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**DECLARATION OF
COVENANTS, EASEMENTS AND RESTRICTIONS FOR
THE VILLAGES AT CINNAMINSON HARBOUR COMMUNITY**

Prepared by:

Wendell A. Smith
Wendell A. Smith, Esq.

RECORD AND RETURN TO:

**GREENBAUM, ROWE, SMITH & DAVIS LLP
P.O. Box 5600
Woodbridge, New Jersey 07095
Attention: Wendell A. Smith, Esq.**

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EXHIBIT A-1	Legal (Metes and Bounds) Description of Phase 1
EXHIBIT B	Overall Plan - Preliminary Subdivision for the Community
EXHIBIT B-1	Preliminary Subdivision Plan for Phase 1
EXHIBIT C	Certificate of Incorporation of The Villages at Cinnaminson Harbour Community Association, Inc.
EXHIBIT D	By-Laws of The Villages at Cinnaminson Community Association, Inc.

**DECLARATION OF
COVENANTS, EASEMENTS AND RESTRICTIONS FOR
THE VILLAGES AT CINNAMINSON HARBOUR COMMUNITY**

THIS DECLARATION is made this 24th day of May, 2005, by The Villages at Cinnaminson Harbour, L.L.C., a New Jersey Limited Liability Company, having an office located at 433 River Road, Highland Park, New Jersey 08904 (the "Developer") and K-LAND NO. 57, L.L.C., a New Jersey Limited Liability Company, having an office located at 433 River Road, Highland Park, New Jersey 08904 (the "co-Developer").

WHEREAS, the co-Developer is the owner or contract purchaser of the fee simple title to certain real property in the Township of Cinnaminson, County of Burlington and State of New Jersey consisting of approximately one hundred five (105) acres of land, being more particularly described by a metes and bounds description appended hereto as Exhibit "A" and as shown on a plan entitled "Overall Plan - Preliminary Subdivision, The Village at Cinnaminson Harbour, Cinnaminson Township, Burlington County, New Jersey" prepared by Land Dimensions Engineering, dated July 27, 2003 (the "Overall Plan"), appended hereto as Exhibit "B" (the "Community"); and

WHEREAS, the Developer intends, and reserves the right, but is not obligated, to create thereon a planned unit development, which is contemplated to ultimately consist of up to one hundred sixteen (116) units in Cinnaminson Harbour Carriage Homes Condominium, up to one hundred eighty one (181) units in Cinnaminson Harbour Townhomes Condominium and up to two hundred nine (209) units in Cinnaminson Harbour Estate Homes Condominium for up to an aggregate of five hundred six (506) dwellings (collectively, the "Homes") and certain

Community Common Property, to be known as The Villages at Cinnaminson Harbour Community, as hereinafter defined; and

WHEREAS, portions of the Community are contemplated to be utilized for certain recreational facilities including an outdoor swimming pool, two (2) tennis courts, one (1) basketball court, one (1) tot lot, one (1) recreation building, common parking areas, and common facilities including school bus shelters, detention basins, entrance signage and related lighting and landscaping (collectively, the "Community Common Property") for the use and enjoyment of all Owners of Homes in the Community; and

WHEREAS, the Developer proposes to develop the Community in up to ten (10) Phases (the "Phases");

WHEREAS, Phase 1 is intended to include (i) a total of eighty (80) units of up to one hundred sixteen (116) units to ultimately be located in Cinnaminson Harbour Carriage Homes Condominium (the "Carriage Homes Condominium") pursuant to the Master Deed for the Condominium, together with other improvements and (ii) a total of sixty-eight (68) units of up to one hundred eighty-one (181) units to ultimately be located in Cinnaminson Harbour Townhomes Condominium (the "Townhomes Condominium") pursuant to the Master Deed for the Townhomes Condominium, together with other improvements; and

WHEREAS, Phase 1 is more particularly described in Exhibit "A-1" of this Declaration and shown on a plan entitled "Preliminary Subdivision Plan for The Village at Cinnaminson Harbour - Section One", prepared by Land Dimensions Engineering, dated February 15, 2003 and revised through September 9, 2003 (the "Phase 1 Plan"), appended hereto as Exhibit "B-1"; and

WHEREAS, the Developer can exercise its right to incorporate additional Phases into the Community by the recordation in the office of the Burlington County Clerk of one or more Amendments and Supplements to this Declaration; and

WHEREAS, the Developer has established or is about to establish The Villages at Cinnaminson Harbour Community Association, Inc., a New Jersey not-for-profit corporation (the "Community Association"), as the association assigned the power and authority to maintain and administer the Community Common Property, to administer and enforce the covenants and restrictions governing the Community Common Property, and to collect and disburse all assessments and charges necessary for such maintenance, administration, and enforcement, which are hereinafter more fully described; and

WHEREAS, the Developer ultimately intends to convey title to certain of the Community Common Property to the Community Association when deemed appropriate by the Developer; and

WHEREAS, all Owners of Homes in the Community will automatically be members of the Community Association and be subject to this Declaration, the Certificate of Incorporation, By-Laws and Rules and Regulations of the Community Association (the "Community Association Documents").

NOW THEREFORE, Developer declares that all such portions of the Community described in Exhibit "A-1" and shown on Exhibit "B-1" of this Declaration shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations, and liens hereinafter set forth and to the provisions of the Community Association Documents.

ARTICLE I

DEFINITIONS

1.00. General. The following words and terms, when used in this Declaration, the Certificate of Incorporation, the By-Laws and/or the Rules and Regulations shall have the following meanings, unless the context in which same are utilized clearly indicates otherwise.

1.01. "Affiliate" of the Developer shall mean and refer to any entity which controls, is controlled by, or is under common control with the Developer. An entity "controls" the Developer if the entity (I) is a general partner, officer, director, or employer of the Developer, (ii) directly or indirectly or acting in concert with one or more other entities, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than twenty (20%) percent of the voting interest in the Developer, (iii) controls in any manner the election of a majority of the directors of the Developer, or (iv) has contributed more than twenty (20%) percent of the capital of the Developer. An entity "is controlled by" the Developer if the Developer (I) is a general partner, officer, director, or employer of the entity, (ii) directly or indirectly or acting in concert with one or more other entities, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing, more than twenty (20%) percent of the voting interest in the entity, (iii) controls in any manner the election of a majority of the directors of the entity, or (iv) has contributed more than twenty (20%) percent of the capital of the entity. Control does not exist if the powers described in this section are held solely as security for an obligation and are not exercised.

1.02. "Amendment and Supplement" to the Declaration shall mean and refer to the documentary supplementation to this instrument permitted and required by Section 11.06 of this Declaration to be recorded in the Office of the Burlington County Clerk in order to incorporate

into the Community additional Homes and other improvements to be located in future Phases of the Community as more specifically discussed in Section 11.06 hereof.

1.03. "Annual Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 4.05 of this Declaration.

1.04. "Board" or "Board of Trustees" shall mean and refer to the Board of Trustees of the Community Association and any reference in the Community Association Documents to any power, duty, right of approval or any other right of the Community Association shall be deemed to refer to the Board and not the Members of the Community Association, unless the context expressly indicates the contrary. In any reference herein to any power or duty, right of approval or any other right which may be delegated, "Board" shall mean the entity to which such power or duty, right of approval or any other right has been delegated.

1.05. "By-Laws" shall mean and refer to the By-Laws of the Community Association, a copy of which is attached hereto as Exhibit "D", together with all future amendments and/or supplements thereto.

1.06. "Certificate of Incorporation" shall mean and refer to the Certificate of Incorporation of the Community Association, a copy of which is attached hereto as Exhibit "C", together with all future amendments and/or supplements thereto.

1.07. "Cinnaminson Harbour Carriage Homes Condominium" or "Carriage Homes Condominium" shall mean and refer to the portion of the Community described in Exhibit "A-1" hereof which has been or will be established under the condominium form of ownership pursuant to N.J.S.A. 46:8B-1 et seq.

1.08. "Cinnaminson Harbour Carriage Homes Condominium Association, Inc." or "Condominium Association" shall mean and refer to the association which has been or will be

established for the purpose of administering and maintaining the Common Elements within the Condominium.

1.09. "Cinnaminson Harbour Estate Homes Condominium" or "Estate Homes Condominium" shall mean and refer to that portion of the Community described in Exhibit "A" hereof, which may be established under the Condominium form of ownership pursuant to N.J.S.A. 46:8B-1 et seq.

1.10. "Cinnaminson Harbour Estate Homes Condominium Association, Inc." or "Estate Homes Condominium Association" shall mean and refer to the association which may be established for the purpose of administering and maintaining the Common Elements within the Estate Homes Condominium.

1.11. "Cinnaminson Harbour Townhomes Condominium" or "Townhomes Condominium" shall mean and refer to that portion of the Community described in Exhibit "A-1" hereof, which has been or will be established under the condominium form of ownership pursuant to N.J.S.A. 46:8B-1 et seq.

1.12. "Cinnaminson Harbour Townhomes Condominium Association, Inc." or "Townhomes Condominium Association" shall mean and refer to the association which has been or will be established for the purpose of administering and maintaining the Common Elements within the Townhomes Condominium.

1.13. "Co-Developer" shall mean and refer to K-Land No. 57, L.L.C., the owner of the fee simple title to those lands and premises described in Exhibit "A" hereto.

1.14. "Common Elements" shall mean and refer to all portions of the Community located within the Carriage Homes Condominium, Townhomes Condominium and Estate Homes Condominium as designated as Common Elements pursuant to its respective Master Deed.

1.15. "Common Expenses" shall, subject to the provisions of Article IV hereof, mean and refer to all those expenses which are incurred or assessed by the Community Association in fulfilling its responsibilities.

1.16. "Community" shall mean and refer to the approximately one hundred five (105) acres of land located in the Township of Cinnaminson, Burlington County, New Jersey and more particularly described in Exhibit "A" hereof, together with all improvements thereto, which may now or hereafter be lawfully subjected to the provisions of this Declaration by the recordation of this Declaration or by any Amendment and Supplement hereto, pursuant to Section 2.02 hereof.

1.17. "Community Association" shall mean and refer to The Villages at Cinnaminson Harbour Community Association, Inc., a New Jersey not-for-profit corporation, its successors and assigns, which shall have the duties and powers established in the Community Association Documents.

1.18. "Community Association Documents" shall mean and refer to this Declaration and its exhibits, which the Developer has recorded or will record in the Office of the Burlington County Clerk, the Certificate of Incorporation, By-Laws and Rules and Regulations of the Community Association, as same may hereafter be amended or supplemented.

1.19. "Community Common Property" shall mean and refer to all property intended for the common and beneficial use of Owners in the Community, consisting of certain recreational facilities including an outdoor swimming pool, two (2) tennis courts, one (1) basketball court, one (1) tot lot, one (1) recreation building, common parking areas, and common facilities including school bus shelters, detention basins, entrance signage and related lighting and landscaping, which Community Common Property will ultimately be owned by the Community Association.

1.20. "Declaration" shall mean and refer to this instrument together with all future amendments and supplements hereto which are recorded in the office of the Burlington County Clerk.

1.21. "Developer" shall mean and refer to The Villages at Cinnaminson Harbour, L.L.C., a New Jersey Limited Liability Company, its successors and assigns, and includes any successor to the Developer contemplated by Article XI of this Declaration.

1.22. "Eligible Mortgage Holder" shall mean and refer to any holder, insurer or guarantor of a First Mortgage which has given written notice to the Community Association in the manner provided in Section 10.02 of this Declaration of its desire to have notice of those matters which are the subject of Sections 10.03 through 10.06 and 10.09 of this Declaration.

1.23. "Emergency Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 4.09 of this Declaration.

1.24. "First Mortgage" shall mean and refer to the first or paramount Mortgage, the lien of which encumbers a Home.

1.25. "Future Phases" shall mean and refer to the portions into which the Community shall be divided for the purposes of development and which the Developer intends to subject to this Declaration.

1.26. "Home" shall mean and refer to any residential dwelling constructed for individual ownership within the Community. Home may include those unit dwellings within the Community subject to the condominium form of ownership or those dwellings and the subdivided lot of land upon which they are constructed.

1.27. "Institutional Lender" shall mean and refer to any bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund or other financial

institution or governmental agency providing, acquiring, insuring, guaranteeing or proposing to provide, acquire, insure or guarantee Mortgages. It shall also mean and include the Federal National Mortgage Association (FNMA), the Veteran's Administration (VA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Federal Housing Administration (FHA) and any other similar governmental or quasi-governmental entity that provides, acquires, insures or guarantees or proposes to provide, acquire, insure or guarantee Mortgages.

1.28. "Member" shall mean and refer to any Owner who is a member of the Community Association as provided in Article V of the Certificate of Incorporation.

1.29. "Member in Good Standing" shall mean and refer to any Member who has, at least thirty (30) days prior to the date fixed for any meeting or other Community Association action, fully paid all installments due for Common Expense Assessments made or levied against him and his Home by the Board, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and to his Home.

1.30. "Miscellaneous Assessments" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 4.13 of this Declaration.

1.31. "Mortgage" shall mean and refer to the duly recorded instrument and underlying obligation giving rise to a mortgage lien upon any Home.

1.32. "Mortgage Holder" shall mean and refer to the holder of record of a Mortgage or one who insures or guarantees any Permitted Mortgage.

1.33. "Owner" shall mean and refer to those persons or entities in whom record fee simple title to any Home as defined herein is vested as shown in the records of the Office of the Burlington County Clerk, including the Developer unless the context expressly indicates otherwise, but, despite any applicable theory of mortgage, shall not mean or refer to any

mortgagee or trustee under a deed of trust unless and until such mortgagee or trustee has acquired title to any such Home pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Owner" refer to any lessee or tenant of an "Owner".

1.34. "Permitted Mortgage" shall mean and refer to any Mortgage that is held by an Institutional Lender or which is a purchase money First Mortgage held by the Developer or by the Seller of a Home. It shall also include any other Mortgage, the lien of which, by the express terms of the Mortgage, is subordinate to any and all existing or future Common Expense liens imposed against a Home by the Community Association. Any construction, permanent or other mortgage placed or assumed by the Developer and encumbering all or any portion of the Community, including any individual Home, shall also be deemed a Permitted Mortgage, so long as same is expressly made subordinate to the Community Association Documents, and provides a mechanism for securing partial releases of individual Homes.

1.35. "Phase" shall mean and refer to a portion of the Community which the Developer has determined to develop as an independent Phase and which has been established by the recordation of the Declaration or an Amendment and Supplement to the Declaration.

1.36. "Remedial Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 4.12 of this Declaration.

1.37. "Rules and Regulations" shall mean and refer to those rules and regulations of the Community Association to be promulgated, adopted, and published by the Community Association, together with all amendments or supplements thereto.

1.38. "Special Common Expense Assessments" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 4.10 of this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

2.01. The Community. Upon the recordation of this Declaration, the Community shall consist of all of the unimproved land legally described in Exhibit "A-1" and graphically depicted on Exhibit "B-1" hereof, consisting of approximately 14.87 acres, and all improvements now in existence or hereafter constructed thereon and identified as Phase 1, which property shall be held, transferred, sold, conveyed, leased and occupied subject to this Declaration and all amendments or supplements thereto.

2.02. Submission of Additional Lands and Improvements. The Developer hereby reserves the right, without obligating itself, to incorporate within the Community and develop all or less than all of the Community not within Phase 1 lands and constructing thereon additional Homes along with attendant site improvements and incorporating such additional improvements as part of the Community as one or more Phases of same, such full development, as presently proposed, being graphically depicted on Exhibit "B". The incorporation of the aforesaid additional lands and Homes and other improvements as part of the Community shall be by the recording of one or more Amendments and Supplements to this Declaration in the Burlington County Clerk's Office pursuant to Sections 2.03 and 11.06 of this Declaration. All lands and Homes and other improvements incorporated as herein provided as part of the Community shall be deemed a part of the Community and all references to the Community in this Declaration, the Certificate of Incorporation and/or the By-Laws shall be understood to include such Homes and other improvements once same are incorporated as part of the Community by the recordation of an Amendment and Supplement to this Declaration.

The right, but not the obligation, of the Developer to subject to this Declaration additional lands and improvements within the Community by way of an Amendment and Supplement to the Declaration duly recorded in the Office of the Burlington County Clerk shall be without the consent of the Community Association, any Home Owner, Eligible or Permitted Mortgage Holder, Institutional Lender, or any other party.

2.03. Procedure For Making Additional Phases and Homes Subject To The Declaration.

The Developer may make additional Phases, Homes and other attendant site improvements within the Community subject to the Declaration by recording an Amendment and Supplement to the Declaration in the Burlington County Clerk's office, pursuant to Section 11.06 of this Declaration. Such Amendment and Supplement may contain such complementary or supplemental additions and modifications of the covenants and restrictions contained in this Declaration and such other complementary and supplemental provisions as may be necessary.

ARTICLE III

**MAINTENANCE OF COMMUNITY COMMON PROPERTY;
TITLE TO COMMUNITY COMMON PROPERTY**

3.01. Community Association Responsibility for Community Common Property. The Community Association shall have the affirmative and perpetual duty and obligation to provide for the maintenance, management, preservation, administration and operation of all Community Common Property within the Community in accordance with the terms of this Declaration, the Certificate of Incorporation and By-Laws of the Community Association.

3.02. Additional Services. (i) The Community Association shall provide such maintenance and repairs to the Carriage Homes Condominium, the Townhomes Condominium and the Estate Homes Condominium, if same are incorporated into the Community, that its Association shall fail to perform and (ii) the Board may, in its sole discretion, obligate the

Community Association to furnish to the Carriage Homes Condominium, the Townhomes Condominium and the Estate Homes Condominium, any additional services lawfully and irrevocably delegated to the Community Association.

(1) Acceptance Irrevocable. Any request for additional services presented to the Community Association shall be deemed to be a request by the applicable Condominium Association(s) to irrevocably delegate the provision of such services to the Community Association. Acceptance by the Board of any such request shall impose upon the Community Association the affirmative obligation to provide the service for as long or as short a period of time as the Community Association deems appropriate.

(2) Cost. The expenses for all additional services which are accepted by the Community Association shall be charged to the Members of the Condominium Association(s) receiving said services in the same manner as the allocation of the Common Expenses to that Condominium Association.

3.03. Title to Community Common Property. Developer may retain legal title to the whole or portions of the Community Common Property until such time as it has completed initial improvements thereon and until such time as, in the judgment of the Developer, the Community Association is able to maintain same. Developer, despite any provision to the contrary herein, hereby covenants for itself, its successors and assigns, that it shall convey its entire interest in all completed portions of the Community Common Property to the Community Association, without consideration and free and clear of all liens and encumbrances as follows:

(a) No later than sixty (60) days after the conveyance to individual Purchasers of 75% of the Homes actually built in the Community or ten (10) years from the date hereof,

whichever shall first occur, Developer will convey the Community Common Property to the Community Association.

(b) Despite the foregoing, Developer reserves the right to convey any completed portions of the Community Common Property at an earlier date and the Community Association shall be obligated to accept such conveyance(s) and shall properly maintain the Community Common Property in accordance with the Declaration and the By-Laws. Developer further reserves the right to enter upon the Community Common Property conveyed until transfer of title to the last Home to an individual Purchaser, to do whatever grading, improvements or other work that Developer in its sole discretion deems necessary or desirable.

The beneficial use of various portions of the Community Common Property will be made available to the Community Association and its members within ninety (90) days after completion of each such portion, and the cost for maintenance, operation and administration of same, including insurance premiums and the proportionate allocation of real estate taxes shall thereupon become a Common Expense of the Community Association even if legal title remains in Developer.

ARTICLE IV

ASSESSMENTS

4.01. Covenant to Pay Assessments. Every Member, by acceptance of a deed or other conveyance of a Home, 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 Community Association all Assessments and all fines and other charges contemplated by this Declaration or the By-Laws. This obligation shall be in addition to any other charges that an Owner may be required to pay to the Carriage Homes Condominium Association, Townhomes Condominium Association or

Estate Homes Condominium Association. Each such assessment, together with interest thereon, late charges, and cost of collection thereof (including reasonable attorneys' fees) shall be a continuing lien upon the Home against which each such assessment is made and shall also be the personal obligation of the Owner(s) of such Home at the time when the assessment fell due.

