

CERTIFICATE OF INCORPORATION

FOR

BROOKFIELD CONDOMINIUM ASSOCIATION, INC.

DATED:

File and Return to:

Christine F. Li, Esq.
GREENBAUM, ROWE, SMITH, RAVIN, DAVIS & HIMMEL LLP
P.O. Box 5600
Metro Corporate Campus I
Woodbridge, New Jersey 07095

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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:

The name of the corporation is "BROOKFIELD CONDOMINIUM ASSOCIATION, INC.," hereinafter called the "Association".

ARTICLE II:

The principal office of the Association is located c/o Belvidere Development Company, L.L.C., with a street address of 664 Independence Street, Belvidere, New Jersey 07823 and a mail address of P.O. Box 14, Belvidere, New Jersey 07823.

ARTICLE III

Kenneth G. McDermott with a street address of 664 Independence Street, Belvidere, New Jersey 07823 and a mailing address of P.O. Box 14, Belvidere, New Jersey 07823 is ——— appointed the initial registered agent of this Association.

ARTICLE IV

Purpose and Powers of the Association

This 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 Common Elements within that certain tract of property described in the Exhibits of a certain Master Deed entitled "Master Deed for Brookfield Condominium" recorded or intended to be recorded in the Office of the Clerk of Warren County, as same may be amended and

supplemented as 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 Association as set forth in the Master Deed and in the By-Laws of the Association, as they both may be amended and supplemented from time to time as therein provided, said Master Deed 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 Master Deed and By-Laws of the Association; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the 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 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 Law of the State of New Jersey by law may now or hereafter have or exercise.

ARTICLE V

Membership

Every person or entity who is a record owner of a fee interest in any Unit which is subject to the Master Deed and qualifies in accordance with the By-Laws shall be a member of the 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 Unit shall be the sole qualification for membership. Upon termination of the interest of the Unit Owner, his membership shall automatically terminate and shall be transferred and shall inure to the new Unit Owner succeeding him in interest.

ARTICLE VI

Board of Directors

The affairs of this Association shall be managed by a Board of Directors.

ARTICLE VII

Distribution of Assets

Upon dissolution, the assets of the Association shall be distributed in accordance with each Unit's appurtenant proportionate interest in the Common Elements of the Condominium.

ARTICLE VIII

Duration

The Association shall exist perpetually.

ARTICLE J:X

Amendments

Amendment of this Certificate shall require the assent of seventy-five (75%) percent of the members of the 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 Association, has executed this Certificate of Incorporation this day of ' 199

Christine F. Li, Esq.
Metro Corporate Campus I
99 Wood Avenue South
Iselin, New Jersey 08830

STATE OF NEW JERSEY:

ss.

COUNTY OF MIDDLESEX:

BE IT REMEMBERED, that on this day of , 199 before me, the subscriber, a Notary Public of the State of New Jersey, personally appeared Christine F. Li, 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.

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SECOND AMENDMENT TO THE
PUBLIC OFFERING STATEMENT

FILED AND PRESENTED

BY

BELVIDERE DEVELOPMENT COMPANY L.L.C.

A New Jersey Limited Liability Company
having an office at

One Brookfield Drive
P.O. Box 14
Belvidere, New Jersey 07823

for

Phase I (73 Units), Phase II (65 Units),
Phase III (80 Units), and Phase IV (56 Units)
for a Total of
274 Residential Condominium Units

located at County Road 519 and Brass Castle Road (Route 623)
Township of White, Warren County, New Jersey

and designated as

BROOKFIELD, A CONDOMINIUM

NOTICE TO PURCHASERS

THIS SECOND AMENDMENT TO THE PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY. PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY OFFERED MEETS THEIR PERSONAL REQUIREMENTS. THE NEW JERSEY DIVISION OF CODES AND STANDARDS HAS NEITHER APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING. BE SURE TO READ CAREFULLY ALL DOCUMENTS BEFORE YOU SIGN THEM.

HOUSING WITHIN BROOKFIELD, A CONDOMINIUM IS INTENDED FOR OCCUPANCY BY PERSONS 55 YEARS OF AGE OR OLDER. WITH LIMITED EXCEPTIONS, A UNIT MAY NOT BE OCCUPIED UNLESS AT LEAST ONE PERSON 55 YEARS OF AGE OR OLDER RESIDES IN THE UNIT. NO PERSON UNDER THE AGE OF 40 MAY PERMANENTLY RESIDE IN A UNIT IN BROOKFIELD, A CONDOMINIUM. THERE ARE NO EXCEPTIONS TO THE FOREGOING RULES, AND OTHER AGE RELATED RESTRICTIONS ARE CONTAINED HEREIN

EFFECTIVE DATE OF STATEMENT: October 9, 1998
EFFECTIVE DATE OF FIRST AMENDMENT: March 10, 1999
EFFECTIVE DATE OF SECOND AMENDMENT: March 21, 2002
REGISTRATION NUMBER: R - 3372

THIS SECOND AMENDMENT TO THE PUBLIC OFFERING STATEMENT HAS BEEN FILED AND IS PRESENTED PURSUANT TO THE PLANNED REAL ESTATE DEVELOPMENT FULL DISCLOSURE ACT (N.J.S.A. 45:22A-21 ET SEQ.) AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER (N.J.A.C. 5:26 - 1.1 ET SEQ.)

SECOND AMENDMENT
TO THE
PUBLIC OFFERING STATEMENT FOR
BROOKFIELD, A CONDOMINIUM

Belvidere Development Company L.L.C., a New Jersey Limited Liability Company (from now on called the "Developer") having an office at One Brookfield Drive, Belvidere, New Jersey 07823, hereby amends its Public Offering Statement for Brookfield, A Condominium dated October 9, 1998, as previously amended by the First Amendment to the Public Offering Statement for Brookfield, A Condominium dated March 10, 1999 (from now on called the "Plan"), as set forth herein.

The Master Deed for Brookfield, A Condominium was recorded on April 20, 1999 on the office of the Clerk of Warren County. At the request of the White Township Planning Board, certain modifications were made to the version of the Master Deed which appeared as an Exhibit to the Public Offering Statement, as registered, prior to the execution and recordation of the Master Deed. Appended to this Second Amendment to the Public Offering Statement are those pages of the Master Deed, as recorded, which were modified at the request of the White Township Planning Board.

The Developer hereby represents that to the best of its knowledge, information and belief the statements and representations contained herein are true and accurate.

Belvidere Development Company L.L.C.,
a New Jersey Limited Liability Company,
Developer

By: /s/ Kenneth G. McDermott
Kenneth G. McDermott, Member

By: /s/ Kathleen McDermott
Kathleen McDermott, Member

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PUBLIC OFFERING STATEMENT
FOR
BROOKFIELD, A CONDOMINIUM

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EXHIBITS

1. Master Deed for Brookfield, A Condominium
 - A. Legal Description of Entire Tract (As Appears in the Public Offering Statement)
 - B. Survey of Entire Tract {As Appears in the Public Offering Statement}
 - C. Site Plan of Phase I and Site Plan of Phases II, III, and IV (As Appears in this First Amendment to the Plan}
 - D. Architectural Drawings and Floor Plans {As Appears in the Public Offering Statement)
 - E. Certificate of Incorporation of Brookfield Condominium Association, Inc. {As Appears in the Public Offering Statement)
 - F. By-Laws of Brookfield Condominium Association, Inc. (As Appears the in Public Offering Statement}
 - G. Schedule of Proportionate Interests in Common Elements (As Appears in this First Amendment to the Plan}

3. Proposed Full Development Plan

4. Forecasted Operating Budget Based Upon 274 Units;
Accountant's Opinion Re: Adequacy; Letter Re: Insurance Adequacy

7. Sample Owners and Mortgagee Policies
of Title Insurance

FOREWORD

ANY PROSPECTIVE PURCHASER WHO ENTERS INTO A CONTRACT FOR THE SALE OF REAL ESTATE CAN, AS A MATTER OF RIGHT, CANCEL THE AGREEMENT WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF THE CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE AGREEMENT IS EXECUTED. SUCH CANCELLATION SHALL BE WITHOUT PENALTY AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

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**FIRST AMENDMENT
TO THE
PUBLIC OFFERING STATEMENT FOR
BROOKFIELD, A CONDOMINIUM**

Belvidere Development Company L.L.C., a New Jersey Limited Liability Company (from now on called the "Developer") having an office at 664 Independence Street, Belvidere, New Jersey 07823, hereby amends its Public Offering Statement for Brookfield, A Condominium dated October 9, 1998 (from now on called the "Plan"), as set forth herein.

Previously, the Developer offered for sale pursuant to the Plan seventy-three (73) residential condominium dwelling units (the "Units") located within and known as Phase I of the Condominium. Under the terms of the Plan and the related governing documents, the Developer reserved the right to incorporate additional Units into the Community and to offer the additional-units for sale. By means of this amendment, the Developer is hereby exercising its right to offer an additional two hundred and one (201) Units representing the balance of the Units proposed for development as part of the Condominium, which are to be developed as Phases II, III and IV of the Condominium.

1. Section 1 of the text of the Plan captioned "INTRODUCTION" is amended as follows:

A. The First Paragraph is amended by the deletion of "88.78" and the insertion of "96.253" and by the deletion of "three hundred and two (302)" and the insertion of "two hundred and seventy-four (274)".

B. The Second Paragraph is supplemented by the addition of the following at the end of that Paragraph:

"The development boundaries of that portion of the Property being developed as Phases II, III and IV of the Condominium and the improvements presently contemplated by the Developer for development within such boundaries and to be incorporated as part of the Condominium as Phases II, III and IV are graphically depicted on that certain drawing entitled: "Site Plan, Brookfield, Sections 2, 3 & 4", prepared by Mace Consulting Engineers, A Professional Corporation, Consulting Engineers-Planners, Phillipsburg, N.J., dated December 30, 1998, and appearing as Exhibit C of the Master Deed, which appears as Exhibit 1 of this Public Offering Statement."

C. The Fourth Paragraph is supplemented by the insertion of the following at the end of that Paragraph:

"Development of Phases II, III, and IV has been, is and will be in accordance with that certain Resolution of Final Site Plan Approval, Sections 2-4 of the Township of White granting final site plan approval."

D. The Fifth Paragraph is amended by the deletion of the reference to the General Land Use Plan therein and the insertion of the following:

"General Land Use Plan, General Development Plan, Brookfield Sections 2, 3 & 4" prepared by Mace Consulting Engineers, A Professional Corporation, Consulting Engineers-Planners, Phillipsburg, N.J., dated December 30, 1998, and appearing as Exhibit C to the Master Deed which appears as Exhibit 1 of this First Amendment to the Plan."

E. The Seven and Eighth Paragraphs are deleted in their entirety and replaced with the following:

"The Developer will exercise its right to develop the Condominium by the recordation of the Master Deed for Brookfield, A Condominium {from now on called the "Master Deed") in the Warren County Clerk's Office. The

recordation of the Master Deed will incorporate into the Condominium all of the lands, Units and other improvements proposed to be developed as Phases I through IV of the Condominium."

F. The Ninth Paragraph is amended by the amendment of lines 6 through 10 therein as follows, and the deletion of the first full sentence thereafter:

<u>"Phase</u>	Number of Units	Estimated Completion Date
Phase I	73 Units	December 31, 1999
Phase II	65 Units	June 30, 2001
Phase III	80 Units	December 31, 2002
Phase IV	56 Units	December 31, 2003"

2. Section 2 of the text of the Plan captioned "DESCRIPTION OF INTEREST BEING OFFERED" is amended as follows:

A. The Seventh Paragraph is deleted in its entirety and replaced with the following:

"The proportionate (percentage) interest of each Unit is set forth on Exhibit G of the Master Deed, which appears as Exhibit 1 of this First Amendment to the Plan."

3. Section 3 of the text of the Plan captioned "DESCRIPTION OF THE CONDOMINIUM" is amended as follows:

A. Paragraph 12 is amended by the deletion of "three hundred and two (302) Units" and the insertion of two hundred and seventy-four (274) Units".

4. Section 5 of the text of the Plan captioned "MAINTENANCE, MANAGEMENT AND OPERATION OF THE CONDOMINIUM COMMON ELEMENTS" *is* amended as follows:

A. In the Second Paragraph, the reference to:

a. "302 Units" shall be replaced with "274 Units.

b. "76 Units" shall be replaced with "69 Units"; and

c. the "1SPt Unit" shall be replaced with the "137th Unit"

5. Section 6 of the text of the Plan captioned "BUDGET AND CONDOMINIUM COMMON EXPENSES" *is* amended at the First Paragraph by the deletion of the Third Sentence therein and the insertion of the following:

"A forecasted budget for the full development of the Condominium, including forecasts of revenue and expenses and reserve fund schedules, which are based upon full occupancy and prevailing costs as of 1999, for and upon full development, appear as part of Exhibit 4 of this First Amendment to the Plan."

6. Section 12. of the text of the Plan captioned "EASEMENTS, ENCUMBRANCES AND RESTRICTIONS" is amended by the addition of the following after Item Subparagraph A.6:

A. "7. Capacity Allocation and Developer's Off-Tract Agreement setting forth the allocation of the sewage treatment capacity and the terms of the construction of the sewer utility improvements and related off-site improvements in Deed Book 1563 at Page 233."

B. The first sentence *in* the Paragraph after Subsection I is deleted and replaced with the following:

"The Developer will have satisfied its obligations as to quality of title if it delivers at the closing title subject only to the exceptions referred to in this Public Offering Statement and the Specimen Owners Policy of Title Insurance that appears as Exhibit 7 of this First Amendment to the Plan."

7. The text of Exhibit 1 of the Plan captioned "Master Deed for Brookfield, A Condominium" *is* amended and supplemented as follows:
 - A. The second (2nd) introductory Paragraph beginning with the word "WHEREAS" *is* amended by the deletion of "88.78" and the insertion of "96.253".
 - B. The Fourth (4th) through Twelfth (12th) introductory Paragraphs beginning with the word "WHEREAS" are deleted in their entirety and replaced with the following:

"WHEREAS, the Developer intends to develop as many as two hundred and seventy four (274) residential dwellings(from now on called the "Units"}, together with certain other driveways, walkways and other improvements, all as are more particularly shown on Exhibit "C" hereof and/or on those certain architectural drawings and floor plans appended hereto as Exhibit D;

"WHEREAS, the Developer proposed to obtain the governmental approvals for and develop the Entire Tract in four (4) defined phases {from now on called "Phases"};"
 - C. Paragraph 2.01 is amended by the deletion of "88.78" and the insertion of "96.253".
 - D. Paragraph 2.01 is amended by the deletion of "88.78" and the insertion of "96.253" and by the words on the fifth line commencing

with "that" through "Exhibit 'D' n on the eighth line; the words "the aforesaid lands, all as graphically depicted upon Exhibit 'C'" are inserted.

E. Paragraph 2.03 is deleted in its entirety.

F. Paragraph 5.03 is deleted in its entirety.

G. Paragraph 14.02.6. is deleted in its entirety.

8. The Exhibits of the Master Deed are amended by this First Amendment by the deletion of "Exhibit C. Legal Description of Section A of Phase I" and "Exhibit D. Survey of Section A of Phase I"; and the insertion of "Exhibit C. Site Plan of Phase I and Site Plan of Phase II, III and IV". "Schedule H. Schedule of Proportionate Interests in Common Elements for Section A of Phase I" is deleted and replaced with "Schedule G. Schedule of Proportionate Interests in Common Elements for All Phases of the Condominium". Exhibits E through H have been now identified as Exhibits D through G, respectively."

9. Exhibit G. of the Master Deed captioned "By-Laws of Brookfield Condominium Association, Inc." is amended as follows:

A. At Sections 4.02 and 4.03, the references to the "1st Unit" shall be replaced with the "137th Unit"

B. At Section 4.03, the reference to "76 Units" shall be replaced with "69 Units"; references to "227 Units" shall be replaced with "206 Units"; and references to "302 Units" shall be replaced with "274 Units".

10. Exhibit 4 of the Plan captioned "Forecasted Operating Budget; Accountant's Opinion Re: Adequacy; Letter Re: Insurance Adequacy" is replaced by Exhibit 2 of this First Amendment to the Plan captioned "Forecasted Operating Budget Based Upon 274 Units; Accountant's *Opinion* Re: Adequacy; Letter Re: Insurance Adequacy."

11. In Exhibit 8 of the Plan captioned "Specimen Owners and Mortgagee Policies of Title Insurance", Schedule B of the Specimen Owners Policy of Title Insurance and Schedule B-I of the Specimen Mortgagee Policy of Title Insurance are replaced with Schedule B and Schedule B-I, respectively, of Exhibit 8 of this First Amendment to the Plan captioned "Specimen Owners and Mortgagee Policies of Title Insurance."

12. Exhibit 9 of the Plan captioned "Form of Amendment and Supplement to the Master Deed for Brookfield, A Condominium" is deleted in its entirety.

The Developer hereby represents that to the best of its knowledge, information and belief the statements and representations contained herein are true and accurate.

Belvidere Development Company L.L.C.,
a New Jersey Limited Liability Company,
Developer

By: /s/ Kenneth G. McDermott
Kenneth G. McDermott, Member

By: /s/ Kathleen McDermott
Kathleen McDermott, Member

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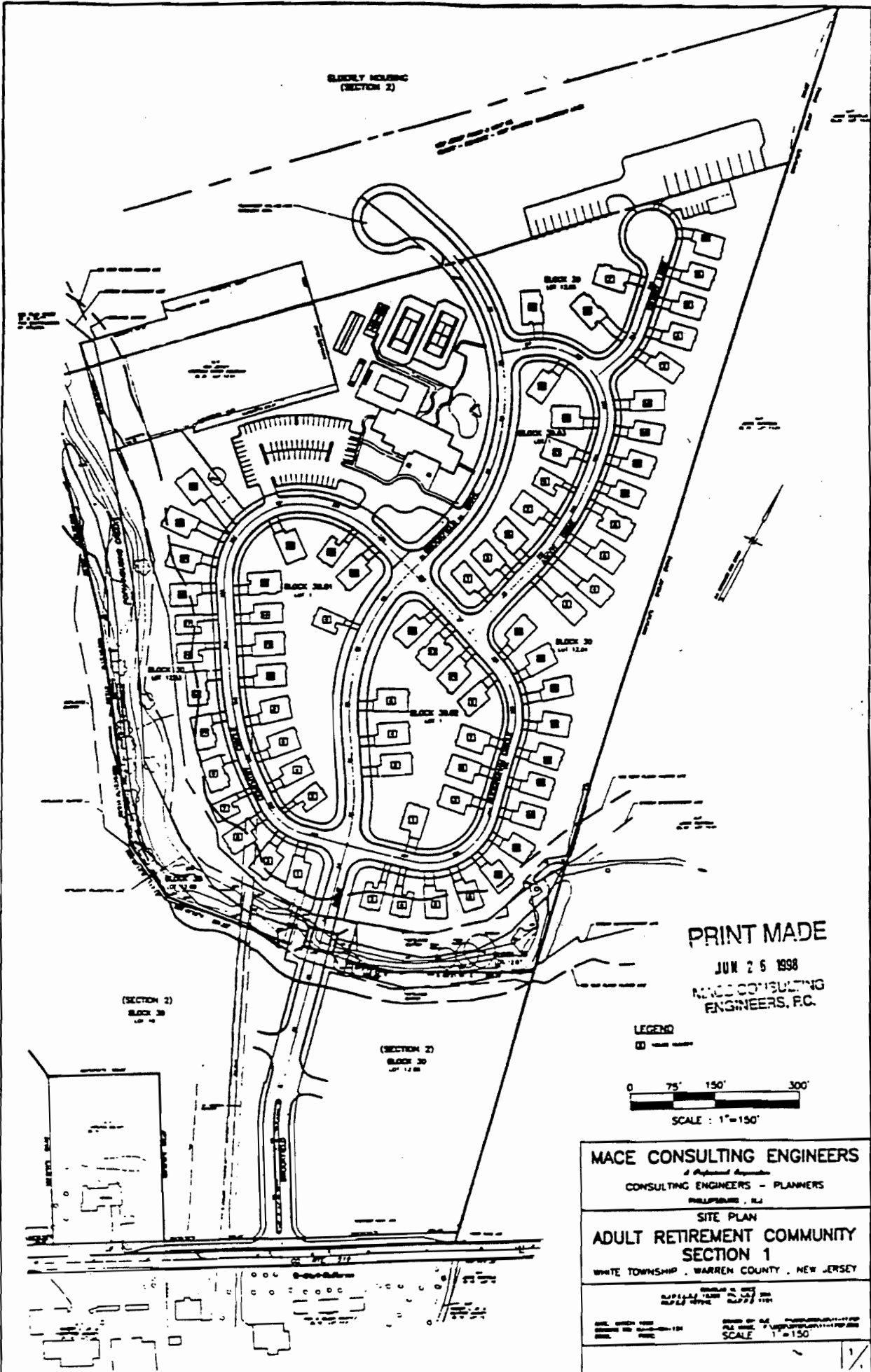
EXHIBIT C

TO

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

Site Plan of Phase I and Site Plan of Phases II, III, and IV

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PRINT MADE
 JUN 26 1998
 MACE CONSULTING
 ENGINEERS, P.C.

LEGEND
 □ HOUSE

0 75' 150' 300'
 SCALE : 1"=150'

MACE CONSULTING ENGINEERS
A Professional Corporation
 CONSULTING ENGINEERS - PLANNERS
 PHILADELPHIA, PA.

SITE PLAN
ADULT RETIREMENT COMMUNITY
SECTION 1
 WHITE TOWNSHIP, WARREN COUNTY, NEW JERSEY

DATE OF PLAN: JUN 26 1998
 SCALE: 1"=150'

EXHIBITG

TO

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

Schedule of Proportionate Interests in Common Elements

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PROPORTIONATE INTERESTS IN
COMMON ELEMENTS

<u>UNIT</u>	<u>PERCENTAGE INTEREST</u>
<u>PHASE 1</u>	
1 Coventry Circle	.3649
2 Coventry Circle	.3649
3 Coventry Circle	.3649
4 Coventry Circle	.3649
5 Coventry Circle	.3649
6 Coventry Circle	.3649
7 Coventry Circle	.3649
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2 Brookfield Drive	.3649
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6 Brookfield Drive	.3649
9 Brookfield Drive	.3649
1 Buckingham Circle	.3649
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1 Ascot Drive	.3649
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13 Ascot Drive	.3649
14 Ascot Drive	.3649
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18 Ascot Drive	.3649
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2 Derby Lane	.3649
4 Derby Lane	.3649
6 Derby Lane	.3649

7 Derby Lane	.3649
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10 Derby Lane	.3649

PHASE2

16 Victoria Drive	.3649
18 Victoria Drive	.3649
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54 Victoria Drive	.3649
56 Victoria Drive	.3649
60 Victoria Drive	.3649
2 Hartung Way	.3649
4 Hartung Way	.3649
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8 Hartung Way	.3649
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12 Hartung Way	.3649

107 Kensington Circle	.3649
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PHASE 3

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10 Victoria Drive	.3649
11 Victoria Drive	.3649
12 Victoria Drive	.3649
14 Victoria Drive	.3649
15 Victoria Drive	.3649
1 Stafford Lane	.3649
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35 Stafford Lane	.3649

PHASE4

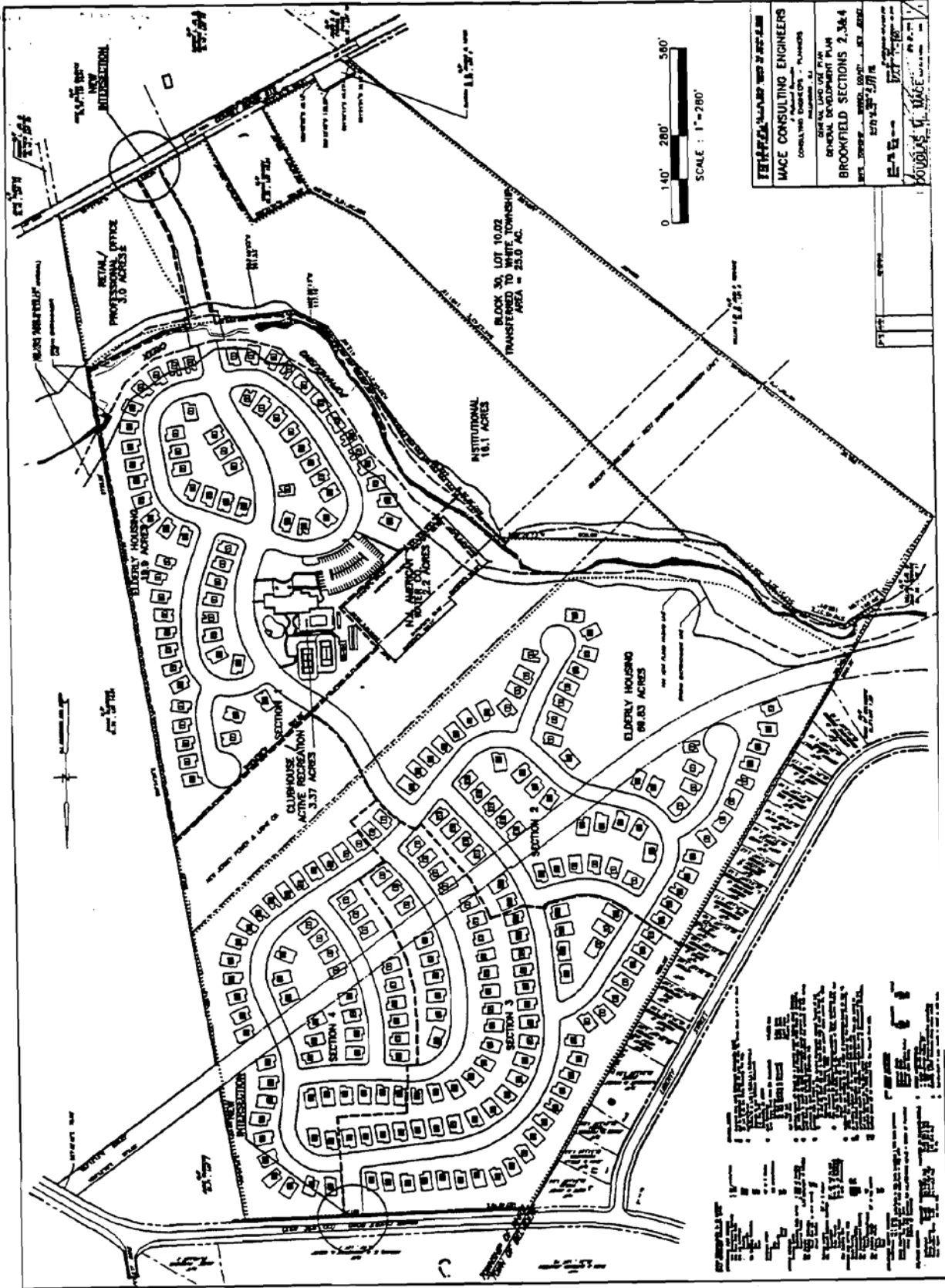
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	100%

