of any notice of a meeting of the members shall be required.

Section 6/Quorum

At each meeting of the members, one-half of unit owners, present in person or represented by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. In the absence of a quorum, the unit owners present in person or represented by proxy and entitled to vote, by majority vote, may adjourn the meeting from time to time, until a quorum shall be present and represented.

At any such adjourned meeting at which a quorum may be present any business may be transacted which might have been transacted at a meeting originally called.

Section 7/Organization

At each meeting of the Association, the President or in his absence, the Vice President, or in the absence of both of them, a Chairman chosen by a majority vote of the unit owners present in person or represented by proxy and entitled to vote thereat, shall act as Chairman and the Secretary or in his absence a person whom the Chairman shall appoint, shall act as Secretary at the meeting.

Section 8/Conduct of the Meetings

The order of business at the annual meeting of the unit owners or at any special meeting as far as practicable shall be:

- a) Call of the roll and certifying the proxies:
- b) Proof of Notice of Meeting or Waiver of Notice:
- c) Reading and disposal of any unapproved minutes:

- d) Receiving reports of Officers:
- e) Receiving reports of Committees:
- f) Appointment of Judges of Election, if necessary;
- g) Election of Directors if necessary;
- h) Old business;
- i) New business;
- j) Adjournments.

Section 9/Voting

- a) Each unit owner shall be entitled to one (1) vote.
- b) As used in these By-Laws, the term "Majority of the Owners" shall mean those owners holding Fifty-one (51%) percent of the votes in accordance with the percentages assigned in the Master Deed.
- c) Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "Majority of Owners" as defined in Section 6 of this Article shall constitute a quorum.
- d) Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. All proxies shall be in writing, signed by all individual owners or by his or their duly authorized representative(s) and delivered to the Secretary of the meeting, but no proxy shall be voted on after eleven (11) months from its date unless said proxy provides for a longer period. The election of Directors shall be by ballot. Unless demanded by at least twenty-five (25%) percent of the members present in person or by proxy at such meeting and entitled to vote thereat or determined by the Chairman of the meeting to be advisable, the vote on any other question need not be by ballot.

Section 10/Judges

If at any meeting of the members, a vote by ballot shall be taken on any questions, the Chairman of such meeting shall appoint two (2) Judges to act thereafter with respect to such vote. Each Judge so appointed shall first subscribe to an oath faithfully to execute the duties of a Judge at such meeting with strict impartiality and according to the best of his ability.

Such Judges shall decide upon the qualification of voters and shall report the number of members represented at the meeting and entitled to vote on such questions, shall conduct and accept the votes and, when the voting is completed, shall ascertain and report the number of votes respectively for and against the question. Reports of Judges shall be in writing and subscribed and delivered by them to the Secretary of the meeting. The Judges need not be members of the Association and any Officer of the Association may be a Judge on a question, other than a vote for or against his election to any position with the Association or any

other question in which he may be directly interested.

ARTICLE VII

TITLE TO UNITS

Title to units may be taken in the name of an individual or in the names of two (2) or more persons as tenants in common or as joint tenants with right of survivorship, or in the name of a Corporation or Partnership, or in the name of a fiduciary. Any Officer of a corporate dwelling unit shall be eligible to serve on the Board of Directors.

ARTICLE VIII

COVENANTS COMMITTEE

a) Purpose

The Board may establish a Covenants Committee, consisting of three members appointed by the Board, each to serve for a term of one year, in order to assure that the Condominium shall always be maintained in a manner:

1. Providing for visual harmony and soundness of repair;
2. Avoiding activities deleterious to the aesthetic or proper values of the Condominium;
3. Furthering the comfort of the Unit Owners, their guests, invitees and lessees; and
4. Promoting the general welfare and safety of the Condominium community.

b) Powers

The Covenants Committee shall regulate the external design, appearance, use and maintenance of the Common Elements in accordance with standards and guidelines contained in the Master Deeds or these By-Laws or otherwise adopted by the Board. The Covenants Committee shall have the power to issue a cease and desist request to a Unit Owner, his guests, invitees, or lessees whose actions are inconsistent with the provisions of the Condominium Act, the Master Deed, the By-Laws, the Rules and Regulations or resolutions of the Board (upon petition of any Unit Owner or upon its own motion).

