

MASTER DEED FOR  
SPRINGFIELD PARK PLACE, A CONDOMINIUM

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DATED:           , 1988

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MASTER DEED FOR SPRINGFIELD PARK PLACE, A CONDOMINIUM

THIS MASTER DEED is made this \_\_\_\_ day of \_\_\_\_\_, 1988, by Springfield Park Place Co., L.P., a limited partnership of the State of New Jersey, having its principal office at 1640 Vauxhall Road, Union, New Jersey 07083 (hereinafter referred to as "Sponsor").

WHEREAS, Sponsor is the owner of the fee simple title to those lands and premises in the Township of Springfield, County of Union, State of New Jersey, more particularly described in Exhibit A attached hereto and made a part hereof, which lands and premises are hereinafter referred to as the "Property"; and

WHEREAS, the Property is intended to include fifty-three (53) Buildings in which are located a total of three hundred twelve (312) residential townhouse Units, (hereinafter referred to as "Townhouse Units"), four (4) commercial buildings containing approximately 210,000 square feet of office space in the aggregate and related facilities (hereinafter referred to as the "Commercial Units"), and a retail "strip" shopping center containing space for approximately eleven (11) stores aggregating 40,000 square feet (hereinafter referred to as the "Retail Unit"), together with one (1) swimming pool, a tennis court and certain driveways, walkways, and other improvements all as are more particularly shown on that certain Condominium Site Plan dated April 24, 1987 prepared by Carmel Engineering Group, 100 Woodbine Avenue, New Jersey, attached hereto and made a part hereof as Exhibit B and on those certain floor plans prepared by Architectural Design, 392 Morris Avenue, Summit, New Jersey, Architect, and dated June 15, 1987, attached hereto and made a part hereof as Exhibit C; and

WHEREAS, it is the intention of the Sponsor to establish the form of ownership of the Property as a condominium pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:88-1 et seq., under the name of "SPRINGFIELD PARK PLACE, A CONDOMINIUM", (hereinafter referred to as the "Condominium"); and

WHEREAS, the Sponsor has established or is about to establish SPRINGFIELD PARK PLACE CONDOMINIUM ASSOCIATION, INC., a New Jersey non-profit corporation, for the administration, operation and management of the Condominium and other improvements intended for the common use and enjoyment of the residents, occupants, and Owners of Units in the Condominium.

THEREFORE, WITNESSETH:

1. ESTABLISHMENT OF CONDOMINIUM

The Sponsor does hereby submit, declare and establish in accordance with N.J.S.A. 46:88-1 et seq. the condominium form of ownership for that parcel of land described in Exhibit A aforesaid and as

more particularly shown on Exhibits B and C aforesaid. The Condominium herein established shall be known as "Springfield Park Place, A Condominium".

## 2. DEFINITIONS

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

2.01 "Association" shall mean the Springfield Park Place Condominium Association, Inc., a New Jersey non-profit 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.

2.02 "Board" shall mean the Board of Directors of the Association and any reference herein or in the Certificate of Incorporation, By-Laws or any 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.

2.03 "Building" shall mean all the enclosed structures containing Units, irrespective of type, and the structural improvements appurtenant thereto which are located on the lands described in Exhibit A and shown on Exhibits B and C respectively.

2.04 "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.

2.05 "Certificate of Incorporation" shall mean the Certificate of Incorporation of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit D, together with all future amendments or supplements thereto.

2.06 "Commercial Limited Common Elements" shall mean those Limited Common Elements which are for the use of the Commercial Unit Owner(s) to the exclusion of the Townhouse Unit Owners and the Retail Unit Owner(s) as more specifically described in Section 5 of the Master Deed and as shown on Exhibit B.

2.07 "Commercial Limited Common Expenses" shall mean any Limited Common Expenses for which only the Commercial Unit Owner(s) or Commercial Sub-Unit Owner(s) are liable, including but not limited to all expenses for the administration, maintenance, repair and replacement of the Commercial Limited Common Elements.

2.08 "Commercial Sub-Unit" shall mean any Commercial Unit that may be hereafter created by the subdivision of any Commercial Unit into Commercial Sub-Units and additional Commercial Limited Common Elements as is hereinafter defined.

2.09 "Commercial Unit" shall mean those Units designated as Commercial Units on Exhibit B and as more specifically described in Paragraph 4 hereof, and in the case of the establishment of same, any Commercial Sub-Units that may be created and thereafter exist.

2.10 "Commercial Unit Owner(s)" or Commercial Sub- Unit Owner(s)" shall mean or refer to those Unit Owners in whom record fee simple title to the Commercial Units is individually or collectively vested as shown in the records of the Register of Union County, New Jersey.

2.11 "Common Elements" shall mean "General Common Elements", "Limited Common Elements", "Residential Limited Common Elements", "Townhouse Limited Common Elements", "Commercial Limited Common Elements", "Retail Limited Common Elements", and "Reserved Common Elements", all of which are defined herein.

2.12 "Common Expenses" shall, subject to the provisions of Paragraph 6 hereof, mean all those expenses anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses, including reserves, incurred or assessed by the Association, or its respective Directors, Officers, agents or employees, in the lawful performance of their respective duties or powers.

2.13 "Condominium" shall mean (i) all the lands and premises described in Exhibit A; (ii) all improvements now or hereinafter constructed in, upon, over or through such lands and premises, whether or not shown on any Exhibit hereto; and (iii) all rights, roads, waters, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed.

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

2.15 "Eligible Mortgage Holder" shall be defined as set forth in Paragraph 25 of this Master Deed.

2.16 "General Common Elements" shall have the same meaning as "common elements" pursuant to N.J.S.A. 46:8B-3(d), except as same may be modified by the provisions of Paragraph 5 hereof.

2.17 "General Common Expenses" shall mean those Common Expenses for which all Unit Owners are proportionately liable, including but not limited to those expenses which are attributable to the administration, maintenance, repair, and replacement of the General Common Elements.

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

2.19 "Limited Common Elements" shall have the same meaning as "limited common elements" pursuant to N.J.S.A. 46:8B-3(j), except as same may be modified by the provisions of Paragraph 5 hereof. When the context is not clearly expressed "Limited Common Elements" shall mean and refer to Residential Limited Common Elements, Townhouse Limited Common Elements, Commercial Limited Common Elements and Retail Limited Common Elements, all of which are defined herein.

2.20 "Master Deed" shall mean this instrument together with all future amendments or supplements hereto.

2.21 "Mortgage" shall mean and refer to the duly recorded instrument and underlying obligation giving rise to a mortgage lien upon any Unit. "Mortgage Holder" shall mean and refer to the holder of record of a Mortgage or one who issues or guarantees any Mortgage of record. "First Mortgage" shall mean and refer to the first or paramount Mortgage of record encumbering a Unit.

2.22 "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 Register of Union County, including the Sponsor unless the context expressly indicates otherwise, but notwithstanding any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall "Unit Owner" refer to any lessee or tenant of a Unit Owner. "Unit Owner" shall include "Townhouse Unit Owner", "Commercial Unit Owner", "Commercial Sub- Unit Owner", "Retail Unit Owner" and "Retail Sub-Unit Owner."

2.23 "Permitted First Mortgage" shall mean and refer to any first mortgage lien encumbering a Unit held by a bank mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency, or other institutional lender or which is a purchase money mortgage held by the Sponsor or by the Seller of a Unit.

2.24 "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.

2.25 "Residential Limited Common Elements" shall mean those Limited Common Elements which are for use of all of the Townhouse Unit Owners to the exclusion of the Retail and Commercial Unit Owner(s), as more specifically described in Paragraph 5 of the Master Deed and as shown on Exhibit C.