EXHIBIT 3

Proposed Full Development Plan

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FEDERAL ROADWAY MAP OF NEW JERSEY WACE CONSULTING ENGINEERS CONSULTING ENGINEERS 1000 ROUTE 100 SUITE 200 BIRMGHAM, AL 35203	GENERAL DEVELOPMENT PLAN BROOKFIELD SECTIONS 2, 3 & 4 DATE: 12/15/11 DRAWN BY: J. WACE CHECKED BY: J. WACE SCALE: 1" = 280'
--	--



NO.	DESCRIPTION
1	EXISTING PAVED DRIVEWAY
2	EXISTING ASPHALT DRIVEWAY
3	EXISTING CONCRETE DRIVEWAY
4	EXISTING GRAVEL DRIVEWAY
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EXHIBIT 4

Forecasted Operating Budget Based Upon 274 Units;
Accountant's Opinion Re: Adequacy;
Letter Re: Insurance Adequacy

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Wilkin & Guttenplan, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

1200 TICES LANE
EAST BRUNSWICK, NJ 08816
TEL: (732) 846-3000
FAX: (732) 846-0616

JULES C. FRANKEL, CPA, MBA
EDWARD GUTTENPLAN, CPA, MBA
MICHAEL M. LOVERDE, CPA
WILLIAM J. McDEVITT, CPA
GARY B. ROSEN, CPA
H. EDWARD WILKIN III, CPA

SEFI SILVERSTEIN, CPA

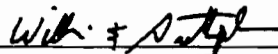
LORI A. BARNHART, CPA
DEBORAH A. HACKEL, CPA
SUSAN M. KLIMCSAK, CPA
MICHAEL E. McDEVITT, CPA
MARIE D. MIRRA, CPA
ANNETTE MURRAY, CPA

TO THE SPONSOR OF BROOKFIELD CONDOMINIUM ASSOCIATION

We have examined the accompanying Forecasted Operating Budget of Brookfield Condominium Association for the initial year based upon 274 units, full occupancy. Our examination was made in accordance with standards for an examination of a forecast established by the American Institute of Certified Public Accountants and, accordingly, included such procedures as we considered necessary to evaluate both the assumptions used by the Sponsor and the preparation and presentation of the forecast.

The accompanying Forecasted Operating Budget presents, to the best of the Sponsor's knowledge and belief, the Association's expected revenues, expenditures and replacement funding for the initial year based upon 274 units, full occupancy. It is not intended to be a forecast of financial position, results of operations, or cash flows. The accompanying forecasted operating budget and this report were prepared for the Sponsor for inclusion in the Public Offering Statement of Brookfield Condominium Association and should not be used for any other purpose.

In our opinion, the accompanying Forecasted Operating Budget is presented in conformity with guidelines for presentation of forecasted information established by the American Institute of Certified Public Accountants, and the underlying assumptions provide a reasonable basis for the Sponsor's forecast, and that the operating budget including replacement funding appears adequate. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.


WILKIN & GUTTENPLAN, P.C.
Certified Public Accountants

East Brunswick, New Jersey

January 20, 1999

**BROOKFIELD CONDOMINIUM ASSOCIATION
 ESTIMATE OF INCOME AND COMMON EXPENSES FOR
 FIRST YEAR OF OPERATIONS
 BASED UPON FULL OCCUPANCY OF 274 HOMES
 AND 1999 COSTS**

	ANNUAL COST	MONTHLY COST/UNIT
BUDGETED INCOME:		
4010 COMMON EXPENSE	392,916	119.50
4030 INTEREST INCOME	1,115	0.34
4040 CAPITAL CONTRIBUTION	3,585	1.09
TOTAL BUDGETED INCOME	<u>397,616</u>	<u>120.93</u>
 BUDGETED COMMON EXPENSES:		
ADMINISTRATIVE EXPENSES		
5010 INSURANCE EXPENSE	8,883	2.94
5022 OFFICE EXPENSE	985	0.30
5040 LEGAL EXPENSE	5,290	1.81
5080 AUDIT EXPENSE	2,320	0.71
5080 MANAGEMENT FEES	30,964	15.50
5170 ADMINISTRATIVE EXPENSES	197	0.06
9060 ANNUAL REPORT	25	0.01
TOTAL ADMINISTRATIVE EXPENSES	<u>69,464</u>	<u>21.13</u>
 OPERATING EXPENSES		
6020 LAWN CARE	111,782	34.00
6025 LAWN CARE - (COMMON AREA)	9,330	2.84
6030 GARBAGE REMOVAL	65,760	20.00
6040 CLUBHOUSE UTILITIES	10,800	3.28
6050 WATER IRRIGATION - (COMMON AREA)	2,729	0.83
6070 SNOW CLEARING	71,342	21.70
6090 GENERAL BUILDING MAINT. & SUPPLIES	1,085	0.33
6100 SUPPLIES - (COMMON AREA)	3,255	0.99
6150 IRRIGATION MAINTENANCE	2,729	0.83
6160 POOL MAINTENANCE & GUARDS	16,000	4.87
6240 PEST CONTROL	920	0.28
6440 CLUBHOUSE CLEANING	13,000	3.95
TOTAL OPERATING EXPENSES	<u>308,742</u>	<u>93.90</u>
 OTHER EXPENSES		
8010 REPLACEMENT RESERVES -(SEE ATTACHED SCHEDULE)	12,727	3.87
8020 MISCELLANEOUS CONTINGENCY	6,517	1.98
9010 TAXES	185	0.05
TOTAL OTHER EXPENSES	<u>19,409</u>	<u>5.90</u>
TOTAL EXPENSES	<u>397,616</u>	<u>120.93</u>
NET INCOME OVER EXPENSES:	<u>0</u>	<u>0.00</u>



January 19, 1999

E.W. Murray Associates
4760 Route 9 South
Howell, NJ 07731

Re: Brookfield Association
Letter of Adequacy
Completed Community with - 274 Units and Amenities

Dear Ms. Murray:

Boyarin Hourigan Blundell Insurance Agency will be providing insurance coverage through Reliance Insurance Co. and Chubb Insurance Co.

Included will be \$1,000,000 Comprehensive General Liability which will cover the liability exposures of the Association, a Fidelity Bond in the amount of \$100,000, a \$1,000,000 Directors and Officers Liability policy, and Workers Compensation Coverage.

Based on current replacement cost, the value to be insured upon completion of the common elements is \$1,500,000.

In our opinion, the above insurance coverages are adequate and insure the full exposures of the association.

Please be further advised that the insurance premium is projected at \$9,683. This includes the premiums necessary to procure the insurance coverages stated herein, based upon current conditions, rates and underwriting guidelines.

If you have any questions, please call me.

Very truly yours,
Debbie Taras

Debbie Taras, CIC, CPIW

DT:cj

BROOKFIELD ASSOCIATION

PROPOSED INSURANCE BUDGET FIGURES

POLICY	LIMIT	PREMIUM
PROPERTY	\$1,500,000	\$5,700
LIABILITY	\$1,000,000	INCLUDED
FIDELITY BOND	\$ 100,000	\$500
DIRECTORS & OFFICERS	\$ 1,000,000	\$2,500
WORKERS COMPENSATION	STATUTORY	\$583
EQUIPMENT & MACHINERY	\$500,000	\$400
TOTAL		\$9,683
OPTIONAL UMBRELLA QUOTES:		
	\$1,000,000	\$ 500
	\$2,000,000	\$ 900
	\$3,000,000	\$1,200
	\$4,000,000	\$1,500
	\$5,000,000	\$1,800

EXHIBIT 7

Sample Owners and Mortgagee Policies of Title Insurance

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OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

ALTA RESIDENTIAL TITLE INSURANCE POLICY
ONE-TO-FOUR FAMILY RESIDENCES

SCHEDULE B

EXCEPTIONS

FILE NO: to be inserted

POLICY NUMBER: to be inserted

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

1. Taxes: Certified as paid through _____ after _____.
Subject to added taxes, if any, for additional construction or improvements pursuant to Chapter 197 of the laws of 1941, amendments and supplements thereto.
2. Terms, conditions, covenants and restrictions as are contained in Master Deed for BROOKFIELD recorded in Deed Book ____ Page ____, and any amendments thereto.
3. Easements as are contained in Deed Book 277 Page 224; Deed Book 277 Page 225; Deed Book 331 Page 369; Deed Book 353 Page 120 with receipt in Deed Book 358 Page 338; Deed Book 360 Page 173 with receipt in Deed Book 358 Page 510; Deed Book 442 Page 498; Deed Book 442 Page 548; Deed Book 957 Page 217 and Deed Book 1317 Page 239, with Modification in Deed Book 1504 Page 254.
4. Agreements as are contained in Agreement Book 2 Page 227; Deed Book 1092 Page 83 and Deed Book 1563 Page 233.
5. Rights of adjoining owners in and to stream crossing subject premises.
6. Stream encroachment permit as is contained in Deed Book 1560 Page 343.
7. (Mortgage taken out and encumbering the premises will be included on each individual policy.)
8. Subject to the provisions of the New Jersey Condominium Act (N.J.S.A. 46:8B-1 et seq., amendments and supplements thereto.)

This policy insures that a valid condominium has been established covering the insured premises.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

LOAN POLICY
AMERICAN LAND TITLE ASSOCIATION - 1992

SCHEDULE B - I

FILE NO: to be inserted POLICY NUMBER: to be inserted

This policy does not insure against loss or damage by reason of the following:

1. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.

The above is removed in accordance with the following:
Based on a survey made by _____ dated _____
the Company hereby insures against loss or damage which the insured shall sustain by reason of any encroachments, overlaps, boundary line disputes or easements, except as follows: survey information to be inserted.

2. Taxes: certified as paid through _____ after _____
Subject to added taxes, if any, for additional construction or improvements pursuant to Chapter 197 of the laws of 1941, amendments and supplements thereto.
3. Terms, conditions, covenants and restrictions as are contained in Master Deed for BROOKFIELD recorded in Deed Book _____ Page _____, and any amendments thereto.
4. Easements as are contained in Deed Book 277 Page 224; Deed Book 277 Page 225; Deed Book 331 Page 369; Deed Book 353 Page 120 with receipt in Deed Book 358 Page 338; Deed Book 360 Page 173 with receipt in Deed Book 358 Page 510; Deed Book 442 Page 498; Deed Book 442 Page 548; Deed Book 957 Page 217 and Deed Book 1317 Page 239, with Modification in Deed Book 1504 Page 254.
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6. Rights of adjoining owners in and to stream crossing subject premises.
7. Stream encroachment permit as is contained in Deed Book 1560 Page 343.
- a. Subject to the provisions of the New Jersey Condominium Act (N.J.S.A. 46:8B-1 et seq., amendments and supplements thereto.)

This policy insures that a valid condominium has been established covering the insured premises.

Policy hereunder guarantees against loss, damage or forfeiture of title resulting from any existing or future violation of restrictions or building set back lines, and guarantees that any easements, grants or reservations have not been encroached upon and do not substantially interfere with the use of the premises

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
RESIDENTIAL COMMITMENT

Prepared for: (to be inserted)

Application Number (to be inserted)

SCHEDULE A

1. Policies to be issued: Amount
 - (a) X ALTA Residential Owner's Policy \$TO BE ADVISED
Proposed Insured:
BELVIDERE DEVELOPMENT COMPANY, L.L.C.
a New Jersey Limited Liability company
 - (b) X ALTA Loan Policy 10-17-92 \$TO BE ADVISED
inserted
Proposed Insured:
TO BE ADVISED
2. Commitment Date: December 29, 1998
3. Fee simple interest in the land described in this Commitment is owned, at the Commitment Date, by BELVIDERE DEVELOPMENT COMPANY, L.L.C., a New Jersey Limited Liability company under deed from Kenneth G. McDermott and Kathleen McDermott, husband and wife dated June 17, 1998 and recorded on June 19, 1998 in Deed Book 1571 Page 161 of Warren County. subject premises being a portion of same.
4. The land referred to in this Commitment is described in "Brookfield Condominium" description attached hereto and made a part hereof.

Application Number (to be inserted)

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

SCHEDULE B - SECTION I REQUIREMENTS

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premiums, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
Omit.
- (d) You must tell us in writing of any defects or claims by others against the land that you know about and which do not appear in Schedule A or B - Section II. We may then make additional requirements or exceptions.
- (e) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (f) Owner's Affidavit of Title is to be submitted.

Application Number (to be inserted)

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

SCHEDULE B - SECTION 2

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Rights or claims of parties in possession of the land not shown by the public record.
2. Easements, or claims of easements, not shown by the public record.
3. Any facts about the land which a correct survey would disclose, and which are not shown by the public record.

This exception is substituted with the information which is shown on a survey made by Mace Consulting Engineers dated June 1998, revised September 17, 1998. Encroachments: Pophandusing creek crossing subject premises, subject to rights of adjoining owners; roadway extending into Brass Castle Road, subject to the servitude of the public; roadway to lands now or formerly of New Jersey American Water co. extending into neighboring premises; easements as shown thereon.

4. Any liens on your title, arising now or later, for labor and material, not shown by the public record.
5. Taxes, charges and assessments:
Taxes for the year 1998 have been paid through the fourth quarter. There are no pending assessments.
6. Upper Court Search versus Belvidere Development Company, L.L.C. is clear through December 28, 1998.
7. Mortgage in the original amount of \$4,000,000. as was made by Belvidere Development Company, L.L.C. to United National Bank, 1130 Route 22 East, Bridgewater, NJ 08807-0010, dated June 26, 1998 and recorded on July 1, 1998 in Mortgage Book 1933 Page 221 with Assignment of Leases recorded on July 1, 1998 in Deed Book 1574 Page 1 and Assignment of Rights recorded on July 1, 1998 in Deed Book 1574 Page 19 of Warren county.
8. Easements as are contained in Deed Book 277 Page 224; Deed Book 277 Page 225; Deed Book 331 Page 369; Deed Book 353 Page 120 with receipt in Deed Book 358 Page 338; Deed Book 360 Page 173 with receipt in Deed Book 358 Page 510; Deed Book 442 Page 498; Deed Book 442 Page 548; Deed Book 957 Page 217 and Deed Book 1317 Page 239, with Modification in Deed Book 1504 Page 254.
9. Agreements as are contained in Agreement Book 2 Page 227; Deed Book 1092 Page 83 and Deed Book 1563 Page 233.
10. Rights of adjoining owners in and to stream crossing subject premises.
11. stream encroachment permit as is contained in Deed Book 1560 Page 343.

Page 5

EXHIBITS

1. Master Deed for Brookfield, A Condominium
 - A. Legal Description of Entire Tract
 - B. Survey of Entire Tract
 - C. Legal Description of Section A of Phase I
 - D. Survey of Section A of Phase I
 - E. Architectural Drawings and Floor Plans
 - F. Certificate of Incorporation of Brookfield Condominium Association, Inc.
 - G. By-Laws of Brookfield Condominium Association, Inc.
 - H. Schedule of Proportionate Interests in Common Elements for Section A of Phase I
2. Site Plan of Phase I
3. Proposed Full Development Plan
4. Forecasted Operating Budget; Accountant's Opinion Re: Adequacy; Letter Re: Insurance Adequacy
5. Proposed Management Agreement
6. Sample Unit Deed
7. Sample Owners and Mortgagee Policies of Title Insurance
8. Flood Certification
9. Form of Amendment and Supplement to the Master Deed for Brookfield, A Condominium

SPECIAL CONDITIONS

Prospective purchasers should note that the Units being offered under this Public Offering Statement consist of detached single family dwellings. The Owner of a Unit will be responsible for the maintenance, repair and replacement of the exterior of the Unit and the maintenance of the lands which form a part of the unit, as discussed in Section 2 of this Public Offering Statement.

The Developer will not be installing a sprinkler/irrigation system as part of the Unit. The Owner will be responsible for ensuring that the lawn areas around the Unit are properly irrigated. The Brookfield Condominium Association, Inc. will provide lawn cutting and maintenance services, the cost of which will be included in the Forecasted Operating Budgets of the Association which appear as Exhibit 4 to this Public Offering Statement.

It is currently proposed that the Developer will construct 185 apartments and 100 assisted living dwellings on lands adjoining the Condominium, which will not be included as part of the Condominium; however, tenants and residents of the apartments and assisted living dwellings will be entitled to utilize all common and recreational facilities within the Condominium, subject to the rules and regulations of the Condominium Association. The Condominium Association proposes that it will charge the tenants and occupants of the apartments and the assisted living dwellings wishing to utilize the common and recreational facilities within the Condominium a fee for such usage. Prospective purchasers should review Section 3 of this Public Offering Statement for a discussion of the rights of such tenants and occupants to use the common and recreational facilities within the Condominium.

Approximately 2.2 acres of land surrounded by the lands forming the Condominium are owned by New Jersey-American Water Company, Inc. (the "Water Company"). The lands have been designated as a "well field lot" upon which are

installed and operating water facilities required to enable the Water Company to provide water services to its customers. The Water Company will maintain the water facility and the lands surrounding it. Employees and agents of the Water company will periodically visit the water facility to provide services to perform necessary maintenance and repair functions and some truck traffic may be generated by personnel gaining accessing to the site. Prospective purchasers should ascertain for themselves the impact, if any, of the operations of the Water Company upon their ownership of a Unit in the Condominium by reading carefully Section 3 of this Public Offering Statement and reviewing Exhibit 3 to this Public Offering Statement to determine the location of the well field lot.

FOREWORD

ANY PROSPECTIVE PURCHASER WHO ENTERS INTO A CONTRACT FOR THE SALE OF REAL ESTATE CAN, AS A MATTER OF RIGHT, CANCEL THE AGREEMENT WITHOUT CAUSE BY SENDING OR DELIVERING WRITTEN NOTICE OF THE CANCELLATION TO THE DEVELOPER BY MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE DAY ON WHICH THE AGREEMENT IS EXECUTED. SUCH CANCELLATION SHALL BE WITHOUT PENALTY AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED IN THEIR ENTIRETY.

1. INTRODUCTION

Belvidere Development Company L.L.C., a New Jersey Limited Liability Company (from now on called the "Developer") having an office at 664 Independence Street, Belvidere, New Jersey 07823 presents herewith its Public Offering Statement for the establishment of a plan of condominium ownership (from now on called the "Plan") with respect to an aggregate of approximately 88.78 acres of land (from now on called the "Property") which *is* contemplated to ultimately include up to three hundred and two (302) residential dwellings (from now on called "Units"}, together with certain governmentally approved improvements attendant and ancillary to such development, all located at County Route 519 and Brass Castle Road (County Road 623) in the Township of White, Warren County, New Jersey.

The lands together with the Units and all other improvements contemplated for the Property by the Developer under the terms of this offering are known or are to be known collectively as "Brookfield, A condominium" (from now on called the "Condominium"). As of the date of this offering, the Developer presently proposes to develop the Property and incorporate such improvements as part of the Condominium in four (4) distinct sequential components (from now on called "Phases"). currently, the Phases which are proposed to be developed have been identified as Phases I, II, III and IV. The Units and other improvements within each Phase will be developed in Sections and the improvements within the Phases will be incorporated into the Condominium in Sections. Each Section within a Phase will be identified by a letter.

The development boundaries of that portion of the Property developed as Phase I of the condominium and the improvements presently contemplated by the Developer for development within such boundaries and to be incorporated as part of the Condominium as Phase I are graphically depicted on by Mace Consulting Engineers, A Professional Corporation, Consulting Engineers-

that certain drawing entitled: "Site Plan Adult Retirement Community", prepared

by Mace Consulting Engineers, A Professional Corporation, Consulting Engineers-

Planners, Phillipsburg, N.J., dated March 1998, and last revised March 19, 1998, and appearing as Exhibit 2 of this Public Offering Statement.

The Developer's actual and/or proposed development of all Phases of the Condominium has taken place, is currently proceeding and/or will be pursuant to and in accordance with those federal (if any), State, County and municipal governmental approvals, licenses, etc. applicable to development of the Property and obtained by or on behalf of the Developer. In particular, development has been, is and will be in accordance with that certain Resolution of Final Site Plan Approval-Phase I of the Township of White adopted June 9, 1998 granting final site plan approval for development of the Property in the manner contemplated by this offering (from now on called the "Resolution"), as same has been or may be amended and/or modified. The Resolution contemplates the development of a total of seventy-three (73) Units upon the Property that will comprise Phase I of the Condominium, as graphically depicted on Exhibit 2 of this Public Offering Statement.

As of the date of this Public Offering Statement, the Developer proposes that the development of the lands proposed for inclusion within the Condominium will occur in sections designated as "Phases," resulting in a total of four (4) proposed Phases. The proposed phased development of the Condominium, as presently proposed, is graphically depicted on that certain drawing entitled: "General Land Use Plan, General Development Plan, Adult Retirement Community, Plate II, Sheet 2" prepared by Mace Consulting Engineers, A Professional Corporation, Consulting Engineers-Planners, Phillipsburg, N.J., dated February 1996, and last revised August 28, 1996, and appearing as Exhibit 3 of this Public Offering Statement. The Developer is not obligated by this offering to develop the proposed Phases of the Condominium sequentially nor is the Developer bound to develop the Property incorporated within the Condominium in only the Phases depicted on the aforesaid site plan. Furthermore, except as provided herein, the

Developer is not obligated by this offering to develop any of the proposed Phases of the Condominium. The Developer's actual development of the Condominium will be subject to regulation by those governmental authorities having jurisdiction of same.

The Developer is not obligated to improve any one or all of the Phases not incorporated as part of the Condominium in the precise manner as reflected on the site plan for proposed full development that appears as Exhibit 3 of this Public Offering Statement. In spite of the foregoing, the Developer shall develop any lands that are or are to be part of the Condominium only in such a manner as is permitted under the Resolution, with the express understanding that the Developer reserves the right to seek from time to time modification to and/or amendment of the Resolution or additional Resolutions governing the construction of the Condominium. Such modification and/or amendment of the Resolution or additional Resolutions may include changing the aggregate number of Units contemplated for the Condominium.

The Developer will exercise its right to develop the first Section of the first Phase of the Condominium by the recordation of the Master Deed for Brookfield, A Condominium (from now on called the "Master Deed") in the Warren County Clerk's Office. Thereafter, the Developer must exercise its right to develop any additional Phases of the Condominium within ten (10) years of the date the Developer transfers title to the first Unit in the Condominium.

After the recordation of the Master Deed, the exercise of the right of the Developer to develop additional Phases or Sections within such Phases as part of the Condominium will be evidenced by the recordation in the Warren County Clerk's Office of an Amendment and Supplement to the Master Deed for Brookfield, A Condominium. Such Amendments and Supplements act to incorporate into the Condominium the additional residential structures, additional residential

dwelling units and other improvements being developed as part of the Phase in question, or as part of any Section within a Phase .

As of the date of this Public Offering Statement, assuming that the Developer exercises its reserved right to fully develop the Property as contemplated by the Resolution and as graphically depicted on the proposed full development plan that appears as Exhibit 3 of this Public Offering Statement, the Developer estimates the following development sequence and schedule:

<u>Phase</u>	<u>Number of Units</u>	<u>Estimated Completion Date</u>
Phase I	73 Units	December 31, 1999
Phase II	72 Units	June 30, 2001
Phase III	70 Units	December 31, 2002
Phase IV	87 Units	December 31, 2003

As noted, after the recordation of the Master Deed (and assuming the Master Deed incorporates only the presently proposed improvements with Section A of Phase I as part of the Condominium), the Developer is under no obligation to develop portions of the Property that are incorporated as part of the Condominium other than Section A of Phase I. Further, the Developer has reserved the right to alter the sequence of development, the nature of improvements and/or the number of Units with regard to any and all proposed Phases not already incorporated as part of the Condominium. Therefore, the estimated Phase and development schedule set forth herein is subject to change.