4.02. Liability for Assessments. Each Owner shall be obligated to pay Common Expense Assessments for the maintenance of the Community Common Property and such other Special Assessments or Emergency Assessments pertaining to the Community Common Property as may be imposed by the Board of Trustees. These assessments regardless of type, together with any charges, interest, and costs of collection, including reasonable attorney's fees, shall be a charge and shall constitute a continuing lien upon the Home against which such Assessment is levied, and the personal obligation of the Owner(s) of the Home at the time the Assessment falls due. In the case of joint ownership, all co-owners shall be jointly and severally liable. No Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Community Common Property. Liens for unpaid Common Expense Assessments may be foreclosed by suit brought in the name of the Community Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid assessments, fines or other charges (to the extent fines or other charges are deemed valid under applicable law) may be maintained without waiving the lien securing same.

The Community Association shall have the right, but not the obligation, to delegate collection of any or all of its own assessments, fines or other charges, to the Carriage Homes Condominium Association, Townhomes Condominium Association or Estate Homes Condominium Association from their respective members.

4.03. Due Dates of Annual Common Expense Assessment. Annual Common Expense Assessments shall be made for a yearly period to be determined by the Board of Trustees shall be payable in advance in monthly installments due upon the first day of each month or in such other installments and upon such other due dates as it may establish. Except as otherwise provided by Section 4.02, upon the conveyance of title to a Home, the portion of the then current Annual Common Expense Assessment payable by the new Owner shall be an amount which bears the same relationship to the Annual Common Expense Assessment as the remaining number of months in the then current annual assessment period bears to twelve. Such first annual assessment or portion thereof for which a new Owner is liable shall be immediately due upon the acquisition of title by the purchaser.

4.04. Annual Common Expense Assessment Not Made. After the Developer turns over control of the Board to Owners, if an Annual Common Expense Assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment. Installments of such presumed annual assessments shall be due upon the same installment payment dates as the prior year's installments until a new Annual Common Expense Assessment is made.

4.05. Annual Common Expense Assessments. It shall be an affirmative and perpetual obligation of the Board of Trustees to fix Annual Common Expense Assessments in an amount at least sufficient to maintain, repair and replace the Community Common Property, and to place and maintain in full force and effect all of the insurance coverage provided for herein and in the By-Laws. The amount of monies for Common Expenses of the Community Association deemed necessary by the Board of Trustees and the manner of their expenditure shall be determined in the sole discretion of the Board of Trustees.

4.06. Notice of Annual Common Expense Assessments. At least fifteen (15) days in advance of the due date of the first Annual Common Expense Assessment installment for each fiscal year, the Board of Trustees shall cause to be prepared a list of the Homes and the Annual Common Expense Assessments applicable to each according to the names of the Owners. This list shall be kept in the office of the Community Association or its managing agent and shall be open to inspection upon the request of any Owner. Written notice of the Annual Common Expense Assessments shall be sent by mail or delivered to every Owner, as more particularly described in Article VII of the By-Laws.

4.07. Use of Annual Common Expense Assessments. The Board of Trustees may do all that it is legally entitled to do and shall be obligated to discharge its duties including, but not limited to, those set forth at Article VI of the By-Laws of the Community Association. The responsibilities of the Community Association shall include the maintenance and/or repair of the detention basins established within the Community Common Property.

In furtherance of discharging its obligations, the Annual Common Expense Assessments levied by the Board of Trustees shall be used exclusively for promoting the health, safety, pleasure and welfare of the Members of the Community Association, including, but without limitation, maintenance, replacement and repair of the following: Community Common Property, payment of applicable common taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Community Association; and such other items as may from time to time be deemed appropriate by the Board of Trustees.

4.08. Allocation of Common Expenses; Obligations of the Developer.

A. Allocation: The Common Expense Assessments shall be allocated equally among all Homes for which an initial Certificate of Occupancy has been issued.

B. Obligations of the Developer: Until the conveyance of title to the first Home, the Developer shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Homes to whom title has been conveyed shall be responsible for payment of Common Expenses assessed against their Homes. The Developer shall be responsible for payment of all Common Expenses assessed against Homes owned by it for which an initial Certificate of Occupancy has been issued.

4.09. Emergency Common Expense Assessment. In the event the Annual Common Expense Assessment proves to be insufficient for an immediate need or emergency, the Board of Trustees of the Community Association may amend the budget and assessment and impose an Emergency Common Expense Assessment. The determination of an immediate need or emergency shall be in the sole and absolute discretion of the Board of Trustees of the Community Association. Within thirty (30) days of any Emergency Common Expense Assessment the Board shall memorialize, by written resolution, the factual basis for the Emergency Common Expense Assessment.

4.10. Special Common Expense Assessment. In addition to the other assessments authorized herein, in any assessment year, the Board of Trustees may levy a Special Common Expense Assessment to defray in whole or in part the cost of any reconstruction, unexpected repair or replacement of an existing capital improvement to the Community Common Property, not determined by the Board of Trustees to constitute an emergency or immediate need, but for which funds held in reserve are inadequate, or for any other lawful purpose.

4.11. Special Assessments for Damages, Violations and Failures of Owners. If any Owner or his guest, tenant, invitee, or occupant or household pet causes damage to the Community Common Property which necessitates repair thereto, or if the Community

Association is required to expend monies to remedy any violations of the covenants and restrictions hereinbefore stated or the published Rules and Regulations of the Community Association, then the Board of Trustees may impose a Special Assessment upon the Owner involved for the cost of performing such repairs or maintenance or for remedying such violations, including reasonable attorney's fees, as the case may be. Such Special Assessment shall constitute a lien against any Home owned by such Owner, but such Special Assessment in question shall not be imposed without at least ten (10) days prior written notice to the affected Owner and an opportunity for the affected Owner to be heard at a meeting of the Board of Trustees.

4.12. Remedial Common Expense Assessment. In addition to the other assessments herein authorized, the Board of Trustees of the Community Association may levy a Remedial Common Expense Assessment against any individual Home or Home Owner whenever required or permitted to do so by any of the provisions of this Declaration, the By-Laws or the Rules and Regulations expressly authorizing such a Remedial Common Expense Assessment.

4.13. Miscellaneous Assessments. Any and all fines, late charges, costs of collection (including reasonable attorneys' fees), interest on unpaid assessments, capital contributions, membership fees, escrow deposits or any other sums required to be paid to the Community Association by an Owner by the provisions of the Community Association Documents duly adopted resolution of the Board of Trustees shall be deemed Common Expense Assessments which each Owner has covenanted and agreed to pay according to the provisions of Section 4.01 and for which each Owner is liable according to the provisions of Section 4.02 and shall be collectible by the Community Association in the same manner as other Common Expense Assessments pursuant to the provisions hereof.

4.14. Certificate of Payment. The Community Association shall, within ten (10) days after receipt of the written request of any Owner, Purchaser of any Home or Mortgage Holder for any Home furnish to such Owner, Purchaser or Mortgage Holder, a certificate in writing, signed by an officer of the Community Association, setting forth whether or not such assessment, fine or other charge, which would constitute a continuing lien against the Home pursuant to Section 4.02, has been paid. Except as to an Owner requesting such a certificate for a Home that he owns, such certificate shall constitute conclusive evidence of the payment of any assessment(s) therein stated to have been paid.

4.15. Interest in Common Surplus. Any common surplus of the Community Association resulting from an excess of income over expenses may be allocated among the Members in the same manner as those expenses were assessed or the Board may, in its sole discretion, carry the surplus into the following fiscal year.

Any common surplus of the Community Association resulting from the distribution of proceeds of liquidation of assets of the Community Association shall be allocated among the members of the Community Association, including the Developer, according to their relative proportionate interests, subject to an adjustment to reflect an appropriate credit for any initial contribution to working capital, if applicable, in accordance with general accounting principles.

4.16. Limitations on Developer. While the Developer maintains a majority on the Board of Trustees, it shall make no additions, alterations, improvements or purchases not contemplated in the Public Offering Statement which would necessitate a Special Common Expense Assessment or a substantial increase in the Annual Common Expense Assessment installments unless required by a governmental agency, title insurance company or Institutional Lender or in the event of an emergency.

ARTICLE V

MISCELLANEOUS SERVICES AUTHORIZED

5.01. Services which may be Performed at the Option of the Community Association - Procedures. Developer shall have the right to make such improvements and provide such facilities on the Community Common Property as it considers to be advantageous to the Community Common Property and to the Owners of Homes within the Community and the Community Association shall be obligated to accept such improvements and facilities and to properly maintain the same at its expense. The Community Association, at its expense, also shall maintain and carry on the services instituted, from time to time, by Developer for the benefit of the Community Common Property and the Owners. In addition to the required maintenance of the Community Property and of the improvements and facilities thereon, and the aforesaid services required to be performed, the Community Association may furnish (but shall not be required to furnish) such services as the Board from time to time, by resolution, may propose, but if the projected cost of such additional services exceeds, in the aggregate, the amount equal to fifteen (15%) percent of the current Annual Common Expense Assessment per Home, then not until after such proposed additional services are authorized by a vote of two thirds (2/3) of all the votes eligible to be cast at a meeting of the Community Association duly called for this purpose.

ARTICLE VI

DAMAGE OR DESTRUCTION TO COMMUNITY COMMON PROPERTY

6.00. General. If any Community Common Property is damaged or destroyed by fire or other casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the following provisions of this Article VI.

6.01. Insurance Proceeds Less Than or Equal to \$50,000. If the insurance proceeds derived from such amount to \$50,000 or less, than the Board of Trustees shall contract with any licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Community Common Property in conformance with its original state pursuant to plans and specifications which reflect its original state. The Board of Trustees shall accept bids only in specific amounts and shall not enter into any cost plan or other sliding scale arrangements for compensation to the contractor.

6.02. Insurance Proceeds Greater Than \$50,000. If the insurance proceeds derived from such loss exceed \$50,000, all such insurance proceeds shall be paid directly to an insurance trustee as may be designated by the Board of Trustees, as trustee for all Eligible Mortgage Holders and all Home Owners as their interests may then appear. Disbursement of such funds shall be made only upon the signature of the majority of members of the Board in accordance with the following:

- (a) upon notification of the receipt of insurance proceeds by the insurance trustee, the Board shall enter into a contract for a specific dollar amount with a licensed contractor(s) for the repair or rebuilding of Community Common Property as nearly to the original state as is practical in accordance with applicable building codes;
- (b) said contract shall have provisions for periodic disbursement of funds by the trustee to the licensed contractor(s); disbursement to contractors shall be made subject to the prior presentation of certificates and requisitions as required by the Board of Trustees containing such provisions as may be appropriate under the circumstances;

- (c) the Board of Trustees may employ licensed architects or other properly qualified persons to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is effected in a workmanlike manner and according to plans and specifications.

6.03. Insurance Proceeds Insufficient. If the proceeds of insurance are not sufficient to defray the estimated cost of restoration, Special Assessments shall be made against all Home Owners in sufficient amounts to provide funds for the payment of such costs.

6.04. 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 Community Association and applied by it to reduce the Annual Common Expense Assessments.

6.05. Payee of Insurance Proceeds. All insurance proceeds shall be paid to the Community Association for the purpose of repair or other disposition as contemplated herein.

6.06. Repair Prior to Receipt of Insurance Proceeds. The foregoing shall not preclude the Board of Trustees from using available funds to implement repairs prior to receiving the insurance proceeds. In implementing such repairs, the Board of Trustees shall follow the procedure set forth above and shall use the insurance proceeds then received for reimbursement.

ARTICLE VII

EASEMENTS

7.01. Developer's Easements. The Developer, its successors and assigns, shall have the following easements with respect to the Community Common Property:

- A. A blanket and non-exclusive easement in, upon, over, through, under and across the Community Common Property and the Community for the

construction, installation, maintenance and repair of any improvements to the Community Common Property and the Community, for ingress and egress for the use of all drives, driveways, walkways and parking areas, and for the utilization of existing and future model Homes for sales promotion and exhibition, until the expiration of two (2) years from the date the last Home is sold and conveyed in the normal course of business, but in no event more than fifteen (15) years from the date this Declaration is recorded. In addition, the Developer hereby reserves the irrevocable right to enter into, upon, over or under any Home for such purposes as may be reasonable and necessary for the Developer or its agents to service any Home or any part of a Home, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate whether or not the Owner is present at the time;

- B. A perpetual, blanket and non-exclusive easement in, upon, over, under, across and through the Community Common Property and the Community for surface water runoff and drainage caused by natural forces and elements, grading or the improvements located upon the Community Common Property. No individual Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Community Common Property; and
- C. A specific easement in favor of the Developer, its successor and assigns, its agents, servants and licensees, for the purposes incidental to the

development and the construction and marketing of any portion of the Community including, but not limited to, the repair and maintenance of drainage improvements and utility systems serving any portion of the Community, by the Developer, its successors and assigns; provided, however, that such easement shall expire two (2) years after the conveyance by Developer, in the ordinary course of business, of the last Home in the Community, to an individual or entity other than Developer.

7.02. Community Association Easements. The Community Common Property shall also be subject to the following perpetual easements:

- A. An exclusive easement for the benefit of the Community Association and for the maintenance, repair and replacement of the Community Common Property;
- B. Through the Board of Trustees or any manager or managing agent, or their respective agents or employees, the Community Association shall have the perpetual and non-exclusive right of access to each Home to perform any operations required in connection with the maintenance, repairs or replacements of or to the Community Common Property, or any equipment, facilities or fixtures affecting or serving other Home(s) or the Community Common Property; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate, whether the Owner is present at the time or not;

- C. A perpetual and non-exclusive easement in, upon, over, through and across the Community Common Property to the Community Association and its Members and their invitees (but not the general public) for vehicular and pedestrian access over the parking areas (but not driveways) within the Community Common Property as shown on Exhibit "B" hereto and to each Master Deed for a Condominium;
- D. A perpetual and non-exclusive easement in, upon, over, through and across the Community Common Property to the Community Association and its Members and their invitees (but not the general public) for the maintenance, repair and replacement of the roads, streets and parking areas (but not driveways) and all storm water detention and drainage facilities located within any Condominium which the Community Association is required to maintain pursuant to Article III herein; and
- E. A perpetual, blanket and non-exclusive easement in, upon, over, under, across and through the Community Common Property for surface water runoff and drainage cause by natural forces and elements, grading, and/or the improvements located within the Community. No individual Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Community.

7.03. Owner Easements. Every Owner, his successors and assigns, shall have the following perpetual easements with respect to the Community Common Property which shall be for the benefit of all owners and occupants of his Home and his guests and invitees:

A. An exclusive easements for the existence and continuance of any encroachment by his Home upon the Community Common Property, now existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or proceedings, so that any such encroachment may remain undisturbed so long as the Home stands;

B. A non-exclusive easement for pedestrian and vehicular ingress to an egress from his Home in, upon, under, over, across and through all of the streets, sidewalks and parking areas which are part of the Community Common Property; and

C. A non-exclusive easement for access to and enjoyment of the Community Common Property.

7.04. Permitted Mortgage Holder Easements. Any holder of a Permitted Mortgage, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Community and to inspect the condition of the Community Common Property or any Homes encumbered by a mortgage owned by it. This right shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance written notice to and with the permission of the Board of Trustees and the Owner in question.

7.05. Utility Easements. The Community is subject to a blanket, perpetual and non-exclusive easement of unobstructed ingress to and egress from, access to and travel within the Community Common Property for the purpose of reading, servicing or repairing utility lines and do everything and anything else necessary in order to properly maintain and furnish utility service to the Community, which easement shall be for the benefit of any duly authorized governmental agency, utility company or other entity furnishing utility service, including master cable or television service to the Community.

7.06. Municipal Easement. A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Community shall exist for the benefit of the Township of Cinnaminson, its 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 maintenance, repair and/or replacement to a Home which the Owner has failed to perform), and for emergency or other necessary maintenance, repair and/or replacement of the Community, which the Community Association has failed to perform. Except in the event of emergencies, the rights accompanying the easements provided for herein shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Owner(s) directly affected thereby.

7.07. Easements of Record. The Community shall be subject to all easements of record.

ARTICLE VIII

ADMINISTRATION AND POWERS OF ATTORNEY

8.01. Administration. The administration of the Community shall be by the Community Association in accordance with the provisions of the New Jersey Nonprofit Corporation Act, N.J.S.A. 15:1-1 et seq., the Community Association Documents, and any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any Institutional Lender designated by the Developer or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Community or by any title insurance company selected by Developer to insure title to the Community .

8.02. Developer's Power of Attorney. The Developer hereby reserves for itself, its successors and assigns, for a period of ten (10) years from the date the Developer conveys title to

the first Home to an individual purchaser, or until the Developer conveys title to the last Home within the Community, whichever occurs first, the right to execute on behalf of all contract purchasers, Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Community, any such agreements, documents, amendments or supplements to the Community Association Documents which may be required by:

- (a) **Appointment.** By acceptance of a deed to any Home or by the acceptance of any other legal or equitable interest in the Community, each and every contract purchaser, Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Community does automatically and irrevocably name, constitute, appoint and confirm Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such agreements, instruments, amendments or supplements to this Declaration and other instrument(s) necessary to effect the foregoing, together with any Amendment and Supplement to the Declaration contemplated by Section 2.02 hereof, subject to the limitations set forth herein.
- (b) **Limitations.** No agreement, document, amendment or supplement or other instrument which adversely affects the value of any Home, or increases the financial obligations of the Owner by more than ten (10%) percent of his then current Annual Common Expense Assessment, or reserves any additional or special privileges for the Developer not previously reserved, shall be made without the prior written consent of the affected Owner(s) and all owners of any mortgage(s) encumbering the

affected Home(s). Any such agreement, document, amendment or supplement or other document which adversely affects the priority or validity of any mortgage which encumbers any Home shall not be made without the prior written consent of the owners of all such mortgages.

- (c) **Duration.** The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and shall run with the title to any and all Homes and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, this power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power. This power of attorney shall be vested in the Developer, its successors and assigns until the Developer's initial conveyance of all Homes or the expiration of its stated term. Thereafter, said powers of attorney shall automatically vest in the Community Association to be exercised by its Board of Trustees.

8.03. Community Association's Power of Attorney. By execution of a contract to purchase a Home within the Community from the Developer, by execution or acceptance of a deed to any Home within the Community or by the acceptance of any other legal or equitable interest in the Community, each and every such contract purchaser, Owner, mortgagee or other lienholder or party having a legal or equitable interest in the Community does automatically and irrevocably name, constitute, appoint and confirm the Community Association as attorney-in-fact for the following purposes: (i) to acquire title to or lease any Home whose owner desires to surrender, sell or lease same, and, in the name of the Community Association or its designees,

corporate or otherwise, and on behalf of all Owners; (ii) to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise dispose of any such Homes so acquired or to sublease any Homes so leased by the Community Association; (iii) to prepare, execute and record any amendments to the Declaration required by Article XI hereof; and (iv) to prepare, execute and record any amendments to the Declaration made pursuant to Article XII hereof.

The power of attorney aforesaid is 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 Homes and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, this power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power.

8.04. Eligible Mortgage Holder's Power of Attorney. In the event that the Community Association fails to institute enforcement proceedings for the collection of delinquent Common Expense Assessments, as provided in Article VII of the By-Laws, then any Eligible Mortgage Holder for any Home as to which there shall be delinquent Common Expense Assessments is hereby irrevocably granted a power of attorney to institute an appropriate action and to invoke such other remedies, all in the name of the Community Association. This power of attorney is expressly stipulated to be coupled with an interest in the subject matter.

ARTICLE IX RESTRICTIONS

9.01. General Covenants and Restrictions. The Community is subject to all covenants, restrictions and easements of record and to the following restrictions and covenants, all of which shall be perpetual in nature and run with the land:

- A. The Community Common Property shall be used only for the furnishing of the services and facilities for which it is reasonably intended and suited and which are incident to the use and occupancy of the Homes.
- B. There shall be no obstruction of the Community Common Property, nor shall anything be stored in or upon the Community Common Property unless expressly permitted in writing in advance by the Board of Trustees of the Community Association.
- C. No portion of the Community Common Property shall be used or maintained for the dumping of rubbish or debris.
- D. No Owner shall use or permit to be brought into or stored within the Community any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzene or other explosives or articles deemed hazardous to life, limb or property without in each case obtaining written consent of the Board of Trustees.
- E. Every Owner shall be liable for any and all damage to the Community Common Property which shall be caused by said Owners, their respective family members, employees, servants, agents, tenants, visitors, licensees or household pets.
- F. No noxious, immoral, improper, offensive or unlawful activity within the Community nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other Owners. All laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Community shall be observed.