2.26 "Residential Limited common Expenses" shall mean any Limited Common Expenses for which only the Townhouse Unit Owners are liable, including but not limited to all expenses for the administration, maintenance, repair and replacement of the Residential Limited Common Elements.

2.27 "Retail Limited Common Elements" shall mean those Limited Common Elements which are for the use of the Retail Unit Owner(s) to the exclusion of Townhouse Unit Owners, and Commercial Unit Owner(s), as more specifically described in Paragraph 5 of the Master Deed and as shown on Exhibit C.

2.28 "Retail Limited Common Expenses" shall mean any Limited Common Expenses for which only the Retail Unit Owner(s) or Retail Sub-Unit Owner(s) are liable, including but not limited to all expenses for the administration, maintenance, repair, and replacement of the Retail Limited Common

Elements.

2.29 "Retail Sub-Unit" shall mean any Retail Unit that may hereafter be created by the subdivision of the Retail Unit into Retail Sub-Units and additional Retail Limited Common Elements as is hereinafter defined.

2.30 "Retail Unit" shall mean that Unit designated as the Retail Unit in Exhibit B as more specifically described in Paragraph 4 hereof, and, in the case of the establishment of same, any Retail Sub-Unit(s) that may be created and thereafter exist.

2.31 "Retail Unit Owner(s)" or "Retail Sub-Unit Owner(s)" shall mean or refer to those Unit Owners in whom record fee simple title to the Retail Unit is individually or collectively vested as shown in the records of the Register of Union County, New Jersey.

2.32 "Rules and Regulations" shall mean those rules and regulations promulgated by the Association together with all future amendments or supplements thereto.

2.33 "Sponsor" shall mean and refer to Springfield Park Place Co., L.P., a limited partnership of the State of New Jersey.

2.34 "Townhouse Limited Common Elements" shall mean those Limited Common Elements which are for the use of one (1) Townhouse Unit to the exclusion of other Townhouse Unit Owners, commercial Unit Owner(s) or the Retail Unit Owner(s), as more specifically described in Section 5 of the Master Deed and as shown on Exhibit C.

2.35 "Townhouse Limited Common Expenses" shall mean any Limited Common Expenses for which only the individual Owner(s) of a Townhouse Unit or Unit(s) are liable, including but not limited to all expenses for the administration, maintenance, repair and replacement of the Townhouse Limited Common Elements.

2.36 "Townhouse Unit" shall mean a part of the Condominium designated and intended for independent ownership and permanent use as a residential dwelling, regardless of type or model, and all as more specifically described in Paragraph 4 hereof, and shall not be deemed to include any of the Common Elements situated within or appurtenant to a Townhouse Unit.

2.37 "Townhouse Unit Owner" shall mean or refer to any person in whom record fee simple title to any Townhouse Unit is individually or collectively vested as shown in the records of the Register of Union County, New Jersey.

2.38 "Unit" shall mean a part of the Condominium designated and intended for independent ownership regardless of type, including Townhouse Units, the Retail Unit and any Retail Sub-Units, the Commercial Unit and any Commercial Sub-Units, and all as more specifically described in Paragraph 4 hereof and shall not be deemed to include any part of the General Common Elements or Limited Common Elements situated within or appurtenant to a Unit.



Unless the context clearly indicates otherwise, all definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth above shall be used in conjunction therewith.

### 3. GENERAL DESCRIPTION OF CONDOMINIUM

The Condominium will include the lands described in Exhibit A aforesaid consisting of approximately 53.2 acres upon which are to be constructed three hundred twelve (312) residential Townhouse Units in fifty-three (53) Buildings, four Commercial Units in four (4) Buildings, one (1) Retail Unit in one (1) Building, one (1) Maintenance Building together with one (1) swimming pool, one (1) tennis court, parking areas and all other site improvements, shown on Exhibit B aforesaid, and includes all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining. Each of the Townhouse Units is designated by a number, as set forth on Exhibit B attached hereto. The Commercial Units are designated as "CU1", "CU2", "CU3" and "CU4". The Retail Unit is designated as "RU".

### 4. DESCRIPTION OF UNITS

4.01 (amended June 16, 1988) Description of Townhouse Units. The dimensions, area and location of the Townhouse Units within the Condominium and the Buildings in which they are contained are as shown graphically on Exhibits B and C. Each Townhouse Unit is intended to contain all space within the area bounded by the interior surface of the perimeter walls of each Townhouse Unit and the floor and the ceiling of each Townhouse Unit as follows:

**BOTTOM:** The bottom is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of subfloor within the Unit, including the basement subfloor if any, and extending in every direction to the point where it closes with a side of such Townhouse Unit.

**TOP:** The top of each type of Townhouse 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 Townhouse Unit and extending in every direction to the point where it closes with every side of such Townhouse Unit.

**SIDES:** The sides of each Townhouse Unit are imaginary vertical planes along and coincident with the innermost surface of the exterior unexposed wall of the Townhouse Unit. Where no wall exists, the side is an imaginary vertical plane along and coincident with the exterior surface of the windows (including skylights, if any) or doors located on the perimeter of such Townhouse Unit. The

sides of each such Townhouse Unit are bounded by the bottom and top of the Townhouse Unit.

Each Townhouse Unit, regardless of type, 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) and all other improvements located within such Unit described, which are exclusively appurtenant to such Townhouse Unit, although all or part thereof may not be located within the Townhouse Unit, and shall include, but not be limited to the following individual appurtenances to the extent that same serve each individual Townhouse Unit only and not any other Unit or any portion of the Common Elements:

(a) So much of the common heating, plumbing and ventilating system as extends from the interior surface of the walls, floors or ceilings into the Townhouse Unit;

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

(c) All master antenna wiring which extends from the interior surface of the walls, floors, or ceilings into the Townhouse Unit;

(d) All utility meters not owned by the public utility agency supplying the service; and mechanical or

(e) All equipment, other systems which appliances, machinery, serve the Townhouse Unit exclusively whether or not same are located within or without the Townhouse Unit, including any portion of an HVAC Unit located on a concrete pad on the outside of such Unit and servicing that Unit exclusively.

Non-structural interior partitions or nonbearing walls within the confines of any Unit may, from time to time, be removed or replaced. In the event a Townhouse 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.

4.02 Description of Commercial and Retail Units. Initially, there shall be four (4) Commercial Units and one (1) Retail Unit, which have been designated on Exhibits B and C. These Units are more specifically described as follows:

**BOTTOM:** The bottom is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of the foundation or footing of the Commercial or Retail Unit, and extending in every direction to the point where it closes with a side of such Commercial or Retail Unit.

**TOP:** The top is an imaginary horizontal plane parallel to the bottom of the

Commercial or Retail Unit, which intersection is a point 150 feet above the bottom of the Commercial or Retail Unit.

**SIDES:** The sides of the Commercial or Retail Unit are imaginary vertical planes along and coincident with the outermost surface of the perimeter walls. Where no wall exists, the side is an imaginary plane that projects perpendicularly from the wall until it meets another side of the Commercial or Retail Unit. The sides of the Commercial or Retail Unit are bounded by the bottom and top of the Commercial or Retail Unit.

Each Commercial or Retail Unit shall also include, but not be limited to, the following individual appurtenances to the extent that same exclusively serve the said Commercial or Retail Unit:

- (a) So much of the common plumbing systems as extends into the Commercial or Retail Unit; and
- (b) All electrical wires which extend into the Commercial or Retail Unit; and
- (c) All utility meters appurtenant to the Commercial or Retail Unit not owned by the public utility agency supplying the service; and
- (d) All equipment, appliances, machinery, mechanical or other systems which serve the Commercial or Retail Unit exclusively whether or not same are located within or without the Commercial or Retail Unit.