The creation of the Condominium is governed by the New Jersey Condominium Act, N.J.S.A. 46:BB-1 et seq. The Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq., and the regulations promulgated thereunder, N.J.A.C. 5:26-1.1 et seq., govern the offering for sale of the Units.

The operational scheme of the Condominium established by its Master Deed will be administered by the Brookfield Condominium Association, Inc. (from now on called the "Condominium Association"), a nonprofit corporation to be

formed under the authority of N.J.S.A. 17A:1-1 et seq. to administer the Condominium as required by the New Jersey Condominium Act, The Condominium Association will be empowered to promulgate, adopt, publish and enforce rules and regulations (from now on called "Rules and Regulations") in furtherance of promoting the operational scheme of the Condominium. The Condominium's Master Deed, the Condominium Association's Certificate of Incorporation, the Condominium Association's By-Laws, any Rules and Regulations and any amendments and/or supplements to any of same shall from now on be collectively referred to as the Condominium's "Governing Documents".

The Developer has been represented by the law firm of Greenbaum, Rowe, Smith, Ravin, Davis & Himmel LLP in the preparation of this Public Offering Statement. Said law firm has made no independent investigation or determination as to the accuracy of the facts and statements set forth herein, but has relied on the representations made by the Developer and its agents with respect thereto. Accordingly, although said law firm has no specific knowledge to the contrary, it assumes no independent responsibility with regard to the accuracy of such facts or statements. In addition, said law firm has relied exclusively upon the opinions or certifications of those other persons who have prepared or approved various exhibits to this Plan or the Application for Registration and has not made an independent judgment or evaluation of any aspects of same. Therefore, it also assumes no independent responsibility for the contents of any such opinions, certifications or exhibits.

2. DESCRIPTION OF INTEREST BEING OFFERED

The interest held by the owner of a Unit in the Condominium ("Unit Owner") consists of two distinct but inseparable interests in real property. One is the sole ownership in fee simple of the Unit itself and the other is the ownership of the Common Elements in common with all of the other Unit Owners.

A Unit generally consists of the residential dwelling and the garage serving the Unit, together with a certain defined area of the lands surrounding the dwelling. A more specific delineation of a Unit is set forth in Article III of the Master Deed, which is Exhibit 1 of this Public offering Statement. Although a Unit Owner is subject to certain restrictions on the use of his Unit, which are contained in the Master Deed and Condominium Association By-Laws, he is entitled to the sole possession of his Unit and may generally decorate the interior of his Unit as he wishes. In addition, he is responsible for the maintenance, repair and replacement of the exterior of the Unit and the lands which form a part of the unit, subject to the Governing Documents. A Unit Owner must also pay the cost of all utilities that are individually metered and utilized for his Unit.

A Unit Owner also owns an undivided proportionate (percentage) interest in the Common Elements of the Condominium, which include but are not limited to such things as the common parking areas, common recreational amenities (if any are developed), the land within the Condominium which has not been included as part of a Unit, private roadways, drives, and any Units, equipment, furniture or other property which is owned or acquired by the Condominium Association.

Under Article IV of the Master Deed, the Common Elements of the Condominium are separated into two (2) categories. General Common Elements can be broadly described as those which are for the use and benefit of all of the Units. The second category, Reserved Common Elements, are portions of the General Common Elements, if any, that the Condominium Association may designate for the use and enjoyment of one or more Unit Owners to the exclusion of other unit Owners on either a short term or long term basis. The Developer recommends that each prospective purchaser consult Article IV of the Master Deed for Brookfield, A Condominium that appears as Exhibit 1 of this Public Offering Statement for a more complete treatment of the Common Elements. All Unit owners

have access to the General Common Elements, while access to the Reserved Common Elements is restricted to certain Unit Owners.

The interest of each Unit Owner in the Common Elements will be established by the Developer and will be expressed as a percentage of the whole. At any given point in time in the development of the Condominium, regardless of the number of Phases (and the Sections therein) developed or the number of Units incorporated within the Condominium, the aggregate proportionate interests of all of the Units then incorporated within the Condominium by the Master Deed for Brookfield, A Condominium and any Amendments and Supplements thereto will equal one hundred percent (100%).

The proportionate (percentage) interest in the Common Elements attributable to each Unit of the Condominium at each proposed stage of development will be calculated and established by the Developer and expressed as percentages, utilizing the following formula:

$$\begin{array}{r} \text{Proportionate Interest} \\ \text{in Common Elements of Unit} = \end{array} \frac{100\%}{\begin{array}{l} \text{Aggregate Number of Units} \\ \text{Incorporated as Part} \\ \text{of Condominium} \end{array}}$$

however, the percentages have been rounded to the nearest thousandth of a percent in order to avoid an interminable series of digits. Also, the Developer has, if necessary, arbitrarily established the proportionate interest in the Common Elements attributable to one or more of the Units as a percentage necessary to allocate one hundred percent of the interest in the Common Elements amongst the total number of Units incorporated into the Condominium in accordance with the New Jersey Condominium Act, N.J.S.A. 46:8B-9(g).

Until such time as the Condominium has been completely developed as discussed in this offering, the Developer has allowed its reserved rights of further development to expire or the Developer has expressly abandoned its reserved rights, the proportionate (percentage) interest in the Common Elements

attributable to each Unit in the Condominium will be subject to change. The actual proportionate interest in the Common Elements of the Condominium attributable to a Unit incorporated within the Condominium, expressed as a percentage, shall, at all times, be determined by utilizing the aforesaid formula.

Any Amendment and Supplement to the Master Deed for Brookfield, A Condominium incorporating additional Units as a Section of an additional Phase of the Condominium will contain express language that will cause the proportionate (percentage) interests *in* Common Elements attributable to each Unit incorporated within the Condominium as of the recordation of such Amendment and Supplement in the office of the Warren County Clerk to be reallocated *in* accordance with the aforesaid formula. In addition, as each Amendment and Supplement to the Master Deed for Brookfield, A Condominium *is* recorded incorporating additional Units as part of additional Phases of the Condominium, Exhibit "H" of the Master Deed for Brookfield, A Condominium will be amended and supplemented by such Amendment and Supplement to reflect the revised proportionate (percentage) interest in the Common Elements attributable to each Unit incorporated within the Condominium as then constituted. Any such amendment and supplement to Exhibit "H" will reallocate the proportionate interest in the Common Elements attributable to each Unit then incorporated as part of the Condominium by establishing each Unit's proportionate interest as a percentage of the whole. Such proportionate interest shall be calculated by utilizing the formula previously set forth herein; however, the percentages shall be rounded to the nearest thousandth of a percent in order to avoid an interminable series of digits. Also, the Developer shall be entitled, in preparing and recording any Amendment and Supplement to the Master Deed for Brookfield, A Condominium that amends and supplements Exhibit "H" as discussed herein, to arbitrarily and in its sole discretion establish the proportionate interest in the Common Elements

attributable to one or more of the Units as a percentage necessary to allocate one hundred percent of the interest in the Common Elements amongst the total number of Units then incorporated within the Condominium at the time of recordation of a particular Amendment and Supplement to the Master Deed for Brookfield, A Condominium.

The proportionate (percentage) interest of the Unit Owner in the Common Elements is significant in that it is utilized to allocate among the Unit Owners the casualty insurance proceeds paid for any damage to the Common Elements, as well as those resulting from any condemnation or other disposition thereof. Additionally, it is utilized to determine the extent of each Unit Owner's voting rights as a member of the Condominium Association. The proportionate {percentage} interest of a Unit Owner in the Common Elements will also be used to determine the Unit Owner's proportionate responsibility for the Common Expenses of the Condominium Association as discussed in Section 6 of this Public Offering Statement.

The ownership of the Common Elements cannot be legally partitioned and thereby transformed from an undivided proportionate interest in all of the Common Elements to an exclusive interest in a portion thereof. In addition, the responsibility for the administration, operation and maintenance of the Common Elements lies with the Condominium Association, of which each Unit Owner automatically becomes a member upon acquiring title to a Unit.

The interest held by a Unit Owner in the Condominium is similar to many other ownership interests in real property with respect to the rights and obligations which attach thereto. A Unit can be mortgaged, provided that the mortgage loan qualifies as a Permitted Mortgage as defined in the Master Deed for Brookfield, A Condominium that appears as Exhibit 1 of this Public Offering Statement {see Section 1.25 of the Master Deed that appears as Exhibit 1 of this Public Offering Statement}. A default under a mortgage encumbering any

particular Unit does not affect the other Units, except to the extent that all Unit Owners may be required to contribute to assessments which are intended to compensate for delinquent and unpaid Common Expense assessments. Owners of Units are permitted to lease their Units, although there are certain restrictions imposed under Article X of the Master Deed, including a restriction that a lease to be for a minimum term of six (6) months. A Unit Owner is also responsible for the payment of the real estate taxes which are assessed against his Unit. The failure of any particular Unit Owner to pay real estate taxes that are due does not result in the imposition of any liability for those taxes on the remaining Unit Owners.

Based upon the tax laws prevailing as of the date of this Public Offering Statement, each individual Unit Owner who resides in his Unit as his principal or secondary residence and itemizes his federal income tax deductions should be entitled to deduct from his adjusted gross income for federal income tax purposes the real property taxes assessed against the Unit owned by him and paid to the Township of White as well as the "qualified residence interest" paid by him. Qualified residence interest means interest on a debt which is: (i) secured by a mortgage on a primary or secondary residence and (ii) is in an amount less than the total of the cost of such residence and the cost of any improvements to such residence, plus (for debt incurred after August 16, 1986) certain medical and educational expenses. Special limitations apply to the deductibility of any other interest paid by a Unit Owner. The actual amount of any federal income tax deduction may increase or decrease as the amount of real estate taxes or qualified resident interest actually paid by each Unit Owner changes. The exact federal income tax benefit resulting from any such deduction which is realized by each Unit Owner will depend upon his particular income tax bracket.

Neither the Developer, the Condominium Association, any real estate broker or sales agent that might be retained by the Developer for the purpose of advertising and/or promoting the sale of Units offered hereunder, nor any of their respective agents or employees, hereby make or are authorized to make any representation whatsoever as to the availability of the right or ability of any purchaser to deduct for federal income tax purposes monies spent by a Unit Owner on account of the ownership of a Unit. Any statement to the contrary is void and purchasers are directed to their legal and financial advisors to ascertain the availability and/or amount of such deductions.

Each prospective purchaser should be aware that the Unit Owner's title to the Unit itself cannot be separated from his interest in the Common Elements. In addition, each prospective purchaser should be aware that, as a Unit Owner, he will be bound by the terms of the Master Deed and Condominium Association By-Laws and any Rules and Regulations promulgated, adopted and published by the Board of Directors of the Condominium Association, as well as any amendments or supplements thereto. The Unit Owner's interest in the Condominium is defined and governed by these documents as well as the New Jersey Condominium Act and settled common law principles of property ownership. The Master Deed and its exhibits, together with all other exhibits hereof, are an integral part of this Public Offering Statement and are incorporated by reference whenever referred to. The Developer recommends that these documents be carefully examined by prospective purchasers and their legal and financial advisors.

3. DESCRIPTION OF THE CONDOMINIUM

The property that is the subject of this offering is located at South Bridgeville Road (County Route 519) and Brass Castle Road (County Route 623) in the Township of White, Warren County, New Jersey. The land in Phase I consists of approximately 26.427 acres, and is presently designated as Lots 10

and 12 in Block 30; Lot 4 in Block 30.01; and Lot 2 in Block 31. It is currently proposed that the Developer will construct 185 apartments and 100 assisted living dwellings on lands adjoining the Condominium to the southwest. The lands and improvements comprising the apartments and the assisted living dwellings are separate developments and are not included as part of the Condominium; however, tenants and residents of the apartments and assisted living dwellings will be entitled to utilize all common and recreational facilities within the Condominium, subject to the rules and regulations of the Condominium Association.

The Condominium Association proposes that it will charge the tenants and occupants of the apartments and the assisted living dwellings wishing to utilize the common and recreational facilities within the Condominium a fee for such usage. The amount of the fee will be established in the sole and absolute discretion of the Condominium Association; however, it is currently contemplated that the fee will be based upon usage on a monthly or annual basis, at the option of the tenant. Tenants will subscribe directly with the Association for any usage of the recreational facilities which may be desired. Section 2.04 of the Master Deed describes in greater detail the right of the tenants and occupants of the apartments and the assisted living dwellings to utilize facilities within the Condominium.

A commercial development consisting of approximately 18,000 square feet of space and presently intended for professional office and retail use is proposed to be developed upon lands adjoining the southeast corner of the Condominium. The space within the commercial development will be utilized for any purpose permitted by the Township of White. The commercial development *is* not part of the Condominium.

Surrounded by the lands forming the Condominium is a parcel consisting of approximately 2.2 acres of land to which title is held by New Jersey-American Water Company, Inc. (the "Water Company"). The lands have been

designated as a "well field lot" upon which are installed and operating water facilities, including wells, a water treatment/pumping facility, a wastewater holding vault, pipe or pipes, and any other facilities required to enable the Water Company to provide water services to its customers. The location of the well field lot is graphically depicted and described as "N.J. American Water Co. 2.2 Acres" on the proposed full development plan which appears as Exhibit 3 to this Public Offering Statement.

The Water Company has also been granted certain easement rights in the Deed dated June 2, 1993 and recorded in Deed Book 1317 at Page 239 by which the subject lands were conveyed to the Water Company. The Water Company will maintain the water facility and the lands surrounding it. Employees and agents of the Water company will periodically visit the water facility to provide services to perform necessary maintenance and repair functions. Some truck traffic may be generated by personnel gaining accessing to the site.

Common facilities within the Condominium are designed to include landscaped grounds, parking areas, common driveways, roads, recreational areas, sidewalks along the streets in the recreational areas and other common areas. The roadways serving the Condominium will be public roads and maintained by the Township of White. As presently envisioned, Phase I will include seventy three (73) Units, together with certain other improvements. Phase I is also planned to ultimately include an approximately 9,600 square foot clubhouse, an outdoor swimming pool measuring approximately 30 feet by 50 feet, a putting green, two (2) bocci courts, two (2) tennis courts, a horseshoe pit, shuffleboard courts, and walking trails. Other than the recreational facilities proposed to be developed within Phase I, no other recreational or common facilities are proposed for development within the Condominium. The approvals for the development of the condominium granted by the White Township Planning Board require that two (2) tennis courts be constructed prior to the issuance of the ISOeh building permit

by the Township of White. The shuffleboard courts and horseshoe pits are also required under the approvals to be constructed during the development of Phase I of the Condominium.

The Developer intends to commence construction of the common and recreational facilities within Phase I not later than the completion of the 20th Unit in Phase I, and to complete same not later than the issuance of the certificate of occupancy for the 73rd Unit, the last Unit in Phase I. The location of the recreational and community facilities is shown on the site plan for Phase I which appears as Exhibit 2 to this Plan.

Additional driveway parking *in* front of the garage(s) of each Unit, which will be restricted to the occupants of that Unit and their guests, will accommodate one or two cars. If and when all improvements to the Condominium are completed, there will be unassigned street parking *in* various locations throughout the Condominium to accommodate additional parking and are presently intended to be available to all occupants and their guests at no charge. The Developer intends that there will be approximately seventy-one (71) additional parking spaces located near the recreational facilities.

The Developer will install an underground sprinkler system serving the area immediately surrounding the recreational facilities of the Condominium, which will be maintained by the Association; however, the Developer will not install any underground sprinkler system to serve individual Units. The adequate watering or irrigation of the lands within the Unit will be the responsibility of the Owner of the Unit. Prospective purchasers should carefully review Article III of the Master Deed, which appears as Exhibit 1 to this Public Offering Statement to ascertain the lands included as part of the Unit for which the Owner is responsible.

The Developer initially intends to offer five (5) model types ranging from approximately 1,280 square feet to approximately 1,950 square feet, although

the Developer reserves the right to vary those models, or develop new models, as market conditions dictate. Each of the Units is proposed to consist of a detached structure with either a single or double car garage. The Units will not include basements. Each of the Units will also include certain portions of the land surrounding the residential dwelling as defined at Article III, of the Master Deed.

The Developer has reserved the right in the Master Deed to utilize one or more Units as models and/or a sales office in connection with its sales efforts until it has sold the last Unit within the fully developed Condominium. Those Units used as models and/or a sales office will be maintained by the Developer, at its sole cost and expense, for as long as these Units continue to be used by the Developer. The Developer reserves the right to use the clubhouse for sales and/or marketing purposes until it has sold the last Unit within the fully developed Condominium. Despite these reserved rights of the Developer, Owners other than the Developer will be limited to use of their Units as provided in the Master Deed.

As discussed in Section 1 of this Public Offering Statement, the Property, pursuant to the Resolution, has been approved to be developed with those improvements graphically depicted on the Proposed Full Development Plan that appears as Exhibit 3 of this Public Offering Statement. If the Developer exercises its rights to fully develop the Property with the aforesaid governmentally approved improvements and incorporate all such improvements as part of the Condominium, the Condominium will be comprised of up to three hundred and two (302) Units.

The specific Unit model types that will actually be located within the Condominium will be determined according to market demand, subject to compliance with applicable requirements of any zoning and land use approvals or regulations governing the development of the Condominium. The Developer reserves

the right to modify the Unit model types, subject to compliance with applicable requirements of any zoning and land use approvals or regulations governing the development of the Condominium. Any such modifications will be disclosed by an amendment to this Public Offering Statement registered with the New Jersey Department of Community Affairs. The Developer will be under no obligation to construct the same Unit model types in the Condominium, subject, of course, to compliance with applicable requirements of zoning and land use approvals or regulations governing the land proposed for development as part of the Condominium.

The areas and dimensions of the presently proposed Unit model types graphically depicted in Exhibit "E" to the Master Deed, which appears as Exhibit 1 of this Public Offering Statement are merely approximations. The actual areas and dimensions may be different. PROSPECTIVE PURCHASERS SHOULD NOTE THAT A SPECIFIC UNIT MODEL TYPE, AS CONSTRUCTED, MAY VARY FROM THE GRAPHIC DEPICTION OF THE SAME UNIT MODEL TYPE THAT APPEARS IN THE DRAWINGS AND FLOOR PLANS OF THE UNIT MODEL TYPES APPEARING IN EXHIBIT "E" TO THE MASTER DEED, WHICH APPEARS AS EXHIBIT 1 OF THIS PUBLIC OFFERING STATEMENT, AS WELL AS THE PLANS, SPECIFICATIONS AND/OR SAMPLE OF THE MODEL TYPE, TO THE EXTENT THAT FIELD CONDITIONS, TOPOGRAPHY AND OTHER CIRCUMSTANCES BEYOND THE DEVELOPER'S CONTROL MAY PREVENT THE UNIT FROM CONFORMING TO SUCH DRAWINGS, PLANS, SPECIFICATIONS AND/OR SAMPLE OF THE MODEL TYPE. Subject to the foregoing, the Developer expressly warrants that the Unit being purchased by a purchaser from the Developer will substantially conform to any model, description or plans used by the Developer to induce the purchaser to enter into a contract or agreement to purchase the Unit unless otherwise noted in the contract or agreement.

Subject to the Condominium Association's right to designate portions of the General Common Elements as Reserved Common Elements as discussed in Section 2 of this Public Offering Statement, Unit Owners shall be entitled to

equal use of common facilities and such use shall also be available to their respective families and guests, subject, however, to such rules, regulations, limitations and conditions as may from time to time be imposed by the Condominium Association acting through its Board of Directors. Unit Owners may, by written agreement and upon notice to the Board of Directors of the Condominium Association, delegate their right of enjoyment and use of the common facilities to their permitted lessees.

4. COMMUNITY INFORMATION

The Township of White is located in Warren County, New Jersey. The Property that is proposed to be developed as the Condominium is zoned R-1B Single Family and ARC (Adult Residential Community) District pursuant to the current zoning ordinance for the Township of White. Permitted uses in these zones include detached single-family residences, and planned adult residential community (ARC) developments, which includes institutionalized care facilities designed for the elderly, housing facilities for the elderly, limited retail business and professional office facilities designed primarily for access by and service for the convenience of the occupancy of the community, and private open space or recreational facilities. The development of the Property as proposed by the Developer is a permitted use under the aforesaid zoning.

The lands abutting the Property to the south is presently zoned R-1C (Detached Single-Family Residence District), pursuant to the current zoning ordinance for the Township of White, which allows for planned residential developments and planned adult residential communities. The lands to the north and east of the Property in the Township of White are also zoned R-1 Single Family. The lands abutting the Property to the west are situated within the Town of Belvidere and are presently zoned a R-75 District pursuant to the current zoning ordinance of the Town of Belvidere. Permitted uses within such district

include single-family detached dwellings; churches or other places of worship; and public parks or playgrounds.

The lands adjacent to the Property in the Township of White are presently used as farm land. The lands located in the Town of Belvidere are developed with single family homes. To the best of the Developer's knowledge, information and belief, the Condominium is in compliance with all applicable ordinances and governmental regulations. The Developer has no knowledge and can make no representation that the present zoning scheme adopted by the Township of White or the existing use of adjacent lands will continue as presently constituted. The Developer has no knowledge of any intent of adjacent property owners to change the present use of those lands.

White Township is located in Warren County in the scenic northwest corner of New Jersey known as the Skylands Region. Warren County occupies an area of 364 square miles. White Township shares many services with Belvidere Town, which is the Warren County government seat.

Warren County has a well developed highway system providing connections to New Jersey, New York and Pennsylvania roadways. Interstate 78 and 80 are major east-west routes. State Highways include Route 46 and 22.

Airline connections are available at Newark International Airport, approximately 66 miles east of the Condominium, and the Lehigh Valley International Airport approximately 25 miles west of the Condominium. Amtrak railroad service to New York City is available from Dover and Denville which are approximately 19 and 23 miles away respectively.

Warren Hospital in Phillipsburg is approximately twelve (12) miles from the development. Hackettstown Community Hospital in Hackettstown is approximately sixteen (16) miles from the development.

The New Jersey State Police, Washington Barracks, is located in the Town of Washington within 7 miles of the Condominium and provides police service

to White Township. Fire protection is provided by the Belvidere Fire Company which is located on Water Street in Belvidere within two (2) miles of the development. Emergency service is provided by the Belvidere Volunteer Ambulance Corp.

There are various religious denominations represented in neighboring Belvidere, including First Baptist Church, St. Mary's Episcopal Church, St. Patrick's Roman Catholic Church and United Methodist Church. There are many other places of worship serving most faiths in neighboring communities.

The Phillipsburg Mall is located in Phillipsburg approximately twelve (12) miles from the development. Hackettstown Mall is located on Mountain Avenue in nearby Hackettstown which is approximately sixteen (16) miles from the development.

All national network radio and television programs from New York and Philadelphia are available to residents of White Township as well as new Jersey's public television. The local radio stations include WNTI 91.9 FM (Centenary College radio station), WRNJ AM-100 and WHCY FM 106.3 (Blairstown).

Jenny Jump State Forest, a Warren County park, is located in Hope, approximately eight (8) miles from the development. Allamuchy State Park, a state park, is located in Allamuchy, approximately thirteen (13) miles from the development. Pequest Wildlife Management Area is located in Oxford, approximately six (6) miles from the development. The Apple Mountain Golf Course in Belvidere is approximately 3 miles from the development on Route 624.

Students in White Township attend Belvidere Elementary School and Belvidere High School, both on Oxford Street in Belvidere, within one (1) mile of the development. Warren County Community College is located in Washington Township, approximately nine (9) miles from the development. Centenary College is located in Hackettstown, approximately sixteen (16) miles from the development.

The following companies will provide utility services to the Condominium: Elizabethtown Gas Company {gas}; GPU Energy (electric); the Pequest River Municipal Utility Authority (sewer); New Jersey American Water Company (water); Comcast Cablevision (cable); and United Telephone Company of New Jersey {Sprint} (telephone). Individual unit owners will be responsible for directly paying charges for all individually metered services.

Refuse collection and disposal services for the unit owners will be retained by the Condominium Association and the costs for such services included in the Condominium Common Expenses. The services will be provided by a private hauler. There may be certain restrictions on the types of refuse that will be picked up by the private hauler servicing the Condominium. Unit owners are individually responsible for familiarizing themselves with such restrictions and abiding by same. Recyclable materials such as glass, newspapers and aluminum will be collected by a private hauler. Individual unit _____ are responsible for storing recyclables within their units and then placing them curbside on designated dates for pick up.

Prospective purchasers should refer to Section 6 of the Public Offering Statement for a more detailed discussion of common expenses and should examine the Association's Forecasted Operating Budget that appears as part of Exhibit 2 of this Public Offering Statement.

The Developer has been advised by the Township of White that a cable television franchise for the portion of the Township within which the Property is located has been awarded to Comcast Cablevision. In the event the franchise holder makes cable television service available to the Condominium and arranges for access to the Condominium in order to provide for such service, each owner will be responsible for making *his* own arrangements with regard to cable television service for his unit. Any such arrangements for cable television hook-up shall be undertaken in accordance with any applicable restrictions as set

forth in the Master Deed and/or By-Laws of the Condominium Association. Any charges in connection with cable television hook-up or subscription for service shall be the independent and sole financial obligation of the individual unit owner desiring same and shall not be a common expense of the Condominium Association. The Developer makes no representation as to the present or future availability of cable television service to the Condominium. Prospective purchasers interested in same would make their own independent inquiries to the franchise holder in this regard.