The Covenants Committee shall from time to time, as required, provide interpretations of the Master Deed, Certificate of Incorporation and By-Laws, Rules and Regulations and resolutions pursuant to the intents, provisions and qualifications thereof when requested to do so by a Unit Owner or the Board. Any action, ruling or decision of the Covenants Committee may be appealed to the Board by any party deemed by the Board to have standing as an aggrieved party and a vote of a majority of the full

authorized membership of the Board may modify or reverse any such action, rulings or decisions.

c) Authority

The Covenants Committee shall have such additional duties power and authority as the Board may from time to time provide by resolution including the right to impose fines pursuant to Section 1 h) of Article III hereof. The Board may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case by case basis by a vote of a majority of its full authorized membership thereof.

The Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by resolution of the Board. Notwithstanding the foregoing, no action may be taken by the Covenants Committee without giving the Unit Owner(s) involved at least ten (10) days prior written notice and affording him the opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

ARTICLE IX

RULES OF CONDUCT

a) No resident of the project shall post any advertisements, or posters of any kind in or on the project as authorized by the Association.

b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Municipal Sanitary Regulations.

c) It is prohibited to hang garments, rugs, etc., from the windows or to clean rugs, etc., by beating on the exterior part of the project.

d) It is prohibited to throw garbage or trash outside the disposal installation (trash cans) provided for such purposes in the service area.

e) No owner, resident, or lessee shall install wiring for electrical or telephone installation, television antenna, machines or air-conditioning units, etc., on the exterior of the project or that it protrudes through the walls or the roof of the project except as authorized by the Association.

ARTICLE X

INSURANCE

The Sponsor shall not be insurance trustee. The Board of Directors, as insurance trustee for each of the dwelling unit owners, pursuant to N.J.S.A. 46:8B-14, shall be required to obtain and maintain to the

extent obtainable, without prejudice to right of each unit owner to insure his own unit for his own benefit, the following insurance for loss by fire and other casualties and insurance against liability for personal injury and death for accidents occurring within the common areas:

a) Physical Damage Insurance

Broad form insurance against loss by fire and against loss by lightning, windstorm, and other risks normally included within extended coverage, insuring all structural portions of the condominium property, together with all service machinery contained therein and covering the interest of the Association, the Board of Directors and all members and their mortgagees as their interests may appear in an amount equal to full replacement of the buildings without deduction for depreciation; each of said policies shall contain a standard mortgagee clause in favor of each mortgagee of a dwelling unit and which shall provide that the loss, if thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the payment provisions in favor of the Board of Directors, Workmen's Compensation insurance and such other insurance as the Board of Directors may determine.

All such policies shall provide that adjustment of loss shall be made by the Board of Directors.

All policies of physical damage insurance shall to the extent obtainable, contain waivers of subrogation and waivers from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of dwelling units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premium shall be delivered to all mortgagees of dwelling units at least ten (10) days prior to expiration of the then current policies.

b) Public Liability Insurance

To the extent obtainable, public liability insurance for personal injury and death from accidents occurring within the Common Elements, (and any other areas which the Board may deem advisable) and the defense of any action brought by injury or death of a person or damage to property, occurring within such Common Elements, and not arising by reasons of any act of negligence of any individual Unit Owner. Said insurance shall be in such limits as the Board may, from time to time, determine, covering each Member of the Board, the managing agent and the manager, if applicable, and each Member, and shall also cover cross liability claims of one insured against another.

Until the first meeting of the Board following the first annual meeting, such public liability insurance shall be in a single limit of \$1,000,000 covering all claims for personal injury or property damage arising out of any one occurrence. The Board shall review such limits once a year.

c) Directors and Officers Liability Insurance

Liability Insurance indemnifying the Directors and Officers of the Association against the liability for errors and omissions occurring in connection with the performance of their duties, in an amount of at least \$100,000 with any deductible amount to be in the sole discretion of the Board.

d) Workers Compensation Insurance

Workers compensation and New Jersey disability benefits insurance as required by law.

e) Other Insurance

Flood hazard insurance and such other insurance as the Board may determine.