4.03 Sponsor's Right as Owner to Dispose of Units. Sponsor shall, upon the recording of this Master Deed, be the Owner of every Unit within the Condominium regardless of type, including its appurtenant percentage interest in the Common Elements, and shall have the right to sell and convey, lease, or otherwise dispose of each such Unit as it may deem appropriate in its sole discretion.

4.04. Right of Commercial and Retail Unit Owners to Create Commercial and Retail Sub-Units and Additional Commercial and Retail Limited Common Elements. The Commercial or Retail Unit Owner(s), on behalf of itself, successors and assigns, hereby expressly reserves the right to subdivide the Commercial or Retail Units and to establish, one or more Commercial or Retail Sub-Units and additional Commercial or Retail Limited Common Elements within the initial Commercial or Retail Unit affected. The Commercial or Retail Unit Owner(s) may exercise this right at any time and from time to time and such exercise may be without the necessity of the consent of the Board, the Association, any Townhouse Unit Owner, any Commercial or Retail Unit or Sub-Unit Owner, or any Mortgage Holder who does not hold a Mortgage which directly encumbers an affected Commercial or Retail Unit or Sub-Unit. Any exercise of this right by a Commercial or Retail Unit Owner shall be reflected by appropriate amendment

or supplement to the Master Deed, which amendment must be duly recorded in the Office the Register of Union County. Notwithstanding anything to the contrary, the right stated herein to subdivide the Commercial or Retail Units shall be limited as follows:

(a) The obligation for payment of the General Common Expenses and the aggregate percentage interest in the Common Elements assigned to the individual Commercial or Retail Unit will not change even though same may be reallocated among the Commercial or Retail Sub- Unit Owners on a proportionate basis; and

(b) Any Common Expenses incurred in connection with the administration, maintenance, repair or replacement of any Commercial or Retail Limited Common Element now or hereafter established hereunder shall be borne by the respective Commercial or Retail Unit Owner or Sub-Unit Owner(s) for whose benefit such expenses are incurred; and

(c) Any increase in Commercial or Retail Limited Common Expenses resulting directly or indirectly from the establishment of any new Commercial or Retail Sub-Units or Limited Common Elements shall be borne by the Commercial or Retail Unit Owner and Sub-Unit Owner(s) for whose benefit such increased expenses are incurred.

Upon the request of any Commercial or Retail Unit Owner, the Association must use the power of attorney granted to it by Section 10 of this Master Deed, as hereinafter set forth, to record an appropriate amendment to the Master Deed creating the Commercial or Retail Sub-Unit requested. The Owner of the affected Unit shall pay all costs, including but not limited to architectural, engineering and legal costs, relating to this amendment.

## 5. DESCRIPTION OF GENERAL AND LIMITED COMMON ELEMENTS

5.01 General Common Elements. All appurtenances and facilities and other items which are not part of the Units hereinbefore described in Paragraph 4 or a part of the Limited Common Elements hereinafter described in sections 5.02 through 5.04 hereof 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:

(a) All private streets, driveways, curbs and sidewalks, subject to the easements and provisions set forth in Paragraph 7 hereof, and which do not comprise a portion of the Limited Common Elements as hereinafter described;

(b) Detention pond, conduits, utility lines, underground sprinkler system which will help to maintain the grassy areas of the Condominium, waterways, subject to the easements and provisions set forth in Paragraph 9 hereof;

(c) Public connections and meters for gas, electricity, telephone and water not owned by the

public utility or other agencies providing such services;

(d) Exterior lighting and other facilities necessary to the upkeep and safety of the Buildings and grounds;

(e) 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 or Limited Common Elements not included within the Condominium or for any other purpose;

(f) All tangible personal property required for the operation, maintenance and administration of the Condominium which may be owned by the Association; and

(g) All other facilities or elements of any improvement within any Building or upon the Property necessary or convenient to the existing management, operation, maintenance and safety of the Condominium or normally in common use.

5.02 Residential Limited Common Elements. The Residential Limited Common Elements shall be as graphically shown on Exhibits B and C, aforesaid and shall include by way of description but not by way of limitation:

- a) Approximately 1500 square foot swimming pool, regulation-sized tennis court, maintenance building, clubhouse, steps, stairways, concourses, walkways, all land, lawn areas, shrubbery, buffer zones, sidewalks, curbs and parking areas, shown within the lands designated on Exhibit B as "Residential Limited Common Elements".
- b) The roof, attic space, foundations, footings, columns, girders, beams, supports, exterior or interior bearing or main walls and floors in the Buildings containing the Townhouse Units.

Any repairs, maintenance or replacement costs with respect to the Residential Limited Common Elements shall be the responsibility of the Association.

5.03 (amended December 18, 2001) Townhouse Limited Common Elements. The Townhouse Limited Common Elements shall include any deck or patio to which there is direct access to that Townhouse Unit or which is appurtenant to same. The Townhouse Unit Owner shall be responsible for all snow clearing from any decks or patios appurtenant to his Townhouse Unit, as well as for ordinary repairs and maintenance of same. The Townhouse Unit Owner shall be also responsible for the replacement costs with respect to any Townhouse Limited Common Element necessitated by his own misuse or neglect. The Association shall be responsible for maintenance, repair, and snow removal of the Townhouse stairs and driveways.

Each Townhouse Unit Owner's right to use these appurtenances may not be transferred apart from the conveyance of title to the Unit.

5.04 Commercial Limited Common Elements. The Commercial Limited Common Elements shall be as graphically shown on Exhibits B and C, aforesaid and shall include, by way of description and not by way of limitation, concourses or walkways and parking areas appurtenant to the Commercial Units. The Commercial Unit Owner's right to use these areas may not be transferred apart from the conveyance of title to the Unit or any Sub-Unit thereof: All repairs or maintenance by or with respect to the Commercial Limited Common Elements shall be the responsibility of the Commercial Unit Owner. The Commercial Limited Common Elements are subject to modification and supplementation if the Commercial Unit Owner should exercise its right to subdivide the Commercial Unit into Commercial Sub-Units and additional Commercial Limited Common Elements.

5.05 Retail Limited Common Elements. The Retail Limited Common Elements shall be as graphically shown on Exhibits B and C aforesaid and shall include by way of description and not by way of limitation, concourses, walkways, or parking areas appurtenant to the Retail Unit.

The Retail Unit Owner's right to use the Retail Limited Common Elements appurtenant to the Retail Unit may not be transferred apart from the conveyance of title to the Retail Unit or any Sub-Units thereof. The Retail Unit Owner shall be responsible for the payment of the cost of repairs to any Retail Limited Common Element. The Retail Limited Common Elements are subject to modification and supplementation if the Retail Unit Owner should exercise its rights to subdivide the Retail Unit into Retail Sub-Units and additional Retail Limited Common Elements.

5.06 Reserved Common Elements. The Board shall have the power in its discretion to: (i) designate from time to time certain General Common Elements or Residential Limited Common Elements as "Reserved Common Elements"; (ii) grant reserved rights therein to the Association and to any or less than all of the Unit Owners; and (iii) establish a reasonable charge to such Unit Owners for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements. Any fee paid for such reserved rights shall be paid to the Association and shall be available for use by the Association as operating funds. Notwithstanding the foregoing, no part of the General Common Elements shall be designated as Reserved Common Elements for exclusive use by non-Unit Owners.