5. MAINTENANCE, MANAGEMENT AND OPERATION OF THE CONDOMINIUM COMMON ELEMENTS

As noted, upon conveyance to him of title to his Unit, each purchaser of a Unit automatically becomes a member of the Condominium Association, a nonprofit membership corporation which has been or will be created under Title 15A of the New Jersey Statutes. In addition, the Developer has one membership in the Condominium Association for each Unit which has been incorporated into the Condominium and to which it holds title. The Condominium Association is charged with the responsibility for the maintenance, management and operation of the Common Elements of the Condominium. The Condominium Association is also responsible for the maintenance of certain lawn areas and the clearing of snow from the driveways and service walks, despite the fact that those lands form a part of the Unit.

The Association's responsibility is filled through a Board of Directors which is empowered by the terms of the Condominium Association's By-Laws to employ any person, firm or corporation to assist it in the performance of its duties. The manner in which directorships are filled is set forth in Article IV of the By-Laws of the Condominium Association. Initially, the Board of Directors is to be comprised of three (3) individuals appointed by the Developer, none of whom need be a Unit Owner. As Units within the Condominium

are conveyed by the Developer, the number of Directors will be expanded from three (3) to five (5) and Unit Owners will be elected to the Board of Directors to replace Developer-appointed Directors. This "turnover of control" of the Board of Directors of the Condominium Association by the Developer to the Unit Owners other than the Developer is required by New Jersey law and is based upon the total number of Units contemplated by the Developer for incorporation within the Condominium as same is presently proposed for full development, *i.e.*, 302 Units. Based upon the presently proposed full development of the Condominium with 302 Units, the number of Directors would expand from three (3) to five (5) when the Developer conveys title to the 151st Unit (*i.e.*, 50% of the Units proposed for full development) within the Condominium. Essentially, the turnover of control of the Board of Directors of the Condominium Association by the Developer to Unit Owners other than the Developer shall occur as follows:

A. When the Developer has conveyed title to twenty-five (25%) percent of the Units proposed for full development of the Condominium (*i.e.* 76 of the presently proposed 302 Units), not less than twenty-five (25%) percent of the Directors of the Condominium Association must be elected by Unit Owners other than the Developer within sixty (60) days thereafter; and

B. When the Developer has conveyed title to fifty (50%) percent of the Units proposed for full development of the Condominium (*i.e.*, 151 of the presently proposed 302 Units), not less than forty (40%) percent of the Directors of the Condominium Association must be elected by Unit Owners other than the Developer within sixty (60) days thereafter. Elected Directors will serve for two (2) year terms and the appointed Directors will serve until their successors are elected. When Unit Owners other than the Developer own seventy-five percent (75%) of the Units proposed for full development of the Condominium (*i.e.*, 227 of the presently proposed 302 Units) or upon the tenth anniversary of the recording of the Master Deed for Brookfield, A Condominium, whichever occurs

first, Unit Owners other than the Developer shall be entitled to elect the entire Board of Directors of the Condominium Association within sixty (60) days thereafter; provideq, however, that the Developer shall be entitled to appoint one (1) Director for so long as Developer owns and holds at least one {1} Unit in the Condominium for sale in the normal course of business. In spite of the foregoing, if upon the fifth anniversary date of the recording of the Master Deed for Brookfield, A Condominium, Unit Owners other than the Developer still own less than seventy-five percent (75%) of the Units proposed for full development of the Condominium and the Developer is still offering Units for sale in the ordinary course of business or has not abandoned its reserved right to develop and incorporate additional Units as part of the Condominium, Unit Owners other than the Developer shall not be compelled to elect Directors sufficient to assume control of the Board of Directors unless Unit 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).

Other details concerning the turnover of control of the Board of Directors of the Condominium Association by the Developer to Unit Owners other than the Developer are set forth in Article IV of the By-Laws of the Condominium Association which appear as Exhibit "G" to the Master Deed for Brookfield, A Condominium that is Exhibit 1 of this Public Offering Statement.

Detailed descriptions of the Units and the Common Elements are set forth in Articles III and IV, respectively, of the Master Deed for Brookfield, A Condominium that is Exhibit 1 of this Public Offering Statement. Also set forth in the aforesaid Articles III and IV of the Master Deed are provisions relating to the respective **rights** and obligations of Unit Owners and the Condominium Association with regard to the Units and the Common Elements. The
respective maintenance, repair and replacement responsibilities of Unit Owners and the Condominium Association relative to the Units and the Common Elements are

set forth in detail in Article VII of the Master Deed for Brookfield, A Condominium that is Exhibit 1 of this Public Offering Statement. The Developer strongly recommends and encourages purchasers of Units to carefully examine the aforesaid Articles III, IV and VII of the Master Deed for Brookfield, A Condominium that is Exhibit 1 of this Public Offering Statement so as to fully familiarize themselves with same prior to acquiring title to a Unit within the Condominium.

6. BUDGET AND CONDOMINIUM COMMON EXPENSES

Pursuant to Article VII of its By-Laws, the Condominium Association is obligated to prepare an annual budget that reflects the anticipated Condominium Common Expenses for the ensuing fiscal year. Condominium Common Expenses include, but are not limited to, the estimated costs for the operation, repair and maintenance of the Common Elements, the estimatea costs for the operation of the Condominium Association and amounts which are to be placed in separate accounts as reserves for deferred maintenance, repair, replacement and capital improvements of the Common Elements. Forecasted budgets for Phase I and the full development of the Condominium, including forecasts of revenue and expenses and reserve fund schedules, which are based upon full occupancy and prevailing costs as of 1998, for the Condominium consisting of Phase I and upon full development. appear as part of Exhibit 4 of this Public Offering Statement. Also included as part of Exhibit 4 are estimates of the initial monthly installments of the annual Condominium Common Expense assessment to be levied against the Units as well as a letter of insurance adequacy. In the opinion of Wilkin & Guttenplan, P.C., Certified Public Accountants, the forecasts are presented in conformity with guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants, and the

underlying assumptions provide a reasonable and adequate basis for the forecasts of revenue and expenses and reserve funds.

The funds necessary to meet the Condominium's Common Expenses contemplated by the forecasts are acquired by the Condominium Association through the assessment of an annual charge (the "Common Expense assessment") which is to be paid by each Unit Owner in monthly installments on the first day of each month. The Common Expense assessment borne by each Unit Owner is based on the Condominium Common Expenses contemplated under the annual budget adopted by the Board of Directors of the Condominium Association, and the allocation of that amount among the Units is on the basis of the Units' relative proportionate (percentage) interest in the Common Elements of the Condominium at any given point in time. Similarly, any proceeds derived from a casualty loss, an eminent domain proceeding or any other disposition of the Common Elements and any common surplus of the Condominium Association shall be as is discussed-in detail in the Master Deed for Brookfield, A Condominium.

The Developer will be obligated to pay Common Expense assessments for each Unit to which it holds title and for which a certificate of occupancy has been issued based upon the relative proportionate (percentage) interest of each Unit in the Common Elements of the Condominium as set forth in Exhibit "H" of the Master Deed for Brookfield, A Condominium that appears as Exhibit 1 of this Public Offering Statement, as same may be modified and amended by Amendments and Supplements incorporating additional Units as part of the Condominium.

The forecasts discussed herein are not intended to be and should not be taken to constitute a guarantee by anyone that the actual initial Common Expense assessments levied by the Condominium Association for its first or succeeding fiscal years of operation will be as set forth in the forecasts. It is likely that the actual Common Expense assessments will vary from the amounts shown. The individual Unit Owners will be responsible for all individually

metered and/or billed utility services, e.g., telephone, electrical, gas service, sewer, water, etc. Also, to the extent cable television service is available, the Unit Owners will *pe* individually responsible for direct payment of hook-up, subscription, service and other fees relative to same.

The cost of electricity for common area lighting for the recreational facilities within the Condominium, including exterior site lighting, will be a Common Expense of the Condominium Association. The installation of electrical service for the lighting along the roadways within the Condominium will be performed by GPU Energy, at the expense of the Developer. The Township of White will be responsible for maintaining and repairing the street lighting once it has been accepted by the Township. The cost of the electrical service for the roadway lighting shall be borne by the Township of White once the roads have been accepted.

As of the date of this Public Offering Statement; the Developer anticipates that individual bills will be rendered to Unit Owners for potable water by the New Jersey American Water Company and for sanitary sewer service by the Township of White. As discussed in Section 4 of this Public Offering Statement, water service to the Condominium will be provided by New Jersey American Water Company and sewer service will be provided by Pequest River Municipal Utility Authority. Under such circumstances, the Unit Owners will be individually responsible for direct payment of such billings.

The Developer will be obligated to pay Common Expense assessment installments only for those Units incorporated within the Condominium to which it holds title and for which the Township of White has issued Certificates of Occupancy. Nevertheless, the Developer, while it appoints a majority of the Directors on the Board of Directors of the Condominium Association, will pay the difference, if any, between the actual operating expenses of the Condominium Association and the operating expense portion of the Common Expense assessments

proportionately as Units submitted to the Master Deed are conveyed by the Developer.

In all instances, the commencement dates for the Developer's obligation for reserve contributions shall be solely and absolutely determined by written certifications of completion from the contractors or sub-contractors actually performing the work in question in consultation with the Developer. Likewise, the percentage of a particular component completed and the percentage of the reserve allocable to a particular component shall be determined solely and absolutely by written certification of the contractor or subcontractor performing the work in question in consultation with the Developer. The Developer's obligation to contribute to reserves shall be limited to those reserves established in the reserve fund schedule appearing as part of the forecasted statements of revenue and expenses and reserve fund schedules that are part of Exhibit 4 of this Public Offering Statement.

The Developer's agreement to subsidize the operating expense deficits of the Association as discussed herein in detail are not intended to artificially deflate the level of assessment levied against Units. Instead, these undertakings by the Developer are intended to prevent the initial level of assessment against the first Units incorporated within the Condominium from being established at an artificially high level due to the fact that the Association may be incurring expenses for improvements that will serve the Condominium as proposed for full development but will initially have a limited number of Units against which Common Expenses can be levied.

Except as stated in this Section 6, the Developer shall not otherwise be liable for payment of any Condominium Common Expense assessment whether special or regular and whether for operating expenses or reserves. The discharge by the Developer of its obligations under this Section 6 shall be in furtherance

of its payment of assessments for the "benefit derived" by the Developer for Units owned and under development in accordance with N.J.A.C. 5:26-8.6(b).

After the Developer's operating expense deficit funding obligations herein described expires, if the costs incurred by the Condominium Association for any particular fiscal year exceed those which are estimated in the Condominium Association's adopted budget, the Board of Directors of the Condominium Association can impose a Special Common Expense assessment to cover the deficiency. In addition, the Board of Directors of the Condominium Association is empowered under the terms of Article VI of the Master Deed to levy a Special Common Expense assessment to defray the cost of maintenance, repair, replacement or improvement of or to the Common Elements. In any given fiscal year, Special Common Expense assessments may not exceed in the aggregate the sum of \$15,000.00 increased by the percentage of increase in the Consumer Price Index for all Urban Consumers since 1998 unless authorized by the assent of two thirds (2/3) in interest of the affected members of the Condominium Association who are in good standing. Article VI of the Master Deed also empowers the Board of Directors of the Condominium Association to impose and levy an Emergency Common Expense assessment where there is an immediate need or emergency and without the restrictions imposed as aforesaid with regard to Special Common Expense assessments. Assessments for repair, replacement or improvement of the Common Elements are levied against the Unit Owners who are benefitted by the expenditures for which the assessments are made in the same manner as other Common Expense assessments.

Until Units are individually assessed and billed for real estate taxes by the Township of White, funds required to enable the Condominium Association to pay the bulk real estate taxes estimated or assessed by the Township of White against property incorporated within the Condominium shall be collected by the Condominium Association through the assessment and collection

of an additional Common Expense assessment separate and apart from all other regular or special Common Expense assessments imposed by the Condominium Association. This additional Common Expense assessment may be utilized by the Condominium Association to establish and fund such real estate tax escrows as may be deemed necessary in the sole and absolute discretion of the Board of Directors of the Condominium Association so as to assure timely and full payment of bulk real estate taxes that are estimated or assessed. Further details of this additional Common Expense assessment can be found in Article VI of the Master Deed for Brookfield, A Condominium that appears as Exhibit 1 of this Public Offering Statement. A Unit Owner's relative proportionate liability for any additional Common Expense assessment for the payment of bulk real estate taxes shall be the same as the Unit Owner's relative proportionate liability for all other Common Expenses.

Any and all Common Expense assessments, regardless of character, levied by the Condominium Association are the personal obligations of each owner of a Unit incorporated within the Condominium under the terms of the Master Deed. Payment of these assessments is secured by a continuous lien on each Unit incorporated within the Condominium pursuant to the Master Deed and the New Jersey Condominium Act. If any installment of an assessment is not paid by the Unit Owner against whom the assessment has been levied, the Board of Directors of the Condominium Association can accelerate the outstanding assessment installments for the current fiscal year and institute a lawsuit to foreclose upon the Unit. The Condominium Association can also file a lawsuit against a recalcitrant Unit Owner to compel the payment of any unsatisfied assessments.

While the Developer appoints a majority of the Directors of the Condominium Association's Board of Directors, the Developer shall ensure that a fidelity bond or other guarantee acceptable to the Department of Community Affairs is posted in an amount equal to the annual budget. Commencing with the

first anniversary date of the recording of the Master Deed for Brookfield, A Condominium and for succeeding years thereafter in which the Developer appoints a majority of the Directors of the Condominium Association's Board of Directors, the bond or other guarantee shall be in an amount sufficient to include accumulated reserves.

7. IMPROVEMENTS

Aside from the Units, parking areas, roadways, and other improvements discussed in Section 3 of this Public Offering Statement, the Developer also proposes development of certain other governmentally approved improvements within the Condominium. All governmentally approved improvements presently proposed by the Developer for the Condominium are graphically depicted on the Proposed Full Development Plan that is Exhibit 3 of this Public Offering Statement.

An underground lawn sprinkler system is being installed by the Developer to provide lawn watering for the lawn areas associated with the recreational facilities. The Developer will not be installing any underground lawn sprinkler system that will serve the lands included within any Unit. The sprinkler system serving the recreational areas is part of the Common Elements of the Condominium and its operation, maintenance, repair and eventual replacement are the responsibility of the Condominium Association and the costs associated therewith are part of the common expenses of the Condominium Association. Each individual Unit Owner will be responsible for installing an underground lawn sprinkler system to serve the lands within his Unit or to otherwise arrange for the ~~equa~~ ^{lequate} maintenance of the lawn area included within the Unit in accordance with the Governing Documents.

Use of the common facilities within the Condominium will be limited to Unit Owners and others authorized to use same by the Condominium's governing

documents. The Governing Documents provide for the use of the recreational and common facilities within the Condominium by the tenants and occupants of the 285 apartments and assisted living dwellings that may be constructed upon lands adjacent to the Condominium, but will not form a part of the Condominium. The Condominium's amenities will not be available for use by the general public.

The Proposed Full Development Plan that appears as Exhibit 3 of this Public Offering Statement also graphically depicts access drives, driveways, sidewalks, parking areas, and common parking areas that are also part of the governmentally approved improvements proposed in connection with the full development of the Property and which are presently proposed to be within the Condominium.

The Developer reserves the right to improve any portion of the Property in any other manner it deems appropriate and incorporate such improvements as part of the Condominium, so long as such improvements are consistent with the residential character of the Condominium and are approved by any federal, State, County or municipal governing authorities having jurisdiction of same.

8. CONTRACTS

As of the date of this Public Offering Statement, the Developer contemplates causing the Condominium Association to enter into a management agreement appointing E.W. Murray Associates, Inc. as the initial managing agent for the Condominium. A copy of the proposed management agreement appears as Exhibit 5 of this Public Offering Statement. The relationship between the Developer and the proposed initial managing agent is discussed in Section 9 of this Public Offering Statement.

It is anticipated that the Condominium Association, while its Board of Directors is controlled by the Developer, will enter into lawn maintenance,

snow clearing, grounds maintenance and other agreements for those portions of the Condominium for which the Condominium Association rather than the Unit Owners is responsible. Proposals regarding such other proposed agreements are summarized in the notes to the Forecasted Operating Budget that appears as part of Exhibit 4 of this Public Offering Statement. Otherwise, there are presently no other service contracts, leases or other contracts or agreements or proposed contracts or agreements affecting the use, maintenance or access of any or all of the Common Elements or common facilities that will be binding upon the Condominium Association.

Any management, employment, service or maintenance contract or contract for the supply of equipment or material which is directly or indirectly made by or on behalf of the Condominium Association prior to the Unit Owners other than the Developer having elected at least 75% of the members of the Board of Directors of the Condominium Association shall not be entered into for a period in excess of one {1} year. Any such contract or lease may not be renewed or extended for periods in excess of one {1} year and, at the end of any one {1}

period, the Condominium Association may terminate any further renewals or extensions thereof. In spite of the foregoing, any management contract or agreement entered into by the Condominium Association shall terminate ninety {90} days after the first meeting of the Board of Directors of the Condominium in which Unit Owners other than the Developer constitute a majority of all Directors, unless such Board of Directors ratifies the contract or agreement.

9. RELATIONSHIP BETWEEN THE DEVELOPER AND THE MANAGING AGENT

As noted in Section 8 of this Public Offering Statement, it is anticipated that the Board of Directors of the Condominium Association will cause E.W. Murray Associates, Inc. to be retained by the Condominium Association as the initial managing agent for the Condominium. The details of the proposed management agreement may be reviewed by examining a copy of same that appears as

Exhibit 5 of this Public Offering Statement. The proposed agreement contemplates a one (1) year term and provides that same may be terminated by the Condominium Association or the managing agent with or without cause on sixty (60) days notice. The Developer does not have an ownership or financial interest in E.W. Murray Associates, Inc. and none of the principals of E. W. Murray Associates, Inc. are principals of or otherwise affiliated with the Developer.

10. RESTRICTIONS ON OCCUPANCY, ALIENATION AND ALTERATION OF THE UNITS

Under Article X of the Master Deed for Brookfield, A Condominium, certain restrictions are imposed upon Units incorporated with Condominium. These include by way of example but not by way of limitation a restriction that no lease for a Unit be for a period of less than six (6) months; restrictions relative to the keeping of pets, the parking of vehicles (including a restriction against parking vehicles along the roadways within the Condominium), dumping of waste, affixing loud speakers, antenna or other items to the exterior of a Unit and making alterations to a Unit. There are also restrictions regarding the mortgaging of Units. The examples set forth herein are general and incomplete and each prospective purchaser is strongly encouraged to carefully examine Article X of the Master Deed for Brookfield, A Condominium that appears as Exhibit 1 of this Public Offering Statement in order to familiarize himself thoroughly with the various restrictions applicable to Units before purchasing a Unit.

The Condominium is intended to be "55 or Over Housing" within the meaning of the Fair Housing Act, so as to qualify as "housing for older persons" within the provisions of the Fair Housing Act. Occupancy of the Units are restricted to use by permanent residents fifty-five (55) years of age or older with no person under forty (40) years of age in permanent residence, with the exception that one (1) temporary resident over twenty-one (21) years of age who

provides necessary health care to a permanent resident of the Unit will be permitted, provided that such individual may not be accompanied by any person(s) intending to reside in the Unit temporarily or otherwise. Exceptions may be granted to the age restrictions in particular cases in accordance with Section 10.03C of the Master Deed, e.g. to permit the continued occupancy of a Unit by a surviving spouse under the age of 55. However, the Board does not have the authority to approve any application for occupancy if such approval would cause the Condominium to have less than 80% of its Units occupied by at least one person over the age of 55 years, or otherwise to fail to continue to qualify as ".housing for older persons" under the Fair Housing Act. Section 10.03 of Article X of the Master Deed for Brookfield, A Condominium sets forth the restrictions governing the age of occupants of the Units.

11. MONIES PAID PRIOR TO CLOSING

All money paid prior to the closing of title by a purchaser of a Unit to the Developer as the seller of the Unit under this offering and pursuant to a Contract for the Sale of Real Estate for the sale of the Unit will be made payable to: "United Development Corp., as Escrow Agent". United Development Corp., is a New Jersey licensed real estate broker having an office at 5 Ascot Drive, Belvidere, New Jersey 07823. The licensed broker of United Development Corp. is Eric M. Levin, who has been retained by the Developer to manage the development of the Condominium. United Development Corp. has been designated by the Developer as its deposit escrow agent (from now on called "Escrow Agent") with the Division of Codes and Standards of the New Jersey Department of Community Affairs pursuant to the Planned Real Estate Development Full Disclosure Act. The Escrow Agent will deposit monies paid by purchasers of Units to the Developer prior to closing of title under the terms of a Contract for the Sale of Real Estate in a Trust Account maintained at United National Bank, 101

Mansfield Street, P.O. Box 127, Belvidere, New Jersey 07823. Unless directed otherwise by the Developer, the deposit account will not be interest bearing. In the event the Developer, in its sole discretion, opts to have an interest bearing deposit account, any interest earned on the deposit monies will be paid to the party ultimately entitled to the deposit monies under the Contract for the Sale of Real Estate. Interest earned on the deposit monies to which the Developer as seller is entitled will not be applied as a credit for the benefit of buyers toward other sums owed by the buyers to the Developer under the Contracts for the Sale of Real Estate.

12. EASEMENTS, ENCUMBRANCES AND RESTRICTIONS

The Developer reserves the right to encumber all or a portion of the Property with the lien of a construction and/or permanent mortgage and any encumbrances ancillary or collateral thereto at any time prior to its conveyance of the first Unit within the Condominium to a purchaser. The Developer also reserves the right to encumber all or a portion of the Property with the lien of one or more additional mortgages and any other encumbrances ancillary or collateral thereto. This reserved right includes, but is not limited to, the right to so encumber any Units owned by the Developer but not yet conveyed by it as well as proposed Condominium Common Elements. Any Contract for the Sale of Real Estate pursuant to which a purchaser has contracted to purchase a Unit in the Condominium shall by its express terms be subordinate and subject to the lien of any such mortgage(s) and any encumbrances ancillary or collateral thereto. Any such mortgage and any encumbrances ancillary or collateral thereto shall provide for the release of individual Units and their appurtenant proportionate interest in the Common Elements of the Condominium from the lien(s) of same. Furthermore, the Developer shall be obligated, at its sole cost and expense, to obtain the release of a Unit and its appurtenant proportionate interest in the

Common Elements of the Condominium before conveying title to a purchaser. No purchaser shall be obligated to accept title to a Unit unless the Developer demonstrates that the Unit and its proportionate interest in the Common Elements will be released from the lien of the mortgage and any encumbrances ancillary or collateral thereto prior to or at the time of the conveyance of the Unit to a purchaser. In the event the Developer cannot secure such release of the Unit and its appurtenant proportionate interest in the Common Elements in the Condominium, the purchaser shall be entitled to receive a full refund of all deposit monies paid under the Contract for Sale of Real Estate, as well as any interest earned thereon in the event the Developer has caused the deposit monies to be kept in escrow and deposited in an interest bearing account, and full reimbursement for the expenses of title searches or survey certificates which the purchaser has incurred, if the purchaser produces adequate proof that the purchaser has paid or been charged for these expenses.

As of the date of this Public Offering Statement, the Property is subject to the lien of a certain Mortgage by the Developer, as borrower, and United National Bank, as lender, dated June 26, 1998. The terms of this Mortgage expressly provide a mechanism for the release from its lien of individual Units and their respective appurtenant percentage interest in the Common Elements of the Condominium. Accordingly, at the time of closing title to a Unit to a purchaser from the Developer, the Developer will be able to secure and does hereby covenant (promise) and obligate itself to secure and deliver to the individual Unit purchaser a partial release in recordable form releasing the Unit and its appurtenant percentage interest in the Common Elements of the Condominium from the lien of the Mortgage. Such release shall not require any additional payment to be paid by a purchaser of a Unit other than the purchase price of the Unit.

The Condominium at any given point in time will be subject to the following easements which are declared for the benefit of each Owner of a Unit within the Condominium:

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

B. an exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a Unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the Unit is located stands;

C. a nonexclusive easement for ingress to and egress from his Unit in, upon, under, over, across and through the General Common Elements;

D. an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines, television systems, master antenna facilities and other General Common Elements located in any of the other Units and/or in, upon, under or over the Common Elements and serving his Unit;

E. a perpetual but nonexclusive easement in, over and through the General Common Elements of the Condominium to use any common roadways, walks and other common facilities within the Condominium subject to the right of the Board of Directors of the Condominium Association to:

i. promulgate, adopt, publish and enforce rules and regulations for the use and enjoyment thereof;

ii. suspend this easement right (other than for access to his Unit) as to a Unit Owner for any period during which any assessment for Common Expenses remains unpaid or for any period during which any infraction of its published Rules and Regulations continues; and

iii. designate portions of the General Common Elements as Reserved Common Elements pursuant to Section 4.05 of the Master Deed for Brookfield, A Condominium; and

iv. a nonexclusive easement for access to or use of the General Common Elements within the Condominium for any purpose not prohibited by the Master Deed, the Condominium Association By-Laws or the Rules and Regulations, which easement is for the benefit of all Owners and occupants of Units in the Condominium and their invitees.