- G. No commercial vans, which shall be deemed to include any vehicle bearing commercial signs, lettering or equipment, may park overnight on the Community Common Property and no boats, trailers, campers, recreation vehicles, mobile homes, motorcycles, motor scooters, recreational vehicles or trucks may be parked on any part of the Community Common Property except (i) for vehicles servicing the Community Common Property itself or one of the Homes; (ii) except in areas designated or to be designated by the Developer; (iii) for those vehicles temporarily within the Community solely for purposes of loading or unloading or servicing the Community Common Property itself or one of the Homes; and (iv) this restriction shall not apply to Developer, its employees, agents, contractors and servants. All motorcycles and motor scooters, when not in use, must be parked within a garage. The Board of Trustees, through the promulgation, adoption and publication of Rules and Regulations, may and is hereby empowered to further define those vehicles which are prohibited from being within the Community.
- H. No servicing or maintenance of any vehicle, boat or other item of personal property shall be performed anywhere within the Community.
- I. No sign or signs shall be placed within the Community advertising any Home for sale, rent or lease, or for any other purposes whatsoever except as provided in this Declaration. This restriction shall not apply to the Developer for so long as it continues to develop Homes in the Community.

- J. The Community shall be subject to all applicable federal, state and municipal laws, statutes, regulations and ordinances.

None of the restrictions contained herein shall be construed to prohibit the reasonable adaptation of any Home for use by any eligible person pursuant to any applicable State and/or Federal law establishing such rights for the physically challenged, disabled and/or handicapped.

ARTICLE X

PROTECTIVE PROVISIONS FOR THE BENEFIT OF ELIGIBLE MORTGAGE HOLDER

10.01. General. Despite anything to the contrary in this Declaration, the By-Laws or the Certificate of Incorporation, the provisions of this Article X shall apply with respect to each Eligible Mortgage Holder.

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

10.03. Notice. Upon written request to the Community Association, identifying the name and address of the Eligible Mortgage Holder, insurer or guarantor and the Owner or

designation of the particular Home, any Eligible Mortgage Holder, insurer or guarantor of a first mortgage lien on a Home shall be entitled to timely written notice of:

- A. any proposed amendment to the Certificate of Incorporation, the By-Laws or this Declaration;
- B. any condemnation loss or casualty loss which affects either a material portion of the Community Common Property or any Home securing the Eligible Mortgage Holder's Mortgage; and no Owner or other party shall have priority over such Eligible Mortgage Holder with respect to the distribution to such Home(s) of the proceeds of any condemnation award or settlement in the event of condemnation or with respect to the distribution to such Home(s) of any insurance proceeds in the event of casualty loss;
- C. any sixty (60) day delinquency in the payment of Common Expense Assessment installments or other assessments or charges owed to the Community Association by an Owner of any Home or which the Eligible Mortgage Holder holds a Mortgage;
- D. any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Community Association; and
- E. any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

10.04. Prior Written Approval of 51% of Eligible Mortgage Holders. Despite anything contained in this Declaration to the contrary, the prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders is required for any material amendment to this

Declaration, the By-Laws or the Certificate of Incorporation, including, but not limited to, any amendment which would change any provision relating to:

- A. voting rights;
- B. reserves for maintenance, repair and replacement of the Community Common Property;
- C. responsibility for maintenance and repair of the Community Common Property;
- D. convertibility of Homes into Community Common Property or vice versa (except as expressly contemplated by Articles II and XI of this Declaration);
- E. expansion or contraction of the Community Common Property, or the addition, annexation or withdrawal of land to or from the Community (except as expressly contemplated by Article XI of this Declaration);
- F. insurance or fidelity bonds;
- G. leasing of Homes;
- H. imposition of any restrictions upon an Owner's right to sell or transfer his Home;
- I. a decision by the Community Association to establish self-management rather than professional management;
- J. restoration or repair of the Community Common Property (after damage, destruction or condemnation) in a manner other than that specified in this Declaration;

- K. any action to terminate the legal status of the Community after substantial damage or condemnation occurs;
- L. rights to the use of Community Common Property;
- M. any provisions that expressly benefit Eligible Mortgage Holders; or
- N. assessment allocations, assessment liens or subordination of assessment liens.

10.05. Prior Written Approval of 67% of Eligible Mortgage Holders. The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders is required before the effectuation of any decision by the Owners (i) to terminate the Declaration or (ii) to change the legal status of the Community Common Property for reasons other than substantial destruction or condemnation thereof.

10.06. Notice of Non-Material Amendment. Any Eligible Mortgage Holder shall be entitled to receive thirty (30) days advance written notice from the Community Association, to be sent postage pre-paid, certified mail, return receipt requested, of any proposed non-material amendment to this Declaration, the By-Laws or the Certificate of Incorporation of the Community Association. Such notice shall include a copy of the proposed change. Any Eligible Mortgage Holder shall be deemed to have implicitly approved such change as proposed unless it states in a written response to the Community Association its objections or comments relative to such proposed change within thirty (30) days of the date of the Community Association's service of the notice as aforesaid. Service shall be deemed effective upon the Community Association's placement of the notice in the United States Postal Service with sufficient postage.

10.07. Common Expense Lien Subordinate. Except to the extent permitted by any applicable law authorizing the establishment of a limited lien priority for the payment of

Common Expense Assessments, any lien the Community Association may have on any Home in the Community is subordinate to the lien or equivalent security interest of any First Mortgage on the Home recorded prior to the date any such Common Expense Assessment became due.

10.08. Maintenance and Inspection of Records. The Community Association shall maintain current copies of the Community Association Documents, and any respective amendments and/or supplements thereto, as well as its own books, records and financial statement available for inspection by Owners and Eligible Mortgage Holders. Any Eligible Mortgage Holder shall upon prior written request: (I) be permitted to inspect the documents, books and records of the Community Association during normal business hours subject to such reasonable rules and regulations as may be established by the Board; and (ii) receive an annual audited financial statement of the Community Association within ninety (90) days following the end of any fiscal year of the Community Association.

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

10.10. Liability for Common Expense Assessments. Any Eligible Mortgage Holder that obtains title to a Home as a result of foreclosure of the First Mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Community Association pertaining to such Home or chargeable to the former Owner which became due 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 Owners including such acquirer, his successors and assigns.

10.11. Management Agreements. The term of any management agreement for the Community Common Property shall not exceed one (1) year and shall provide for the Community Association's ability to terminate same without penalty, and with or without cause, on not greater than ninety (90) days notice.

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

ARTICLE XI

DEVELOPER'S RIGHTS AND OBLIGATIONS

11.01. Ratification, Confirmation and Approval of Agreements. The fact that some or all of the officers, Trustees, Members or employees of the Community Association and the Developer may be identical and the fact that the Developer or its nominees have heretofore or may hereafter enter into agreements with the Community Association or with third parties will not invalidate any such agreements and the Community 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 Home and the acceptance of the Deed therefore by any party shall constitute the ratification, confirmation and approval by such purchaser, its heirs, legal representatives, successors and assigns, of the propriety and legality of said agreements or any other agreements authorized and permitted by this Declaration, the Certificate of Incorporation or the By-Laws.

11.02. Rights Reserved to Developer. Despite anything to the contrary in this Declaration or the Certificate of Incorporation or By-Laws of the Community Association, the Developer hereby reserves for itself, its successors and assigns without the consent of the Board, the Community Association, any Owner or any Mortgage Holder:

- (a) The right to sell, lease, mortgage or sublease any unsold Homes within the Community for so long as it owns one or more Homes in the Community.
- (b) The right to use one or more Homes as models or a sales office or both and the right to post signs and other advertising material until it has sold the last Home within the Community, as fully developed.

11.03. Transfer of Special Developer's Rights. No special rights created or reserved to the Developer under this Declaration ("Special Developer's Rights") may be transferred except by an instrument evidencing the transfer recorded in the Office of the Burlington County Clerk, New Jersey. The instrument shall not be effective unless executed by the transferee.

11.04. Liability of Transferor. Upon transfer of any such Special Developer's 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 it. Lack of privity does not deprive any Owner of standing to bring an action to enforce any obligation of the transferor.
- B. If a transferor retains any such Special Developer's Right, or if a successor to any such Special Developer's Right is an Affiliate of the Developer, the

transferor is subject to liability for all obligations and liabilities imposed on a Developer or by the Declaration, 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 Community.

- C. A transferor that retains no such Special Developer's Rights has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of any such Special Developer's Right by a successor Developer which is not an Affiliate of the transferor.

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

11.06. Right to Incorporate Additional Phases and Homes Into Community. Despite anything contained in this Declaration, and subject to all required governmental approvals, if any, the Developer, on behalf of itself, its successors and assigns, hereby reserves the right, for a period of ten (10) years from the date of the recording of this Declaration, to develop some or all of the undeveloped portions of the Community, and to incorporate additional Homes and site improvements into the Community by the recording of one or more Amendments and Supplements to this Declaration without the consent of the Board of Trustees, the Community

Association, any Owner, any Institutional Lender, or any other party holding a legal or equitable interest in the Community to incorporate within the Community some or all of the Community and to incorporate additional Phases, Lots, Homes, and site improvements and, thereby, to subject same to the Planned Real Estate Full Disclosure Act and the terms and provisions of this Declaration. Such incorporation may result in the Community consisting of up to five hundred six (506) Homes as now or hereafter approved for development upon the Community by Resolutions of the Planning Board of the Township of Cinnaminson. The actual development of the Community will be subject to regulation by those governmental authorities having jurisdiction of same; however, the Developer hereby reserves the right to seek modification and/or amendment of the Resolution and the development plan from time to time. Such modification and/or amendment may include changing the aggregate number of Homes contemplated for the Community or of any Phase of development thereof as well as the configuration, design, mix, materials, model type, floor plans, and/or orientation of the Homes. Any Amendment and Supplement to this Declaration shall not be operative until duly recorded in the Burlington County Clerk's Office. The Amendment and Supplement shall also be registered with the New Jersey Department of Community Affairs, pursuant to N.J.S.A. 45:22A-21 et seq. and the regulations promulgated thereunder.

Despite the foregoing, the Developer shall be under no obligation to incorporate any specific number of Homes into the Community. The Developer's reserved right to incorporate additional Homes as part of the Community shall be exercised by the Developer by the recordation in the Burlington County Clerk's Office of an appropriate Amendment and Supplement to this Declaration expressly incorporating the additional Homes into the Community. Any such Amendment and Supplement shall include such amendatory,

supplemental or replacement exhibits as are necessary to legally and graphically identify the additional Homes. When recorded, any such Amendment and Supplement shall be fully binding upon all contract purchasers, Owners, holders of mortgages encumbering Homes and any other lienholder or party having a legal or equitable interest in the Community.

11.07. Foreclosure, Bankruptcy, Receivership. Upon foreclosure, sale by a trustee under a deed of trust or sale under any bankruptcy or receivership proceedings of all Homes in the Community owned by Developer:

- A. the Developer ceases to have any such Special Developer's Rights, and
- B. the period of Developer control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Developer's Rights to a successor to Developer.

11.08. Liability of Successors. The liabilities and obligations of persons or entities who succeed to all Special Developer's Rights as follows:

- A. A successor to all such Special Developer's Rights which is an Affiliate of the Developer is subject to all obligations and liabilities imposed on any Developer by law or by the Declaration.
- B. A successor to all such Special Developer's Rights, other than a successor described in subparagraphs C and D which is not an Affiliate of the Developer, is subject to all obligations and liabilities imposed upon the Developer by law or this Declaration, but it is not subject to liability for misrepresentations or warranty obligations on improvements made by any previous Developer or made before the Community was created or for a breach of fiduciary obligation by any previous Developer.

- C. If it is not an Affiliate of the Developer, a successor to only a Special Developer's Right to maintain models, sales offices and signs may not exercise any other Special Developer's Right, but is not subject to any liability or obligation as a Developer.
- D. A successor to all Special Developer's Rights which is not an Affiliate of Developer and which succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Homes under subparagraph C aforesaid may declare its intention in a recorded instrument to hold those rights solely for transfer to another party. Thereafter, until transferring all such Special Developer Rights to any person acquiring title to any Home owned by the successor or until recording an instrument permitting exercise of all those rights, that successor may not exercise any rights other than the right to control the Board of Trustees for the duration of any period of Developer control and any attempted exercise of those rights is void. So long as a successor Developer may not exercise special rights under this Section, it is not subject to any liability or obligation as a Developer other than liability for the successor's acts and omissions under this Declaration.

11.09. Ineffectiveness. Nothing in this Article XI subjects any successor to a Special Developer's Right to any claims against or other obligations of a transferor other than claims and obligations arising under this Declaration.

ARTICLE XII

GENERAL PROVISIONS

12.01. Duration. The provisions of this Declaration shall be perpetual in duration, shall run with and bind all of the land incorporated within the Community and shall inure to the benefit of and be enforceable by the Community Association and the Owners, their respective successors, assigns, heirs, executors, administrators, and personal representatives, except that the covenants and restrictions set forth in Section 10.01 shall have an initial term of forty (40) years from the date this Declaration is recorded in the office of the Burlington County Clerk, 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) in interest of the 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 Owner at least ninety (90) days in advance of the action taken in authorizing said agreement; and any changes concerning any such agreement shall become effective and binding at such time as approved, and communicated in writing to the Owners.

12.02. Amendment of Declaration. Except as otherwise expressly provided herein, this Declaration may be amended at any time after the date hereof by a vote of those Owners in good standing representing at least sixty-seven percent (67%) of all Owners, at any meeting of the Community Association duly held in accordance with the provisions of the By-Laws. No amendment shall be effective until recorded in the Office of the Burlington County Clerk. This Section is by way of supplement to and not in derogation of the powers of amendment reserved

to Developer pursuant to Articles IX and XI hereof. In the alternative, an amendment may be made by an agreement, signed and acknowledged by all of the Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the office of the Burlington County Clerk, New Jersey. Despite the foregoing, any amendment so requiring it under the provisions of Article X, shall also have the prior written approval of fifty-one (51%) percent of the Eligible Mortgage Holders.

12.03. Enforcement. In addition to the other remedies provided to the Community Association under the Community Association Documents or by law, enforcement of this Declaration 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 any covenant herein contained either to restrain or enjoin such violation or threatened violation or to recover damages and against any Owner to enforce any lien created by this Declaration or any covenant herein contained. Failure by the Community Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

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

12.05. Waiver. No provision contained in this Declaration shall be deemed to have abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.06. Gender and Number. The use of the masculine gender in this Declaration 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.

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

12.08. Conflict. In the event of a conflict of interpretation between the provisions set forth in this Declaration and the By-Laws, this Declaration shall govern. In the event any provision of this Declaration is in conflict with any mandatory provision of any applicable federal, State, County or municipal statute, regulation, resolution, ordinance or other judicial, legislative or executive "law", the terms of such statute, regulation, ordinance or other law shall govern.

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

EXHIBIT A	Legal (Metes and Bounds) Description of the Community
EXHIBIT A-1	Legal (Metes and Bounds) Description for Phase 1
EXHIBIT B	Overall Plan - Preliminary Subdivision for the Community
EXHIBIT B-1	Preliminary Subdivision Plan for Phase 1

EXHIBIT C Certificate of Incorporation of The Villages at Cinnamonson
Harbour Community Association, Inc.

EXHIBIT D By-Laws of The Villages at Cinnamonson Harbour
Community Association, Inc.

EXHIBIT A

**Legal (Metes and Bounds) Description
of the Community**

DB 06289 PG 277

**LAND DIMENSIONS ENGINEERING***Professional Land Use Consultants*Lawrence M. DiVietro, Jr., P.L.S., P.P., A.I.C.P.
PresidentPaul D. LaPierre, P.E., P.L.S., P.P.
Vice President of EngineeringJames S. Gugel, P.L.S., P.P.
Director of SurveyingRobert R. Williams, C.E.P., R.P.F.
Director of Environmental Sciences and ForestryTimothy G. Kalutokalani, C.L.A.
Landscape Architect**DESCRIPTION****Tract 1**

The Village of Cinnaminson Harbour
Cinnaminson Twp., Burlington Co., N.J.
LDE File No. 1179
April 26, 2002

All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at a point where the Northeasterly R.O.W. line of North Read Avenue (50' wide), intersects the Northwesterly R.O.W. line of former Division Street, Vacated (40' wide), thence;

1. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of North Read Avenue, and along Lot 2.01, Block 308, Tax Map, 1,711.0' to a point in line of U.S. Government Pierhead/Bulkhead Line of the Delaware River, approved 9-10-40, thence;
2. N 53 degrees, 38 minutes, 24 seconds E, along said Pierhead/Bulkhead Line, 2,074.48' to a point corner to same, thence;
3. S 56 degrees, 10 minutes, 37 seconds E, along Lot 2.01, Block 307, 1,492.07' to a point corner to the terminous of Union Landing Road (49.5' wide), said point being the center line of Union Landing Road, thence;
4. S 47 degrees, 40 minutes, 37 seconds E, along the center line of Union Landing Road, and along Lot 2, Block 307, 454.73' to a point corner to same, thence;
5. S 52 degrees, 48 minutes, 03 seconds W, along Lot 2 and 3, Block 501, 133.68' to a point corner to Lot 3, thence;
6. S 37 degrees, 11 minutes, 57 seconds E, along Lot 3, 100.0' to a point corner to Lots 3 and 4, thence;
7. S 52 degrees, 48 minutes, 03 seconds W, along Lots 4, 5, 6, 7, 8, 9, 10 and 11, Block 501, 466.50' to a point corner to Lot 11, thence;
8. S 37 degrees, 11 minutes, 57 seconds E, along Lot 11, 112.50' to a point in line of the Northwesterly R.O.W. line of Broad Street (59.5' wide), thence;
9. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 41.50' to a point corner to same, thence;

Description-Tract 1
Page 2.

10. N 37 degrees, 11 minutes, 57 seconds W, along Lot 13, Block 501, 112.50' to a point corner to same, thence;
11. S 52 degrees, 48 minutes, 03 seconds W, along Lot 13, 117.0' to a point corner to same, thence;
12. S 37 degrees, 11 minutes, 57 seconds E, still along Lot 13, 112.50' to a point in line of the Northwesternly R.O.W. line of Broad Street, thence;
13. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 221.50' to a point corner to same, thence;
14. N 37 degrees, 11 minutes, 57 seconds W, along Lot 1, Block 502, Tax Map, 112.50' to a point corner to same, thence;
15. S 52 degrees, 48 minutes, 03 seconds W, still along Lot 1, 60.0' to a point corner to same, thence;
16. S 37 degrees, 11 minutes, 57 seconds E, still along Lot 1, 112.50' to a point in line of the Northwesternly R.O.W. line of Broad Street, thence;
17. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 280.0' to a point corner to same, thence;
18. N 37 degrees, 11 minutes, 57 seconds W, along Lot 5, Block 502, 112.50' to a point corner to same, thence;
19. S 52 degrees, 48 minutes, 03 seconds W, along Lots 5 and 6, 84.72' to a point corner to Lot 6, thence;
20. S 40 degrees, 21 minutes, 57 seconds E, along Lot 6, 112.67' to a point in line of the Northwesternly R.O.W. line of Broad Street, thence;
21. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 90.0' to a point corner to where said R.O.W. line of Broad Street, intersects the Northeastly R.O.W. line of North Pleasant Avenue (50' wide), thence;
22. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of North Pleasant Avenue, 350.0' to a point where said R.O.W. line of North Pleasant Avenue, intersects the Southeastly R.O.W. line of Delaware Drive (40' wide), thence;

DB 06289PG279

Description-Tract 1
Page 3.

23. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Delaware Drive, 70.64' to a point corner to same, thence;

24. N 40 degrees, 21 minutes, 57 seconds W, along the terminous of Delaware Drive, 40.05' to a point corner to same, thence;

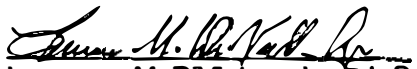
25. S 52 degrees, 48 minutes, 03 seconds W, along the Northwesterly R.O.W. line of Delaware Drive, and along the Northwesterly R.O.W. line of former Division Street, 1,221.92' to the place of beginning.

Containing within said bounds, 102.18' to the R.O.W. line of Union Landing Road, and to the Pierhead/Bulkhead Line.