6. ESTATE ACQUIRED; INTEREST IN COMMON ELEMENTS; INTEREST IN COMMON SURPLUS; VOTING; COMMON EXPENSES

6.01 Estate Acquired. 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 proportionate interest in the General 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. Said interest is expressed as a finite number to avoid an interminable series of digits; the third (3rd) digit has been adjusted to that value which is most nearly correct. The proportions shall remain fixed.

6.02 Use of Percentage Interest. The aforesaid percentage interest, which has been established by the Sponsor, shall be used to allocate the division of proceeds, if any, resulting from casualty loss, any eminent domain proceedings, any common surplus of the Association, or from any other disposition of the Condominium property. The overall percentages of interest of the Townhouse, Commercial and Retail Units have been based on a fraction, the numerator of which is equal to the acreage comprising the area containing those Units and the denominator of which is the acreage comprising the Condominium in its entirety. The percentage of interest of an individual Unit is based upon the relative square footage of that Unit as compared with the relative square footage of all other Units within that zone.

The percentage interest shall not be used to apportion the assessments for the Common Expenses of each Unit in the Condominium. Instead, the Schedule of Percentage of Assessment Responsibilities, attached hereto as Exhibit G, shall be used for that purpose.

6.03 Voting. Each Townhouse Unit Owner in good standing shall be entitled to cast one (1) vote for each Unit to which he holds title in all elections of Directors. The Commercial Unit Owners and Commercial Sub-Unit Owners, if any, shall be entitled to elect one (1) Director and the Retail Unit Owner and Retail Sub-Unit Owners, if any, shall be entitled to elect one (1) Director, as more particularly described in Article IV of the By-Laws. In all other questions, each Unit Owner in good standing shall be entitled to cast those votes as are equal in weight to the percentage of interest in the Common Elements appurtenant to the Unit for which it is cast. The Sponsor shall be permitted to cast all votes for Units owned by it, but shall not be permitted to vote for the purpose of amending the Master Deed or the By-Laws or any other document or for the purpose of changing the permitted use of a Unit or reducing the Common Elements.

Notwithstanding the preceding, the Sponsor, as the initial owner of the Commercial or Retail Units, and any subsequent Commercial or Retail Unit Owner, shall not be permitted to exercise the votes appurtenant to the Commercial or Retail units in any vote in which the issue solely affects the Town-

house Units.

7. COVENANT FOR MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENT

7.01 Common Expense Assessments. It shall be an affirmative and perpetual obligation of the Board to fix Common Expense assessments in an amount at least sufficient to maintain the exterior of the Buildings and to maintain and operate the General Common Elements as contemplated by the Master Deed or By-Laws and 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.

7.02 Assessments for General Common Expenses. Assessments for General Common Expenses shall be allocated such that the Commercial Unit Owner and any Commercial Sub-Unit Owner(s) are assessed in the aggregate for 26.3% of such expenses, the Retail Unit Owner and any Retail Sub-Unit Owner(s) are assessed in the aggregate for 8.5% of such expenses, and Townhouse Unit Owners in the aggregate are assessed for 65.2% of such expenses. General Common Expenses shall include the expense items that benefit all Unit Owners.

7.03 Allocation of Assessment for Limited Common Expenses. Assessments for Residential Limited Common Expenses shall be allocated only among Townhouse Unit Owners and shall include those expense items that benefit only the Townhouse Unit Owners. Assessment for Commercial Limited Common Expenses shall be assessed only against the Commercial Unit Owner and/or any Commercial Sub-Unit Owner(s) and shall include only the expense items that benefit only the Commercial Unit Owner(s) and/or any Commercial Sub-Unit Owner(s). Assessment for Retail Limited Common Expenses shall be assessed only against the Retail Unit Owner and/or any Retail Sub-Unit Owner(s) and shall include only the expense items that benefit only the Retail Unit Owner and/or any Retail Sub-Unit Owner(s).

7.04 Notice. 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 assessment 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 XIV of the By-Laws.

7.05 Assessment Not Made. If an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of one hundred and ten (110%) percent of the last prior year's assessment and any installments of such annual assessments shall be due upon each installment payment date until a new annual Common Expense assessment is made.

7.06 Emergency Assessment When Annual Common Expense Assessment Insufficient. 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. This emergency assessment may be made without the consent of any of the Unit Owners. The determination of when an immediate need or emergency exists shall be in the sole discretion of the Board. Any emergency assessment pertaining to the General Common Elements or any Limited Common Element(s) shall be allocated among Unit Owners in the same manner as General and Limited Common Expenses are allocated.

7.07 Special Assessments. In addition to the annual Common Expense assessments hereinbefore authorized, the Board may levy, in any assessment year, a special Common Expense assessment, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement or a described capital improvement upon or to the Common Elements, including the necessary furniture, fixtures, equipment, and other personal property related thereto, or for any other lawful purpose, provided that any such special Common Expense assessments which exceed in the aggregate the sum of \$25,000.00 for any assessment year, shall be authorized by the vote in person or by two-thirds (2/3) of all the aggregate votes held by all of the members in good standing affected at a meeting duly called for such purpose. Assessments for less than that amount may be made by the Board without the consent of any of the Unit Owners. Written notice of such meeting shall be sent to all Unit Owners at least thirty (30) days in advance, and which notice shall set forth the purpose of the meeting. The due date(s) of any special assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing such special assessment.

Special Common Expense assessments shall be allocated among Unit Owners in the same manner as General and Limited Common Expenses are allocated.

7.08 Covenant to Pay Assessments. Every Unit Owner by acceptance of a deed or other conveyance for a Unit or Sub- 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, emergency, or special Common Expense assessments 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 Owner is liable shall be immediately due upon the closing of title to the purchaser.

7.09 Certificate for Payment. The Association shall, upon the request of any Unit Owner liable for a Common Expense assessment, or of the Eligible Mortgage Holder for any Unit, furnish to such Unit Owner or Eligible Mortgage Holder, 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.

7.10 Liability for Assessments. No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the common Elements. Each Unit assessment shall be a continuing lien upon the Unit against which it was made and shall also be the joint and several personal 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 Section 25.05 of this Master Deed together with such interest thereon 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.

8. USE OF COMMON EXPENSE ASSESSMENTS; RESPONSIBILITIES OF OWNERS;  
DAMAGE DUE TO NEGLIGENCE, OMISSION, OR MISUSE.

8.01 Use of Common Expense Assessments. 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: the maintenance, repair and replacement of

the Common Elements or any other improvements on the Property; payment of taxes and insurance premiums, except that the Commercial or Retail Unit Owner(s) or Sub-Unit Owner(s) shall be responsible for the insurance premiums for their respective buildings; 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 a Common Expense.

8.02 Maintenance. Each Unit Owner shall promptly furnish, perform, and be responsible for, at his own expense, all of the 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 containing the Townhouse Units shall be furnished by the Association: and (ii) the Association, its agents and employees may affect emergency or other necessary repairs which the Unit Owner has failed to perform: but any and all expenses incurred pursuant to the foregoing provision shall be the responsibility of the Unit Owner(s) affected thereby. Except as hereinbefore provided, maintenance, repairs and replacements of the plumbing fixtures and systems, windows, doors, 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.

8.03 Damage Due to Negligence, Omission or Misuse. 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 or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then the Unit Owner so responsible for the damage or the person(s) causing same, shall pay for such damage and be liable for any damages, liability, costs and expenses, including attorney's fees, caused by or arising out of such circumstances; and such maintenance, repairs and replacements to the General or Limited Common Elements or the Unit(s) shall be declared a Common Expense and subject to the By-Laws and the Rules and Regulations.