The Condominium will be subject to the following easements which are declared for the benefit of the Developer:

A. a blanket but nonexclusive easement in, upon, through, under and across the condominium for the purpose of conducting any and all reasonable activities ordinarily associated with or related to development of a residential project including but limited to excavation, grading and other site preparation as well as construction, erection or other establishment of governmentally approved improvements upon the Property. This easement shall continue for the duration of the Developer's rights to develop any portion of the Property or until the Developer has abandoned same. The Developer shall not, except in the case of an emergency, exercise this easement to enter a Unit without prior notice to and permission from the Unit Owner and at a time reasonably convenient to the Unit Owner. Similarly, once the majority of the Directors on the Board of Directors are Unit Owners other than the Developer, the Developer shall not, except in the case of an emergency, exercise this easement

right with regard to completed Common Elements without prior notice to and permission from the Board of Directors and at a time reasonably convenient to the Board of Directors. Neither Unit Owners nor the Board of Directors shall unreasonably preclude the Developer from exercising its easement rights herein established;

B. a blanket but nonexclusive easement in, upon, over, through, under and across the Condominium for such purposes as may be reasonably necessary for the Developer or its agents to discharge any service, warranty, repair, maintenance, replacement or other similar obligation it may have with respect to any Unit(s) and/or the Common Elements; provided, however, with respect to a Unit, the Developer shall not, except in the case of an emergency, exercise this easement to enter such Unit without prior notice to and permission from the Unit Owner and at a time reasonably convenient to the Unit Owner. Similarly, once the majority of the Directors on the Board of Directors are Unit Owners other than the Developer, the Developer shall not, except in the case of an emergency, exercise this easement right with regard to completed Common Elements without prior notice to and permission from the Board of Directors and at a time reasonably convenient to the Board of Directors. Neither Unit Owners nor the Board of Directors shall unreasonably preclude the Developer from exercising its easement rights herein established. This easement shall be conterminous with the term of the Developer's service, warranty, repair, maintenance, replacement or other similar obligations;

C. a blanket but nonexclusive easement in, upon, over, across and through the Common Elements for the purpose of conducting any and all reasonable activities ordinarily associated with or related to offering Units for sale and/or lease. This easement shall be conterminous with the Developer's

ownership of the last Unit owned by it and not initially conveyed to an Owner who is not an Affiliate of the Developer; and

D. a perpetual, blanket and nonexclusive easement in, upon, over, under, across and through the Common Elements for surface water runoff and drainage caused by natural forces and elements, grading or the improvements located within the Condominium. No individual Unit Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Condominium.

The Condominium will also be subject to the following easements which are declared for the benefit of the Condominium Association:

A. a perpetual but nonexclusive easement for the maintenance of any Common Elements which presently or may hereafter encroach upon a Unit; and

B. through its Board of Directors or any manager or managing agent, or their respective agents or employees, a perpetual but nonexclusive right of access to each Unit to: (i) inspect same; (ii) remedy any violations of law and/or the provisions of the Master Deed, the Condominium Association By-Laws or any Rules and Regulations of the Condominium Association; and (iii) perform any operations required in connection with the maintenance, repair, replacement, administration or management of or to the Common Elements, any Unit or any equipment, facilities or fixtures affecting or serving Unit(s) or the Common Elements, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

The Condominium will be subject to an easement declared for the benefit of every Permitted Mortgage Holder to enter the Condominium or any part thereof to inspect the condition and repair of the Common Elements or any Units

encumbered by a First Mortgage owned, insured or guaranteed by it. This right shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with the permission of the Condominium Association and the affected Unit owner.

The Condominium will also be subject to a blanket, perpetual but nonexclusive easement *in, upon, over, across and through* the Condominium for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, water, poles, transformers, meters, water systems, cable television system, master television antenna system and any and all other equipment or machinery necessary or incidental .to the proper functioning of any utility systems serving the Condominium which easement shall be for the benefit of any governmental agency, utility company or other entity which requires same for the purpose of furnishing one or more of on going services.

The Condominium will be subject to the following easements which are declared for the benefit of the Township of White:

A. a blanket, perpetual but nonexclusive easement of unobstructed ingress and egress to, from, in, upon, over, across and through the Condominium to the Township of White, 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 repairs to or maintenance of a Unit or the Common Elements which the Unit Owner or the Condominium Association has failed to perform). Except in the event of emergencies, the rights accompanying this easement shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the

Unit owner(s) directly affected thereby or, in the case of Common Elements, the Condominium Association.

As of the date of this Public Offering Statement, the Property is subject to the following:

1. Easement to New Jersey Power and Light Company in Deed Book 277 at Page 224; Deed Book 277 at Page 225; Deed Book 331 at Page 369; Deed Book 353 at Page 120 (with receipt in Deed Book 358 at Page 338); Deed Book 360 at Page 173 (with receipt in Deed Book 358 at Page 510); Deed Book 442 at Page 498; and Deed Book 442 at Page 548; for the purpose of constructing, maintaining and replacing a pole line and necessary equipment.
2. Deed and easement between Consolidated Rail Corporation and secondary Development Corp. in Deed Book 957 at Page 217, for the purpose of undertaking certain development of the subject lands.
3. Deed between Kenneth G. McDermott and Kathleen McDermott to New Jersey-American Water Company, Inc. in Deed Book 1317 at Page 239 (as modified in Deed Book 1504 at Page 254) conveying title to a well field lot and certain easement rights in the subject lands for public utility purposes.
4. Agreement permitting the laying of pipes for the delivery of water from a certain spring in Deed Book 2 at Page 227.
5. Agreement for the removal of and payment for ballast and processed fill in Deed Book 1092 at Page 83.
6. Stream encroachment permit for the purpose of establishing stream encroachment lines, constructing a culvert, outfall structures and utility crossing along Pophandusing Creek in Deed Book 1560 at Page 343.

The Condominium may also become subject to other restrictions, covenants, easements, reservations, etc. of record in connection with its development, none of which will prohibit the intended use of a Unit as a residential dwelling.

The Developer will have satisfied its obligations as to quality of title if it delivers at the closing title subject only to the exceptions referred to in this Public Offering Statement and the Specimen Owners and Mortgagee Policies of Title Insurance that appear as Exhibit B. Accordingly, the Developer will have no obligation to remove any other title conditions referred to in a commitment for title insurance which a purchaser has obtained from another title insurance company.

13. NATURAL AND ARTIFICIAL FORCES

To the best of the Developer's knowledge, information and belief, the Property is not subject to any regular or periodic natural or artificial forces that have or will have a detrimental effect on a Unit Owner's use or enjoyment of same.

A portion of the Property has been certified by Flood Zone Certification, Inc. as being located within a flood hazard area. Thus, some of the improvements contemplated by the Developer for incorporation as part of the Condominium will be located within a flood hazard area as identified by the Federal Insurance Administration. Other than unimproved land, the only Common Elements within the Condominium within a flood hazard area is a walking path. The Developer has determined that the following Units are located in a flood hazard area: 2, 4, 6, B and 10 Buckingham Circle, and 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, and 23 Coventry Circle.

The Condominium Association shall have no responsibility or obligation to provide flood insurance. Accordingly, the Condominium Association does not intend to maintain any flood insurance to cover any hazard arising from the location of a portion of the Property in a flood hazard area. In such event that a purchaser of a Unit or the mortgage lender may require flood insurance for a Unit, the obligation to obtain flood insurance shall be solely that of the purchaser and at its sole cost and expense.

Elevated radon levels have recently been discovered in existing homes and other structures which have been tested in New Jersey. All municipalities within Warren County have been classified by the New Jersey Department of Environmental Protection as a "Tier One" area for purposes of testing for the presence of radon gas in existing structures. The "Tier One" designation means that testing should be done "as soon as practical".

Radon is a naturally occurring invisible, odorless gas formed underground by decaying radium. The gas, which usually rises to the surface and dissipates harmlessly, can reach elevated levels if trapped in well insulated or poorly ventilated areas. At the present time, there is no reliable test to determine radon levels in soil and it is impossible to know whether elevated levels will be found in Units constructed by the Developer within the Condominium.

Prospective purchasers should note that once a Unit is constructed, the levels of radon gas that might be detected by a test are dependent upon many factors which are unique to the Unit, the time of the year that testing takes place and the lifestyle of the occupants of a Unit. It is not possible to obtain readings of radon levels while a Unit is under construction which would be reliable indicators of levels of completed, occupied Units; therefore, purchasers shall not be permitted to take measurements prior to the acquisition of title.

The Developer cannot give scientific advice concerning the existence or effects of radon. If after the conveyance of title to a Unit a Unit Owner conducts a test for the presence of radon gas which reliably reveals a recognized unacceptable level of same, any remedial efforts required to alleviate the problem shall be the Unit Owner's responsibility at his sole cost and expense.

14. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS

As of the date on the cover of this Public Offering Statement, real estate taxes have not been assessed against the individual Units by the Township of White. Based upon inquiry to the White Township Tax Assessor's Office, the equalized ratios of assessed valuation to true valuation and the tax rates for 1998 and the two (2) years preceding are:

Year	Tax Ratio	Tax Rate Per Hundred Dollars Of <u>Assessed Value</u>
1998	89.54%	\$1.99
1997	94.92%	\$1.89
1996	99.91%	\$1.90

Commencing with the date on which the Master Deed for Brookfield, A Condominium is recorded in the Warren County Register's Office incorporating Units within the Condominium, each Unit incorporated within the Condominium will be subject to being separately assessed for local real estate property taxes and the liability of each Unit Owner for the tax assessed against its Unit will be independent of the liability of the other Unit Owners.

The Developer has been required by the Department of Community Affairs pursuant to the Planned Real Estate Development Full Disclosure Act to provide an estimate as to the amount of real estate taxes that might be assessed by the Township of White for the various Units offered by the Developer hereunder. While the Developer is unable to represent what the actual real

estate taxes ultimately assessed against each Unit offered hereunder will be for the year of conveyance or thereafter, the Developer, in order to comply with the aforesaid requirement of the Department, is providing the following estimates:

<u>UNIT MODEL TYPE</u>	<u>ESTIMATED INITIAL BASE SALES PRICE</u>	<u>ESTIMATED ANNUAL REAL ESTATE TAXES</u>
Model A 2 BR, 2 Bath, 1 car Garage Approx. 1,280 Sq.Ft.	\$124,990	\$2,228
Model B - 2 BR, 2 Bath 2 Car Garage Approx. 1,470 Sq.Ft.	\$134,990	\$2,405
Model C: 2 BR, 2 Bath, Library 2 Car Garage. Approx. 1,596 Sq.Ft.	\$139,990	\$2,494
Model D: 2 BR, 2 BathDen 2 Car Garage Approx. 1,750 Sq.Ft.	\$149,990	\$2,672
Model E: 2 BR, 2 Bath, Den, Family Room 2 Car Garage Approx. 1,950 Sq.Ft.	\$159,990	\$2,850

The foregoing estimates have been prepared by the Developer utilizing the 1998 ratio of assessed value to true value and tax rate obtained from the White Township Tax Assessor's Office as of the latest date appearing on the cover of this Public Offering Statement. The aforesaid 1998 ratio and rate were then applied to the then current estimated initial base sales price for each of the Developer's Unit model types being offered as of the latest date appearing on this Public Offering Statement. The actual real estate taxes assessed against a particular Unit will depend upon a number of factors including, but not limited to, the actual purchase price of the Unit, the assessed value of the Unit as

determined by the White Township Tax Assessor, the actual ratio of assessed value to true value utilized by the White Township Tax Assessor for a particular year in question and the actual tax rate established by White Township for a particular year. To the extent that any one or more of the aforesaid factors vary, the actual real estate taxes assessed against a particular Unit may be lower or higher than the estimates given. Thus, to the extent that the herein reflected estimated initial base sales price for a particular Unit is increased in a particular transaction as a result of a purchaser's inclusion of extras, options, upgrades, etc., the real estate taxes can be expected to be higher than those estimated. Accordingly, the Developer makes no representation as to what the actual real estate taxes assessed against any particular Unit hereby offered will be. Each prospective purchaser should make independent inquiry with the White Township Tax Assessor's Office as to what the potential real estate tax liability for a specific Unit might be.

There are no existing or proposed special taxes or assessments of which the Developer is aware and for which a prospective purchaser would be responsible for payment. No representation is made, however, as to special taxes or assessments which may be assessed by the Township of White in the future. The Developer shall be responsible for:

A. assessments for a municipal improvement completed prior to the date of closing and for which there is a confirmed municipal assessment outstanding against the Unit; and

B, assessments for a municipal improvement which has been completed as of the date of closing but which has not yet been confirmed and for which there will be a future assessment against the Unit.

A purchaser of a Unit shall be responsible for a municipal improvement which has not been completed as of the date of closing.

The Developer is not aware of any actual or proposed special taxes or assessments that will affect the lands that are proposed for incorporation as part of the Condominium. In the event of same, the responsibility for same between Developer and purchaser will be adjusted as of the respective closing dates for the various Units.

15. CLOSING COSTS AND CLOSING OF TITLE

Title to each Unit and its appurtenant proportionate (percentage) interest in the Common Elements, insurable at regular rates, will be conveyed to each purchaser by the Developer by bargain and sale deed with covenants against grantor's acts (a sample copies of the form of Unit Deed appears as Exhibit 6 of this Public Offering Statement) free and clear of all liens and encumbrances other than:

A. zoning regulations and ordinances, if any, and any amendments thereto now or hereafter adopted;

B. easements, covenants, restrictions, reservations, agreements and other matters contained, incorporated by reference or referred to in this Public Offering Statement, the Master Deed for Brookfield, A Condominium and/or any exhibits to any of same; and

C. any state of facts which would be shown by an accurate survey or title search, so long as same do not render title uninsurable at regular rates.

The estimated closing costs to be borne by each purchaser of a Unit will include, but not necessarily be limited to:

(1) the fees of the Buyer's attorney;

(2) the costs of a survey certificate, if one is requested by the Buyer or by the Buyer's mortgage lender and/or title insurance company;

(3) all fees, charges, escrows and prepayments required by the Buyer's mortgage lender as a condition of a mortgage loan, if applicable, which shall include but not necessarily be limited to the following:

(a) the mortgagee's application fee, which is a nonrefundable fee that must usually be paid at the time the mortgage application is submitted;

(b) the mortgagee's counsel review fee;

(c) the mortgage recording fee;

(d) pro rata interest on such mortgage loan from the date of closing of title to the Unit to the date of the first regular monthly principal and interest payment;

(e) a deposit to establish an escrow account for the payment of annual real estate taxes which have been or will be assessed against his Unit;

(f) the cost of private mortgage insurance, if any, due upon closing of title;

(g) such other escrows, processing fees, origination fees, administrative fees, etc., as may be required by a mortgagee, including, but not limited to, appraisal fees, termite certification, etc.;

(h) the cost of a mortgagee's policy of title insurance, including all premiums, search fees, etc., in connection with same; and

(i) flood insurance, if required by a lender.

(4) the costs of title inspection and premiums for title insurance (fee and mortgage, if applicable). A specimen copy of such a fee policy

available from Title Lines, as an agent for Old Republic National Title Insurance Company, P.O. Box 661, Dumont Road, Far Hills, New Jersey 07931, Telephone No. (908) 234-2620, Telecopier No. (908) 234-0157, appears as Exhibit 7 of this Public Offering Statement. The principals of Title Lines are also principals of the Developer;

(5) a nonrefundable, nontransferable contribution to the Condominium Association in an amount equal to one-sixth (1/6) of the estimated or current annual Common Expense assessment for the Unit to provide the Condominium Association with a working capital reserve; provided, however, that for so long as a majority of the Directors of the Condominium Association's Board of Directors is appointed by the Developer, these funds may only be used for working capital unless a majority in interest of the Unit Owners other than the Developer affirmatively vote to approve a different permitted use;

(6) a nonrefundable, nontransferable Condominium Association membership fee of not more than \$250 imposed by the Condominium Association, which will be available to the Condominium Association for payment of any budgeted operating expense of the Association, deficit reduction or, if not needed for such purposes, allocation, in whole or in part, to the Association's operating contingency and/or repair and replacement reserve and/or deferred maintenance reserve; provided, however, that for so long as a majority of the Directors of the Condominium Association's Board of Directors is appointed by the Developer, these funds may only be used for working capital unless a majority in interest of the Unit Owners other than the Developer affirmatively vote to approve a different permitted use;

{7) payment in advance of the full monthly installment of the Common Expense assessment levied by the condominium Association against the Unit

for the month following the month during which the transfer of title to the Unit occurs;

(B) a pro rata share of the current monthly installment of the Common Expense assessment attributable to the Unit as assessed by the Condominium Association adjusted from and including the closing date to the first day of the next month;

{9) the costs of recording the Deed and Mortgage (if applicable); and

(10) the cost of flood insurance for the Unit and the personal property of the purchaser, if required by the lender.

None of the foregoing closing costs will be paid by the Developer.

16. LIMITED WARRANTY. WARRANTY DISCLAIMERS, AND APPLIANCES

A. LIMITED WARRANTY AND WARRANTY DISCLAIMERS.

The Developer agrees to give Buyers of Units certain warranties as follows:

{1) In accordance with the provisions of the New Jersey Home Warranty and Builders' Registration Act {N.J.S.A. 46:3B-1 et seq.}, the Developer shall enroll each Unit, at or prior to closing, in an approved warranty security plan and shall pay all requisite fees/premiums for such enrollment and coverage; provided, however, any deductible for such warranty coverage shall be the obligation of the purchaser.

{2} In addition to the foregoing, the Developer warrants that any outbuildings, driveways, walkways, patios, retaining walls and fences installed by the Developer and constituting a part of the Unit will be free from substantial defects due to faulty material or workmanship for a period of one (1)

year from the date of closing or from the date of possession, whichever first occurs.

(3) The Developer also warrants that all drainage of surface water runoff is proper and adequate.

(4) The Developer also warrants that all off site improvements installed by the Developer in constructing the Condominium will be free from defects due to faulty materials or workmanship for a period of one (1) year from construction of the particular improvement(s).

(5) The Developer also warrants that all Units offered hereby are fit for their intended use.

(6) The Developer also warrants that the Common Elements and common facilities installed or constructed by the Developer within the Condominium will be free from substantial defects due to faulty materials or workmanship for a period of two (2) years from the date of completion of construction of each improvement or facility.

(7) The Developer also warrants that the Common Elements and common facilities installed or constructed by the Developer within the Condominium are fit for their intended use and that within the two (2) year period in subparagraph (6) above the Developer will correct any such defect within a reasonable time after notification of the defect.

(8) The Developer also warrants that the Unit and the Common Elements will substantially conform to the sales models, descriptions or plans used to induce the Buyer to enter into a Contract for Sale of Real Estate to purchase a Unit, unless otherwise provided in the Contract for Sale of Real Estate. THE BUYER UNDERSTANDS THAT THE DEVELOPER'S MODELS MAY CONTAIN OPTIONS AND/OR EXTRAS THAT ARE NOT INCLUDED IN THE BASE PRICE OF THE UNIT. THE SELLER WILL CLEARLY MARK THESE EXTRAS ANP/OR OPTIONS IN ITS MODELS.

(9) At the closing of title to a Unit, the Developer will assign to the Buyer any unexpired, assignable warranties issued by the manufacturers or suppliers of appliances, equipment or other personal property installed in or sold with the Unit. The Developer does not independently warrant any such appliances, equipment or other personal property except to the extent required under subparagraph (1) above. THE DEVELOPER EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OR WARRANTY ARISING BY VIRTUE OF LAW WITH RESPECT TO THE UNIT, OR ANYTHING CONTAINED IN THE UNIT, OR WHICH WOULD OTHERWISE ARISE BY VIRTUE OF MAKING AN AGREEMENT TO SELL A UNIT. THIS MEANS THAT THE ONLY WARRANTIES WHICH ARE GIVEN BY THE DEVELOPER TO A BUYER OR OTHER OWNER OF THE UNIT ARE THOSE LISTED ABOVE.

By signing a Contract for Sale of Real Estate to buy a Unit, the Buyer acknowledges and agrees to the following statements:

(a) the Developer is not obligated to repair or replace any part of a Unit or other property which is the subject of such a Contract for Sale of Real Estate unless it is covered by one of the warranties listed above;

(b) the Developer has not made any promises or representations as to the condition of the Unit or other property which is the subject of such a Contract for Sale of Real Estate except as set forth in the Contract for Sale of Real Estate and this Public Offering Statement for the Condominium;

(c) the Developer has not authorized anyone else to make any promise or representation as to the condition of the Unit or other property which is the subject of such a Contract for Sale of Real Estate or to vary the provisions of the Contract for Sale of Real Estate or this Public Offering Statement for the Condominium; and

(d) the furniture, decorations, wall and window treatments, upgraded flooring, cabinetry, lighting fixtures, appliances and/or other upgrades

and/or options in the Developer's models are for display purposes only and are not included in the sale of the Unit unless separately agreed to in a rider to the Contract for Sale of Real Estate for the Unit.

The Developer also expressly disclaims liability for any consequential damages to personal property arising out of any breach of warranty. This means that the Developer will not be responsible if personal property is damaged because of a defect in any warranted item. By signing a Contract for Sale of Real Estate to purchase a Unit, the Buyer agrees that the Developer will not be liable for such consequential damages.

While the Developer maintains majority control of the Board of Directors of, the Condominium Association, the Developer shall take no action which adversely affects the rights of the Unit owners pursuant to N.J.A.C. 5:25-5.5. Claims relative to defects in the Common Elements shall be processed in accordance with N.J.A.C. 5:25 5.5.

B. APPLIANCES.

The Developer intends to install the following appliances as standard items within the Units:

Appliance	<u>Manufacturer</u>	Model
Refrigerator	General Electric	TBX aJA
Range	General Electric	JGBP26BE
Dishwasher	General Electric	GSD2200
Microwave Oven	General Electric	JVM1451B
Clothes Washer	General Electric	WCXR1070
Gas Dryer	General Electric	DCLR333G
Garbage Disposal	General Electric	GFC305Y

The Developer reserves the right to substitute appliances of equal value at its option. To the extent that any of the foregoing appliances are covered by a manufacturer's guaranty or warranty that is assignable, the Developer will assign same to the purchasers of Units. The Developer may, from time to time and in its sole and absolute discretion, offer purchasers a choice of colors for one or more

of the standard appliances. Any colors from which such a choice may be made shall be in the sole and absolute discretion of the Developer. Upgraded appliances and/or additional may be made available by the Developer as an extra cost option.

17. INSURANCE

Under Article XI of the Master Deed of Brookfield, A Condominium and Article VI of the Condominium Association By-Laws, the Board of Directors of the Condominium Association's is obligated to procure and maintain certain policies of insurance including:

A. insurance against property damage to any improvements that are Common Elements in an amount equal to the full replacement value of the improvements;

B. insurance against liability for any accidents which occur within the Common Elements in an amount set by the Board of Directors of the Condominium Association; and

C. insurance against liability of Directors and Officers of the Condominium Association for errors and omissions in connection with their activities as such. The insurance that must be maintained by the Board of Directors of the Condominium Association is set forth in detail in the aforesaid Article VI of the Condominium Association By-Laws. A letter relative to the premiums for and adequacy of the insurance coverage proposed are included as part of Exhibit 4 of this Public Offering Statement.

UNIT OWNERS ARE INDIVIDUALLY RESPONSIBLE FOR PROCURING AND MAINTAINING AT THEIR INDIVIDUAL COST AND EXPENSE CASUALTY, PROPERTY DAMAGE AND LIABILITY INSURANCE RELATIVE TO THEIR UNITS AND THEMSELVES AND THE CONDOMINIUM ASSOCIATION SHALL HAVE NO OBLIGATION OR LIABILITY IN THIS REGARD. ACCORDINGLY,

THE DEVELOPER RECOMMENDS THAT EACH UNIT OWNER PROCURE AND MAINTAIN THROUGH HIS/HER OWN INSURANCE AGENT ADEQUATE INSURANCE AGAINST PROPERTY DAMAGE TO HIS UNIT AND INSURANCE AGAINST LIABILITY FOR OCCURRENCES WITHIN HIS/HER UNIT. EACH SUCH POLICY MUST, HOWEVER, CONTAIN A WAIVER OF SUBROGATION OF ALL CLAIMS AGAINST THE CONDOMINIUM ASSOCIATION AND OTHER UNIT OWNERS, PROVIDED SUCH WAIVER IS AVAILABLE.

Prospective purchasers of the Units that are in a flood hazard area, as discussed in greater detail in Section 13, should note that the Unit Owner will be responsible for obtaining at his sole cost and expense any flood insurance which may be required for the Unit and the personal property of the Unit Owner. The Condominium Association will not obtain any flood insurance coverage as part of the insurance it maintains.

18. RIGHTS AND OBLIGATIONS OF DEVELOPER

A. Unsold Units - Right of the Developer to Rent.

Although it is the present intention of the Developer to offer all Units within the Condominium for sale, the Developer reserves the right to rent any unsold Unit for such a term, at such a rental and under such terms and conditions as it shall deem appropriate. If the Developer retains title to any Units, and rents those Units, then the Developer shall pay the Common Expense assessment installments due and allocable to such Units. Further, in the event that the Developer retains title to and rents certain Units to non-contract occupants, the Developer shall amend the Application for Registration filed for this Planned Real Estate Development with the New Jersey Department of Community Affairs, including this Public Offering Statement, as appropriate to reflect such rental or leasing activity and any effect same may have on the control of the Condominium Association or upon any other aspect of the Condominium.