Said described being Lots 1 and 1.01, Block 307, Lots 12 and 14, Block 501, and Lots 2, 3, 4 and 7, Block 502, Cinnaminson Township Tax Map.

Excepting thereout and therefrom all that area with the R.O.W. of Union Landing Road.

Said described being subjected to areas of Wetlands and Wetlands Buffers, as shown on Plan of Survey and Topography, The Village of Cinnaminson Harbour, prepared by Land Dimensions Engineering, dated 4-15-02.


Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179Deed

DB 06289PG280

**LAND DIMENSIONS ENGINEERING***Professional Land Use Consultants*Lawrence M. DiVietro, Jr., P.L.S., P.P., A.I.C.P.
PresidentPaul D. LaPierre, P.E., P.L.S., P.P.
Vice President of EngineeringJames S. Gugel, P.L.S., P.P.
Director of SurveyingRobert R. Williams, C.E.P., R.P.P.
Director of Environmental Sciences and ForestryTimothy G. Kahahikaleaf, C.L.A.
Landscape Architect**DESCRIPTION**

Tract 2

The Village of Cinnaminson Harbour
Cinnaminson Twp., Burlington Co., N.J.

LDE File No. 1179

April 26, 2002

All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at a point where the Northwesterly R.O.W. line of Broad Street (59.5' wide), intersects the Southwesterly R.O.W. line of North Snowden Avenue (50' wide), thence;

1. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 200.0' to a point where said R.O.W. line of Broad Street, intersects the Northwesterly R.O.W. line of North Warrington Avenue (50' wide), thence;
2. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of North Warrington Avenue, 350.0' to a point where said R.O.W. line of North Warrington Avenue, intersects the Southeasterly R.O.W. line of Delaware Drive (40' wide), thence;
3. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Delaware Drive, 200.0' to a point where said R.O.W. line of Delaware Drive, intersects the Southwesterly R.O.W. line of North Snowden Avenue, thence;
4. S 37 degrees, 11 minutes, 57 seconds E, along said R.O.W. line of North Snowden Avenue, 350.0' to the place of beginning.

Containing within said bounds, 70,00 s.f./1.61 Acres.

Said described being Lot 3, Block 401, Cinnaminson Township Tax Map, and as shown on Plan of Survey and Topography, The Village of Cinnaminson Harbour, prepared by Land Dimensions Engineering, dated 4-15-02.

Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179Deed



LAND DIMENSIONS ENGINEERING

Professional Land Use Consultants

Lawrence M. DiVietro, Jr., P.L.S., P.P., A.I.C.P.
President

Paul D. LaPierre, P.E., P.L.S., P.P.
Vice President of Engineering

James S. Gugel, P.L.S., P.P.
Director of Surveying

Robert R. Williams, C.E.P., R.P.F.
Director of Environmental Sciences and Forestry

Timothy C. Katihiokalani, C.L.A.
Landscape Architect

DESCRIPTION

Tract 3
The Village of Cinnaminson Harbour
Cinnaminson Twp., Burlington Co., N.J.
LDE File No. 1179
April 26, 2002

All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at a point where the Northwesterly R.O.W. line of Broad Street (59.5' wide), intersects the Northeasterly R.O.W. line of North Snowden Avenue (50' wide), thence;

1. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of North Snowden Avenue, 350.0' to a point where said R.O.W. line of North Snowden Avenue, intersects the Southeasterly R.O.W. line of Delaware Drive (40' wide), thence;
2. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Delaware Drive, 200.0' to a point where said R.O.W. line of Delaware Drive, intersects the Southwesterly R.O.W. line of North Pleasant Avenue (50' wide), thence;
3. S 37 degrees, 11 minutes, 57 seconds E, along said R.O.W. line of North Pleasant Avenue, 100.0' to a point corner to same, thence;
4. S 52 degrees, 48 minutes, 03 seconds W, along Lot 5, Block 503, Tax Map, 100.0' to a point corner to same, thence;
5. S 37 degrees, 11 minutes, 57 seconds E, along Lots 5 and 2, Block 503, 250.0' to the place of beginning.

Containing within said bounds, 45,000 s.f./1.03 Acres.

Said described being Lots 3 and 4, Block 503, Cinnaminson Township Tax Map, and as shown on Plan of Survey and Topography, The Village of Cinnaminson Harbour, prepared by Land Dimensions Engineering, dated 4-15-02.

Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179Deed



LAND DIMENSIONS ENGINEERING

Professional Land Use Consultants

Lawrence M. DiVietro, Jr., P.L.S., P.P., A.I.C.P.
President

Paul D. LaPierre, P.E., P.L.S., P.P.
Vice Presidents of Engineering

James S. Gugel, P.L.S., P.P.
Director of Surveying

Robert R. Williams, C.E.P., R.P.F.
Director of Environmental Sciences and Forestry

Timothy C. Kalubiokalani, C.L.A.
Landscape Architect

DESCRIPTION

Tract 4
The Village of Cinnaminson Harbour
Cinnaminson Twp., Burlington Co., N.J.
LDE File No. 1179
April 26, 2002

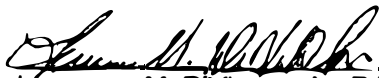
All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at a point where the Northwesterly R.O.W. line of Broad Street (59.5' wide), intersects the Southwesterly R.O.W. line of North Pleasant Avenue (50' wide), thence;

1. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Broad Street, 50.0' to a point corner to same, thence;
2. N 37 degrees, 11 minutes, 57 seconds W, along Lot 2, Block 503, Tax Map, 150.0' to a point corner to Lot 2, and in line of Lot 5, thence;
3. N 52 degrees, 48 minutes, 03 seconds E, along Lot 5, 50.0' to a point in line of the Southwesterly R.O.W. line of North Pleasant Avenue, thence;
4. S 37 degrees, 11 minutes, 57 seconds E, along said R.O.W. line of North Pleasant Avenue, 150.0' to the place of beginning.

Containing within said bounds, 7,500 s.f./0.17 Acres.

Said described being Lot 1, Block 503, Cinnaminson Township Tax Map, and as shown on Plan of Survey and Topography, The Village of Cinnaminson Harbour, prepared by Land Dimensions Engineering, dated 4-15-02.


Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179Dead

EXHIBIT A-1

**Legal (Metes and Bounds) Description
of Phase 1**

DB06289PG284



Lawrence M. DiVietro, Jr.
 P.L.S., P.P., A.L.C.E., President
 Paul D. LePiere, P.E., P.L.S., P.P.
 Vice President, Engineering
 James S. Gogol, P.L.S., P.P.
 Vice President, Surveying
 Robert R. Williams, C.P., R.P.F.
 Vice President, Property Operations

associated
 Andrew Hogg, P.E.
 Francisco J. Kapotas, P.P.
 Yong S. Kang, P.W.S.

DESCRIPTION

Part of Phase One-The Village at Cinnaminson Harbour
 Lot 8, Block 307.01
 Cinnaminson Twp., Burlington Co., N.J.
 November 13, 2003
 LDE File No. 1179-1

All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

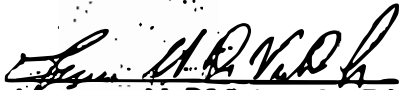
BEGINNING at the Southeasterly end of a curve connecting the Northwesterly R.O.W. line of Jason Drive, with the Northeasterly R.O.W. line of Lisa Way, thence;

1. In a general Westwardly direction, along said connecting curve, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in said R.O.W. line of Lisa Way, thence;
2. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of Lisa Way, 424.0' to a point of curvature in same, thence;
3. In a general Northwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Southeasterly R.O.W. line of Nathan Drive, thence;
4. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Nathan Drive, 221.30' to a point of curvature in same, thence;
5. In a general Eastwardly direction, curving to the right on a Radius of 70.0', an Arc of 104.60' to a point of tangency in the Southwesterly R.O.W. line of Harbour Boulevard, thence;
6. S 41 degrees, 34 minutes, 49 seconds E, along said R.O.W. line of Harbour Boulevard, 57.70' to a point of intersection in same, thence;
7. S 37 degrees, 11 minutes, 57 seconds E, still along said R.O.W. line of Harbour Boulevard, 312.81' to a point of curvature in same, thence;
8. In a general Southwardly direction, curving to the right on a Radius of 19.0', an Arc of 29.85' to a point of tangency in the Northwesterly R.O.W. line of Jason Drive, thence;

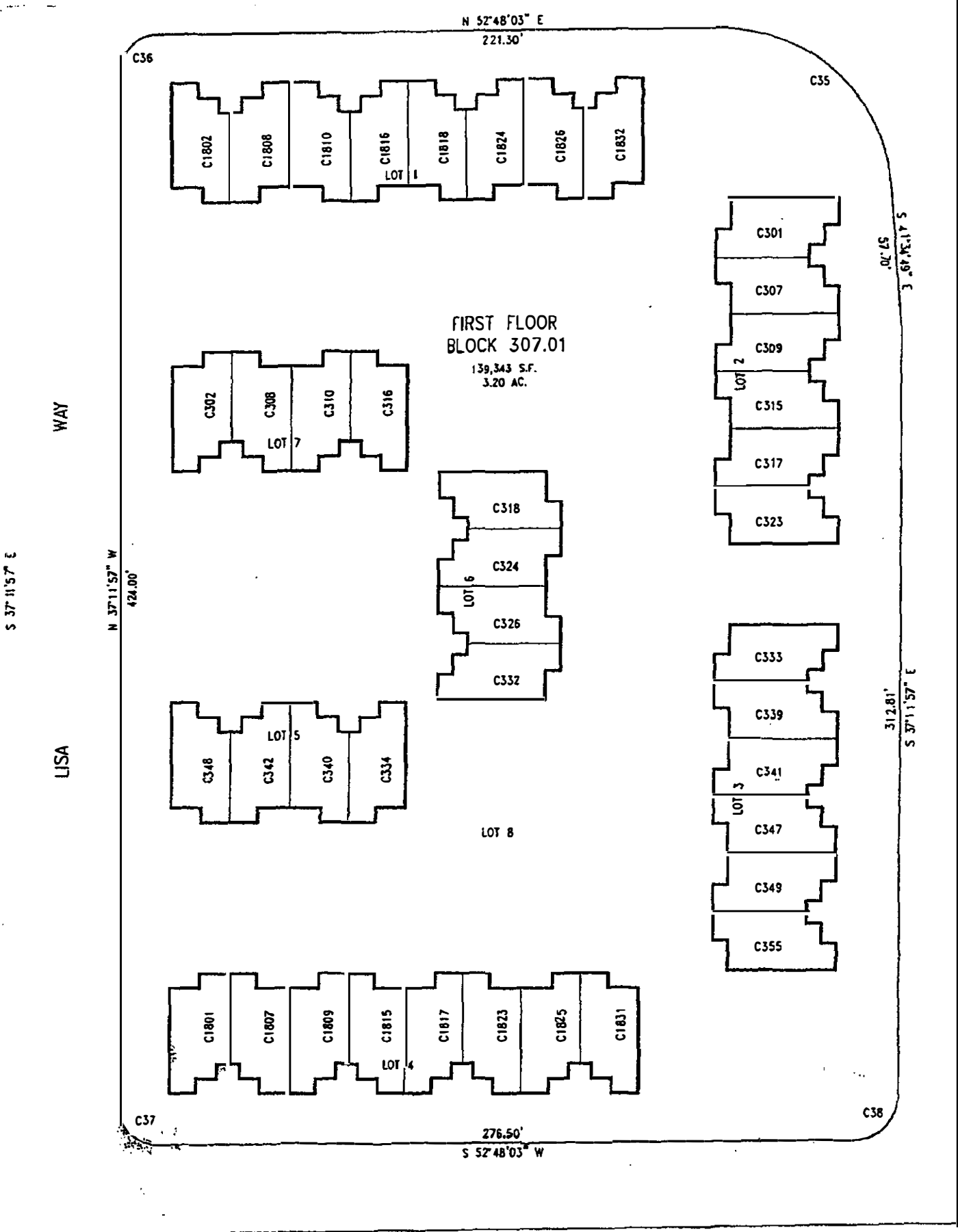
Description-Lot 8, Block 307.01
LDE File No. 1179-1
Page 2.

9. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Jason Drive,
276.50' to the place of beginning.

Said described being Lot 8, Block 307.01, as shown on Preliminary Subdivision Plan,
The Village at Cinnaminson Harbour, Section One, prepared by Land Dimensions
Engineering, dated Feb., 2003.


Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179PhaseOne



creative land use design

LandDimensions
ENGINEERING



6 East High Street
Glassboro, NJ 08028
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Lawrence M. DiVincio, Jr.
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Vice President, Engineering

James S. Gogel, P.L.S., P.P.,
Vice President, Surveying

Robert R. Williams, C.E., R.P.F.,
Vice President, Nursery Operations

associates

Andrew Hogg, P.E.

Paradise J. Korman, P.P.

Yong S. Kang, P.W.S.

DESCRIPTION

Part of Phase One-The Village at Cinnaminson Harbour
Lot 6, Block 307.02
Cinnaminson Twp., Burlington Co., N.J.
November 13, 2003
LDE File No. 1179-1

All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at the Southeasterly end of a curve connecting the Northwesterly R.O.W. line of Jason Drive, with the Northeasterly R.O.W. line of Amy Way, thence;

1. In a general Westwardly direction, along said connecting curve, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in said R.O.W. line of Amy Way, thence;
2. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of Amy Way, 424.0' to a point of curvature in same, thence;
3. In a general Northwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Southeasterly R.O.W. line of Nathan Drive, thence;
4. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Nathan Drive, 170.0' to a point of curvature in same, thence;
5. In a general Eastwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Southwesterly R.O.W. line of Lisa Way, thence;
6. S 37 degrees, 11 minutes, 57 seconds E, along said R.O.W. line of Lisa Way, 424.0' to a point of curvature in same, thence;
7. In a general Southwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Northwesterly R.O.W. line of Jason Drive, thence;
8. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Jason Drive, 170.0' to the place of beginning.

FROM : CINNAMINSON


FAX NO. : 8567860706

Nov. 18 2003 09:44AM P3

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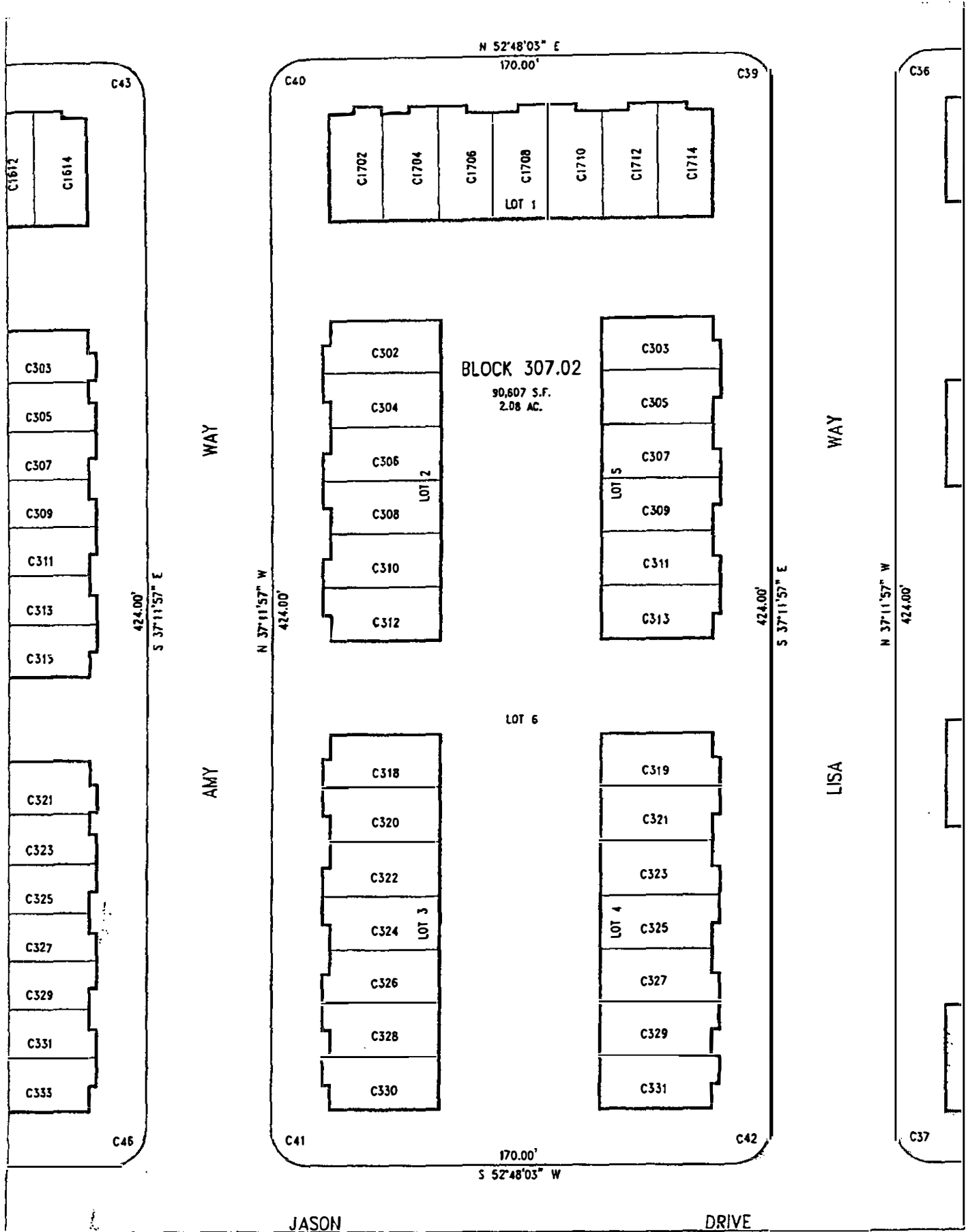
Description-Lot 6, Block 307.02
LDE File No. 1179-1
Page 2.

Said described being Lot 6, Block 307.02, as shown on Preliminary Subdivision Plan,
The Village at Cinnaminson Harbour, Section One, prepared by Land Dimensions
Engineering, dated Feb., 2003.


Lawrence M. DiMietro, Jr., P.L.S.
N.J. Lic. No. 24198

STO:1179PhaseOne

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DB 06 289 PG 290

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6 Ear High Street
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866-307-7805 fax

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Lawrence M. DiVito, Jr.
P.L.S., P.P., A.I.C.E., President

Paul D. La Pierre, P.E., P.L.S.-P.P.
Vice President, Engineering

James S. Coyne, P.L.S., P.P.
Vice President, Surveying

Robert R. Williams, C.F., R.P.P.
Vice President, Forestry Operations

associates

Andrew Hogg, P.E.

Perceval J. Kappas, P.P.

Young S. Kang, P.W.S.

DESCRIPTION

Part of Phase One-The Village at Cinnaminson Harbour
Lot 6, Block 307.03
Cinnaminson Twp., Burlington Co., N.J.
November 13, 2003
LDE File No. 1179-1


All that certain tract or parcel of land, situate in the Township of Cinnaminson, County of Burlington, and State of New Jersey, bounded and described as follows:

BEGINNING at the Southeasterly end of a curve connecting the Northwesterly R.O.W. line of Jason Drive, with the Northeasterly R.O.W. line of Helen Drive, thence;

1. In a general Westwardly direction, along said connecting curve, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in said R.O.W. line of Helen Drive, thence;
2. N 37 degrees, 11 minutes, 57 seconds W, along said R.O.W. line of Helen Drive, 424.0' to a point of curvature in same, thence;
3. In a general Northwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Southeasterly R.O.W. line of Nathan Drive, thence;
4. N 52 degrees, 48 minutes, 03 seconds E, along said R.O.W. line of Nathan Drive, 170.0' to a point of curvature in same, thence;
5. In a general Eastwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Southwesterly R.O.W. line of Amy Way, thence;
6. S 37 degrees, 11 minutes, 57 seconds E, along said R.O.W. line of Amy Way, 424.0' to a point of curvature in same, thence;
7. In a general Southwardly direction, curving to the right on a Radius of 15.0', an Arc of 23.56' to a point of tangency in the Northwesterly R.O.W. line of Jason Drive, thence;
8. S 52 degrees, 48 minutes, 03 seconds W, along said R.O.W. line of Jason Drive, 170.0' to the place of beginning.