9. EASEMENTS AND DEDICATION

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

(a) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements;

(b) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Element, now existing or which may come into existence hereafter as a result of construction, 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 so long as the Building stands;

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

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

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

(f) A perpetual and non-exclusive easement in, over and through the General Common Elements of the Condominium and to use the driveways, walks and other common facilities within the Condominium for their intended respective purposes, subject to the right of the Board to:

- i. promulgate Rules and Regulations for the use and enjoyment thereof; and
- ii. suspend the enjoyment and voting rights of any Unit Owner for any period during which 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.

9.02 Sponsor's Easements. Sponsor, its successors and assigns, shall have the following easements with respect to the Property:

(a) 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 ingress and egress, for the use of all driveways and parking areas, and

for the utilization of existing and future model Units for sales, promotion and exhibition, until the date the last Unit is sold and conveyed in the normal course of business, but in no event more than ten (10) years from the date of recording of this Master Deed. In addition, Sponsor hereby reserves the irrevocable right for a period of two (2) years after the conveyance of the Unit, 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 Buildings, 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 of entry shall be immediate whether the Unit Owner is present at the time or not;

(b) 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; and

9.03 Association Easements. The Association shall have the following easements with respect to the Property:

(a) The Association shall have a perpetual, exclusive easement for the maintenance of any Common Element, which presently or may hereafter encroach upon a Unit;

(b) The Association, through the Board or any manager, or managing agent, or their respective agents or employees, shall have the perpetual and non-exclusive right of access to each Unit (i) to inspect same; (ii) to remedy any violations of the provisions of this Master Deed, the By-Laws or any Rules and Regulations of the Association; and (iii) 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.

9.04 Mortgage Holder Easements. Any Mortgage Holder, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair 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.

9.05 Easement for Service. A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, waters, poles, transformers, cable television lines or master television antennae 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.

9.06 Easement to Township of Springfield and Association. A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Elements to the Township of Springfield, the Association, their respective officers, agents and employees (but not the public in general) and all police, fire, and ambulance personnel in the proper performance of their respective duties (including but not limited to emergency or other necessary repair and maintenance of the Common Elements). Except in the event of emergencies, the rights accompanying the easements provided for in this subparagraph shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Unit Owner(s) directly affected thereby.

9.07 Dedication to Township of Springfield. The Property is subject to the right of the Township of Springfield to require the dedication of a tract on the Property approximately 75 feet by 100 feet (7500 feet) to the Township for the construction, operation and maintenance of a structure to be used by the Township as a firehouse substation ("Firehouse"). As a condition of its municipal approvals from the Township for the Condominium, the Sponsor was required to provide for said dedication. The exact site of the Firehouse, if same is constructed, will be as agreed by the Township Committee of the Township of Springfield and the Sponsor for the Association (as of the date of this Master Deed, the Sponsor anticipates that the Firehouse will be constructed in the location set forth for such on Exhibit B, hereof).

The Board or the Sponsor is empowered to take whatever action is necessary in order to effectuate the provisions of this section, including the execution of a deed of conveyance of this dedication parcel to the Township. If the conveyance has occurred and the Township has not commenced construction of the Firehouse by August 5, 1991, then the Township will be required to reconvey the parcel back into the Condominium by executing a deed to the site in favor of all Unit Owners, after which time the parcel shall be deemed to be part of the General Common Elements of the Condominium.

The dedication provided for herein shall not be interpreted or deemed to be an impermissible sale,

conveyance or other disposition of the Common Elements of the Condominium.

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

10.01 (amended June 16, 1988) Administration of Common Elements. The administration of the General Common Elements of the Condominium and of the Residential Limited Common Elements and 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 of the Association and of any other agreement, document, amendment or supplement to the foregoing which may be duly adopted or subsequently be required by any institutional lender designated by the Sponsor or by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor to insure title to any Unit(s).

Certain matters affecting the administration of the General Common Elements will require the approval of the Unit Owners. In order to be valid, any measure concerning such a matter must be approved by eighty (80%) percent of all Unit Owners eligible to vote. Any matter which affects only the Townhouse Unit Owners or the administration of the Residential Limited Common Elements, and which requires the approval of Townhouse Unit Owners must be approved by sixty-seven (67%) percent of all Townhouse Unit Owners eligible to vote. Administration of the Commercial Limited Common Elements and the Retail Limited Common Elements and related common facilities shall be by the owner of the respective Unit Owners to which said Limited Common Elements are appurtenant in accordance with the provisions of the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation, By-Laws, the Rules and Regulations of the Association, and any other duly adopted amendment or supplement to the foregoing.

10.02 (amended June 16, 1988) Sponsor's Power of Attorney. Sponsor hereby reserves for itself, its successors and assigns, for a period of five (5) years from the date the first Unit is conveyed to an individual purchaser, or until Sponsor conveys title to the last Unit, whichever occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lienholders parties claiming a legal or equitable interest in the Condominium, any such agreement, document, amendment or supplement to the above described documents which may be so required by any such institutional lender, governmental agency or title insurance company; provided, however, that no such agreement, document, amendment or supplement which adversely affects the value or substantially alters the floor plan of any Unit, or changes the proportion 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 be made

without the prior written consent of the affected Unit Owner(s) and all owners of any mortgage(s) encumbering same, except as provided in Section 4 of this Master Deed; or if such agreement, document, amendment or supplement adversely affects the priority or validity of any mortgage which encumbers any Unit, without the prior written consent of the owners of all such mortgages.

10.03 Appointment of Sponsor and Association as Attorney-in-Fact. 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 lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name; constitute, appoint and confirm (i) Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deed(s) and other instrument(s) necessary to effect the foregoing subject to the limitations set forth above in Paragraph 4 hereof; 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 Units so leased by the Association, subject to the restrictions set forth in Section 5.01(p) and (q) of the By-Laws. The aforementioned power of attorney must be exercised by the Sponsor or the Association to record amendments to the Master Deed creating Commercial and/or Retail Sub-Units whenever the Commercial and/or Retail Unit Owner so requests. All expenses relating to that amendment will be paid by the Unit Owner making the request.

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 upon 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 through its Board of Directors.

10.04 Sponsor Voting. The Sponsor shall be permitted to cast any votes held by it for unsold Units. However, the Sponsor shall not cast these votes for the purpose of amending this Master Deed, the By-Laws or any other document for the purpose of changing the permitted use of a Unit or for the purpose of reducing the Common Elements or facilities, except that these votes may be cast for the purpose of subdividing the Commercial and/or Retail Units into commercial and/or Retail Sub-Units, as



provided in Section 4.04 hereof.

## 11. RESTRICTIONS

11.01 (amended June 16, 1988) General Restrictions. The Condominium is subject to all covenants, restrictions and easements of record and to the following restrictions:

(a.) Townhouse Unit, except those Townhouse Units owned by the Sponsor and used as sales offices, administrative offices or models, shall be used for any purpose other than as a private residence.

(b.) There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements without the prior consent of the Board except that the use by a Unit Owner of any designated storage area which is a Townhouse Limited Common Element, shall be permitted subject to the Rules and Regulations.

(c.) No vehicles of a size larger than a panel truck and no mobile home, or the like shall be parked on any part of the Property designated as Residential Limited Common Elements on Exhibit B except that those vehicles temporarily on the Property for the purpose of servicing the Residential or Townhouse Limited Common Elements or one of the Townhouse Units shall be permitted without the prior consent of the Board.