19. UNITS ACQUIRED BY THE CONDOMINIUM ASSOCIATION

All Units acquired by the Condominium Association shall be held by it on behalf of its members. No Units acquired by the Condominium Association shall carry voting rights in either Association. No Units shall be acquired by the Condominium Association while the Developer is in control of its Board.

20. FINANCING AND TERMS OF PURCHASE

Each Unit will be initially offered for sale under the terms and conditions set forth in the Developer's form of Contract for Sale of Real Estate (sales contract) registered with the Division of Codes and Standards of the Department of Community Affairs. The Developer reserves the right to change the terms under which any unsold Units are offered for sale.

As of the date of this Public Offering Statement, the Developer has not obtained a bulk commitment from a lender to provide mortgage financing to prospective purchasers of Units in the Condominium. Accordingly, any purchaser who wishes to obtain a mortgage loan should communicate directly with the mortgage lender of its preference in order to ascertain the lending policies and credit requirements of such institution. The Developer can make no representation as to the cost, availability of funds or terms of financing for any sources of financing.

The Developer reserves the right but is in no way obligated to undertake efforts to make available to qualified purchasers such mortgage financing for which it may be able to obtain a bulk commitment from a lender. Specific details concerning mortgage financing secured by the Developer, if any, will be made available at the Developer's sales office by the Developer's authorized sales agents.

21. GENERAL

The principal purpose of this offering is the sale of the Units for use as residences by purchasers with the ordinary concomitants of home ownership, subject to the unique features of condominium ownership as set forth in detail herein. This offering does not involve: (i) any rental arrangement or other similar service with emphasis on the economic benefits to the purchaser to be derived from the managerial efforts of the Developer or a third party designated or arranged for by the Developer from rental of the Units; (ii) the offering of participation in a rental pool arrangement; or (iii) the offering of a rental or similar arrangement whereby the purchaser must hold his Unit available for any part of the year or must use an exclusive rental agent or is otherwise similarly restricted materially in his occupancy or rental of his Unit. The Units are not offered or sold with emphasis on the economic benefits to the purchaser which may result from capital appreciation or from the managerial efforts of others, nor is it intended that this Public Offering Statement lead a purchaser to expect profits of any sort from the efforts of the Developer or a third party.

This Public Offering Statement does not knowingly omit any material fact or contain any untrue statement of material fact; however, it does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents. No person has been authorized to make any representation which is not expressly contained herein. Any information, data or representation not contained in this Public Offering Statement, the Application for Registration as filed with the Division of Codes and Standards of the New Jersey Department of Community Affairs or in the documents referred to in this Public Offering Statement may not be relied upon.

To the best of the Developer's knowledge, information and belief, there are no lawsuits or other proceedings now pending or any judgments outstanding against the Developer or any person or persons which might become a lien against the lands that are proposed for incorporation as part of the Condominium or which might materially affect this offering except as herein **pressly** set forth.

The Developer reserves the right to amend this Public Offering Statement and related documents from time to time, and any such amendment which does not materially and adversely affect any purchaser or his Unit and which is: required to incorporate governmentally approved improvements to the Property as part of the Condominium as contemplated by the Master Deed for Brookfield, A Condominium that appears as Exhibit of this Public Offering Statement; required by applicable statutes, regulations, resolutions, ordinances or orders of any governmental entity having jurisdiction of the lands and/or improvements that are proposed for incorporation as part of the Condominium or the Condominium itself; required by any title insurance company licensed to do business in the State of New Jersey insuring or proposing to insure title to the lands that are proposed for incorporation or are incorporated as part of the Condominium or to any Unit within the Condominium; or required by an Institutional Lender owning, holding, servicing, insuring or guaranteeing or proposing to provide, own, hold, service, insure, guarantee or acquire a First Mortgage loan, the lien of which encumbers or will encumber a Unit within the Condominium, shall be binding upon every purchaser who has heretofore executed a Contract for Sale of Real Estate or accepted title to a Unit.

A copy of the Developer's most recent Financial Statement is available for inspection by interested prospective purchasers at the Developer's sales office.

The Developer hereby represents that to the best of its knowledge, information and belief the statements and representations contained herein are true and accurate.

Belvidere Development Company L.L.C.,
a New Jersey Limited Liability Company,
Developer

By: /s/ Kenneth G. McDermott
Kenneth G. McDermott, Member

By: /s/ Kathleen McDermott
Kathleen McDermott, Member

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EXHIBIT 1

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

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MASTER DEED

FOR BROOKFIELD, A

CONDOMINIUM

Prepared by: _____
Christine F. Li, Esq.

RECORD AND RETURN TO:

GREENBAUM, ROWE, SMITH,
RAVIN, DAVIS & HIMMEL LLP
P O. Box 5600
Woodbridge, New Jersey 07095
Attention: Christine F. Li, Esq.

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BROOKFIELD, A CONDOMINIUM

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LIST OF EXHIBITS

- A Legal Description of Entire Tract
- B Survey of Entire Tract
- C Legal Description of Section A of Phase I
- D Survey of Section A of Phase I
- E Architectural Drawings and Floor Plans
- F Certificate of Incorporation of Brookfield Condominium Association, Inc.
- G By-Laws of Brookfield Condominium Association, Inc.
- H Schedule of Proportionate Interest in Common Elements

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MASTER DEED

FOR

BROOKFIELD, A CONDOMINIUM

THIS MASTER DEED is made this ---- day of 1998 by Belvidere Development Company, L.L.C., a New Jersey Limited Liability Company, P.O. Box 14, 664 Independence Street, Belvidere, New Jersey 07823 (from now on called the "Developer").

WHEREAS, the Developer is the owner of the fee simple title to certain real property situated in the Township of White, County of Warren and State of New Jersey, consisting of an aggregate of approximately 88.78 acres of land, being more particularly described by a legal, metes and bounds, description appended hereto as Exhibit "A" and being graphically depicted on that certain Survey of Brookfield Condominium, White Township, Warren County, New Jersey, dated June 1998, prepared by Mace Consulting Engineers, Consulting Engineers-Planners, Phillipsburg, N.J. appended hereto as Exhibit "B" (from now on called the "Entire Tract");

WHEREAS, the Developer proposes to develop a residential community upon the Entire Tract intended for occupancy by persons 55 years of age or older, and to establish the condominium form of ownership for same pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., under the name "Brookfield, A Condominium" (from now on called the "Condominium");

WHEREAS, upon the recordation of the Master Deed, all of the lands forming the Entire Tract shall be part of the Condominium;

WHEREAS, the Developer intends to reserve the right, without obligating itself, to ultimately develop and incorporate within the Condominium

up to as many as three hundred and two {302} residential dwellings together with certain other site improvements erected, constructed or otherwise established upon the Entire Tract;

WHEREAS, any and all residential dwellings together with certain other site improvements which may be erected, constructed or otherwise established upon the Entire Tract under the aforesaid reserved right of the Developer shall be part of the Condominium and subject to the condominium form of ownership;

WHEREAS, the Developer intends to develop as many as two hundred and seventy-four (274) residential dwellings (from now on called the "Units"), together with certain other driveways, walkways and other improvements, all as are more particularly shown on Exhibit "C" hereof and/or on those certain architectural drawings and floor plans appended hereto as Exhibit "D":

WHEREAS, the Developer proposes to obtain the governmental approvals for the development of the Entire Tract in defined phases {from now on called "Phases"};

WHEREAS, the Developer, as of the date first above written, has received from the White Township Planning Board a Preliminary Site Plan Approval for Phase I of the Condominium dated April 8, 1997 and Revised April 18, 1997, and a Final site Plan Approval for Phase I of the Condominium dated June 9, 1998, which Phase is proposed to consist of seventy-three {73} residential dwellings together with certain other improvements to be constructed upon a portion of the Entire Tract {from now on called "Phase I"};

WHEREAS, the Developer, as of the date first above written, intends to submit to the condominium form of ownership and incorporate within the Condominium all of the lands forming the Entire Tract, consisting of the approximately 88.78 acres of land described by legal, metes and bounds, description in Exhibit "A" hereof and graphically depicted on the Survey appended

hereto as Exhibit "B" (from now on called the "Property");

WHEREAS, the aforesaid recordation of this Master Deed and the creation of the Condominium shall not result in the subdivision, as defined in N.J.S.A. 40:55D-1, et seq., of the lands upon which the individual Units are situated;

WHEREAS, any and all residential dwellings together with certain other site improvements which may be erected, constructed or otherwise established upon the Entire Tract shall be part of the Condominium and subject to the condominium form of ownership;

New ✓ WHEREAS, the Developer intends to develop as many as two hundred and seventy-four (274) residential dwellings (from now on called the "Units"), together with certain other driveways, walkways and other improvements, all as are more particularly shown on Exhibit "C" hereof and/or on those certain architectural drawings and floor plans appended hereto as Exhibit "D":

WHEREAS, the Developer proposes to obtain the governmental approvals for a develop the Entire Tract in four (4) defined phases (from now on called "Phases");

WHEREAS, the Developer has established or is about to establish the Brookfield Condominium Association, Inc., a New Jersey nonprofit corporation, for the administration, operation and management of the Condominium and the improvements therein intended for the common use and enjoyment of the residents of the Condominium, all as provided for by law, this Master Deed, the Certificate of Incorporation and/or the By-Laws of the Brookfield Condominium Association, Inc.; and

WHEREAS, all owners of the Units in the Condominium will automatically be members of the Brookfield Condominium Association, Inc. and subject to the Master Deed, the Certificate of Incorporation, By-Laws and Rules and Regulations of same.

ESTABLISHMENT OF CONDOMINIUM. The Developer does hereby submit, declare and establish, in accordance with N.J.S.A. 46:8B- et seq., the condominium form of ownership for that 88.78 acre parcel of land described in Exhibit "A" hereof, as shown on Exhibit "B" hereof, together with all improvements constructed or to be constructed upon the aforesaid lands as graphically depicted in Exhibit "B" .

ARTICLE I

DEFINITIONS

.00. General. The following words and terms, when used in this Master Deed, 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. Unless the context clearly indicates otherwise, all definitions set forth in N.J.S.A. 46:8B-3 are incorporated herein by reference and the definitions set forth herein shall be used in conjunction therewith.

1.01. "Affiliate" means 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, employer or managing member 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 the power to vote or holds proxies representing more than twenty (20%) percent of the Developer, (iii) controls in any manner the election of the 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, employer or managing member of the entity, (ii) directly or

indirectly or acting in concert with one or more other entities owns, controls, holds the 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 Master Deed shall mean and refer to the documentary supplementation to this instrument permitted and required by Article XIV of this Master Deed to be recorded by the Developer in the Warren County Clerk's Office in connection with the Developer's exercise of one or more of its reserved rights established in Subsections 14.02 B. and 14.02 C. hereof.

1.03. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Condominium Association and any reference herein or in the Certificate of Incorporation, By-Laws and/or Rules and Regulations to any power, duty, right of approval or any other right of the Condominium Association shall be deemed to refer to the Board and not the membership of the Condominium Association, unless the context expressly indicates the contrary.

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

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

1.06. "Common Elements", when used alone, shall mean and refer to the "General Common Elements" and "Reserved Common Elements", collectively.

1.07. "Common Expenses" shall, subject to the provisions of Article VI hereof, mean and refer to all those expenses anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses, including reserves, incurred or assessed by the Condominium Association, or its directors, officers, agents or employees, in the lawful performance of their respective duties or powers.

1.08. "Condominium" shall mean and refer to: (i) all the lands and premises described in Exhibits "A", "B", "C", and "D" hereto that have been submitted to the condominium form of ownership and that have been incorporated as part of the Condominium by the terms of this Master Deed or any Amendment and Supplement thereto; (ii) all improvements now or hereinafter constructed in, upon, over or through such lands and premises, whether or not shown on any Exhibit hereto; and (iii) all rights, roads, waters, privileges-and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed or an Amendment and Supplement thereto.

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

1.10. "Condominium Association" or "Association" shall mean and refer to Brookfield Condominium Association, Inc , a New Jersey nonprofit corporation, formed to administer, manage and operate the common affairs of the Unit Owners of the Condominium and to maintain, repair. and replace the General Common Elements of the Condominium, all as provided for in this Master Deed and/or the Certificate of Incorporation and/or the By-Laws of the Condominium Association.

1.11. "Developer" shall mean and refer to Belvidere Development Company, L.L.C., a New Jersey Limited Liability Company, its successors and assigns, and includes any successor to the Developer contemplated by Article XIV of this Master Deed.

1.12. "Dwelling" shall be the residential dwelling structure constructed or to be constructed as part of any Unit.

1.13. "Entire Tract" shall mean and refer to that certain 88.78 acre tract located in the Township of White, Warren County, New Jersey, which is described in Exhibit "A" to this Master Deed and graphically depicted in Exhibit "B" to this Master Deed, intended to be developed and incorporated as part of the Condominium by the recordation of Master Deed in the Warren County Clerk's Office, and all improvements now or hereafter constructed in, upon, over and through such land and premises, and incorporated by Amendment and Supplement to the Master Deed.

1.14. "Fair Housing Act" shall mean and refer to Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, the Housing for Older Persons Act of 1995 and any subsequent amendments thereto.

1.15. "55 or Over Housing" shall mean and refer to housing intended and operated for occupancy by at least one person 55 years of age or older per unit meeting the requirements of the Fair Housing Act (Section 807(b)(2)(C)) and the related regulations of the Department of Housing and Urban Development.

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

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

1.18. "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.

1.19. "Lease" shall mean and refer to any agreement for the leasing, rental, use or occupancy of a Unit of the Condominium, other than the conveyance of title thereto and regardless of the name given to such agreement.

1.20. "Master Deed" shall mean this Master Deed for Brookfield, A condominium, together with all amendments and supplements thereto, as recorded in the Warren County Clerk's Office.

1.21. "Member" shall mean all those Unit Owners who are members of the Condominium Association as provided in Article V of the Certificate of Incorporation.

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

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

1.24. "Owner" or "Unit Owner" shall mean and refer to the record owner or co-owners, whether one or more persons, firms, associations, corporations or other legal entities, of the fee simple title to a Unit

incorporated as part of the Condominium as shown in the records of the Warren County Clerk's Office, in spite of any applicable theory of mortgage, shall not mean or refer to a mortgagee or trustee under a Mortgage or deed of trust unless and until such mortgagee or trustee has acquired title to any such Unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure. The terms Owner and Unit owner also shall not mean or refer to any lessee or tenant of an owner or Unit owner.

1.25. "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 any other seller of a Unit. It shall also mean and 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 Units by the Condominium Association. Any acquisition, construction; permanent or other Mortgage placed by the Developer upon all or a portion of the Property, including any Unit, shall also be deemed a Permitted Mortgage so long as same is expressly made subordinate to this Master Deed, and provides a mechanism for securing partial releases for Units and their respective appurtenant interest in the Common Elements encumbered by same, incrementally or in bulk.

1.26. "Permitted Resident" shall mean and refer to any Owner or tenant, together with all family members of such Owner or tenant, and other persons permanently residing with such Owner or tenant but only if all such persons have complied with all of the procedures, restrictions, rules, regulations, by-laws, covenants and conditions, both procedural and substantive, intended to enable the Developer and the Association to maintain the Community's character as "55 or Over Housing" for older persons which requires: (i) one (1) permanent resident fifty-five (55) years of age or older; and (ii) no person

under the age of 40 is permanently residing or is intended to permanently reside with such member or tenant; with the exception of one (1) temporary resident who provides necessary health care to a permanent resident of the Unit who may be twenty-one (21) years of age or older provided that such individual may not be accompanied by an person(s) intending to reside in the Unit temporarily or otherwise.

1.27. "Phase" shall mean and refer to a portion of the Property for which the Developer has made application to and received from the Township of White the necessary and appropriate governmental approvals for the development of same as part of the Condominium.

1.28. "Planting Strip" shall mean those lands surrounding the front, rear and sides of the residential dwelling constructed within the boundaries of a Unit and measuring a distance of four (4) feet from the exterior walls of the dwelling. The Planting Strip shall not include any lands adjoining any deck or patio which forms a part of the Unit.

1.29. "Property" shall mean and refer to the unimproved land submitted to the condominium form of ownership and thereby incorporated as part of the Condominium upon the recordation of this Master Deed in the Warren County Clerk's Office as described and graphically depicted, respectively, in Exhibits "A" and "B" hereof.

1.30- "Reserved Common Elements" shall mean and refer to those portions of the General Common Elements, if any, that the Board may designate as available to less than all Unit Owners and for use of which a charge may be imposed pursuant to Article IV hereof.

1.31. "Rules and Regulations" shall mean those rules and regulations of the Condominium Association that may be promulgated, adopted, amended,

published and enforced by same, together with all future amendments or supplements thereto.

1.32. "Section" shall mean and refer to a portion of the Property constituting less than the whole of same and the improvements to (or proposed for) such portion of the Property that have been incorporated as part of the Condominium by the recordation of this Master Deed and/or an Amendment and Supplement to same in the Warren County Clerk's Office.

1.33. "Unit" shall mean a part of the Condominium designated and intended for independent ownership and residential dwelling purposes regardless of type and all as more specifically described in Article III hereof, together with its appurtenant proportionate (percentage) interest in the Common Elements of the Condominium, and shall not be deemed to include any part of the General Common Elements situated within or appurtenant to a Unit nor result in the subdivision, as defined in N.J.S.A. 40:55D-1, et seq., of or the creation of a lot from the lands upon which the residential dwelling is constructed.

ARTICLE II

GENERAL DESCRIPTION OF THE CONDOMINIUM

2.01. The Condominium. Upon the recordation of this Master Deed, the Condominium shall consist of all of the unimproved land legally described and graphically depicted, respectively, in Exhibits "A" and "B" hereof, consisting of approximately 88.78 acres, and all improvements now in existence or hereafter constructed upon that portion of the aforesaid land and falling within the perimeter of the boundary line of Section A of Phase I, together with all site improvements to such portion of the Property within Section A of Phase I, all as legally described in Exhibit "C" and graphically depicted upon Exhibit "D" hereof, in addition to all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining.

2.02. Recordation of the Master Deed. Upon the recording of this Master Deed, the Developer shall be the Owner of every Unit then incorporated

within the Condominium, including its appurtenant proportionate interest in the Common Elements, and, in spite of anything else in this Master Deed to the contrary, shall have the right to advertise, promote, develop, construct, sell, convey, lease, or otherwise dispose of each such Unit as it may deem appropriate in its sole discretion.

2.03. Reserved Right to Develop Portions of Property Outside of Section A of Phase I and Internally EXPand condominium So As to Incoroorate Developed Improvements as Part of Condominium. The Developer hereby reserves the right, without obligating itself, to develop all or less than all of the Entire Tract not within Section A of Phase I by constructing thereon additional Units along with parking areas, walkways and other attendant site improvements and to incorporate such additional Units and other improvements as part of the Condominium as one or more Phases or Sections of such Phases, such full development, -as presently proposed, being legally described iri Exhibit "C" and graphically depicted on Exhibits "D" hereof. The incorporation of the aforesaid additional Units and other improvements as part of the Condominium shall be by the recording of one or more Amendments and Supplements to this Master Deed in the Warren County Clerk's Office pursuant to Article XIV hereof. All Buildings, Units and other improvements incorporated as herein provided as part of the Condominium shall be deemed a part of the Condominium and all references to the Condominium in this Master Deed, the Certificate of Incorporation and/or the By-Laws shall be understood to include such additional Units and other improvements once same are incorporated as part of the Condominium by the recordation of an Amendment and Supplement to this Master Deed.

ARTICLE III

DESCRIPTION OF UNITS

3.01. Description of Units. Each particular Unit is intended to contain all space including, but not limited to, the residential dwelling, all other improvements, and the exclusive right to use the lands bounded as follows:

BOTTOM: The bottom is an imaginary horizontal plane through the lowest underground point of the footings of the Dwelling, which dwelling is graphically shown on Exhibit "D", and extending in every direction to the point where it closes with the vertical projections of the front, rear and side boundaries of the Unit.

TOP: The top of the Unit is an imaginary horizontal plane intersecting the vertical projections of the front, rear and side boundaries of the Unit at the highest point of the roof structure (including any improvements on said roof) and parallel to the bottom of the Unit, along and coincident with the front, rear and side boundaries of the Unit, the Dwelling of which is graphically shown on Exhibit "D".

SIDES:

Front Boundary: The front boundary of the Unit shall be that imaginary plane coincident and parallel with the side (closest to the Dwelling) of the roadway which the Dwelling fronts.

Side Boundary (other than at the Front and Rear Boundaries): The side boundaries of the Unit are imaginary vertical planes along and coincident with the midpoint of an imaginary line between the respective front foundation corners of adjacent Dwellings, and with either

(i) the midpoint of the imaginary line perpendicular to the side of the foundation of the Dwelling and its intersection with the rear foundation corner of the adjacent Dwelling (where two such imaginary perpendicular lines can be drawn, the midpoint of the shorter imaginary

perpendicular line shall be used), or

(ii) where no such imaginary perpendicular line(s) can be drawn, the midpoint of an imaginary line between the respective rear foundation corners of the adjacent Dwellings.

Where no adjacent Unit exists, the side boundary of the Unit shall be an imaginary plane a distance of eight (8) feet from the side of the Dwelling, as graphically shown on Exhibit "D".

Rear Boundary: The rear boundary the Unit shall be formed by the intersection of the side boundaries of the Unit and an imaginary plane parallel to and a distance of twenty (20) feet from each of the two (2) rear foundation corners of the Dwelling, as graphically shown on Exhibit "D".

Each side of the Unit extends upwards and downwards so as to close the area in the Unit bounded by the bottom and top of the Unit.

A Unit is intended to comprise the entire volume of space within the area bounded by the bottom, sides, and top of the Unit. Each Unit shall include its appurtenant proportionate (percentage) interest in the Common Elements of the Condominium.

3.02. Items Included in Unit. Each Unit shall also include one residential dwelling constructed therein and all other improvements which are located within the boundaries of the Unit as described in Section 3.01 which are originally constructed by the Developer or constructed by the Unit Owner with the prior written approval, if required, of the Board of Directors, or which are exclusively appurtenant to a Unit. By way of example, items included in the Unit shall include, but not be limited to, any driveway, walkway, sunroom, deck, patio, chimney and any portion of the common sewer and water supply systems located within the boundaries of the Unit. The volume of space above and below the top and bottom of a Unit is a Common Element. No Unit may be partitioned or subdivided.

ARTICLE IV

DESCRIPTION OF COMMON ELEMENTS

4.01. General Common Elements. All appurtenances and facilities and other items which are not part of the Units described in Article III shall comprise the General Common Elements. The General Common Elements shall also include by way of description but not by way of limitation:

- A. all land described in Exhibit "A" and shown on Exhibit "B", whether improved or unimproved, submitted to this Master Deed and incorporated as part of the Condominium by the recordation

of this Master Deed in the Warren County Clerk's Office, which is not included as part of a Unit;

- B. all private streets, roadways, curbs, common walkways, common drives, and common sidewalks, subject to the easements and provisions set forth in Article VIII;
- C. any common parking areas located within the Condominium and graphically depicted on Exhibit "D" hereof;
- D. any common parking areas located within the Condominium and graphically depicted, together with any common parking areas as are hereafter developed by the Developer upon other portions of the Property and incorporated as part of the Condominium by the Developer pursuant to its rights herein reserved;
- D. all lawn or landscaped areas and shrubbery, as well as any unimproved and unlandscaped part of the Property, which is not included as part of a Unit;
- E. common utility conduits, common sewer laterals, and other common utility lines, neither owned by a public utility or other utility entity nor located within the boundaries of a Unit, and waterways, all subject to the easements and provisions set forth in Article VIII hereof;
- F. underground sprinkler system, not located within the boundaries of a Unit;
- G. public connections and meters for gas, electricity, telephone, water and other utilities not owned by the public utility or other entities providing such services;

- H. common exterior lighting and other facilities necessary to the upkeep and safety of the Condominium;
- I. any common storage rooms or areas, common equipment rooms or areas, maintenance rooms or areas and utility rooms, if any, subject to Section 4.05 hereof;
- J. all tangible personal property which may be owned by the Condominium Association and which is required exclusively for the operation, maintenance and administration of the Condominium;
- K. all other facilities or elements of any improvement within the Condominium necessary or convenient to the existence, management, operation, maintenance or safety of the Condominium or normally in common use;
- b. any easement or other right which may now or hereafter be granted for the benefit of the Unit Owners(s) or others for access to or use of the General or for any other purpose and not included within the Condominium; and
- M. any common recreational facilities now or hereafter constructed upon the Property.