All policies shall: (i) provide that adjustment of loss shall be made by the Board of Directors with the approval of the Insurance Trustee, if any, and that the net proceeds thereof, if \$200,000 less shall be payable to the Board, and if more than \$200,000 shall be payable to the Insurance Trustee, if any, as may be designated by the Board, as Trustee for all Institutional and other Lenders holding first mortgages on any portion of the property, and all Unit Owners as their interests may appear; (ii) require that the proceeds of physical damage insurance be applied to the restoration of such Common Elements and structural portions and service machinery as is required by the Master Deed and these By-Laws; (iii) to the extent obtainable contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured; and (iv) provided that such policies may not be cancelled without at least thirty (30) days prior written notice to all of the named insureds, including all Unit Owners and Institutional Lenders.

Any insurance maintained by the Board may provide for such deductible amount as the Board may determine.

Unit Owners shall not be prohibited from carrying insurance for their own benefit provided that all such policies shall contain waivers of subrogation; and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

The premiums for all insurance and fidelity bonds carried by the Association shall be a Common Expense and shall be borne by the Unit Owners in direct proportion to their respective percentage interests.

ARTICLE XI

ADDITIONS, ALTERATIONS, OR IMPROVEMENTS BY THE BOARD

Whenever in the judgment of the Board of Directors, common areas shall require additions, alterations, or improvements costing in excess of \$1,000.00, said alteration or improvements shall not be made unless they have been approved by a majority of the dwelling unit owners, present and voting, at a meeting at which a quorum is present. When said approval has been obtained, all dwelling unit owners shall be assessed for the cost thereof as a common charge. In the event of an emergency which could cause damage to any building(s) or part(s) thereof, the Board may expend sums in excess of \$1,000.00 to protect the building(s) or part(s) and the judgment of the Board shall be final.

ARTICLE XII

ADDITIONS, ALTERATIONS, OR IMPROVEMENTS BY THE UNIT OWNERS

- a) All units shall be utilized for residential purposes only.
- b) No dwelling unit owner shall make any structural additions, structural partitions, wall changes or structural alteration or improvement in or to his unit without the prior written consent of the Board and the mortgagee of said unit. Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Building or which will structurally change any Building. No Unit Owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his Unit or in or to the Common Elements, without the prior written approval of the Board or impair any easement without the prior written approval of the Board or the Covenants Committee, as appropriate. Notwithstanding the foregoing, while the Sponsor maintains a majority on the Board of Directors, it shall make no additions, alterations, improvements or purchases which would necessitate a Special Assessment or a substantial increase in the monthly Common Expense Assessment unless required by a governmental agency, title insurance company, Institutional Mortgage Lender or in the event of an emergency. The Board or the Covenants Committee, as appropriate, 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 improvements to his Unit within forty-five (45) days after receipt of such request, and failure to do so within the stipulated time shall constitute an 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 or Covenants Committee, as appropriate, and, if approved shall be executed by the Board or Covenants Committee, as appropriate and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or materialman on account of such addition, alteration or improvement, to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owners shall furnish the Board or the Covenants Committee as appropriate with a copy of any such permit which he has procured. The provisions of this subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor.
- c. Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicap use.

ARTICLE XIII

RIGHT OF ACCESS

Each unit owner shall grant a right of access to his unit to the Manager or the Managing Agent and/or any other person authorized by the Board for the purpose of correcting any condition originating in his unit and threatening another unit or common element or for the purpose of performing necessary installation, alterations or repairs to the electrical or mechanical services or other common element in his unit or elsewhere in the building within which the unit is located provided that requests for entry are made in advance and that any such entry is at a time reasonably 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.

ARTICLE XIV

ELECTRICITY, WATER AND HEATING

Electricity shall be supplied by the public utility company serving the area directly to each unit through a separate meter for each unit and each unit owner shall be required to pay the bills for electricity consumed or used by his unit and in any limited common areas serving his unit.

The electricity serving general common elements and grounds shall be metered and the Board shall pay all bills for electricity consumed therein as a common expense. The utility charges for water and sewerage, and trash removal, shall be paid by the Board as common expenses.