(d.) No portion of the Common Elements or other portion of the Property shall be used or maintained for the dumping of rubbish or debris except in the dumpster disposal areas. Trash, garbage or other waste shall be kept in sanitary containers on the Property for 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 Townhouse Unit or any patio appurtenant thereto without the permission of the Board. Floodlights may be utilized in the Commercial and Retail Areas.

(f.) The Owner of each Townhouse Unit, regardless of type, shall not cause or permit any clothes, sheets, blankets, laundry or other articles to be displayed on the outside of windows or placed on the outside of window sills, walls or balconies of any Building containing Townhouse Units, or in any parking areas located on the Residential Limited Common Elements; and no sign, awning, grill, fence, canopies, shutters, or radio or television antenna or aerial shall be placed in or upon the General Common Elements or the Residential Limited Common Elements or any part thereof without the prior consent of the Board. Townhouse Unit Owners other than Sponsor shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Buildings containing the Townhouse Units. Each Townhouse 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 addresses of the purchasers.

(h.) No Townhouse 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 and doors that are part of his Unit, including the front door of any Townhouse Unit.

(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 Unit(s) or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to this Master Deed, the By-Laws and the Rules and Regulations of the Association.

(l.) Nothing shall be done or kept in any Unit or in or upon the Common Elements or Limited 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. The foregoing provision shall only apply if the Association is responsible for the maintaining of insurance on the Unit in question.

(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 willfully or negligently which may be or become an annoyance or nuisance to the other Owners, occupants or residents in the Condominium.

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

(o.) Nothing shall be done to any Townhouse Unit or on or in the Residential Limited or General Common Elements which will impair the structural integrity of any Building containing the Townhouse Units or which will structurally change any such Building. No Townhouse Unit Owner (other than the Sponsor) may make any structural additions, alterations or improvements in or to his Townhouse Unit or in or to the Residential Limited or General Common Elements, or impair any easement without the prior written consent of the Board. Notwithstanding the foregoing, while the Sponsor maintains a majority on

the Board 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 lender or in the event of an emergency. The Board shall have the obligation to answer any written request received by it from a Townhouse Unit Owner for approval of a proposed structural addition, alteration or improvement to his Townhouse Unit within forty-five (45) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Townhouse Unit must be reviewed by the Board and, if approved, shall be executed by the Board and may then be submitted by the Townhouse Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or materialman on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Townhouse Unit Owner shall furnish the Board with a copy of any such permit which he has procured. The provisions of this subparagraph shall not apply to Townhouse Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor unless such Sponsor-owned Townhouse Units are not being offered for sale in the regular course of business. This restriction shall not apply to the Commercial and Retail Units.

(p.) Draperies, blinds, curtains or other window coverings must be installed by each Townhouse 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 incidental to the use and occupancy of the Units.

(r.) No Townhouse Unit shall be used or rented for transient or hotel purposes, which shall be defined as (i) rental for any period less than six (6) months or (ii) any rental where the occupants of the Unit are provided customary hotel services such as room service for food, beverages, maid service, furnishing laundry and linen and bellboy service; provided, however, that any Unit Owner may rent a Unit for less than six (6) months to a contract purchaser, but in no event for transient or hotel purposes. No Townhouse Unit owner may lease less than the entire Townhouse Unit. Copies of all leases for the lease of Townhouse Unit must be furnished to the Association prior to the commencement of the lease thereof. Other than the foregoing obligations, Unit Owners shall have the right to lease the same provided (i) said lease is in writing and is made subject to this Master Deed and the By-Laws of the Association and other documents referred to herein, including the right of amendment reserved to Sponsor, herein, and (ii) that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the lease. In the event a tenant of a Townhouse Unit Owner fails to comply with

the provisions hereof, the By-Laws or Rules and Regulations of the Association, in addition to all other remedies which it may have, the Association shall notify the Townhouse Unit Owner of such violation(s) and demand that same be remedied through the Townhouse Unit Owner's efforts within thirty (30) days after such notice. If such violation(s) is not remedied within such thirty (30) day period, then the Townhouse Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction against such 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 Townhouse Unit Owner fails to fulfill the foregoing obligations, the Association shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Townhouse Unit Owner and at the Townhouse Unit Owner's sole cost and expense, including all legal fees incurred. Such costs and expenses shall be due and payable upon demand by the Association and shall be deemed to constitute a lien on the particular Townhouse Unit involved and the collection thereof may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses.

(s.) No Townhouse Unit Owner shall have the right to mortgage or encumber his Townhouse Unit, unless such mortgage or encumbrance is a Permitted First Mortgage. No other mortgages or encumbrances shall be permitted without the prior written approval of the 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 in 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 interest in the General Common Elements.

(u.) Each Unit Owner shall pay for his own utilities which are separately metered or billed by the respective utility company. Utilities which are not separately metered or billed or which serve the Common Elements shall be treated as part of the Common Expenses.

(v.) No clothes poles, lines, or clothes trees shall be installed or maintained.

(w.) No business, trade or profession shall be conducted in any Townhouse Unit.

(x.) Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use.

11.02 Enforcement of Restrictions. 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 Board shall further have the right to levy fines for violations of these regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$25.00. Each day that a violation continues after receipt of notice by the

Unit Owner may be considered as a Common Expense to be levied against the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expenses, including the right of lien.

12. OBLIGATIONS OF SPONSOR

Until the conveyance of title to the first Unit, the Sponsor shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Units to whom title shall have been conveyed shall be responsible for their proportionate share of all Common Expenses and the Sponsor shall be responsible for payment of all Common Expenses assessed against Units which have not been conveyed. No Unit shall be assessed for Common Expenses until such time as a Certificate of Occupancy has been issued for that Unit.

While Sponsor maintains control of the Board, it shall take no action which may adversely affect a Unit Owner's rights under N.J.A.C. 5:25-5.5. Claims relative to defects in the Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

13. NO PARTITION

Subject to the provisions of this Master Deed, the Certificate of Incorporation, the By-Laws and the New Jersey Condominium Act, the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided proportionate 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. This provision shall be subject to the right of the Commercial and/or Retail Unit Owner(s) to subdivide those Units into Sub-Units and to create additional Commercial and/or Retail Limited Common Elements, as set forth in Section 4.04 of this Master Deed.

14. MEMBERSHIP IN THE ASSOCIATION

Upon acceptance of a deed to a Unit each Unit Owner shall automatically become a member of the Association and shall be a member for so long as he shall hold legal title to his Unit subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Certificate of Incorporation, 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,

including the Commercial Unit(s) and/or the Retail Unit.

15. COMPLIANCE BY OWNERS; ENFORCEMENT

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 agreement, document, amendment or supplement to the foregoing as described in Section 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.

16. DAMAGE OR DESTRUCTION TO THE PROPERTY

16.01 Damage or Destruction to Property; Disposition of Insurance Proceeds. 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 provisions of this Section 16.

16.02 Insurance Proceeds Less Than or Equal to \$25,000.00. If the insurance proceeds derived from such loss amount to \$25,000.00 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 specific construction. The Board shall accept bids only in amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

16.03 Insurance Proceeds Greater than \$25,000.00. If the insurance proceeds derived from such loss exceed \$25,000.00, all such insurance proceeds shall be paid directly to an Insurance Trustee as may

be designated by the Board, as trustee for all holders of Permitted Mortgages holding First Mortgages on the Property, and all Unit Owners as their interests may then appear.