4.02. Reserved Common Elements. The Board of Directors shall have the power in its discretion to: (i) designate from time to time certain Common Elements as "Reserved Common Elements;" (ii) grant reserved rights therein to the Association and to any or less than all of the Unit Owners; (iii) establish a reasonable charge to such Unit Owners for the use and maintenance thereof; and (iv) promulgate, adopt, amend, publish and enforce such Rules and Regulations as it shall deem appropriate governing the use thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

Any fee paid for such reserved rights shall be paid to the Association and shall be available for use by the Association in the same manner as Common Expense assessments. In spite of the foregoing, no part of the Common Elements shall be designated as Reserved Common Elements for exclusive use by non-Unit Owners, except for non-Unit Owners who are lessees in occupancy. Under such circumstances, the Unit Owner must accept, in writing, primary responsibility and liability for any Common Element that is to be designated as a Reserved Common Element for exclusive use by the Unit Owner's lessee before such designation can be made for the benefit of a lessee.

4.03. Warranty Claims. While the Developer maintains control of the Board of Directors of the Association, it shall take no action which adversely affects a Unit Owner's rights pursuant to N.J.A.C. 5:25-5.5 of the regulations under the New Home Warranty and Builders' Registration Act. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5 of the New Home Warranty and Builders' Registration Act.

ARTICLE V

ESTATE ACQUIRED AND MEMBERSHIP INTEREST

5.0 . Estate Acquired. The Owner of each Unit shall have such an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple, and shall acquire as an appurtenance thereto an undivided proportionate interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains.

5.02. Proportionate Interest In Common Elements. The relative proportionate interest in the Common Elements of the Condominium appurtenant to each Unit incorporated within the Condominium, expressed as a percentage of the whole in accordance with N.J.S.A. 46:8B-9(g), as calculated by the Developer, is

set forth *in* Exhibit "H" hereof. Such interests have been calculated by the Developer based upon the following formula:

$$\frac{\text{Proportionate Interest in Common Elements}}{100} = \frac{\text{Aggregate Number of Units Incorporated as Part of the Condominium}}{\text{Aggregate Number of Units Incorporated as Part of the Condominium}}$$

The proportionate interest of each Unit incorporated within the Condominium expressed as a percentage in Exhibit "H" hereof has been rounded to the nearest one-thousandth of a percent in order to avoid an interminable series of digits. In addition, if necessary, the proportionate interest appurtenant to one or more of the Units has been arbitrarily adjusted to a percentage necessary to apportion the entirety of the Common Elements. Each Unit's appurtenant relative proportionate interest in the Common Elements of the Condominium shall be used, in addition to such other uses as may be provided in this Master Deed, to allocate the division of proceeds, if any, resulting from any casualty loss, eminent domain proceedings, or from any other disposition of the Common Elements.

Except as otherwise provided in this Master Deed, the proportionate interest in the Common Elements appurtenant to each Unit shall remain fixed.

5.03. Change of Proportionate Interest in Common Elements Appurtenant to Units in the Event of Developer's Exercise of Reserved Rights. Pursuant to Article XIV hereof, the Developer has reserved for itself for a limited time, the right to develop the Property beyond Section A of Phase I and incorporate such additional development as part of the Condominium. Until such time as the Condominium and the Property have been fully developed or the aforesaid reserved rights of the Developer have expired or been expressly abandoned, the proportionate interest in the Common Elements of the Condominium appurtenant to Units incorporated as part of the Condominium shall be subject to change based

upon the Developer's exercise of one or more of its reserved rights as aforesaid by the recording of one or more Amendments and Supplements to this Master Deed.

As any such Amendment and Supplement to the Master Deed is recorded, it shall, by its express terms, indicate any change in the proportionate interest in the Common Elements appurtenant to all Units then incorporated as part of the Condominium as of the recordation of such Amendment and Supplement. The Developer shall, as part of any Amendment and Supplement pursuant to which it exercises such rights, amend Exhibit "H" hereof as appropriate to reflect the reapportioned appurtenant interests in the Common Elements of the Condominium as the Condominium is then constituted at the time of the recordation of the Amendment and Supplement. Such reapportionment shall be in accordance with the formulae and other pertinent provisions of Section 5.02 of this Master Deed. Once the Condominium has been fully developed by the Developer or the Developer has allowed its aforesaid reserved rights to expire or has expressly abandoned same, the then established proportionate interest in the Common Elements appurtenant to each Unit then incorporated within the Condominium shall remain fixed, except as otherwise provided in this Master Deed.

5.04. Voting. Each Unit Owner in good standing shall be entitled to cast a vote for each Unit to which he holds title, which vote shall be equal in weight to the then current relative proportionate interest in the Common Elements appurtenant to the Unit for which it is cast. The Developer shall be entitled to cast all votes for Units owned by it, but shall not be permitted to vote for the purpose of amending this Master Deed or the By-Laws or any other document or for the purpose of changing the permitted use of a Unit or reducing the Common Elements.

5.05. No Partition. subject to the provisions of this Master Deed, the Certificate of Incorporation, the By-Laws and the New Jersey Condominium Act,

the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided proportionate interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even if such interest is not expressly mentioned or described in the deed of conveyance or other instrument of conveyance or encumbrance.

5.06. Membership in the Condominium Association. Upon acceptance of a deed to a Unit, each Unit Owner shall automatically become a Member of the Condominium Association and shall be a Member for so long as he shall hold legal title to his Unit, subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Certificate of Incorporation, the By-Laws and the Rules and Regulations which may now or hereafter be established for or by the Condominium Association.

5.07. Compliance by Owners. Each Owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to statutes, rules and regulations, resolutions, ordinances or other judicial, legislative or executive "law" of governmental authorities having jurisdiction over the Condominium, the provisions of this Master Deed, the Certificate of Incorporation, the By-Laws, the Rules and Regulations and any other documents, as well as any amendments or supplements to the foregoing. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both, by the Developer, the Condominium Association or any Unit Owner in any court or administrative tribunal having jurisdiction of any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid and against any Unit Owner to enforce any lien created by this Master Deed or any covenant contained herein. Failure by the Developer, the Condominium Association or any Unit Owner

to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

ARTICLE VI

ASSESSMENTS

6.01. Covenant to Pay Assessments. Every Unit Owner, by acceptance of a deed or other conveyance of a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Condominium Association all assessments contemplated in this Master Deed or the By-Laws.

6.02. Liability for Assessments. No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each assessment and other charges assessed against a Unit or a Unit Owner shall be a continuing lien upon the Unit against which they were assessed or the Unit owned by the -Unit Owner against whom they were assessed and shall also be the joint and several personal obligation of the Owner(s) of such Unit at the time when the assessment or other charge fell due, and of each subsequent record Owner of such Unit, except as otherwise contemplated by Article XIII of this Master Deed or N.J.S.A. 46:SB-2:1, together with such interest thereon and cost of collection thereof (including reasonable attorney's and paraprofessional fees). Liens for unpaid assessments or other charges may be foreclosed by suit brought in the name of the Condominium Association *in* the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid assessments or other charges may be maintained without waiving the lien securing the same.

6.03. Annual Common Expense Assessments. It shall be an affirmative and perpetual obligation of the Board of Directors to fix annual Common Expense assessments in an amount at least sufficient to maintain and operate the Common

Elements as contemplated by this Master Deed, the By-Laws and as required by the Condominium Act. The amount of monies for Common Expenses of the Condominium Association deemed necessary by the Board of Directors and the manner of their expenditure shall be determined in the sole discretion of the Board of Directors.

6.04. Notice of Annual Common Expense Assessments. At least thirty (30) days in advance of the due date of the first annual Common Expense assessment installment for each fiscal year, the Board of Directors shall cause to be prepared a list of the Units and the annual Common Expense assessments applicable to each, according to the names of the Unit Owners. This list shall be kept in the office of the Condominium Association or its managing agent and shall be open to inspection upon the request of any Unit Owner. Written notice of the annual Common Expense assessment shall be given to every Unit Owner in the manner provided by Section 15.11 of Article XV of this Master Deed.

6. OS. Use of Annual Common Expense Assessments. The annual Common Expense assessments levied by the Board of Directors shall be used exclusively for promoting the health, safety, pleasure and welfare of the Members of the Condominium Association, including, but without limitation: street lighting; refuse collection; snow clearing from roadways, driveways and main entrance sidewalks, common parking areas and common sidewalks; landscaping of unimproved Common Elements; maintenance, repair and replacement of the Common Elements or any other improvements on the Property, including any roadways which have not been accepted by the Township of White and common parking areas; maintenance, repair and replacement of all fences and walls within the Condominium installed by the Developer as part of the Condominium's original construction; payment of applicable common taxes, if any, and insurance premiums; all costs and expenses incidental to the operation and administration of the Condominium Association; and, such other items as may from time to time be deemed appropriate by the Board

of Directors; provided that the annual Common Expense assessments shall not be used for capital improvements subject to Section 6.11 of this Master Deed.

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

The annual Common Expense assessment shall be allocated among all Units incorporated within the Condominium and for which an initial Certificate of Occupancy has been issued with respect to such Unit(s). Each such Unit shall be assessed a proportionate share of the annual Common Expense assessment determined by the Unit's then current proportionate interest in the Common Elements as set forth on Exhibit "H" hereof and as same may be amended. Until the conveyance of title to the first Unit, the Developer shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Units to whom title has been conveyed shall be responsible for their proportionate share of all Common Expenses, and the Developer shall be responsible for payment of all Common Expenses assessed against Units which have not been initially conveyed to an individual purchaser and for which an initial Certificate of Occupancy has been issued with respect to such Unit(s).

Until conveyance by the Developer of seventy-five (75%) percent of all Units whose Owners are members of the Condominium Association and passage of control of the Board of Directors of the Condominium Association to Unit Owners other than the Developer, the Developer shall be responsible for the payment of any operating expense deficit in the Condominium Association budget. This responsibility shall not obligate the Developer for deficits caused by delinquencies of Unit Owners other than the Developer in paying their monthly installments of Common Expense assessments.

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Tenants and occupants of the apartments and assisted living dwellings shall be entitled to utilize the recreational facilities within the Condominium. Any tenant or occupant electing to utilize the recreational facilities within the

Condominium will be required to pay a fee established by the Condominium Association as a condition precedent to such use. The Board of Directors shall be entitled to charge such amounts and on such terms as it deems appropriate in its sole and absolute discretion. The fees paid for such use shall be deemed to be additional Common Expense assessments of the Condominium Association.

The Developer covenants {promises} that for so long as it appoints a majority of the Directors serving on the Board of Directors of the Condominium Association, it shall not cause the Common Expense assessment to be artificially low. The Developer will be responsible for the payment of assessments for the "benefit derived" by the Developer for Units owned and under development in accordance with N.J.A.C. 5:26-8.6(b).

6.07. 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 Directors and 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. Upon the conveyance of title to a Unit, the portion of the then current annual Common Expense assessment payable by the new Unit Owner shall be an amount which bears the same relationship to the annual Common Expense assessment as the remaining number of months in the then current annual assessment period bears to twelve {subject to any prior assessments for which a new Unit Owner may be liable pursuant to N.J.S.A. 46:8B-21). Such first annual assessment or portion thereof for which a new Unit Owner is liable shall be immediately due upon the acquisition of title by the purchaser of the Unit.

6.08. 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 Directors may amend the budget and assessment and levy 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 Directors. Notice of any such amendment of the budget and assessment resulting from such immediate need or emergency and the levying of an Emergency Common Expense assessment shall be in writing served upon every Unit Owner in the manner prescribed by Section 15.15 of Article XV of this Master Deed. Such notice shall specify the due date(s) of any Emergency Common Expense assessment or any installment(s) thereof. Within thirty (30) days of any Emergency Common Expense assessment, the Board of Directors shall memorialize, by written resolution, the factual basis for and the fact of the Emergency Common Expense assessment.

6.09. Special Common Expense Assessment. In addition to the other Common Expense assessments authorized herein, in any assessment year, the Board of Directors 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 Common Elements, not determined by the Board of Directors to constitute an emergency or immediate need, but for which funds held in reserve are inadequate, or for any other lawful purpose except new capital improvements subject to Section 6.11, hereof. If, during any assessment year, a Special Common Expense assessment, together with all other Special Common Expense assessments for the assessment year, exceeds in the aggregate the sum of \$10,000.00 increased by the percentage of increase in the Consumer Price Index for all Urban Consumers since 1998, it shall be authorized by the prior assent of an affirmative vote of two-thirds (2/3) in interest of the affected Members in Good Standing. This vote shall be taken at a **meeting** duly called for such purpose. Written notice of such meeting, stating the purpose of the meeting, shall be served upon all Unit Owners at least thirty (30) days in advance. The due date(s) of any **Special** Common Expense assessment or any installment(s)

thereof shall be fixed in the resolution authorizing such Special Common Expense assessment.

6.10. Capital Improvement Common Expense Assessment. In addition to the other Common Expense assessments herein authorized, the Board of Directors may levy, in any assessment year, a Capital Improvement Common Expense assessment for the purpose of acquiring or constructing a new capital improvement. If, during any assessment year, a Capital Improvement Common Expense assessment, together with all other Capital Improvement Common Expense assessments for the assessment year, exceeds in the aggregate the sum of \$10,000 increased by the percentage of increase in the Consumer Price Index for all Urban Consumers since 1998, it shall be authorized by the prior assent of an affirmative vote of two-thirds (2/3) in interest of the affected Members in Good Standing. This vote shall be taken at a meeting duly called for this purpose. Written notice of such meeting stating the purpose of the meeting shall be served upon all Unit Owners no less than thirty (30) days in advance. The due date(s) of any Capital Improvement Common Expense assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing the Capital Improvement Common Expense assessment.

6.11. Exemption from Capital Improvement Assessments. In spite of anything to the contrary herein, neither the Developer nor any Mortgage Holder shall be required to pay any assessments for new capital improvements, whether by way of regular, special, capital improvement or any other Common Expense assessment. This provision may not be amended without the written consent of Developer and every Mortgage Holder.

6.12. Remedial Common Expense Assessment. In addition to the other Common Expense assessments herein authorized, the Board may levy a Remedial Common Expense assessment against any individual Unit(s) whenever required or

permitted to do so by any of the provisions of this Master Deed, the By-Laws or the Association's Rules and Regulations expressly authorizing such a Remedial Common Expense assessment, such as, but not limited to, Article VII of this Master Deed. The Board of Directors may also provide by its Rules and Regulations for ordinary maintenance and minor repairs and replacements for which the Unit Owner is responsible to be furnished to Units by Association personnel or representatives and charged as a Remedial Common Expense assessment.

6.13. Additional Common Expense Assessment for Real Estate Taxes Assessed on a Bulk Basis. In spite of anything contained in this Master Deed, the Certificate of Incorporation, the By-Laws or in any Mortgage requiring the establishment of an escrow for the payment of real estate taxes and until such time as the Township of White assesses and bills Units for real estate taxes on a per-Unit rather than a bulk basis, the Board of Directors may and hereby is empowered to assess and collect from all Unit Owners, as an Additional Common Expense assessment separate and apart from all other Common Expense assessments, regular, special or other, authorized by this Master Deed, such amounts as may be necessary to pay or create a reserve for paying real estate taxes estimated or assessed by the Township of White relative to the Property on a bulk basis. Furthermore, in spite of anything contained in this Master Deed or the By-Laws with regard to assessment and collection of other Common Expense assessments authorized or required by this Master Deed, Additional Condominium Common Expense assessments and collections thereof for the purpose of paying real estate taxes estimated or assessed by the Township of White relative to the Property on a bulk basis may be assessed and collected in such a manner and with such frequency as the Board, in its sole and absolute discretion, deems necessary to pay, in a timely fashion, such bulk real estate tax estimates or assessments. To the extent deemed appropriate by the Board, in its sole and absolute discretion,

Additional Common Expense assessments levied hereunder for the purpose of paying estimated or assessed real estate taxes estimated or assessed by the Township of White relative to the Property on a bulk basis may be collected in advance of the actual date upon which such estimated or assessed real estate taxes are due in order to create an escrow for the prompt payment of such taxes.

Any and all Additional Common Expenses assessments collected by the Association as authorized hereunder for the purpose of paying bulk real estate taxes shall be held in escrow by the Association in a segregated interest bearing account until such amounts are required to be paid to the Township of White. All interest earned on such escrows shall inure to the benefit of the Association and shall be applied toward funding any deficit that may exist for the payment of bulk real estate taxes or, absent any such deficit, shall be transferred to the Association's operating account to defray the Association's expenses in administering the Additional Common Expense assessment and collection procedure required to effectuate payments of the bulk real estate taxes relative to the Property assessed or estimated by the Township of White. Any interest surplus beyond the amount needed by the Association to defray such expenses shall be available to the Association to expend for any operating expense it deems appropriate and/or for transfer to its reserves for repair and replacement and/or for transfer to its reserves for deferred maintenance. In the alternative, any such interest surplus may be distributed to the appropriate Unit Owners on the same basis as the assessment of the Additional Common Expense assessment. In any event, the choice of the manner in which any such interest surplus will be disposed of shall be in the sole and absolute discretion of the Board of Directors.

Each Unit Owner's liability for Additional Common Expense assessments authorized hereunder for the payment of bulk real estate taxes estimated or

assessed by the Township of White relative to the Condominium shall be allocated based upon the then current proportionate interest in the liability for Common Expense Assessments of Units then incorporated within the Condominium that are the subject of any such bulk estimate or assessment or such other equitable basis of allocation as the Board of Directors deems appropriate in its sole and absolute discretion. In the event the Units within one or more Sections are being assessed and billed individually for real estate taxes while Units in one or more other Sections are being assessed and billed for real estate taxes on a bulk basis, any Additional Common Expense assessment for such bulk assessment shall only be applicable to Units within the affected Section.

Once the Township of White commences assessment and billing of real estate taxes on a per-Unit rather than a bulk basis, the Association shall promptly refund, without interest, to the applicable Unit Owners, their respective bulk real estate tax escrow balance, if any, being held by the Association. Furthermore, once the Township of White commences assessment and billing of real estate taxes on a per-Unit rather than a bulk basis, the Association shall have no further responsibility for any real estate taxes assessed against Units of the Condominium unless it becomes the record Owner of a Unit(s).

Any and all remedies available to the Association pursuant to this Master Deed, the By-Laws and/or applicable law for the collection of other delinquent Common Expense assessments shall be equally available to the Association for the collection of a delinquent Additional Common Expense assessment assessed for the purpose of paying bulk real estate taxes estimated or assessed by the Township of White relative to the Property. This shall include, but not be limited to, the filing of a Claim of Lien and, if necessary, the foreclosure of such lien.

In the event a Unit Owner sells his Unit prior to the point in time that the Township of White commences assessment and billing for real estate taxes assessed relative to the Property on a per-Unit rather than a bulk basis, no amounts paid by such Unit Owner to the Association for real estate taxes shall be refundable to the former Unit Owner by the Association regardless of the fact that such amounts might be held in escrow and not yet paid to the Township of White and regardless of the fact that such amounts may have been paid to the Township of White for real estate taxes for a period that will include a portion of time during which the former Unit Owner no longer held title to the Unit. Instead, entitlement to all such amounts, including any refund of same once the Units are assessed and billed for real estate taxes on a per-Unit basis, shall run with title to the Unit. Accordingly, Unit Owners selling their Units prior to the point in time that the Township of White commences assessment and billing of real estate taxes on a per-Unit basis must make any desired financial adjustments for amounts paid to the Association for real estate taxes with the purchaser of the Unit. No such adjustment between a Unit Owner and the purchaser shall have any effect upon the Association and its ability to assess and collect from the current Unit Owner any and all amounts representing that Unit's proportionate share of assessed or estimated bulk real estate taxes.

Despite the assessment and billing for real estate taxes on a per-Unit basis and the assignment to and identification of the individual Units by separate tax lot and block references by the Township of White for such purposes, same shall not be deemed to be or any way operate as the subdivision of the Property into individual lots.

6.14. Miscellaneous Common Expense Assessments. Costs of collection (including reasonable attorneys and paraprofessional fees), interest on unpaid assessments, capital contributions, membership fees, escrow deposits or any other

sums required to be paid to the Association by a Unit Owner by law, the provisions of this Master Deed, the By-Laws, the Certificate of Incorporation, the Rules and Regulations of the Association or any duly adopted Resolution of the Board of Directors shall be deemed Common Expense assessments which each Unit Owner has covenanted and agreed to pay according to the provisions of Section 6.01 herein and for which each Unit Owner is liable according to the provisions of Section 6.02 herein and shall be collectible by the Condominium Association in the same manner as other Common Expense assessments pursuant to the provisions hereof and N.J.S.A. 46:8B-21.

6.15. Certificate of Payment. The Association shall, upon written request to it, issue to any Unit Owner or purchaser of a Unit prior to completion of a voluntary sale of same a certificate signed by an officer of the Association showing the amount of unpaid assessments levied against the Unit in question by the Condominium Association. Such certificate shall be issued within ten (10) business days of the Association's receipt of the written request. In addition, the holder of a Mortgage on a Unit or any other holder of a record lien encumbering a Unit may likewise request and receive such a certificate from the Association. Anyone entitled to request and receive such a Certificate, other than the Unit Owner at the time of issuance of such certificate, and who relies upon the certificate shall be entitled to rely thereon and his liability for assessments levied by the Association up to the date of issuance of the certificate shall be limited to the amounts set forth therein in the event he acquires title to the Unit subsequent to the issuance of the certificate.

6.16. Interest in Common Surplus. Any common surplus of the Association resulting from an excess of income over expenses that the Board of Directors, in its sole and absolute discretion, opts to refund to Unit Owners

pursuant to Article VII of the By-Law, shall be allocated among the Members in the same manner as those expenses were assessed.

ARTICLE VII

MAINTENANCE RESPONSIBILITIES

7.01. Responsibilities of Unit Owners. Each Unit Owner is responsible to perform all of the maintenance, repairs and replacements that may be required within the boundaries of his own Unit, at his own expense, and in accordance with the requirements of this Master Deed, the By-Laws and any Rules and Regulations of the Association. Unit Owners are responsible for all of the improvements appurtenant to their Units and located within the boundaries of same including the maintenance, repairs and replacements that may be required within the exclusive use area adjacent to the residential unit, at his own expense, and in accordance with the requirements of this Master Deed, the By-Laws and any Rules and Regulations of the Association. Unit Owners are responsible for all of the improvements appurtenant to their residential unit and located within the exclusive use areas contiguous to their residential units, including their driveway aprons, with the exception of common sidewalks, trees, retaining walls and lawn maintenance or any other defined "comment element" which are the Association's responsibility to maintain and replace.

7.02. Responsibilities of the Association. The Association shall furnish the maintenance, repairs and replacements that are required for the functioning of any portion of the common sewer or common water supply systems not located within the boundaries of the Unit; provided that the Township of White or a municipal utility authority is not responsible for same. It shall furnish all maintenance, repairs and replacements required for the General Common Elements as such are defined in Section 1.17 herein, including, but not limited,

to common parking areas, roadways not accepted by the Township of White, and fences and walls installed by the Developer as part of the Condominium's original construction. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5 regarding warranty coverage and claims.

7.03. Snow Clearing and Lawn Maintenance within Units. Except for maintenance, repair and/or replacement necessitated by a Unit Owner's negligent act(s), misuse or neglect, or the negligent act(s), omission(s) or neglect of the Unit Owner's family members, household pets, guests, occupants or visitors,

regardless of whether authorized by the Unit Owner, the Association shall be responsible for:

snow clearing from the service walks and driveways within the Units, provided that such improvements have been installed by the Developer as part of the original construction; and lawn maintenance of the lands within the Unit, exclusive of the Planting Strip.

All of the costs and expenses incurred by the Association in discharging the foregoing responsibilities shall be Common Expenses to be borne by all Unit Owners in accordance with their proportionate liability for Common Expenses as established by this Master Deed.

Each Unit Owner is responsible to promptly report to the Board of Directors, in writing, any defect or need for maintenance; repairs and/or replacements, the responsibility for which is that of the Association.

7.04. Rights of the Association. The Association may effect emergency maintenance, repair and/or replacement to any Unit for which a Unit Owner is responsible but which the Unit Owner has failed to perform, but the expenses incurred by the Association in doing so shall be levied against the Owner of that Unit as a Remedial Common Expense Assessment. The Association may also effect non-emergency maintenance, repair and/or replacement within the boundaries of a Unit for which the Unit Owner is responsible but which the Unit Owner has failed to perform and charge the reasonable expenses of same to the Unit Owner as a Remedial Common Expense Assessment, but only if: (i) any such failure to maintain, repair and/or replace by the Unit Owner will have a material and adverse impact upon any other portion of the Condominium and (ii) the Unit Owner responsible for such maintenance, repair and/or replacement has failed to

remedy the situation within thirty {30} calendar days after the Association has given the Unit Owner written notice of the need for such maintenance, repair and/or replacement.

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

ARTICLE VIII

EASEMENTS

8.01. Unit Owner Easements. Every Unit Owner, his successors and assigns, shall have the following perpetual easements with respect to the Condominium:

- A. A nonexclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements;
- B. An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now existing or which may come into existence

hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a Unit or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the improvements forming a part of the Unit stands;

- C. A nonexclusive easement for ingress to and egress from his Unit and for access to and use of, in, upon, under, over, across and through the General Common Elements;
- D. An easement in common with the Owners of all other Units to use any and all pipes, wires, ducts, cables, conduits, public utility lines, television systems, master antenna facilities, lawn sprinkler systems, or other General Common Elements located within any of the other Units and/or in, upon, under or over the Common Elements and serving his Unit;
- E. A perpetual but nonexclusive easement in, over, across and through the General Common Elements to use any and all common roadways, common walkways, common recreational facilities and other common facilities within the Condominium, subject to the right of the Board of Directors to:
 - (i) promulgate, adopt, publish and enforce Rules and Regulations for the use and enjoyment thereof;
 - (ii) suspend this easement right (other than for access to his Unit) as to a Unit Owner for any period during which any assessment for Common Expenses remains unpaid or for any period during which any infraction of its published Rules and Regulations continues, it being understood that any suspension for either non-payment

of any assessment or a breach of the Rules and Regulations of the Condominium Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment; and

(iii) designate portions of the General Common Elements as Reserved Common Elements pursuant to Article 4.06 of this Master Deed;

F. A nonexclusive easement for access to or use of the General Common Elements within the Condominium or for any other purposes not prohibited by this Master Deed, the By-Laws or the Rules and Regulations, which easement is for the benefit of all Owners and occupants of Units in the Condominium and their invitees.