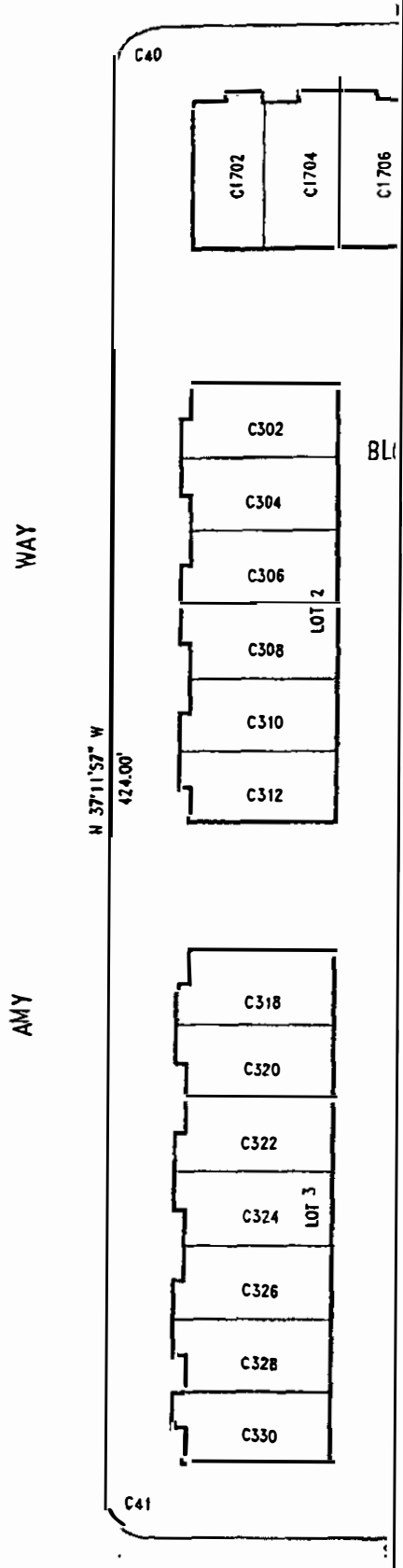
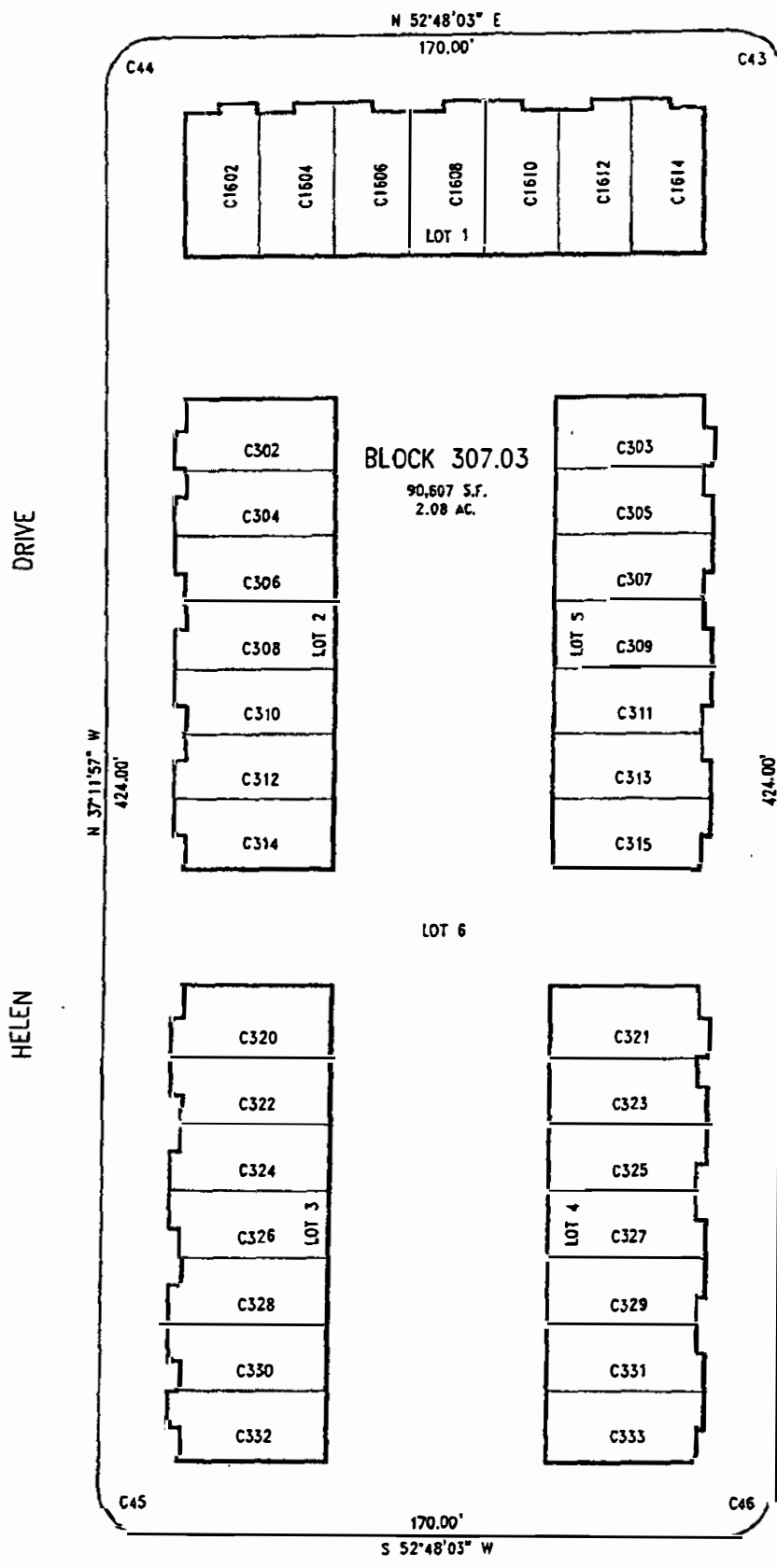
Description-Lot 6, Block 307.03
LDE File No. 1179-1
Page 2.

Said described being Lot 6, Block 307.03, as shown on Preliminary Subdivision Plan,
The Village at Cinnaminson Harbour, Section One, prepared by Land Dimensions
Engineering, dated Feb., 2003.


Lawrence M. DiVietro, Jr., P.L.S.
N.J. Lic. No: 24198

STO:1179PhaseOne

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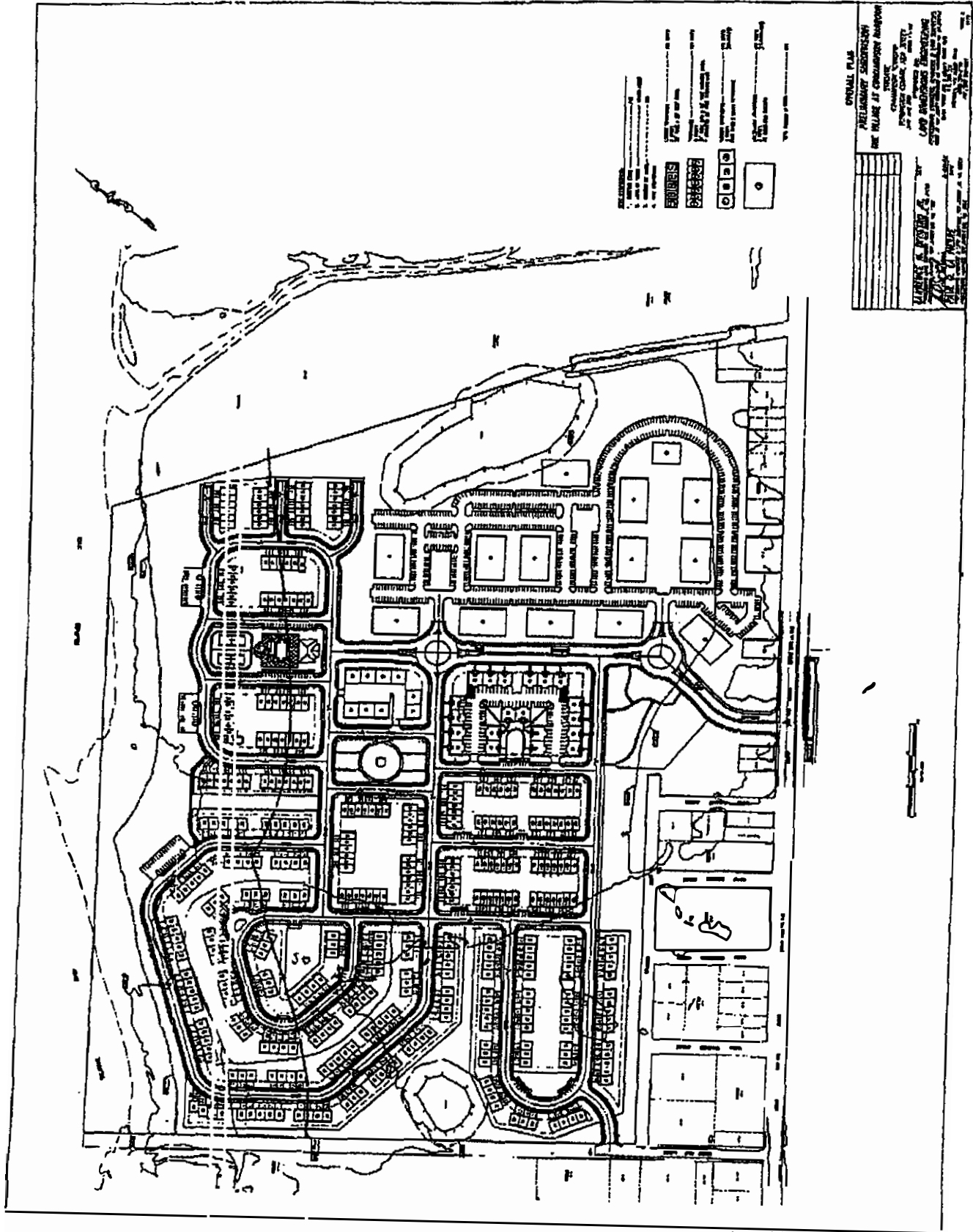
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EXHIBIT B

**Overall Plan - Preliminary Subdivision
for the Community**

DB 06289PG 294

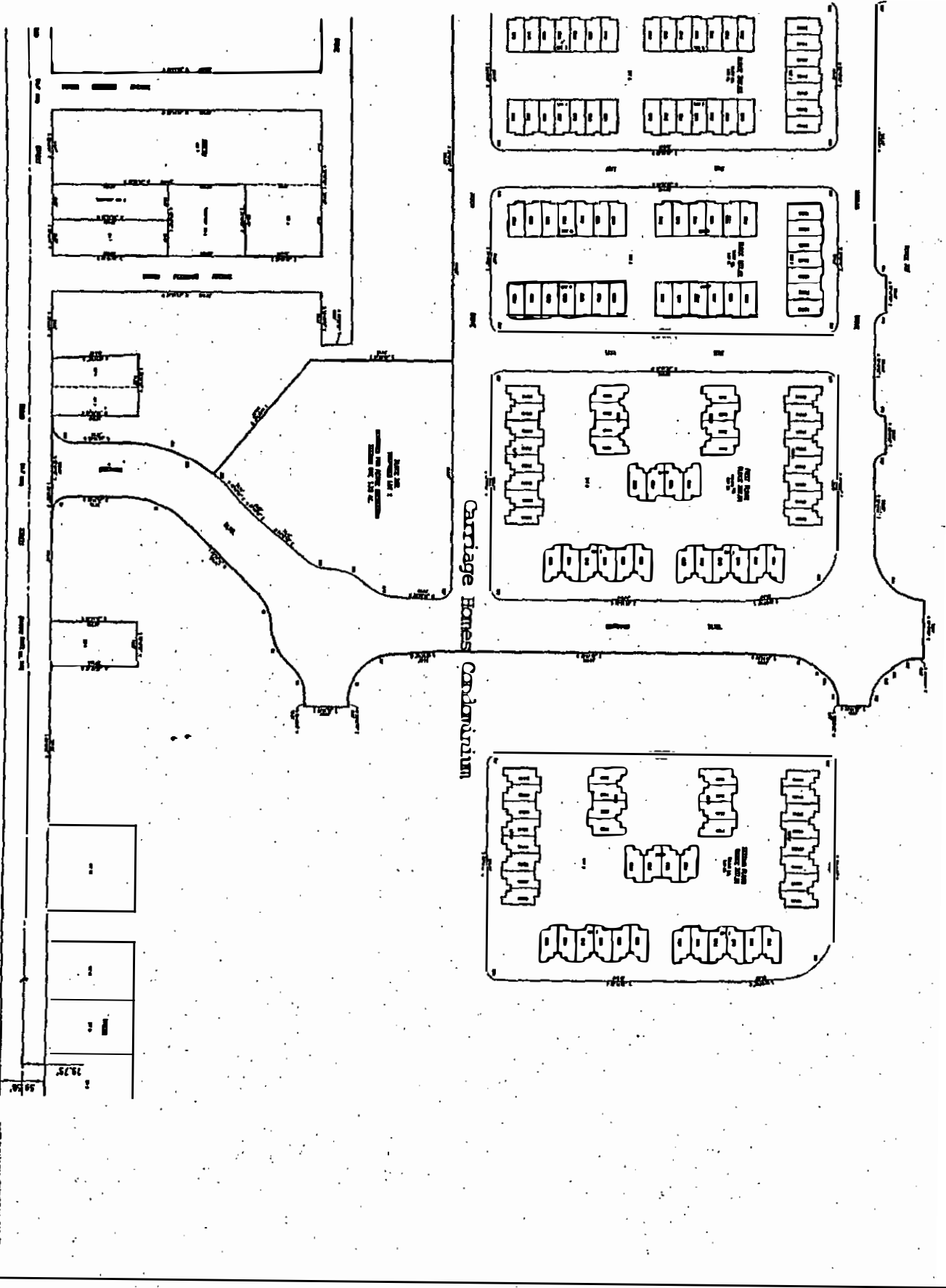


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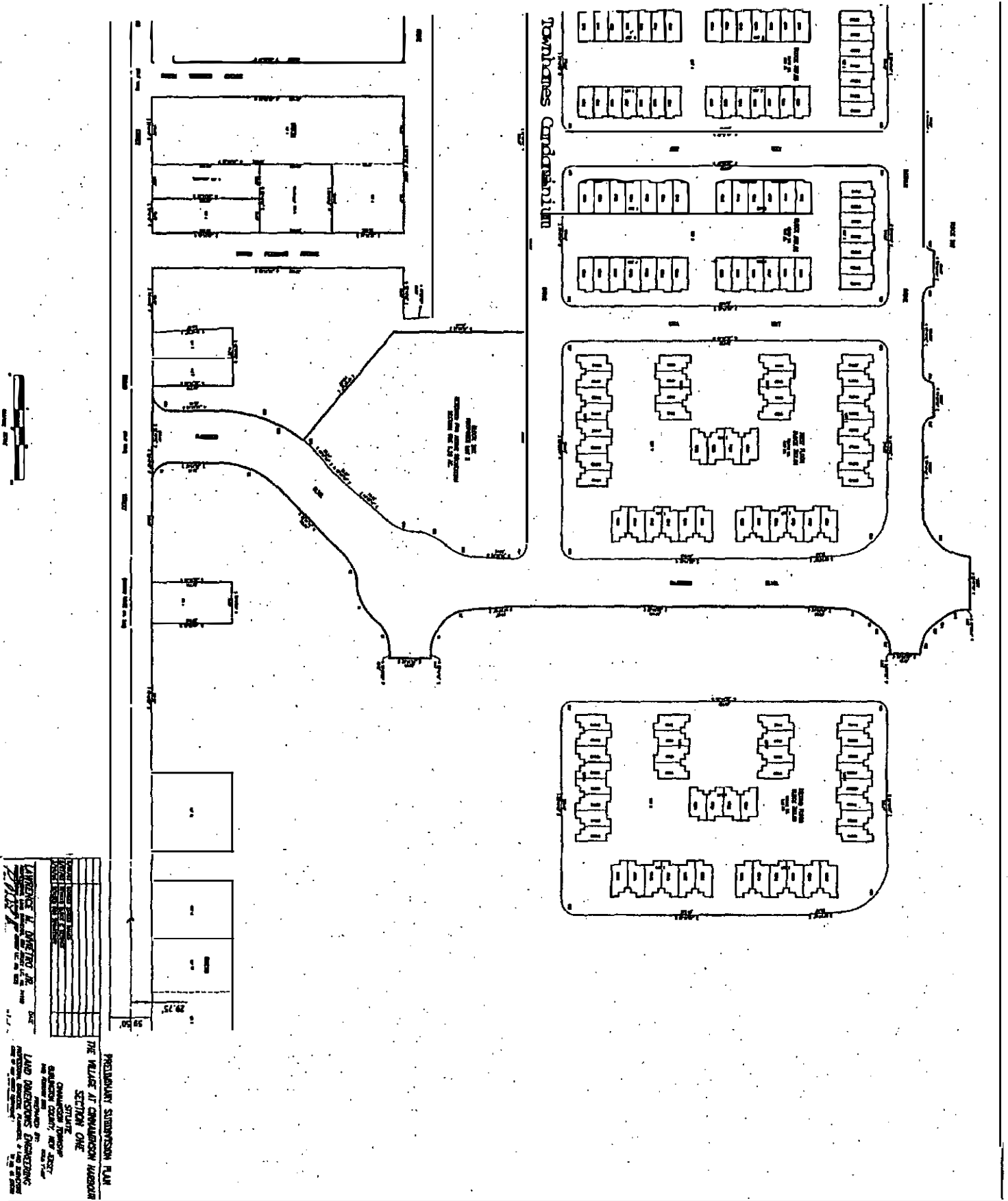
EXHIBIT B-1

**Preliminary Subdivision Plan
for Phase 1**

DB06289PG296



PRELIMINARY SUBDIVISION PLAN
 THE PALACE AT CARRIAGE HOMES
 SECTION ONE
 LANCELOT B. DIVISION, JR.
 LAND DEVELOPMENT ENGINEERING
 1000 WEST 10TH AVENUE, SUITE 100
 DENVER, COLORADO 80202
 DATE: 01/17/2008



PRELIMINARY SUBMISSION PLAN
 THE VILLAGE AT CANNONWOOD HARBOR
 SECTION ONE
 STATE OF FLORIDA
 COUNTY OF PALM BEACH
 LAND ACQUISITION PROJECTS
 LARRY J. GARDNER, REGISTERED PROFESSIONAL ENGINEER
 No. 12057
 DATE: 11/11/11

EXHIBIT D

**By-Laws of
The Villages at Cinnaminson Harbour
Community Association, Inc.**

DB 06289 PG 305

BY-LAWS
OF
THE VILLAGES AT CINNAMINSON HARBOUR COMMUNITY ASSOCIATION, INC.

535382.03

DB 06289 PG 306

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BY-LAWS OF THE VILLAGES AT CINNAMINSON HARBOUR
COMMUNITY ASSOCIATION, INC.

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BY-LAWS
OF
THE VILLAGES AT CINNAMINSON HARBOUR COMMUNITY ASSOCIATION, INC.

ARTICLE I

NATURE OF BY-LAWS

1.01. Purpose. These By-Laws are intended to govern the administration of The Villages at Cinnaminson Harbour Community Association, Inc. (the "Community Association"), a non-profit corporation organized under Title 15A of the New Jersey Statutes Annotated, and provide for the management, administration, utilization and maintenance of the Community Common Property described in the Declaration of Covenants, Easements and Restrictions for The Villages at Cinnaminson Harbour Community (the "Declaration"), and any amendments or supplements thereto.

1.02. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the Declaration for The Villages at Cinnaminson Harbour Community are incorporated herein by reference.

1.03. Fiscal Year. The fiscal year of the corporation shall be determined by the Board of Trustees.

1.04. Principal Office. The principal office of the corporation is initially located at 433 River Road, Highland Park, New Jersey 08904.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

2.01. Members. Every person, firm, association, corporation or other legal entity, including the Developer, who is a record Owner or Co-Owner of the fee simple title to any Home shall be a Member of the Community Association; provided, however, that any

person, firm, association, corporation, or legal entity who holds such title or interest to a Home merely as a security for the performance of an obligation (including, but not limited to, mortgagees or trustees under deeds of trust) shall not be a Member of the Community Association. Despite anything to the contrary in the preceding, the Developer shall have one (1) membership in the Community Association for each contemplated Home which has not been conveyed to an individual purchaser, not to exceed the number of Homes approved by the municipality.