(a.) Upon notification of the receipt of insurance proceeds by the Insurance Trustee, the Board shall enter into a contract for a specific dollar amount with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed portions of the property, as nearly as practicable to the original plans and specifications thereof and in accordance with all applicable building codes.

(b.) The Board shall enter into said contract with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the trustee. Disbursements 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.

(c.) 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.

16.04 Responsibility of Unit Owner. If the damage is only to those parts of a Unit for which the responsibility for maintenance and repair is that of the Unit Owner, then that Unit 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.

16.05 Insurance Proceeds Insufficient. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners whose Units were damaged or destroyed, in sufficient amounts to provide funds for the payment of such costs. Anything to the contrary in this Master Deed or By-Laws notwithstanding, such assessments shall be in proportion to the Unit Owner's percentage interest in the Common Elements. The foregoing provisions of this Section 16.05 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 or maintenance and repair is that of the Unit Owner for which the costs and expenses must be borne by each Unit Owner; provided, however, that any portion of the insurance proceeds representing damage for which the responsibility for reconstruction and repair lies with an individual Townhouse Unit Owner shall be paid to said Townhouse Unit Owner, or if there is a mortgage endorsement as to such Townhouse Unit, then to the Townhouse Unit Owner and mortgagee, jointly.

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

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

16.08 (amended October 1, 1991) Damage or Destruction of any Commercial Unit. Notwithstanding anything contained in this Section to the contrary, any insurance proceeds paid by any insurance carrier after the damage or destruction of a Commercial Unit, irrespective of whether such proceeds were paid by an insurance carrier insuring the Association, or the individual owner(s) of such Commercial Unit, shall be paid to the owner of such affected Commercial Unit, subject to such rights as may exist in such proceeds for the benefit of any mortgagee of such affected Commercial Unit. Upon such distribution of insurance proceeds, the affected Commercial Unit Owner shall repair the Unit as otherwise provided in this Section 16.

## 17. EMINENT DOMAIN

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

17.02 (amended June 16, 1988, amended October 1, 1991) Allocation of Awards. Any awards made in connection with such proceeding 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:

(a.) Upon any acquisition of a Unit, rendering the Unit totally uninhabitable or unusable by the condemning authority, unless the decree provides otherwise, each affected Unit's entire percentage interest and its Common Expense liability shall be automatically reallocated to the remaining Units in



proportion to the respective percentage interests and Common Expense liabilities of such remaining Units immediately before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Master Deed reflecting the reallocations. Any such condemnation award paid to the Association shall be distributed to the affected Unit Owner and, in the case of a taking affecting more than one Unit Owner, said award shall be distributed to the affected Unit Owners in proportion to their respective percentages of interest in the Common Elements of the Condominium prior to the taking. Any remnant of a Unit remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element. This provision shall apply only to a total taking of an affected Unit by the condemning authority.

(b.) Upon acquisition by the condemning authority of a portion of a Unit which does not render it totally uninhabitable or unusable (1) each affected Unit's percentage interest, and its Common Expense liability shall be reduced in proportion to the reduction in square footage of each such Unit, and (2) the portion of percentage interest and Common Expense liability divested from the acquired Unit shall be automatically reallocated to the remaining Units in proportion to their respective percentage interests and liabilities of such remaining Units, with the partially acquired Unit(s) participating in the reallocation on the basis of their reduced percentage interest and liabilities. Any distribution of the condemnation award to such affected Unit Owner(s) shall be divided in the same manner and in the same proportions as the reallocation of the percentage interest and liabilities set forth herein. This provision shall apply only to a partial taking of an affected Unit by the condemning authority.

(c.) If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Association. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the affected Unit Owners in proportion to their respective proportionate interest in the Common Elements before the taking, but the portion of the award attributable to the acquisition of any Limited Common Element must be equitably divided, unless the award provides otherwise, among the Owners of the Units to which that Limited Common Element was allocated at the time of acquisition.

(d.) Notwithstanding anything in the preceding to the contrary, in the event all or any portion of any Commercial Unit is taken, injured or destroyed by eminent domain, then that portion of the award attributable to such partial or total taking, or any insurance proceeds that may be paid of the result of such taking, shall be paid to the owner of such affected Commercial Unit subject to such rights as may exist in such proceeds for the benefit of any mortgagee of the affected Commercial Unit Owner.

## 18. INSURANCE

The Board shall obtain and continue in effect blanket property insurance on the Common Elements and on the Townhouse Limited Common Elements in an amount equaling replacement value, and in form satisfactory to any institutional lender holding first mortgages on a majority of the Units, but without prejudice to the right of the Owner of any Townhouse Unit to obtain individual Unit insurance at his own cost. Commercial and Retail Unit Owner(s) shall be responsible, at their own cost and expense, for maintaining adequate insurance coverage for their respective Buildings. In addition, the Board shall obtain and continue such other amounts of insurance as may be required by the provisions of the By-Laws. Premiums for all insurance coverage on the General Common Elements shall be a Common Expense to be included in the monthly assessment for Common Expenses and shall be allocated in the same manner as other Common Expenses. Premiums for all insurance coverage on the Townhouse Limited Common Elements shall be a Townhouse Limited Common Expense to be included in the monthly assessment for Townhouse Limited Common Expenses, and shall be allocated in the same manner as other Townhouse Limited Common Expenses.

19. AMENDMENT OF MASTER DEED

This Master Deed may be amended at any time after the date hereof. Any amendment which would affect the Condominium as a whole or the General Common Elements must have the approval of at least eighty (80%) percent of all Unit Owners eligible to vote. Any amendment affecting only the Townhouse Unit Owners or Residential Limited Common Elements must have the approval of at least sixty-seven (67%) percent of all Townhouse Unit Owners eligible to vote. Such votes shall be taken at any meeting of the Association duly held in accordance with the provisions of the By-Laws provided, however, that any amendment so requiring it under the provisions of Paragraph 25, shall also have the prior written approval of any applicable Mortgage Holder. 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 Section 10 hereof. In the alternative, an amendment may be made by an agreement, signed and acknowledged by all of 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.

20. ENFORCEMENT

Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation

violating or attempting to violate or circumvent any provision herein contained, either to restrain or enjoin such violation or threatened violation or to recover damages, and against any Unit Owner to enforce any lien created by this Master Deed. Failure by the Association or any member to enforce any covenant or restriction 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. In the event that the Association should at any time fail to discharge its obligations to maintain any portion of the Property as required by this Master Deed, or to enforce the provisions hereof, any Unit Owner shall have the right to enforce such obligations by any proceeding at law or equity. A failure to so enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Also, in such event the Township of Springfield shall have the right to so maintain the Property or to enforce such provisions in the name, place and stead of the Association. The assumption of such maintenance responsibility shall be in accordance with the procedures set forth in N.J.S.A. 40:55D-43(b). The cost of same shall be assessed, enforced and collected in accordance with the provisions of N.J.S.A. 40:55D-43(c). Notwithstanding any limitations as to the applicability of N.J.S.A. 40:55D-43(b) and (c) aforesaid to the maintenance of "open space", the provisions of this subsection shall be deemed to apply to all maintenance obligations of the Association as set forth in this Master Deed or otherwise. Should either the Association or any of its Members at any time fail to enforce the provisions hereof, the Township of Springfield upon thirty (30) days' notice to the Association, shall have the right to institute appropriate legal proceedings in the name of the Association to effect such enforcement.

21. 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.

22. GENDER AND NUMBER

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.

23. 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 agreements with the Association or with third parties, will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit, and the acceptance of the deed 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 said agreement, or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation or the By-Laws.