ARTICLE XV

MORTGAGEES

Section 1/Notice to Association

An owner, who mortgages his units, shall notify the Association through the Management Agent, if any, or the President of the Board of Directors in the event there is no Management Agent, the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units".

Section 2/Notice of Unpaid Assessments

The Association shall at the request of a mortgagee of a unit report any unpaid assessment due from the owner of such unit.

ARTICLE XVI

MISCELLANEOUS

Section 1/Examination of Books

Each unit owner and each mortgagee of a unit shall be permitted to examine the books of account of the Board of Directors at a reasonable time on business days.

Section 2/Financing Purchasing of Units by the Board of Directors

Acquisition of units, regardless of type, by the Board on behalf of all unit owners may be made from the working capital in the hands of the Board, or if such funds are insufficient, the Board may levy an assessment against each unit owner in proportion to his ownership in the common elements as a common

charge, which assessment shall be enforceable in the same manner as common charges or the Board may in its discretion borrow money to finance the acquisition of such units, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit itself together with the appurtenant interest thereto to be acquired by the Board. The Association cannot acquire any units while the Sponsor retains control of same. A majority vote will be required to allow the Board to purchase a unit.

Section 3/Notices

All notices hereunder to the Association shall be sent by registered or certified mail to the Board in care of the President of the Association and/or to the Managing Agent if there is a Managing Agent. All notices to any unit owner shall be sent registered or certified mail to the building in which the unit is situated, or to such other address as may have been designated by him from time to time in writing to the Board. All notices shall be deemed to have been given when mailed except notice of change of address which shall be deemed to have been given when received.

Section 4/Waiver

No restrictions, conditions, obligations or covenants contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XVII

AMENDMENTS

These By-Laws or any part thereof may be altered or repealed, or new By-Laws may be made, at any meeting of the Association duly held for such purpose, and previous to which written notice to Unit Owners of the exact language of the amendment or of the repeal shall have been sent, a quorum being present, by an affirmative vote of fifty-one (51%) percent of the votes entitled to be cast in person or by proxy, except that (i) the first annual meeting may not be advanced, (ii) the first Board (including replacements in case of vacancies) may not be enlarged or removed, (iii) the obligation of the proportionate responsibility for the payment of Common Expenses with respect to Units or the Common Elements may not be changed by reason of any such new By-Law, amendment or repeal, or (iv) no such new By-law, amendment or repeal shall in any way affect the Sponsor, including any successor of the Sponsor, unless the Sponsor, or its successor, has given its prior written consent thereto.

ARTICLE XVIII

EXCULPABILITY OF BOARD, OFFICERS AND COMMITTEE MEMBERS

Neither the Board as body, nor any member thereof, nor any Officer of the Association, nor member of the Covenants Committee shall be personally liable to any unit owner in any respect for any action or lack of action arising out of the execution of his office. Each unit owner shall be bound by the good faith actions of the Board and Officers of the Association in the execution of the duties of said Directors and Officers.

Unless acting in bad faith, no Director or Officer of the Association shall be liable to any unit owner or other person for misfeasance or malfeasance in the office. Nothing contained herein to the contrary, shall serve to exculpate members of the Board of Directors appointed by the Sponsor from their fiduciary responsibilities.

ARTICLE XIX

CONFLICT

Anything to the contrary herein notwithstanding, if any provision of these By-Laws is in conflict with or contradicts the Master Deed, the Certificate of Incorporation or with the requirement of any law, then, the requirements of the Master Deed, Certificate of Incorporation or Law shall be deemed controlling.

ARTICLE XX

RESOLUTION OF DISPUTES

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

ARTICLE XXI

ARBITRATION

Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in Union County, New Jersey by the American Arbitration Association, in accordance with its rules then obtaining and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. All expenses of arbitration hereunder including the fees and expenses of counsel and experts shall be Common Expenses.