The Membership of the Community Association shall be comprised of two classes:

(a) **Members:** Every Owner of a Home other than Developer, whose Home is located within the Community, shall be a Member of the Community Association.

(b) **Developer:** For so long as Developer owns lands within the Community, Developer shall be a member of the Community Association.

2.02. Member in Good Standing. A Member shall be deemed to be in good standing for voting purposes, as well as any related requirement as may be established by the Board of Trustees, if, at least thirty (30) days prior to the date fixed for such meeting, he has fully paid all installments due for assessments made or levied against him and his Home by the Board of Trustees as hereinafter provided, together with all interest, costs, attorney's fees penalties and other expenses, if any, properly chargeable to him and to his Home. Any date set forth in these By-Laws for determining good standing for voting purposes, as well as any related requirement which may be established by the Board of Trustees, shall be deemed supplemental to, and not in derogation of, the record date provisions of N.J.S.A. 15A:5-7.

2.03. Associate Members. Every person who is entitled to possession and occupancy of a Home as a tenant or lessee of an Owner may be an Associate Member of the

Community Association, but shall not be entitled to any vote with respect to Community Association matters.

2.04. Change of Membership. Change of membership shall be accomplished by recording in the Office of the Burlington County Clerk a deed or other instrument establishing a record title to a Home, and delivery to the Secretary of the Community Association of a certified copy of such instrument, together with such sums of money as are required for the payment of any contribution to capital or escrow deposit. The membership of the prior Owner shall be thereby terminated.

2.05. Rights of Membership. Every person who is entitled to membership in the Community Association and permanently resides in a Home, pursuant to the provisions of the Certificate of Incorporation and these By-Laws, including any Associate Member, shall be privileged to use and enjoy the Community Common Property, subject to the right of the Community Association to:

- (a) Promulgate, adopt and enforce rules and regulations governing such use and enjoyment; and
- (b) Suspend the use and enjoyment of the Community Common Property as provided in Section 2.06; and
- (c) Transfer, grant or obtain easements, licenses and other property rights with respect to the Community Common Property as provided in Section 6.01(k) hereof.

2.06. Suspension of Rights. The membership and voting rights of any member may be suspended by the Board of Trustees for any period during which any assessment against the Home to which his membership is appurtenant remains unpaid; but upon payment of such assessments, and any interest accrued thereon, by cash, money order, or certified or collected

funds, his rights and privileges shall be immediately and automatically restored. Section 2.02 hereof shall govern the restoration of voting rights. Further, if rule and regulations governing the use of the Community Common Property or Homes, or the conduct of persons in the Community thereon have been adopted and published, as authorized herein, the rights and privileges of any person in violation thereof or in violation of any non-monetary covenant of the Declaration may be suspended at the discretion of the Board of Trustees for a period not to exceed thirty (30) days for any single violation, but if the violation is of a continuing nature, such rights and privileges may be suspended indefinitely until such time as the violation is abated. No such action shall be taken by the Board of Trustees until the Owner is afforded an opportunity for a hearing consistent with the principles of due process of law.

2.07. Contribution to Capital. Each Owner, excluding Developer, shall pay to the Community Association upon acquisition of title to his Home a nonrefundable and nontransferable contribution to the Community Association in the amount of \$200.00 for the Home at the time of the acquisition, which may be used for working capital or for any other lawful purpose and need not be replenished if it is so utilized. The payment of such contribution shall be a condition precedent to exercise rights of membership in the Community Association upon the initial sale or a subsequent transfer of title to a Home. Any unpaid contribution shall be deemed a lien on the Home in the same manner as any unpaid Common Expenses attributable to such Home.

2.08. Votes. Each Owner shall be entitled to such vote(s) for each Home to which he holds title as is provided in Section 3.01 of the Declaration. When more than one person holds title the vote(s) for each Home shall be exercised as the Co-Owners themselves determine. When one or more Co-Owners signs a proxy or purports to vote for his or her Co-Owners, such vote(s) shall be counted unless one or more of the other Co-Owners is present

and objects to such vote(s); or, if not present, submits a proxy or objects in a writing delivered to the Secretary of the Community Association before the vote(s) is counted. If Co-Owners disagree as to the vote(s), the vote shall be split equally among the Co-Owners.

Initially, the Developer shall have five hundred six (506) memberships in the Community Association, representing one membership for each Home or potential Home to which title has not been conveyed. Upon conveyance of title to a Home, each purchaser automatically becomes a Member of the Community Association. However, upon each conveyance of title of a Home by Developer to another Owner, such Owner shall become entitled to one vote for each Home purchased, and the number of votes held by Developer shall be reduced accordingly. Developer's votes shall be cast by such persons as it may from time to time designate. Votes not held by Developer shall be cast in person or by proxy, as otherwise provided herein. It is understood that in the event that the number of Homes ultimately established in the Community is less than five hundred six (506), the number of votes in the Community Association shall be equal to the number of Homes established. The Developer shall not be permitted to vote for the purposes of (i) amending the Community Association Documents, (ii) changing the permitted use of a Home or (iii) reducing the Community Common Property or common facilities.

ARTICLE III

MEETINGS OF OWNERS

3.01. Place of Meetings. All meetings of the Members of the Community Association shall be held at the Community or at such other place convenient to the members as may be designated by the Board of Trustees.

3.02. Annual Meetings. All annual meetings of the Community Association shall be held on the day and month of the year to be established by the Board of Trustees, except

that the first such annual meeting shall be held not more than thirteen (13) months following the incorporation of the Community Association. The election of Trustees shall take place at each annual meeting subsequent to the Transition Elections held in accordance with Section 4.03. If the election of Trustees is not held at the annual meeting or any adjournment of such meeting, the Board of Trustees shall cause the election to be held at a special meeting as soon thereafter as may be convenient. At such special meeting, the Owners may elect the Trustees and transact other business with the same force and effect as at an annual meeting duly called and held. All proxies validly received for the originally scheduled meeting shall remain in full force and effect for any such adjourned meeting or special meeting, and new proxies may be received for any such subsequent meeting.

3.03 Special Meetings. Following the Transition Elections, special meetings of Owners may be called by the President whenever he deems such a meeting advisable, or shall be called by the Secretary upon the order of the Board of Trustees or upon the written request of Members representing not less than twenty-five (25%) percent of all the votes entitled to be cast at such meeting. Such request shall state the purpose(s) of such meeting and the matter(s) proposed to be acted upon. Unless Owners representing at least fifty (50%) percent of all votes entitled to be cast request such a meeting, no special meeting may be called to consider any matter which is substantially the same as a matter voted upon at any meeting of the Owners held during the preceding twelve (12) months, which determination shall be made in the sole and absolute discretion of the Board of Trustees.

3.04 Notice of Meeting. Except as otherwise provided by law and Section 4.03 herein with respect to transition elections, law or these By-Laws, notice of each meeting of Owners, whether annual or special, shall be given not less than ten (10) days, nor more than ninety (90) days before the day on which the meeting is to be held, to each Owner at his last

known address, by delivering a written or printed notice to each Owner, or by mailing such notice, postage prepaid. Every such notice shall state the time, place, and purpose of the meeting. Notice of any meeting of Owners shall not be required to have been sent to any Owners who shall attend such meeting in person or by proxy. Notice of any adjourned meeting of the Owners shall no be required to be given except when expressly required by law. Except as otherwise expressly required by law, no publication of any notice of a meeting of Owners shall be required.

3.05 Quorum and Adjourned Meetings. At such meeting of the Community Association, persons (including Developer or its representatives) holding twenty-five (25%) percent of the authorized votes present, in person or by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. In the absence of a quorum, the person holding votes present in person or by proxy and entitled to vote, may, by majority vote, adjourn the meeting from time to time, until a quorum shall be present or represented. At any such adjourned meeting at which a quorum may be present any business may be transacted which might have been transacted at the meeting originally called.

3.06. Organization. At each meeting of the Community Association, the President, or, in his absence, the Vice President, or the absence of both of them, a person chosen by a majority vote of the Members in Good Standing present in person or represented by proxy, shall act as a chairperson, and the Secretary, or in his absence, a person whom the chairperson shall appoint, shall act as Secretary of the meeting.

3.07. Voting On Questions. Only Owners who are Members in Good Standing shall be entitled to vote on questions. A majority of votes present in person or by proxy at any duly constituted meeting of the membership shall be sufficient on those questions submitted to a vote of the membership. The vote on any question need not be taken by ballot, unless (i) the

chairperson of the meeting determines a ballot to be advisable, or (ii) a majority of the votes present at the meeting determine that the vote on the question submitted shall be taken by ballot.

3.08. Voting in Elections of Trustees. Only Owners who are Members in Good Standing shall be entitled to vote in elections of Trustees. The election of Trustees shall be conducted by written ballot, and the Owner(s) of each Home present in person or by proxy shall be entitled to one vote for each Home to which he holds title. The persons receiving the plurality of votes will be deemed to be elected in order to fill the vacant positions. If ever applicable, candidates polling the highest numbers of votes will be considered elected for the longest period of years. Election of Trustees at all meetings shall be in accordance with this Section 3.08.

3.10. Proxies. Proxy ballots shall be permitted with respect to (i) all elections of Trustees, (ii) all amendments to the Certificate of Incorporation, the Declaration or these By-Laws, (iii) or any other matter that properly comes before a meeting of the membership of the Community Association. Each proxy shall be in writing, signed by the individual Owners (or in the case of joint owners by any one of them), or by his or their duly authorized representative(s) and delivered to the Secretary of the Community Association, or such other person as the President may designate, at least 24 hours prior to the commencement of the meeting at which ballots are to be cast. Proxies may be revoked at any time prior to the opening of the polls, and no proxy shall be voted on after eleven (11) months from its date unless the proxy provides for a longer period, not to exceed three (3) years from the date of execution. All proxies shall be substantially in the form prescribed by the Board of Trustees, and if not in such form, shall be deemed invalid, which determination shall be made in the sole and absolute discretion of the Board of Trustees.

3.11. Judges. If at any meeting of the Owners a vote by ballot shall be taken, the chairperson of such meeting shall appoint two (2) persons to act as Judges with respect to the

ballots. Each Judge so appointed shall first subscribe an oath to execute faithfully the duties of a Judge with strict impartiality and according to the best of his ability. Such Judges shall decide upon the qualifications of voters, shall report the number of votes represented at the meeting and entitled to vote on such question, shall conduct and accept the votes, and when the voting is completed, shall ascertain and report the number of votes respectively for and against the questions; but, as to the election of Trustees, the number of votes received by each candidate need not be reported. Reports of Judges shall be in writing and subscribed and delivered by them to the Secretary of the meeting. The Judges need not be Members of the Community Association, and any officer or Trustee of the Community Association may be a Judge on any question other than a vote for or against his election to any position with the Community Association or any other question in which he may be directly interested.

3.12. Order of Business. The order of business at the annual meeting of the Owners or at any special meetings insofar as practicable shall be:

- (a) Calling of the roll and certifying the proxies.
- (b) Proof of notice of meeting and waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (d) Appointment of Judges of Election, if appropriate.
- (e) Election of Trustees, if appropriate.
- (f) Receiving reports of officers.
- (g) Receiving reports of committees.
- (h) Old business.
- (i) New business.
- (j) Adjournment.

ARTICLE IV
BOARD OF TRUSTEES

4.01. Qualifications. The following criteria shall be qualifications for nomination, appointment or election to a Trusteeship:

- (a) Member in Good Standing: Membership in good standing and ownership of a Home shall be a qualification for nomination, appointment, election or service as a Trustee, and for continued service on the Board, excluding any Trustee representing the Developer.
- (b) Representation: Partnerships, corporations, limited liability companies or fiduciaries holding memberships in good standing may designate individuals to be eligible for nomination, appointment or election as Trustees in accordance with the following qualifications:
 - (i) Partnership designees shall be members, employees or agents of the partnership;
 - (ii) Corporate designees shall be officers, stockholders, employees or agents of the corporation; and
 - (iii) Limited liability company designees shall be members or managers of the limited liability company; and
 - (iv) Fiduciary designees shall be fiduciaries, officers, or employees of the fiduciary.

Co-Owners holding a membership in good standing may designate any one of them, but only one of them, to be eligible for nomination, appointment or election as a Trustee;

however, in the case of any disagreement, the express consent of a majority of such Co-Owners shall be required for any one of them to be eligible.

- (c) Disqualification of Trustees. Any Trustee whose membership in the Community Association is not in good standing for thirty (30) consecutive days shall automatically be disqualified as a Trustee upon expiration of said thirty (30) day period and a replacement shall be appointed by the Board of Trustees within thirty (30) days thereafter to serve the remainder of the term as contemplated by Section 4.06 hereof.

Despite the aforesaid, any Trustee who conveys title to his Home and no longer holds title to any other Home is automatically disqualified as a Trustee effective on the date of said conveyance.

4.02. Number. The Board of Trustees shall initially consist of three (3) Trustees (Trustees "A", "B" and "C"). Upon the initial conveyance of one hundred twenty-seven (127) Homes (i.e. 25% of the total number of 506 proposed Homes), the Board shall be expanded to five (5) Trustees, designated Trustees "A", "B", "C", "D", and "E", and the President of Cinnaminson Harbour Carriage Homes Crossings Condominium Association shall assume Trusteeship "A" and the President of the Cinnaminson Harbour Townhomes Condominium Association, if incorporated, shall assume Trusteeship "B". If the President of either such Association is a Developer appointee, then the Owners shall elect from among the Owners an alternate representative to serve each term as Trustee until the President of such Association is duly elected by Owners.

4.03. Election. Within thirty (30) days after the initial conveyance by the Developer of three hundred eighty-one (381) Homes (i.e. 75% of the total number of 506

proposed Homes), Cinnaminson Harbour Townhomes Condominium Association, if incorporated, shall assume Trusteeship "C" and the President of the Community Association shall call a special meeting of the Membership of the Community Association for the purpose of holding the First Election. At this special meeting, Owners other than the Developer shall be entitled to vote for and elect Trustee "D" from the Members at large and the Developer shall be entitled to appoint Trustee "E" for so long as any Home remains unsold in the ordinary course of its business.

Within thirty (30) days after all Homes have been initially conveyed, the President shall again call a special meeting for the Second Election at which Owners other than the Developer shall be entitled to vote for and elect Trustee "E" from the Members at large; provided that the Developer shall be entitled in its discretion to relinquish Trusteeship "E" at the time of the Second Election or any time thereafter prior to the conveyance of the last Home.

In spite of the foregoing, if ten (10) years after the conveyance of the first Home, Owners other than the Developer still own less than 381 Homes, Owners other than the Developer may elect Trustees sufficient to assume control of the Board provided that the Owners other than the Developer agree by majority vote to assume such control as provided by N.J.A.C. 5:26-8.4(d).

Further, only Owners who are Members in Good Standing shall be eligible to be nominated, elected, or to serve on the Board of Trustees, except that in the case of Owners which are partnerships, corporations, limited liability companies or fiduciaries, including Developer, a designee shall be eligible if the Owner is a Member in Good Standing.

Notice of the special meetings called pursuant to this Section for the purpose of holding Transition Elections shall be given not less than twenty (20) nor more than thirty (30) days prior to the date of the meeting.

Regardless of whether or not administrative control of the Board of Trustees has been surrendered to the Owners, as improvements to the Common Property are completed, the Developer shall cause same to be turned over to the Community Association at which time the Community Association shall assume responsibility for the repair and maintenance of same. The satisfactory completion of such improvements shall be evidenced by the issuance of a certificate of occupancy by the Township of Cinnaminson or, where an improvement is not subject to the issuance of a certificate of occupancy, then a certificate signed by an independent architect or engineer selected by the Board of Trustees. This will in no way relieve the Developer of its warranty obligations pursuant to N.J.S.A. 46:3B-1 et seq.

4.04. Term of Office. Developer-appointed Trustees A and B shall serve until their successors have been qualified and elected at the Transition Election. Trustees A and B elected at the First Transition Election shall serve terms expiring at the annual meeting of the membership held in the second calendar year following the year in which the Transition Election is held. Trustees C, D and E shall serve a term expiring at the annual meeting held in the calendar year in which the current term of Trustees A and B expires. Thereafter, all Trustees shall serve for two year terms.

It is the purpose and intent hereof that subsequent to the Second and Third Transition Elections, whichever is applicable, the terms of Trustees A and B shall expire in alternate years to the terms of Trustees C, D and E.

4.05. Removal of Members of the Board of Trustees. At any duly held and constituted regular or special meeting of the Owners, any one or more Trustees may be removed with or without cause by vote of the majority of the Owners present, provided that the notice of the meeting expressly includes this item. A successor may then and there be appointed by a majority of the remaining Owner-elected Trustees to fill the vacancy thus created. Each person

so appointed shall be a Trustee for the remainder of the term of the Trustee whose term he is filling and until his successor is duly elected and qualified. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting. The failure of any Trustee to be a Member in Good Standing for a period of thirty (30) days or more shall be grounds for removal without any vote of the Members. An Owner-elected Trustee cannot be removed except by a majority vote of the Owners present other than the Developer. In the event that all of the Trustees are removed, successors shall be elected by the Owners other than the Developer in the manner set forth in Section 4.03 to fill the vacancies thus created. This section shall not apply to any Trustee appointed by the Developer.

4.06. Vacancies. Vacancies on the Board of Trustees caused by any reason other than the removal of a Trustee by a vote of the Owners shall be filled by a vote of a majority of the remaining Trustees, including the Developer's appointees, at a special meeting of the Board of Trustees held for that purpose promptly after the occurrence of any such vacancy. Each person so elected shall be a Trustee for the remainder of the term of the Trustee whose term he is filling and until his successor shall have been duly elected and qualified. Despite the foregoing, until the First Transition Election, the Developer shall have the right to fill all vacancies on the Board of Trustees by appointment. Owner-elected vacancies on the Board of Trustees shall only be filled by Owners other than the Developer, whether same be appointed pursuant to the provisions herein, or elected pursuant to the provisions of Section 4.05.

ARTICLE V

TRANSACTION OF BUSINESS BY THE BOARD OF TRUSTEES

5.01 Express and Implied Powers and Duties. The property, affairs and business of the Community Association shall be managed by the Board of Trustees, which shall

have all those powers granted to it by the Certificate of Incorporation, the Declaration, these By-Laws, and by law.

5.02. Developer's Protective Provisions. After control of the Board of Trustees has become vested in Trustees elected by Members other than the Developer, and so long as the Developer owns at least one (1) Home and holds same for sale in the ordinary course of its business, the following shall apply:

- (a) Neither the Community Association nor its Board of Trustees shall take any action that will impair or adversely affect the rights of the Developer or cause the Developer to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with the sale of Homes, or the assessment of the Developer for capital improvements.
- (b) The Community Association and its Board of Trustees shall continue the same level of maintenance, operation and services as provided immediately prior to the assumption of control of the Community Association and the Board of Trustees by Members other than the Developer.
- (c) In furtherance of the foregoing provisions, the Developer shall have the right to veto any and all actions of the Community Association or the Board of Trustees which may have any direct or indirect detrimental impact upon the Developer as may be determined by the sole reasonable discretion of the Developer.
- (d) The Developer shall exercise its veto right, in its sole and absolute discretion, within ten (10) days after its receipt of notice that a

resolution or other action is proposed or has been taken by the Community Association or its Board of Trustees. In such event, the Developer shall notify the Secretary of the Community Association of its exercise of its veto right and any such proposal or action shall be deemed null and void ab initio and of no further force and effect.

The aforementioned protective provisions shall be construed in accordance with and not in derogation of N.J.A.C. 5:26-8.4 of the regulations promulgated pursuant to the New Jersey Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-1 et seq., and same shall not be amended without the express written consent of the Developer.

5.03. Meeting of the Board; Notices; Waiver of Notice. The first meeting of the Board shall be held within ten (10) days after the first annual meeting of the Owners and at such time and place as shall be fixed by a majority of the Board. No notice shall be necessary. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least two (2) meetings shall be held each year. Notice of regular meetings of the Board shall be given to each Trustee by telephone, mail, or telegram at least three (3) days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) days notice to each Trustee given by telephone, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or the Secretary in like manner and on like notice on the written request of at least two (2) Trustees. Any Trustee may waive notice of any meeting of the Board in writing at any time, and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by a Trustee at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the Trustees

are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. In the discretion of the Board of Trustees, meetings of the Board of Trustees, or portions thereof, may be open to Members of the Community Association or other persons for observation or participation in such manner and to the extent as the Board of Trustees may deem appropriate.