24. RIGHTS RESERVED TO SPONSOR

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

25. ELIGIBLE MORTGAGE HOLDERS' RIGHTS

25.01 Definition. "Eligible Mortgage Holder" shall mean and refer to any First Mortgage Holder which has requested in writing that the Association provide notice of any of the proposed actions described in Section 25.02 of this Paragraph.

25.02 Notice to Eligible Mortgage Holder. Each Eligible Mortgage Holder shall be entitled to timely written notice of the following:

(1.) Any proposed amendment to the Certificate of Incorporation, the By-Laws or this Master Deed.

(2.) Any condemnation or casualty loss that affects either a material portion of the Common Elements or the Unit securing the Eligible Mortgage Holder's mortgage.

(3.) Any sixty (60) day delinquency in the payment of Common Expense assessment installments or other assessments or charges owed to the Association by the Unit Owner of the Unit upon which the Eligible Mortgage Holder holds a First Mortgage.

(4.) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

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

25.03 Prior Written Approval of 51% of Eligible Mortgage Holders. Notwithstanding any provision to the contrary contained in the Certificate of Incorporation, the By-Laws or this Master Deed, the prior written approval of at least fifty-one percent (51%) of the Eligible Mortgage Holders is required for any material amendment to the Certificate of Incorporation, the By-Laws and this Master Deed including, but not limited to, any amendment to the Certificate of Incorporation, the By-Laws and this Master Deed, including, but not limited to, any amendment which would change:

- (1.) voting rights;
- (2.) reserves for maintenance, repair and replacement of Common Elements;
- (3.) responsibility for maintenance and repairs;
- (4.) assessment allocations, assessment liens or subordination of assessment liens;
- (5.) reallocation of interests in the General or Limited Common Elements or rights to their use;
- (6.) boundaries of any Unit;
- (7.) convertibility of Units into Common Elements or vice versa;
- (8.) expansion or contraction of the development, or the addition, annexation or withdrawal of land or from the Condominium;
- (9.) obligation to maintain insurance or fidelity bonds;
- (10.) restrictions as to the leasing of Units;
- (11.) the restrictions upon a Unit Owner's right to sell or transfer his Unit;
- (12.) the management of the Association to self-management rather than professional management;
- (13.) any obligation of the Association to re-store or repair the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed or the By-Laws;
- (14.) any action to terminate the legal status of the Condominium after substantial damage or condemnation occurs; or
- (15.) any provisions that expressly benefit Eligible Mortgage Holders.

25.04 Notice of Non-Material Amendments to Constituent Documents. Each Eligible Mortgage Holder shall receive thirty (30) days advance notice, to be sent certified mail, return receipt requested, 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. Any Eligible Mortgage Holder being served with such notice 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.

25.05 Additional Provisions for the Benefit of Eligible Mortgage Holders. The following additional provisions are for the benefit of Eligible Mortgage Holders:

(1.) Any lien the Association may have on a Unit for the payment of Common Expense assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any Permitted First Mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.

(2.) The Association shall maintain current copies of the Master Deed, Certificate of Incorporation, By-Laws and Rules and Regulations of the Association, and any respective amendments thereto, as well as its own books, records and financial statements available for inspection by Unit Owners and Eligible Mortgage Holders. Any Eligible Mortgage Holder shall upon written request, (i) be permitted to inspect the books and records of the Association during normal business hours; (ii) receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association; and (iii) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(3.) Any Eligible Mortgage Holder who holds a Permitted First Mortgage on a Unit who obtains title to such Unit as a result of foreclosure of the Permitted First Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which became due subsequent to recordation of the Permitted First Mortgage and prior to 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.

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

(5.) Nothing contained in this Section 25 shall be deemed to limit or preclude an Eligible Mortgage Holder from exercising any right established elsewhere in this Master Deed in favor of Mortgage Holders who are not Eligible Mortgage Holders.

## 26. 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 inure to the benefit of and be enforceable by the Sponsor, 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 Section 11 shall have an initial term of forty (40) years from the date this Master Deed is recorded in the Office of the Register of Union County, New Jersey, at 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 of any extension period, shall sign an instrument, or instruments (which may be in counterparts), in which they shall agree to change said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Unit Owner at least ninety (90) days in advance of the action taken in authorizing said agreement; and, in any event, any changes concerning any such agreement shall not become effective and binding until three (3) years after the recording of the aforesaid fully executed instrument or instruments containing such agreement, and provided further, that in no event may the Common Elements be conveyed to any third person, firm or corporation, without the express consent, by ordinance, of the governing body of the Township of Springfield (or such municipal corporation or other governmental entity as may then have zoning and subdivision jurisdiction over the Property).

27. 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 Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

28. SPECIAL SPONSOR'S RIGHTS

28.01 Effectiveness of Transfer of Special Sponsor Rights. No special right 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.

28.02 Liability of Transferor. Upon transfer of any such Special Sponsor Right, the liability of the

transferor is as follows:

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

(b.) If a transferor retains any such Special Sponsor Right, or if a successor to any such Special Sponsor Right is an affiliate of the Sponsor, the transferor is subject to liability for all obligations and liabilities imposed on a Sponsor or by the Master Deed, arising after the transfer, and is jointly and severally liable with the successor for the liabilities and obligations of the successor which relate to the Condominium.

(c.) A transferor who retains no such Special Sponsor Rights has no liabilities 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.

28.03 Transfer of Rights After Foreclosure, Trustee's Sale, or Bankruptcy. Unless otherwise provided in a mortgage, sale by a trustee under a deed of trust, or sale under Bankruptcy Act 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.

Upon foreclosure, sale by a trustee under a deed of trust, or sale under Bankruptcy Act or receivership proceedings, of all Units in the Condominium owned by Sponsor:

- (i.) The Sponsor ceases to have any such 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 Sponsor Rights to a successor to Sponsor.

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

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

(b.) A successor to all such Special Sponsor Rights, other than a successor described in subsections (c) or (d) hereof who is not an affiliate of Sponsor, is subject to all obligations and liabilities imposed upon any Sponsor by law or this Master Deed, but 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 a fiduciary obligation by any previous Sponsor

(c.) 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.

(d.) 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 Section 28.03 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 other than the right to control the Board for the duration of any period of Sponsor control, and any attempted exercise of those rights is void. So long as a successor Sponsor may not exercise Special Sponsor Rights under this subsection he is not subject to any liability or obligation as a Sponsor other than liability for the successor's acts and omissions under this Master Deed.

28.05 Limitation of Successor's Liability. Nothing in this Section 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 this Master Deed.

## 29. 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 of 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.

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

SPRINGFIELD PARK PLACE CO., L.P.

By: \_\_\_\_\_

Harry Wilf, General Partner

By: \_\_\_\_\_

Leonard Wilf, General Partner

By: \_\_\_\_\_

Joseph Wilf, General Partner

By: \_\_\_\_\_

Zygmunt Wilf, General Partner

STATE OF NEW JERSEY     )  
  )     SS:  
COUNTY OF UNION         )

BE IT REMEMBERED, that on this \_\_\_\_\_ day of \_\_\_\_\_, 198\_\_, before me, the subscriber, a \_\_\_\_\_ of New Jersey personally appeared Harry Wilf, Leonard Wilf, Joseph Wilf and Zygmunt Wilf who, I am satisfied, are the persons who executed the foregoing instrument as the General Partners in SPRINGFIELD PARK PLACE CO., L.P., a New Jersey partnership, and thereupon they acknowledged that they signed, sealed and delivered the same as their act and as the voluntary act and deed of said partnership.

\_\_\_\_\_  
\_\_\_\_\_ of the State of  
New Jersey