MASTER DEED

EXHIBIT "F"

**SCHEDULE OF PERCENTAGE INTEREST
AND BUDGET**

DB6169-1042

COMMON AREA PERCENTAGES

10 COTTAGE STREET

UNIT #1	8.52%
UNIT #2	8.52%
UNIT #3	8.52%
UNIT #4	2.97%
UNIT #5	3.31%
UNIT #6	8.52%
UNIT #7	8.52%
UNIT #8	8.52%
UNIT #9	8.52%
UNIT #10	8.52%
UNIT #11	8.52%
UNIT #12	8.52%
UNIT #13	8.52%

DB6169-1043

Cottage Street Station Court Development LLC
Profit & Loss
Budget 2016

[illegible]

DB6169-1044

Cottage Street Station Court Development LLC
Profit & Loss
Budget 2016

Net Income	<u>2016 Budget</u>
	<u>4,460.00</u>
Reserve	4,460.00
	0.00

DB6169-1045

EXHIBIT # 2

**BUDGETED PROJECTION FOR
COTTAGE STREET STATION COURT CONDOMINIUM
ASSOCIATION, INC.**

DB6169-1046



Corey Klein, Esq.
Hehl & Hehl, P.C.
370 Chestnut Street
Union, NJ 07083
(908) 687-7000, Ext. 110 – Phone
(908) 687-7028 – Fax
cklein@hehl-and-hehl.com – Email
www.hehl-and-hehl.com

February 15, 2016

RE: COTTAGE STREET STATION COURT DEVELOPMENT LLC, BERKELY HEIGHTS NJ

Dear Mr Corey Klein

We have been engaged in the business of managing community associations within New Jersey since ____, and currently manage over ____ such developments.

We have examined the accompanying forecasted operating budget of the Cottage Street Station Court Development at Berkely Heights for their initial full fiscal year based on full occupancy. Our examination included such procedures as we consider necessary to evaluate both the assumptions used by the Developer and the preparation and presentation of the forecast.

The accompanying forecasted operating budget presents, to the best of the Developer's knowledge and belief, the Associations expected revenues, expenditures and replacement funding for their initial full year based on full occupancy. It is not intended to be a forecast of financial position nor cash flows. The accompanying forecasted operating budget and this report were prepared for the Developer for inclusion in the Public Offering Statement of the North Ridge Townhomes at East Hanover Condominium Association and should not be used for any other purpose.

In our opinion, the accompanying forecasted operating budgets, and the underlying assumptions provide a reasonable basis for the Developer's forecast, and replacement funding appears adequate based upon those assumptions and rationale. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Very truly yours,

Joseph J Balzamo,
President
Alliance Property Management, L.L.C.
973-605-2775
www.alliancepropertymgmt.net

Alliance Property Management LLC 47 Headley Rd PO Box 2207 Morristown NJ 07962-2207

086169-1047

Cottage Street Station Court Development LLC
Profit & Loss
Budget 2016

[illegible]

DB6169-1048

Cottage Street Station Court Development LLC
Profit & Loss
Budget 2016

2016 Budget

4,460.00

4,460.00

0.00

Net Income

Reserve

DB6169-1049

IN WITNESS WHEREOF, the Sponsor has caused this instrument to be executed the day and year first above written.

WITNESS:

By:





ID 2397084
EXP 6/8/20

Robert J. Barnacle, Manager of Cottage St.
Holdings Co., LLC, General Partner of Cottage St.
Associates, LP, Sole Member of Cottage Street
Station Court Development, LLC

STATE OF NEW JERSEY.
COUNTY OF UNION:

I CERTIFY THAT on this 24th day of January, 2016, Robert J. Barnacle, Manager of Cottage St.
Holdings Co., LLC, General Partner of Cottage St. Associates, LP, Sole Member of Cottage Street Station
Court Development, LLC, personally came before me and this person acknowledged under oath to my
satisfaction that:

- (a) this person is the Sponsor named in the attached document; and
- (b) this person signed this proof to attest to the truth of these facts.



Martin D. Eagan
Attorney At Law
State of New Jersey

END OF DOCUMENT

MARTIN D. EAGAN LAW OFFICE
ESTHER GITLITZ
52 MAPLE AVENUE
MORRISTOWN

Deed

31

	NJ 07980	Inst. #
	Recording Fee	282858
	RT Fee	Charge
		1,053.00
		.00

DB6169-1050