5.04. Quorum and Adjourned Meetings. At all meetings of the Board of Trustees, a majority of the Trustees shall constitute a quorum for the transaction of business and the votes of a majority of the Trustees present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board, there shall be less than a quorum present, the Trustee present shall adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice. The vote of a majority of those present at a Board meeting at which a quorum is present shall be necessary for valid action by the Board on any matter.

5.05. Joinder in Meetings by Approval of Minutes. Subject to the provisions of N.J.S.A. 45:22A-46 and N.J.A.C. 5:20-1.1, the transaction of any business at any meeting of the Board, however called and noticed, or wherever held, shall be as valid as if transacted at a meeting duly held after regular call and notice, if (i) a quorum is present; and (ii) either before or after the meeting, each Trustee signs a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waivers, consents or approvals shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

5.06. Non-Waiver. All the rights, duties and privileges of the Board shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the

same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

5.07. Consent in Lieu of Meeting and Vote. Subject to the provisions of N.J.S.A. 45:22A-46 and N.J.A.C. 5:20-1.1, despite anything to the contrary in these By-Laws, the Certificate of Incorporation or the Declaration, the entire Board of Trustees shall have the power to take action on any matter on which it is authorized to act, without the necessity of a formal meeting and vote, if the entire Board or all the Trustees empowered to act, whichever the case may be, shall consent in writing to such action.

5.08. Meetings Open to Owners; Notice. All Meetings of the Board of Trustees, except conferences or working sessions at which no binding votes are to be taken, shall be open to attendance by all Owners, subject to those exceptions set forth in N.J.S.A. 45:22A-46 and N.J.A.C. 5:20-1.1, as now or hereafter amended. The Board of Trustees may exclude or restrict attendance at those meetings, or portions of meetings, at which any of the following matters are to be discussed: 1) any matter the disclosure of which would constitute an unwarranted invasion of individual privacy; 2) any pending or anticipated litigation or contract negotiations; 3) any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer; or 4) any matter involving the employment, promotion, discipline or dismissal of a specific officer or employee of the Community Association. Adequate written notice of the time, place and the agenda, to the extent known, of all such open meetings shall be given by the Board of Trustees to all Owners at least forty-eight (48) hours in advance of such meeting in the manner required by N.J.A.C. 5:20-1.2(b). Moreover, the Board of Trustees shall also within seven (7) days following the Annual Meeting of the Community Association post, mail to newspapers and file with the administrator of the business office of the Community Association a schedule of the regular meetings of the

Board of Trustees to be held in the succeeding year, as prescribed by N.J.A.C. 5:20-1.2(c) and make appropriate revisions thereto, all as required by N.J.A.C. 5:20-1.2(c)1.

ARTICLE VI

POWERS AND DUTIES OF BOARD OF TRUSTEES

6.01. General Powers and Privileges. Subject to the Declaration, the Community Association may do all that it is legally entitled to do under the laws applicable to its form of organization. The Community Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the Community. The Community Association shall provide a fair and efficient procedure for the resolution of disputes between individual Owners and the Community Association, and between different Owners, that shall be readily available as an alternative to litigation.

The property, affairs and business of the Community Association shall be managed by its Board of Trustees, which shall have all those powers granted to it by the Community Association Documents and by law.

The Board of Trustees shall have these powers, which include, but which are not necessarily limited to, the following, together with such other powers as may be provided herein or in the Declaration, or By-Laws, or which may be necessarily implied.

- (a) To employ, by contract or otherwise, a manager, managing agent or an independent contractor, to oversee, supervise and carry out the responsibilities of the Board. Such manager or independent contractor shall be compensated upon such terms as the Board deems necessary and proper; and
- (b) To employ any person, firm or corporation to repair, maintain or renovate the Community Common Property; to lay pipes or

culverts; to bury utilities; to put up lights or poles; to erect signs and traffic and safety controls of various sorts on the Community Common Property; and

- (c) To employ professional counsel and to obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, architects, engineers, lawyers and accountants; and
- (d) To employ or contract for water and sewer, electricity and gas or other forms of utilities, cable or master antenna television; and
- (e) To adopt, amend, and publish rules and regulations covering the details of the operation and use of the Community Common Property; and
- (f) To employ all managerial personnel necessary, or enter into a managerial contract for the efficient discharge of the duties of the Board of Trustees hereunder; and
- (g) To arrange for security protection as necessary; and
- (h) To enforce obligations of the Owners and do anything and everything else necessary and proper for the sound management of the Community Common Property, including the right to bring or defend lawsuit to enforce the terms, conditions and restrictions contained in the Declaration, these By-Laws, or any Rules and Regulations; and
- (i) To borrow and repay monies giving notes, mortgages or other security upon such term or terms as it deems necessary; and

- (j) To invest and reinvest monies, sue and be sued, collect interest, dividends, and capital gains; exercise rights; pay taxes; make and enter into contracts; enter into leases or concessions; make and execute any and all proper affidavits for various purposes; compromise any action without leave of court; and all other powers contained herein, and those necessary and incidental thereto; and
- (k) To transfer, grant or obtain easements, licenses and other property rights with respect to the Community Common Property in a manner not inconsistent with the rights of Owners; and
- (l) To bring and defend actions by or against more than one Owner which are pertinent to the operation of the Community, the health, safety or general welfare of the Owners, or any other legal action to which the Owners may consent in accordance with these By-Laws; and
- (m) To appoint an Insurance Trustee, who shall not be a Member of the Community Association, an employee of the Developer, or the manager, who shall discharge his duties in accordance with these By-Laws. In the absence of such an appointment, the Board of Trustees shall be responsible for the disposition of all insurance proceeds; and
- (n) To create, appoint members to and disband such committees as shall from time to time be deemed appropriate or necessary to aid

the Board of Trustees in the discharge of its duties, functions and powers; and

- (o) To establish an Alternative Dispute Resolution Committee as hereinafter provided in Article X; and
- (p) To enter into agreements or other contracts for (i) the management of the Recreation Facility, (ii) the maintenance of any landscaped areas as described in the Declaration, and (iii) the provision of any services requested by the Carriage Homes Condominium Association, the Townhomes Condominium Association or the Luxury Townhomes Condominium Association to be performed on their behalf.

6.02. Duties and Responsibilities. It shall be the affirmative and perpetual obligation and duty of the Board of Trustees to perform the following:

- (a) To cause the Community Common Property to be maintained according to accepted standards and as set forth in the Declaration. All repairs and replacements shall be substantially similar to the original application and installation and shall be of first class quality; and
- (b) To accept the responsibility for performing any responsibilities which are irrevocably delegated to the Community Association by the Carriage Homes Condominium Association, the Townhomes Condominium Association or the Luxury Townhomes Condominium Association, including, but not limited to, the maintenance, repair and replacement of any storm water detention

or retention basins and storm drainage facilities, pursuant to their respective Master Deeds; and

- (c) To investigate, hire, pay, supervise and discharge the personnel necessary to be employed, and provide the equipment and materials necessary, to properly maintain and operate the Community Common Property. Compensation for the services of such employees (as evidenced by certified payroll) shall be considered an operating expense of the Community Association; and
- (d) To cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting when requested in writing at least twenty-one (21) days in advance by Members entitled to cast at least twenty-five (25%) percent of the total votes of the Community Association; and
- (e) To allocate common surplus or make repairs, additions, improvements to, or restoration of the Community Common Property in accordance with the provisions of these By-Laws and the Declaration after damage or destruction by any casualty, or as a result of condemnation or eminent domain proceedings; and
- (f) To take such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises maintained by the Community Association placed thereon by any federal, state, county or municipal authority having jurisdiction

thereover, and order of the Board of Fire Underwriters or other similar bodies; and

(g) To manage the fiscal affairs of the Community Association as provided in Article VII;

(h) To place and keep in force all insurance coverages required to be maintained by the Community Association, applicable to its property and Members including, but not limited to:

(i) Physical Damage Insurance. To the extent available in the normal commercial marketplace, broad form insurance against loss by fire and against loss by lightning, windstorm and other risks normally included within all risk extended coverage, including vandalism and malicious mischief, insuring all Community Common Property and supplies belonging to the Community Association, and covering the interest of the Community Association, the Board, the Developer, all Owners and any Mortgage Holder who has requested the Community Association in writing to be named as loss payee, as their respective interests may appear, in an amount equal to the full replacement value of the Community Common Property (exclusive of foundations and footings). The amount of any deductible and the responsibility for payment of same shall be determined by the Board, in its sole discretion.

(ii) Public Liability Insurance. To the extent available in the normal commercial marketplace, public liability insurance for personal injury and death from accidents occurring within the Community (and any other areas which the Board of Trustees may deem advisable) and the defense of any actions brought by injury or death of a person or damage to property occurring within the Community and not arising by reason of any act or negligence of any individual Owner. Such insurance shall be in such limits as the Board of Trustees may, from time to time, determine, covering each Trustee, officer, the managing agent, the manager, and each Member, and shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Trustees following the first annual meeting, such public liability insurance shall be in a single limit of \$1,000,000.00 covering all claims for personal injury or property damage arising out of any one occurrence. The Board of Trustees shall review such limits once a year.

(iii) Trustees and Officers Liability Insurance. To the extent available in the normal commercial marketplace, liability insurance indemnifying the Trustees and Officers of the Community Association against the liability for errors and omissions occurring in connection with the performance of

their duties, in an amount of at least \$1,000,000.00, with any deductible amount to be in the sole discretion of the Board of Trustees.

- (iv) Workers Compensation Insurance. Workers compensation and New Jersey disability benefits insurance as required by law.
- (v) Other Insurance. Such other insurance as the Board of Trustees may determine.

All policies shall: (i) provide that adjustment of loss shall be made by the Board of Trustees; (ii) to the extent obtainable contain agreed amount and inflation guard endorsements; construction code endorsement; contingent liability from operation of building laws endorsement; demolition cost endorsement; and increased cost of construction endorsement; (iii) require that the proceeds of physical damage insurance be applied to the restoration of such Property and structural portions and service machinery as required by the Declaration and these By-Laws; (iv) provide that the insurance will not be prejudiced by any act or omission of individual Members that are not under the control of the Community Association; (v) provide that the policy will be primary, even if insurance covering the same loss is held by any Member(s); (vi) to the extent obtainable contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured; and (vii) provide that such policies may not be cancelled without at least thirty (30) days prior written notice to all of the named insureds, including all Owners and Eligible Mortgage Holders.

All policies shall show the named insured as: "The Villages at Cinnaminson Harbour Community Association, Inc." and must require the insurer to notify in writing the Community Association and each Eligible Mortgage Holder or other entity named in the

mortgagee clause at least thirty (30) days before it terminates or substantially changes the Community Association's coverage.

The Board of Trustees may determine, in its sole discretion, the amount of any deductible and the responsibility for payment of same as to any policy of insurance maintained under this subsection. Despite any other provisions of this subsection, the Community Association shall not be required to provide any type or amount of insurance not commonly available in the normal commercial marketplace.

The premiums for any and all insurance coverage maintained by the Community Association shall be a Common Expense of the Community Association.

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

ARTICLE VII

FISCAL MANAGEMENT

7.01. Budget; Common Expense Assessments. The Board of Trustees shall prepare an annual Common Expense budget that reflects the anticipated operating expenditures and repair and replacement reserve accumulation requirements for the next ensuing fiscal year of the Community Association. Common Expenses shall include, but are not limited to, the estimated costs for the operation, repair and maintenance of the Community Common Property, the estimated costs for the operation of the Community Association, and any reserves for deferred maintenance, replacement, or capital improvements of the Community Common Property. The Board of Trustees shall have the duty to collect from each Owner, his heirs, administrators, successors and assigns, as "Common Expense Assessments," the proportionate

part of the Common Expenses assessed against such Owner as provided in the Declaration, the Certificate of Incorporation, these By-Laws, and in accordance with applicable law.

7.02. Determination of Common Expenses. The amount of monies for Common Expenses deemed necessary by the Board of Trustees and the manner of expenditure thereof, including, but not limited to, the allocation thereof, shall be a matter for the sole discretion of the Board of Trustees.

7.03. Disbursements. The Board of Trustees shall take and hold the funds as collected and shall disburse the same for the purposes and in the manner set forth herein and as required by the Declaration, Certificate of Incorporation, and applicable law.

7.04. Depositories. The depository of the Community Association shall be such a bank or banks as shall be designated from time to time by the Board of Trustees and in which the monies of the Community Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such parties as are authorized by the Board of Trustees, provided that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Community Association for payment of the obligations of the Community Association, if the proper fidelity bond is furnished to the Community Association.

7.05. Accounts. The receipts and expenditures of the Community Association shall be Common Expense Assessments and Common Expenses respectively, and shall be credited and charged to accounts under the following classifications as the Board of Trustees shall deem appropriate, all of which expenditures shall be Common Expenses:

- (a) Current expenses, which shall include expenditures within the year for which the budget is made, including reasonable allowances for contingencies and working funds. Current expenses shall not

include expenditures chargeable to reserves. At the end of each year, the unexpended amount remaining in this account shall be applied to reduce the assessments for current expenses for the succeeding year or may be distributed to the current membership in the same manner as assessed, as the Board of Trustees shall determine.

- (b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
- (c) Reserve for replacement, which shall include funds for repair or replacement of the Community Common Property and those portions of the improvements located on the Community Common Property that the Community Association is obligated to maintain or repair which is required because of damage, depreciation or obsolescence. The amounts in this account shall be allocated among each of the separate categories of replacement items, which amounts and items shall be determined in the sole and absolute discretion of the Board of Trustees.
- (d) Reserves for capital improvements, which shall include the funds to be used for capital expenditures or for acquisition of additional personal property that will be part of the Community Common Property.
- (e) Operations, which shall include all funds from the use of the Community Common Property or from any other sources. Only the additional direct expense required by any revenue producing

operation will be charged to this account, and any surplus from any operation or otherwise shall be used to reduce the assessments for current expenses for the succeeding year, or at the discretion of the Board of Trustees, distributed to the current membership in the same manner as assessed. Losses from operations or otherwise shall be met by special assessments against Owners, which assessments may be made in advance in order to provide a working fund.

- (f) Working capital, including those nonrefundable and nontransferable contributions imposed upon each Owner upon acquisition of title to a Home pursuant to Section 2.07, which may be used by the Board of Trustees in its reasonable discretion for working capital or for any other lawful purpose (but not in order to reduce the Annual Common Expense Assessment).

The Board of Trustees shall not be required to physically segregate the funds held in the above accounts except for reserves for replacement and repair, which funds must be maintained in separate accounts. The Board of Trustees may, in its sole discretion, maintain the remaining funds in one or more consolidated accounts. However, the division into the various accounts set forth above need be made only on the Community Association's records.

7.06. Reserves. The Board of Trustees shall not be obligated to spend all of the revenues collected in any accounting period and must maintain reasonable reserves for, among other things, repairs, replacements, emergencies, contingencies for bad weather or uncollected accounts. Despite anything herein to the contrary, the Board of Trustees in its determination of the Common Expenses and the preparation of a budget shall specifically designate and identify

that portion of the Common Expenses which is to be assessed against the Owners as a capital contribution and is allocable to reserves for each separate item of capital improvement of and to the Community Common Property. The amounts assessed and collected for the reserves shall be kept in one or more interest-bearing savings accounts, or certificates of deposit and shall not be utilized for any purpose other than that which was contemplated at the time of the assessment. The foregoing shall not be construed to mean that the Board of Trustees shall not be permitted to keep additional cash on hand, in a checking or petty cash account, for the necessary discharge of its functions.

7.07. Notice; Emergencies. The Board of Trustees shall give written notice to each Owner and Eligible Mortgage Holder of the amount estimated by the Board of Trustees for Common Expenses for the management and operation of the Community Association for the next ensuing budget period, directed to the Owner at his last known address by ordinary mail or by hand delivery. The notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mails. After the Developer turns over control of the Board of Trustees to the Owners, if an Annual Common Expense Assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment; and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the Annual Common Expense Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Trustees, provided that nothing herein shall serve to prohibit or prevent the Board of Trustees from imposing an Emergency Assessment in the case of any immediate need or emergency that cannot be met by reserve funds allocated for such contingency.

7.08. Acceleration of Assessment Installment Upon Default. If an Owner shall be in default for more than thirty (30) days in the payment of an installment upon any

assessment, the Board of Trustees may accelerate the remaining installments of the assessment and file a lien for such accelerated amount upon notice to the delinquent Owner, and if the delinquent installment has not been theretofore paid, the then unpaid balance of the assessment shall become due upon the date stated in the notice, which date shall not be less than five (5) days after delivery of the notice to the Owner or not less than ten (10) days after the mailing of such notice to him by registered or certified mail; whichever shall first occur. If no such notice is given and default shall continue for a period of thirty (30) days, the Board of Trustees shall be required to accelerate the remaining installments of the assessment for the current year upon similar notice to the Owner and to file a lien for such accelerated assessment as permitted by law if the delinquent assessment has not been heretofore paid. In the latter event, the Board of Trustees may also notify any Eligible Mortgage Holder holding a mortgage that encumbers the Home affected by such default or publish appropriate notice of such delinquency to the membership of the Community Association. If any default continues for a period of ninety (90) days, the Board of Trustees shall foreclose the foregoing lien pursuant to law or commence a suit against the appropriate parties to collect the assessment or both.

7.09. Interest and Counsel Fees. The Board of Trustees at its option shall have the right in connection with the collection of any assessment, or other charge to impose a late charge of any reasonable amount or interest at the legal maximum rate permitted by law for the payment of delinquent real estate taxes or both, if payment is made after a date certain stated in such notice. In the event that the Board of Trustees shall effectuate collection of assessments or charges by resort to counsel or the filing of a lien or both, the Board of Trustees may add to those assessments or charges as counsel fees, plus the reasonable costs for preparation, filing and discharge of the lien, in addition to such other costs as may be allowable by law.

7.10. Assessment of Expenses in Actions by or against Community Association;

Allocation of Awards.

(a) Common Expenses.

In the case of any action or proceeding brought or defended by the Community Association or the Board of Trustees pursuant to the provisions of the Declaration, Certificate of Incorporation, these By-Laws, or any Rule or Regulation, the reasonable costs and expenses of preparation and litigation, including attorneys' fees, shall be a Common Expense allocated among all Owners, other than Developer. All Common Expense assessments received and to be received by the Board of Trustees for the purpose of paying any judgment obtained against the Community Association or the Board of Trustees, and the right to receive such funds, shall constitute trust funds and shall be expended first for such purpose before being expended in whole or in part for any other purpose.

(b) Allocation of Awards.

Money judgments recovered by the Community Association in any action or proceeding brought hereunder, including costs, penalties or damages shall be deemed a special fund to be applied to (1) the payment of unpaid litigation expenses; (2) refunding to the Owners the cost and expenses of litigation advanced by them; (3) Common Expenses, if the recovery thereof was the purpose of the litigation; (4) repair or reconstruction of the Property if recovery of damages to same was the motivation for the litigation; and (5) any amount not applied to (1), (2), (3) and (4) above shall be at the discretion of the Board of Trustees treated either as (i) a

common surplus which shall be allocated and distributed pursuant to the provisions of Section 4.15 of the Declaration or (ii) a set off against the Common Expense Assessments. Despite the foregoing, if a Owner(s), the Board of Trustees or any other person or legal entity affected by any such distribution shall assert that the damages sustained or the diminution in value suffered by a Owner(s) was disproportionate to his or their percentage of common interest, the matter shall be decided in accordance with the procedures set forth in Article XI hereof.

(c) Recovery by Owner

In the event that an Owner(s) obtains a judgment or order against the Community Association or the Board of Trustees, he shall also be entitled to the restitution or recovery of any sums paid to the Board of Trustees as Common Expense Assessments for litigation expenses in relation to said action or proceeding in addition to any other sums to which said Owner(s) would otherwise be entitled by such judgment or order.

7.11. Power of Attorney to Holder of a Permitted Mortgage. In the event the Board of Trustees shall not cause the enforcement procedures provided in Sections 7.08 and 7.09 above to be implemented within the time provided, any holder of a Permitted Mortgage for any Home as to which there shall be such unpaid Common Expense Assessments is hereby irrevocably granted a power of attorney to commence such actions and to invoke such other remedies, all in the name of the Community Association. This power of attorney is expressly stipulated to be coupled with an interest in the subject matter.

7.12. Annual Audit. The Board of Trustees shall submit the books, records, and memoranda of the Community Association to an annual audit by an independent, certified public

accountant who shall audit same and render a report thereon in writing to the Board of Trustees and in summary form to the Owners and such Eligible Mortgage Holders or other persons, firms or corporations as may be entitled to same. While the Developer maintains a majority of the Board of Trustees, it shall have an annual audit of Community Association funds prepared by an independent public accountant, at the Community Association's expense, a copy of which shall be delivered to each Owner and Eligible Mortgage Holder upon the submission of a written request for same by said Eligible Mortgage Holder within ninety (90) days of the expiration of the fiscal year of the Community Association. The audit shall cover the operating budget and reserve accounts.

7.13. Examination of Books. Each Owner shall be permitted to examine the books of account of the Community Association by appointment in the offices of the Community Association or such other place as may be designated therefore by the Board of Trustees at a reasonable time on business days, provided, however, that the Treasurer has been given at least ten (10) days prior written notice of the Owner's desire to make such an examination.

7.14. Fidelity Bonds. The Board of Trustees shall require fidelity bonds from all persons handling or responsible for Community Association funds. The amount of such bonds shall be in the amount of the maximum funds that will be in the custody of the Community Association at any one time, but in no event less than the sum of three (3) months assessments of all Homes. This amount shall be determined by the Board of Trustees.

While the Developer maintains a majority of representation on the Board of Trustees, it shall post, at the Community Association's expense, a fidelity bond or other guaranty acceptable to the New Jersey Department of Community Affairs, in an amount equal to the annual budget. For the second and succeeding years in which the Developer maintains a majority of representation on the Community Association's Board of Trustees, the amount of the

bond or other guaranty shall also include accumulated reserves. The premiums on such bonds shall be paid by the Community Association.

ARTICLE VIII

OFFICERS

8.01. Designation. The principal officers of the Community Association shall be a President, a Vice-President, both of whom shall be members of the Board of Trustees, a Secretary and a Treasurer. The Board of Trustees may also appoint such other Assistant Treasurers and Assistant Secretaries as in its judgment may be necessary. Any two (2) offices, except that of President and Vice-President, may be held by one person.

8.02. Election of Officers. The officers of the Community Association shall be elected annually by the Board of Trustees at its first meeting following each annual meeting and such officers shall hold office at the pleasure of the Board of Trustees.

8.03. Removal of Officers. Upon an affirmative vote of a majority of the full number of Trustees, any officer may be removed, either with or without cause, after opportunity for a hearing, and his successor elected at any regular meeting of the Board of Trustees, or at any special meeting of the Board of Trustees called for such purpose.

8.04. Duties and Responsibilities of Officers.

(a) The President shall be the chief executive officer of the Community Association. He shall preside at all meetings of the Community Association and of the Board of Trustees. He shall have all of the general powers and duties which are usually vested in the office of President of an association.

(b) The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Trustees shall appoint some other Trustee to so do on

an interim basis. The Vice-President also performs such other duties as shall from time to time be imposed upon him by the Board of Trustees.

(c) The Secretary shall keep the minutes of all meetings of the Board of Trustees and the minutes of all meetings of the Members of the Community Association. He shall have charge of such books and papers as the Board of Trustees may direct. The Secretary shall, in general, perform all the duties incident to the office of the Secretary.

(d) The Treasurer shall have the responsibility for the custody of Community Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Community Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of, the Community Association in such depositories as may from time to time be authorized by the Board of Trustees.

8.05. Other Duties and Powers. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Trustees.

8.06. Eligibility of Trustees. Nothing herein contained shall prohibit a Trustee from being an officer.

ARTICLE IX

COMPENSATION, INDEMNIFICATION AND EXCULPABILITY OF OFFICERS, TRUSTEES, AND COMMITTEE MEMBERS

9.01. Compensation. No compensation shall be paid to the President or the Vice-President or any Trustee, or committee member for acting as such. The Secretary or Treasurer or both may be compensated for their services if the Board of Trustees determines that such compensation is appropriate. Nothing herein stated shall prevent any Officer, Trustee, or Committee Member from being reimbursed for out-of-pocket expenses or compensated for

services rendered in any other capacity to or for the Community Association, provided that any such expenses incurred or services rendered shall have been authorized in advance by the Board of Trustees.

9.02. Indemnification. Each Officer, Trustee or Committee Member of the Community Association shall be indemnified by the Community Association against the actual amount of net loss, including counsel fees, reasonably incurred by or imposed upon him in connection with any action, suit or proceeding to which he may be a party by reason of his being or having been a Officer, Trustee or Committee Member of the Community Association, or delegee, except as to matters for which he shall be ultimately found in such action to be liable for gross negligence or willful misconduct. In the event of a settlement of any such case, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Community Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.

9.03. Exculpability. Unless acting in bad faith, neither the Board of Trustees as a body nor any Officer, Trustee, or Committee Member shall be personally liable to any Owner in any respect for any action or lack of action arising out of the execution of his office. Each Owner shall be bound by the good faith actions of the Board of Trustees, its Officers and Committee Members, in the execution of the duties of said Trustees, Officers and Committee Members. Nothing contained herein shall be construed to exculpate members of the Board of Trustees appointed by the Developer from discharging their fiduciary responsibilities.

ARTICLE X

ALTERNATIVE DISPUTE RESOLUTION COMMITTEE

10.01. Designation. The Board of Trustees shall establish an Alternative Dispute Resolution Committee ("ADR Committee"), consisting of a chairperson and two or more

members, none of whom may be a member of the Board of Trustees or an employee of the Community Association. The ADR Committee shall serve indefinitely at the pleasure of the Board.

10.02. Subcommittees. The ADR Committee shall have power to appoint a subcommittee from among its members and may delegate to any such subcommittee any of its powers, duties and functions.

10.03. Authority. It shall be the duty of the ADR Committee to attempt to resolve complaints from Members on any matter involving alleged violations of any restrictions, rules or resolutions set forth in the Community Association Documents pursuant to Section 11.05 hereof. Its Authority does not extend to collection matters or governance of the Community Association, except to the extent that the Board may delegate said Authority.

ARTICLE XI

ENFORCEMENT

11.01. Enforcement. The Board of Trustees shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto, by any or all of the following: self-help in the case of an emergency; sending notice to the offending party to cause certain things to be done or undone; restoring the Community Association to its original position and charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authorities; or by taking any other action before any court, summary or otherwise, as may be provided by law.

11.02. Fines. To the extent now or hereafter permitted by the law of the State of New Jersey, the Board of Trustees shall have the power to levy fines against any Owner(s) for violation(s) of any Rule or Regulation of the Community Association or for any covenants or restrictions contained in the Declaration or By-Laws. No fine may be levied for more than

\$50.00 for any one violation. Each day a violation continues after notice shall be considered a separate violation. Collection of fines may be enforced against any Owner(s) involved as if the fine were a Common Expense Assessment owed by the particular Owner(s). Despite the foregoing, before the Board of Trustees imposes any fine, the Owner involved shall be given at least ten (10) days prior written notice and afforded an opportunity to be heard with respect to the violation(s) asserted.

11.03. Waiver. No restriction, condition, obligation or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

11.04. Cause of Action Against Community Association. Owners shall have a cause of action, to the extent permitted by the laws of this State, against the Community Association for its failure to act in accordance with the Declaration, Certificate of Incorporation, these By-Laws, any Rules or Regulations governing the Community or any formal decisions of the Community Association.

11.05. Alternative Dispute Resolution Procedure.

a. Authority. In addition to the mediation authority granted to it herein, the ADR Committee shall have such additional duties, power and authority as the Board of Trustees may from time to time provide by resolution. This shall include the right to resolve disputes arising under and to enforce the provisions of the Community Association Documents, including the right to (i) impose temporary cease and desist orders and (ii) levy fines pursuant to Section 11.02 hereof to the extent permitted by law. The ADR Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by Resolution of the Board of Trustees. Despite the foregoing, no action may be taken by the ADR Committee without giving the Owner(s) involved at least ten (10) days prior written notice and

affording the Owner an opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

Further, any Owner who is aggrieved by any decision of the ADR Committee shall have the right to appeal such decision to a court of competent jurisdiction. Any dispute between or among Owners or with the Community Association, other than collection matters or governance of the Community Association, must first be submitted to the ADR Committee for mediation or non-binding arbitration before any litigation is commenced with respect to the dispute in question, all as contemplated by N.J.S.A. 45:22A-44(c) and Section 11.05(b) hereof. If there is not an appeal to a court of competent jurisdiction within forty-five (45) days of the decision by the ADR Committee, the decision of the ADR Committee shall be binding on all parties and shall have full force and effect under the laws of the State of New Jersey.

The expenses for mediation or non-binding arbitration are Common Expenses of the Community Association. However, if the Owner requests binding arbitration, then the expenses will be shared equally by the Owner and the Community Association unless the arbitrator determines otherwise. Moreover, nothing herein shall prevent the Community Association from charging a reasonable application fee to any party who requests mediation or arbitration.

b. **Mediation Alternative.** Prior to the commencement of any non-binding arbitration hearing by the ADR Committee pursuant to Section 11.05(a), any party to the dispute, or the Committee on its own motion, may request mediation of the dispute by an impartial mediator appointed by the Committee in order to attempt to settle the dispute in good faith. Such mediator may be a member of the ADR Committee, its counsel or any other qualified mediator. Any such mediation shall be concluded within fifteen (15) days after such request, unless extended by the mediator for good cause. In the event that no settlement is reached within said

fifteen (15) day period, all relevant time periods in the hearing process shall be extended for fifteen (15) days plus any extension period.

11.06. Compliance by Members. Each Member shall comply with and shall assume ownership or occupancy subject to the laws, rules and regulations of governmental authorities having jurisdiction over the Community, and the provisions of the Declaration, the Certificate of Incorporation and By-Laws of the Community Association, Rules and Regulations or any other documents, amendments or supplements to the foregoing. Failure to comply with any of the foregoing shall be grounds for commencement of action for the recovery of damages, or for injunctive relief, or both, by the Developer, the Community Association, or any Member, 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 Member, to enforce any lien created by the Declaration or any covenant contained therein. Failure by the Developer, the Community Association, or any Member to enforce any covenant therein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce same.

11.07. Civil Action for Damages. The Community Association shall not be liable in any civil action brought by or on behalf of a Owner to respond in damages as a result of bodily injury to the Owner occurring on the premises of the Community Association except as a result of its willful, wanton or grossly negligent act of commission or omission.

ARTICLE XII
AMENDMENTS

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

ARTICLE XIII
CONFLICT; INVALIDITY

13.01. Conflict. Despite anything to the contrary herein, if any provision of these By-Laws is in conflict with or contradiction of the Declaration, the Certificate of Incorporation or with the requirements of any law, the requirements of said Declaration, Certificate of Incorporation or law shall be deemed controlling.

13.02. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability or affect the remaining provisions of the By-Laws.

ARTICLE XIV

NOTICE

Any notice required to be sent to any Owner under the provisions of the Declaration, the Certificate of Incorporation or these By-Laws shall be deemed to have been properly sent and notice thereby given, when mailed by regular post with postage prepaid, addressed to the Owner at his last known post office address on the records of the Community Association at the time of such mailing. Notice to one of two or more Co-Owners of a Home shall constitute notice to all Co-Owners. It shall be the obligation of every Owner to immediately notify the Secretary of the Community Association in writing of any change of address. Valid notice may also be given to Owners by (i) personal delivery to any occupant of said Home over the age of fourteen (14) years of age or (ii) by affixing the notice to or sliding same under the front door of any Home.

ARTICLE XV

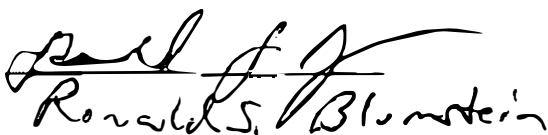
CORPORATE SEAL

The Community Association shall have a seal in circular form having within its circumference the words "The Villages at Cinnamonson Harbour Community Association, Inc."

IN WITNESS WHEREOF, the Developer and co-Developer have caused this Declaration to be executed on the date first mentioned above.

**THE VILLAGES AT CINNAMINSON
HARBOUR, L.L.C.,**
a New Jersey Limited Liability Company,
Developer

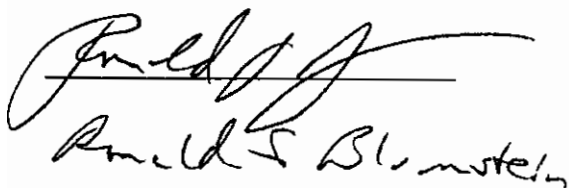
WITNESS:



Ronald S. Blumstein

By: 
Michael Kaplan, Managing Member

WITNESS:

K-LAND NO. 57, L.L.C.,
A New Jersey Limited Liability Company,
Co-Developer


Ronald S. Blumstein

By: 
Michael Kaplan, Managing Member

ACKNOWLEDGMENT

STATE OF NEW JERSEY)
MIDDLESEX) ss.:
COUNTY OF BURLINGTON)

BE IT REMEMBERED, that on this 24th day of May, 2005, before me the subscriber, the undersigned authority, personally appeared Michael Kaplan who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the managing member of THE VILLAGES AT CINNAMINSON HARBOUR, L.L.C., the limited liability company named in the within Instrument; that the execution, as well as the making of this Instrument, has been duly authorized; and that said Instrument signed and delivered by him as said Manager as and for the voluntary act and deed of said limited liability company; and that the full and actual consideration paid or to be paid for the transfer of title or realty evidenced by the within deed, as such consideration is defined in P.L. 1968, c. 49, Sec. 1(c) is \$ 10,000

Patricia Ann DiSerio

Patricia Ann DiSerio
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 9/22/2009

STATE OF NEW JERSEY)
MIDDLESEX) ss.:
COUNTY OF BURLINGTON)

BE IT REMEMBERED, that on this 24th day of May, 2005, before me the subscriber, the undersigned authority, personally appeared Michael Kaplan who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction that he is the managing member of K-LAND NO. 57, L.L.C., the limited liability company named in the within Instrument; that the execution, as well as the making of this Instrument, has been duly authorized; and that said Instrument signed and delivered by him as said Manager as and for the voluntary act and deed of said limited liability company; and that the full and actual consideration paid or to be paid for the transfer of title or realty evidenced by the within deed, as such consideration is defined in P.L. 1968, c. 49, Sec. 1(c), is \$ 10,000

Patricia Ann DiSerio

Patricia Ann DiSerio
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 9/22/2009

RECORDING DATA PAGE

Consideration Code:
Transfer Fee :
Recording Date: 06/23/2005 Login id:
Document No : 4175015 ccolivo

**CASTLE TITLE AGENCY
141 MAIN STREET, SUITE 1B
SOUTH RIVER, NJ 08882**

Receipt No : 566356
Document No : 4175015 Type : DECR
Recording Date : 06/23/2005
Login Id : ccollivo

**Recorded
Jun 23 2005 11:09am
Burlington County Clerk**

**Clerk of Burlington County • 49 Rancocas Rd. • Mt. Holly, NJ 08060
609-265-5180**

DB06289PG356

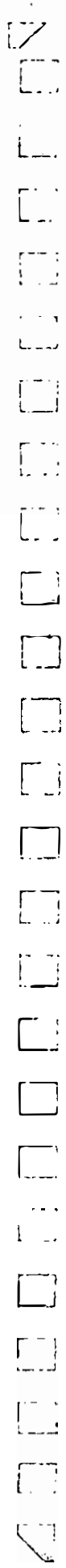


EXHIBIT C

**Certificate of Incorporation of
The Villages at Cinnaminson Harbour
Community Association, Inc.**

DB 06289 PG 299

DIVISION OF REVENUE

Fax: 609-984-6708

Jan 31 2005 9:29

P.08

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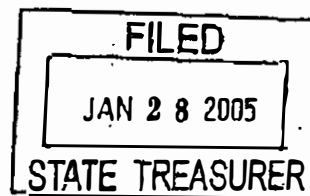
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Jan 28 2005 10:13

NO. 345 0003

NP



CERTIFICATE OF INCORPORATION

FOR

**THE VILLAGES AT CINNAMINSON HARBOUR
COMMUNITY ASSOCIATION, INC.**

DATED: January 28, 2005

File and Return to:

**GREENBAUM, ROWE, SMITH & DAVIS LLP
Attn: Wendell A. Smith, Esq.
P.O. Box 5600
Metro Corporate Campus I
Woodbridge, New Jersey 07095**

95381.02

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0100939759

The undersigned, who is of full age, in order to form a corporation pursuant to the provisions of the New Jersey Nonprofit Corporation Act, Title 15A of the New Jersey Statutes Annotated, does hereby certify:

ARTICLE I

Name

The name of the corporation is "THE VILLAGES AT CINNAMINSON HARBOUR COMMUNITY ASSOCIATION, INC." (the "Community Association").

ARTICLE II

Principal Office

The principal office of the Community Association is located at 433 River Road, Highland Park, New Jersey 08904.

ARTICLE III

Registered Agent

MICHAEL KAPLAN, having an office at 433 River Road, Highland Park, New Jersey 08904, is hereby appointed the initial registered agent of this Community Association.

ARTICLE IV

Purpose and Powers of the Community Association

This Community Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and control of the Community Common Property described in the Exhibits of a certain Declaration entitled "Declaration of Covenants, Easements and Restrictions for The Villages at Cinnaminson Harbour Community" recorded or intended to be recorded in the Office of the Clerk of Burlington County, as same may be amended and supplemented as

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2858672

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therein provided and to promote the health, safety and welfare of the residents within the above described property and for these purposes:

- A. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Community Association, as set forth in the Declaration and in the By-Laws of the Community Association, as they both may be amended and supplemented from time to time as therein provided, said Declaration and By-Laws being incorporated herein, as if set forth at length;
- B. To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of said Declaration and By-Laws of the Community Association; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Community Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Community Association;
- C. To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Community Association;
- D. To borrow money, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and
- E. To have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Act of the State of New Jersey by law may now or hereafter have or exercise.

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ARTICLE V**Membership**

Every person or entity who is a record owner of a fee interest in any Home which is subject to the Declaration and qualifies in accordance with the By-Laws shall be a member of the Community Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of any such Home shall be the sole qualification for membership. Upon termination of the interest of the Owner, his membership shall automatically terminate and shall be transferred and shall inure to the new Owner succeeding him in interest.

ARTICLE VI**Board of Trustees**

The affairs of this Community Association shall be managed by a Board of Trustees. The initial Board of Trustees shall be composed of three (3) persons who need not be members of the Community Association. The number of Trustees may be changed pursuant to the By-Laws of the Community Association. The names and addresses of the persons who are to act in the capacity of Trustees until the selection of their successors are:

Larry Falcon
433 River Road
Highland Park, NJ 08904

Jason Kaplan
433 River Road
Highland Park, NJ 08904

Michael Kaplan
433 River Road
Highland Park, NJ 08904

The method of electing Trustees shall be set forth in the By-Laws of the Community Association.

ARTICLE VII**Distribution of Assets**

Upon dissolution, the assets of the Community Association shall be distributed to all Members in proportion to their respective interests in the Community Common Property.

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ARTICLE VIII

Duration

The Community Association shall exist perpetually.

ARTICLE IX

Amendments

Amendment of this Certificate shall require the assent of seventy-five (75%) percent of the members of the Community Association.

IN WITNESS WHEREOF, for the purpose of forming this nonprofit corporation under the laws of the State of New Jersey, the undersigned, the incorporator of this Community Association, has executed this Certificate of Incorporation this 28th day of January, 2005.

Harriet S. Rabinowitz

HARRIET S. RABINOWITZ
99 Wood Avenue South
Iselin, New Jersey 08830

STATE OF NEW JERSEY

ss.:

COUNTY OF MIDDLESEX

BE IT REMEMBERED, that on this 28th day of January, 2005 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Harriet S. Rabinowitz, who, I am satisfied is the person named in and who executed the within Instrument, and thereupon acknowledged that she signed, sealed and delivered the same as her act and deed, for the uses and purposes therein expressed.

Linda Solar
A Notary Public of New Jersey

LINDA SOLAR
Notary Public of New Jersey
My Commission expires March 18, 2007