S.02. Developer's Easements. The Developer, its respective successors and assigns, shall have the following easements with respect to the Condominium:

A. A blanket but nonexclusive easement in, upon, over, through, under and across the Condominium for the purpose of conducting any and all reasonable activities ordinarily associated with or related to development and/or construction of a residential condominium project including, but not limited to, excavation, grading and other site preparation as well as construction, erection or other establishment of governmentally approved improvements upon the Property. This easement shall continue until the Developer has incorporated within the Condominium all Units proposed for incorporation within the Condominium (or allowed its reserved rights to incorporate additional

Units to expire or abandoned same), has received plenary and final certificates of occupancy or certificates of completion, as applicable, for all Units and other improvements constructed by it within the Condominium and has been released from its obligations relative to the improvements constructed by it within the Condominium under the terms of any performance and/or maintenance bond. The Developer shall not, except in the case of an emergency, exercise this easement to enter a Unit without prior notice to and permission from the Unit Owner and at a time reasonably convenient to the Unit Owner. Similarly, once the majority of the Directors on the Board of Directors are Unit Owners other than the Developer, the Developer shall not, except in the case of an emergency, exercise this easement right with regard to 'completed Common Elements without prior notice to and permission from the Board of Directors and at a time reasonably convenient to the Board of Directors. Neither Unit Owners nor the Board of Directors shall unreasonably preclude the Developer from exercising its easement rights herein established.

- B. A blanket but nonexclusive easement in, upon, over, through, under and across the Condominium for such purposes as may be reasonably necessary for the Developer or its agents to discharge any service, warranty, repair, maintenance, replacement or other similar obligation it may have with respect to any Unit(s) and/or the Common Elements; provided, however, with respect to a Unit, the Developer shall not, except in the case of an emergency, exercise this easement to

enter such Unit without prior notice to and permission from the Unit Owner and at a time reasonably convenient to the Unit Owner. Similarly, once the majority of the Directors on the Board of Directors are Unit Owners other than the Developer, the Developer shall not, except in the case of an emergency, exercise this easement right with regard to completed Common Elements without prior notice to and permission from the Board of Directors and at a time reasonably convenient to the Board of Directors. Neither Unit Owners nor the Board of Directors shall unreasonably preclude the Developer from exercising its easement rights herein established. This easement shall be conterminous with the term of the Developer's service, warranty, repair, maintenance, replacement or other similar obligations;

- C. A blanket but nonexclusive easement in, upon, over, across and through the Common Elements for the purpose of conducting any and all reasonable activities ordinarily associated with or related to offering Units for sale and/or lease. This easement shall be conterminous with the Developer's ownership of any Unit owned by it and not initially conveyed to an Owner who is not an Affiliate of the Developer; and
- D. A perpetual, blanket and nonexclusive easement in, upon, over, under, across and through the Common Elements for surface water runoff and drainage caused by natural forces and elements, grading or the improvements located within the Condominium. No individual Unit Owner shall directly or

indirectly interfere with or alter the drainage and runoff patterns and systems within the Condominium.

8.03. Condominium Association Easements. The Condominium shall also be subject to the following easements:

- A. The Association shall have a perpetual but nonexclusive easement for the maintenance of any Common Elements, including those which presently or may hereafter encroach upon a Unit;
- B. The Association, through the Board of Directors or any manager or managing agent, or their respective agents or employees, shall have the perpetual but nonexclusive right of access to each Unit to: (i) inspect same; (ii) remedy any violations of law and/or of the provisions of this Master Deed, the By-Laws or any Rules and Regulations of the Condominium Association, and (iii) perform any operations required in connection with the maintenance, repair, replacement, administration or management of or to the Common Elements, any Unit or any equipment, facilities or fixtures affecting or serving Unit(s) or the Common Elements, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit owner. In case of an emergency, such right of entry shall be immediate, whether the Unit owner is present at the time or not;
- C. The Association shall have a perpetual but nonexclusive right of access to and easement on, over, under and through each Unit and the Common Elements for the management, maintenance, repair, and replacement of the lawn sprinkler system serving the Condominium; and'

D. The Association shall have a perpetual but nonexclusive right of access to and easement on, over, under and through each Unit for the maintenance of the lawn areas, with the exception of the Planting Strip, within the Unit.

8.04. Mortgage Holder Easements. Any Permitted Mortgage Holder, its officers, agents and employees shall have a blanket, perpetual but nonexclusive easement to enter the condominium or any part thereof to inspect the condition and repair of the Common Elements or any Units encumbered by a First Mortgage owned, insured or guaranteed 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 Directors (for Common Elements) or the Unit Owner (for a Unit).

8.05. Municipal Easements. The Condominium is subject to a blanket, perpetual but nonexclusive easement of unobstructed ingress to and egress from, access to and travel within, upon, over, under, across and through same to the Township of White, its respective officers, agents and employees, 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 Unit which the Unit Owner has failed to perform) and for emergency or other necessary maintenance, repair and/or replacement of the Common Elements which the Association has failed to perform. Except in the event of emergencies, the rights accompanying this easement shall be exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Board of Directors (for Common Elements) and/or the Unit Owner(s) directly affected thereby.

8.06. Utility Easements. The Condominium is subject to a blanket, perpetual but nonexclusive easement of unobstructed ingress to and egress from,

access to and travel within upon, over, under, across and through same for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, poles, transformers, meters, master television antennas, cable television systems and any and **all** other equipment or machinery necessary or incidental to the proper functioning of any **utility** systems serving the Condominium, which easement shall be for the benefit of any governmental agency, utility company or other entity which requires same for the purpose of furnishing one or more of the foregoing services.

Among the easements under this Paragraph 8.06 shall be a perpetual but nonexclusive easement to the Township of White of unobstructed ingress to and egress from, access to and travel within upon, over, under, across and through the Condominium for the purpose of the installation, maintenance, repair, service and replacement of a storm water system including the storm water detention basin and the equipment and machinery necessary or incidental to the proper functioning of the system **servng** the Condominium. The Township of White shall also have a perpetual but nonexclusive easement for the clearing of snow from any roadways within the Condominium for which the Township is responsible for such responsibility.

8.07. Other Easements. The Condominium is also subject to all easements of record as of the date of this Master Deed, whether or not reflected on any exhibit hereto.

ARTICLE IX

ADMINISTRATION AND POWERS OF ATTORNEY

9.01. Administration of the Condominium. The administration of the Condominium shall be by the Association in accordance with the provisions of the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation,

the By-Laws, the Association's Rules and Regulations and any other agreements, documents, amendments or supplements to the foregoing which have been or may be duly adopted or subsequently required by: (a) applicable statutes, regulations, resolutions, ordinances or orders of any governmental entity having jurisdiction of the lands that are incorporated as part of the Condominium or the Condominium itself; (b) any title insurance company licensed to do business in the State of New Jersey insuring or proposing to insure title to the lands that are incorporated as part of the Condominium or to any Unit within the Condominium; or (c) any Institutional Lender owning, holding, servicing, insuring or guaranteeing or proposing to provide, own, hold, service, insure, guarantee or acquire a First Mortgage loan, the lien of which encumbers- or is proposed to encumber a Unit within the Condominium.

9.02. Developer's Power of Attorney. The Developer hereby reserves for itself, its successors and assigns, for a period of seven (7) years from the date the first Unit within the Condominium is conveyed by the Developer to the initial individual purchaser thereof, or until Developer conveys title to the last Unit incorporated within the Condominium to the initial individual purchaser of same, whichever occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Condominium, any such agreements, documents, amendments or supplements to the documents described in Section 9.01 of this Master Deed which may be required for the reasons set forth in Section 9.01 of this Master Deed; provided, however, that (i) no such agreement, document, amendment or supplement which substantially alters the floor plan of any Unit or changes the proportionate interest in the Common Elements of the Condominium appurtenant to a Unit (except as expressly provided for herein) or substantially increases the nature of the financial obligations of a Unit Owner shall be made

without the prior written consent of the affected Unit Owner(s) and all Mortgage(s) Holders of any Permitted Mortgage(s) encumbering the affected Unit(s); and (ii) if such agreement, document, amendment or supplement adversely affects the priority or validity of any Permitted Mortgage which encumbers a Unit, without the prior written consent of the Mortgage Holder of such Permitted Mortgage(s).

By execution of a contract to initially purchase a Unit within the Condominium from the Developer, by execution of a deed to any Unit within the Condominium initially conveyed by the Developer or by the acceptance of any other legal or equitable interest in the Condominium, each and every contract purchaser, Unit Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such agreements, documents, amendments or supplements required as set forth in Section 9.01 of this Master Deed, subject to the limitations set forth in this Section 9.02.

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 Units 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 Units or expiration of its stated term.

9.03. Association's Power of Attorney. By execution of a contract to initially purchase a Unit within the Condominium from the Developer, by

execution of a deed to any Unit within the Condominium initially conveyed by the Developer or by the acceptance of any other legal or equitable interest in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Condominium Association as attorney-in-fact for the following purposes: (i) to acquire title to or lease any Unit whose owner desires to surrender, sell or lease same, and, in the name of the Condominium Association or its designees, corporate or otherwise, and on behalf of all Unit Owners, to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise dispose of any such Units so acquired or to sublease any Units so leased by the Condominium Association; (ii) to prepare, execute and record any amendments to the Master Deed required by Article XII hereof; and (iii) to prepare, execute and record any amendments to the Master Deed made pursuant to Article XV 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 Units 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.

ARTICLE X

RESTRICTIONS

10.01. General Covenants and Restrictions. The Condominium is subject to the following restrictions:

- A. To the extent that equipment, facilities and fixtures within any Unit(s) shall be connected to similar equipment,

facilities or fixtures affecting or serving other Unit(s) or the Common Elements, then their use by individual Unit Owners shall be subject to this Master Deed, the By-Laws and the Rules and Regulations of the Condominium Association

- B. The common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.
- c. No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a Permitted Mortgage. No other mortgages or encumbrances shall be permitted without the prior written consent of the Board of Directors, which consent shall not be unreasonably withheld.
- D. All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel as provided by the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit but are taxed on all or a portion of the lands and improvements incorporated within the Condominium on a bulk basis, then each Unit Owner shall pay his proportionate share thereof based upon his Unit's then current appurtenant proportionate interest in the Common Elements of the Condominium or, in the sole and absolute discretion of the Board of Directors, such other equitably allocated share thereof. The aforesaid being in accordance with Section 6.14 of this Master Deed.

- E. Each Unit Owner shall pay for his own telephone and other utilities that are separately metered or billed to him by the utility company providing the service in question. Utilities that are not separately metered or billed or that serve the Common Elements shall be treated as part of the Common Expenses.
- F. No service or maintenance of any automobile or other vehicle shall be performed anywhere within the Condominium except as might be permitted by the Condominium Association's Rules and Regulations.
- G. No Unit Owner other than the Developer shall lease or enter into an arrangement for use and/or occupancy of a Unit for a term or period of less than six (6) months (except in the event of a lender in possession of a Unit following a default in a First Mortgage, a foreclosure proceeding or a deed or other arrangement in lieu of a foreclosure). Furthermore, no Unit Owner shall permit the use and/or occupancy of a Unit for transient or hotel purposes, which shall be defined as any rental or other arrangement for use and/or occupancy where the users or occupants of the Unit are provided customary hotel services such as room service for food and/or beverages, maid service, laundry and/or linen service and bellboy service. In spite of the foregoing, an Owner of a Unit may rent to or enter into an arrangement for use and/or occupancy of a Unit with a contract purchaser for a term of less than seven (7) days so long as such rental or arrangement for use and/or occupancy is not for transient or hotel purposes. No Unit

owner may lease or enter into any other arrangement for the use and/or occupancy of less than an entire Unit. Copies of all leases or other arrangements for use and/or occupancy, fully signed, must be furnished to the Condominium Association before the term or period of the lease or arrangement begins. Other than the foregoing, an Owner of a Unit shall have the right to lease his Unit or otherwise enter into arrangements for the use and/or occupancy of his Unit provided the lease or arrangement is in writing and is made subject to applicable law, this Master Deed, the By-Laws and the Rules and Regulations of the Condominium Association and other documents referred to herein, including the rights of amendment reserved to the Developer, and, provided further that any failure of the lessee or user and/or occupant to fully comply with applicable law and/or the terms and conditions of such documents shall constitute a material default under the lease or arrangement and be a basis for termination and eviction or ejectment. The leasing or other arrangement for use and/or occupancy of a Unit shall in no way relieve the Unit Owner from his obligations under this Master Deed, the By-Laws and the Rules and Regulations of the Condominium Association, and he shall remain primarily responsible therefore.

In the event a tenant, user or occupant of a Unit fails to comply with the provisions of this Master Deed, the By-Laws or the Rules and Regulations of the Condominium Association, in addition to all other remedies which it may have, the Condominium Association shall notify the Unit Owner of such

violation and demand that same be remedied through the Unit Owner's efforts within thirty (30) calendar days after service of such notice. If such violation is not remedied within such thirty (30) day period, immediately thereafter, at his own cost and expense, the Unit Owner shall institute and diligently prosecute an eviction, ejection or other appropriate action against the tenant, user or occupant on account of such violation. Such action shall not be compromised or settled without the prior written consent of the Condominium Association acting through its Board of Directors. In the event the Unit Owner fails to fulfill the foregoing obligations, the Condominium Association shall have the right, but not the obligation, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all fees incurred. Such costs and expenses shall be due and payable upon demand to the Condominium Association as a Remedial Common Expense assessment and shall be deemed to constitute a lien on the particular Unit involved. The collection thereof may be enforced by the Board of Directors in the same manner as the Board of Directors is entitled to enforce collection of other Remedial Common Expense assessments. By execution of a deed to any Unit conveyed by the Developer or by the acceptance of a deed to any Unit conveyed by a Unit Owner other than the Developer, each Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Condominium Association, acting through its Board

of Directors, as his attorney-in-fact for the purposes described herein.

- H. No Unit, except those Units utilized by the Developer as sales offices, administrative or construction offices or models, shall be used for any purpose other than as a private residence; no business, trade, profession or occupation shall be conducted in or from any Unit or upon the Common Elements except as may be permitted by law and expressly permitted by the Rules and Regulations of the Condominium Association or approved in advance and in writing by the Board of Directors of the Condominium Association.
- T. There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements except as permitted by the Rules and Regulations of the Condominium Association, without the prior written consent of the Board of Directors. Firewood may only be stored and maintained within the Condominium in strict accordance with the Condominium Association's Rules and Regulations regarding same. No porch, landing, steps, patio terrace, balcony, stoop or deck shall be used for the storage of any item unless expressly permitted by the Condominium Association's Rules and Regulations or unless such storage has received the prior written approval of the Board of Directors.
- J. No portion of the Condominium shall be used or maintained for the dumping of rubbish or debris. In addition, compost piles are not permitted. Trash, garbage, recyclables and excess materials of any kind shall not be placed or stored within or

about the Condominium, including within any Unit, except as permitted by the Condominium Association's Rules and Regulations. The Condominium Association may, by Rule or Regulation, specify the type of containers to be utilized when trash, garbage, recyclables or other excess materials are placed outside of the Unit for collection. In any event, all such containers shall be stored within the Unit or other permitted area except on collection days.

- K. No garage may be used for any purpose other than vehicular parking, storage of household items or uses normally incident to residential use nor may same be partitioned or subdivided for any purpose or converted to habitable space except as permitted by applicable law, this Master Deed and the prior written approval of Board of Directors, alr subject to Sub-section EE. of this Section 10.01.
- L. To provide for an orderly procedure in the case of title transfers and to assist in the maintenance of a current, up-to-date roster of Unit Owners and occupants, each Unit Owner shall give the Condominium Association timely notice of his intent to list his Unit for sale or lease and, upon closing of title or execution of the lease, as the case may be, shall immediately notify the Condominium Association of the names and addresses of the purchasers or lessees.
- M. No Unit Owner or occupant shall build, erect, plant, place and/or maintain any matter or thing upon, in, over or under the General Common Elements of the Condominium without the prior written consent of the Board of Directors or unless

expressly permitted by the Rules and Regulations of the Condominium Association; provided, however, under no circumstances shall any outdoor shed or similar facility be erected or placed within the Condominium except as may have been approved by the Township of White in its approval of the site plan for the Condominium or by subsequent approval. No Unit Owner shall disturb by removal, transplantation, alteration, or otherwise any natural foliage or vegetation or that planted and/or maintained by the Developer or the Condominium Association upon the Common Elements except as may be expressly permitted by the Rules and Regulations of the Condominium Association or approved in advance in writing by the Board of Directors.

N No Unit Owner (other than the Developer) shall be permitted to plant any foliage or vegetation including, but not limited to hedgerows, within the boundaries of the Unit with the exception of within the Planting Strip of the Unit. Any planting, maintenance, alteration and removal of foliage or vegetation within the Planting Strip shall be performed in conformity with the rules and regulations of the Condominium Association. Under no circumstances shall a Unit Owner perform any planting which obstructs or impedes the ability of the Condominium Association to perform its responsibility for lawn maintenance within the Unit.

0. No Unit Owner (other than the Developer) shall paint, decorate or otherwise change the appearance of the exterior of a Unit or any portion of the Common Elements unless expressly

permitted by the Condominium Association's Rules and Regulations or approved in advance in writing by the Board of Directors. The foregoing shall be deemed to include an otherwise permitted alteration of the interior of a Unit that will result in a change in exterior appearance of the Unit or portion of the Common Elements. Each Unit Owner is responsible for promptly reporting to the Board of Directors any defect or need for maintenance, repair or replacement of the Common Elements for which the Condominium Association is responsible.

- P. Each Unit Owner shall be responsible for cleaning (interior and exterior), maintenance, repair and replacement of all windows of his Unit as well as any doors serving his Unit, including those doors leading onto any porch, steps, balcony, deck, terrace, patio or stoop adjacent to his Unit. The terms "window" and "door" shall be deemed to include all portions of each, including, but not necessarily limited to, the frames, screens, glass, operating mechanism, hardware, etc. The terms "window" and "door" shall also include, where applicable, garage windows and doors. The Condominium Association, by Rules and Regulations, may establish maintenance schedules and standards in this regard as well as standards applicable to types of materials, styles, manufacturers, colors, etc., all in order to preserve and promote soundness of repair and visual aesthetic and architectural harmony.

- Q. Nothing shall be done or kept in any Unit or within the Condominium that will increase the rates of insurance of any Unit or the contents thereof beyond the regular rates applicable for such Units without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or within the Condominium that will result in the cancellation of insurance on any Unit or the contents thereof or that will violate any law.
- R. No bird, reptile, animal or pet of any kind shall be raised, bred, or kept in any Unit, anywhere else within the Condominium except as expressly permitted by the Rules and Regulations of the Condominium Association and applicable law. Under no circumstances shall outside pens, runs or yards for same be permitted.
- S. Nothing shall be done in or to any Unit or on or to the Common Elements of the Condominium which will impair the structural integrity of any Unit or other improvement.
- T. No exterior loudspeakers, including those contained in portable radios or television sets, shall be permitted within the Condominium except as may be expressly permitted by the Rules and Regulations of the Condominium Association. No unshielded floodlights or exterior antenna or similar device shall be installed by any Unit Owner within or upon any portion of a Unit, upon any portion of the Common Elements (including any porch, stoop, balcony, deck, patio or terrace) without the prior written permission of the Board of Directors

or as expressly permitted by the Rules and Regulations of the Condominium Association.

- u. Except within such areas as may be expressly designated by the Developer or the Board of Directors for the parking of vehicles defined as permitted vehicles by the Board of Directors, no vehicles larger than a panel truck and no commercial vehicle, mobile home, recreational vehicle, boat, boat trailer or the like, nor any unlicensed, inoperative, unused or disabled vehicle of any type shall be parked within any part of the Condominium except: those vehicles temporarily within the Condominium for the purpose of servicing the Condominium or one of the Units, those vehicles completely housed within the garage of a Unit in such a fashion as to permit complete closure of the garage door of the garage or those vehicles parked in an area designated for such vehicles, if any, all subject to the Rules and Regulations of the Condominium Association. The Board of Directors, through Rules and Regulations, may further define those vehicles that are permitted or prohibited within the Condominium. The Board of Directors may establish as it deems necessary such rules and regulations governing the parking of permitted vehicles, including those establishing priority in the assignment of parking spaces, fees for the use of the spaces, penalties for violations of rules and regulations, etc. This restriction is not applicable to the Developer in its exercise of its development right relative to the Condominium.

- V. With regard to the Units with garages, all passenger vehicles shall be parked within the Unit's garage or the driveway leading to and servicing the garage in such a manner as to be completely within the boundary of the Unit so as to avoid impeding any other vehicles or pedestrians. All other vehicles shall be parked within the Unit Owner's garage and shall not protrude so as to prevent the closing of the garage door. Garage doors shall be kept closed at all times except when required to be open for the purpose of access to, _____ to, egress from or other permitted use of the garage.
- W. Except for such portions of the General Common Elements as the Condominium Association designates by Rule or Regulation as guest parking areas (if any) and/or parking for users of the recreational amenities, there shall be no parking of vehicles within the General Common Elements.
- X. There shall be no parking of vehicles on any roadway or street within the Condominium except as may be permitted by the Township of White and the Rules and Regulations of the Condominium Association.
- Y. No person shall operate a motorized bicycle, moped, dirt bike, motorcycle, all terrain vehicle, snowmobile, go art or any other motorized vehicle or machine of any kind within the Condominium without securing all licenses and registrations required by the State of New Jersey for the operation of such machines or vehicles upon public roads in the State of New Jersey. If no license or registration is required with respect to any of the aforementioned vehicles or machines, the

operation of such machines or vehicles within the Condominium is prohibited except as may be permitted by the Rules and Regulations of the Condominium Association. In any event, no motorized vehicle or machine shall be operated anywhere within the Condominium except on the streets, roadways and parking areas within the Condominium designed for such use.

- Z. No Unit Owner shall cause or permit any clothes, sheets, blankets or laundry of any kind or other articles to be hung or displayed within a Unit so as to be visible from outside of the Unit. No sign, display or decoration of any kind shall be placed on any window or door of a Unit so as to be visible from the outside of the Unit without the prior written approval of the Board of Directors except as may be expressly permitted by the Rules and Regulations of the Condominium Association. In spite of the foregoing, the Developer, in its sole discretion, shall be entitled to erect, install, affix and/or display signs relative to the development, sale or lease of the Units until ninety (90) days after it initially conveys the last Unit incorporated within the Condominium.
- AA. No noxious, unlawful, unsightly or offensive activities shall be carried on within the Condominium, including within any Unit, nor shall anything be done either wilfully or negligently which may be or become an unreasonable annoyance or nuisance to others or unreasonably interferes with the peaceful possession and proper use of the Units and Common Elements of the Condominium by its residents. The foregoing

shall not be construed so as to impede the Developer *in* its development of the Condominium.

- BB. No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements except as may be permitted by the Rules and Regulations of the Condominium Association.
- CC. No Unit Owner (other than the Developer} may make any additions, alterations or improvements *in* or to his Unit or upon or to the Common Elements or impair any easement of record or referred to *in* this Master Deed without the prior written consent of the Board of Directors or any committee duly. authorized by the Board of Directors to provide such consent. In spite of the foregoing, while the Developer appoints a majority of the Directors serving on the Board of Directors, it shall make no additions, alterations, improvements or purchases which would necessitate a Special Common Expense assessment or a substantial increase *in* the monthly installments of the regular annual Common Expense assessment unless necessitated by emergency or required by: (1) applicable statutes, regulations, resolutions, ordinances or orders of any governmental entity having jurisdiction of the Condominium; (2) any title insurance company licensed to do business *in* the State of New Jersey insuring or proposing to insure title to the lands incorporated as part of the Condominium or to any Unit incorporated within the Condominium; or (3} any Institutional Lender owning, holding, servicing, insuring or guaranteeing or proposing to provide, own, hold, service, insure, guarantee or acquire a First

Mortgage loan, the lien of which encumbers or is proposed to encumber a Unit incorporated within the Condominium. The Board of Directors shall have the obligation to answer any written requests received by it from a Unit Owner for approval of a proposed addition, alteration or improvement in or to his Unit or upon or to the Common Elements or impairment of an easement within forty-five (45) calendar days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit or upon or to the Common Elements must first be reviewed by the Board of Directors and, if approved, shall be executed by the Board of Directors so as to indicate its consent and may then be submitted by the Unit Owner. Such approval, and execution, however, shall not incur any liability on the part of the Condominium Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owner shall furnish the Board of Directors with a copy of any such permit which he has procured. The provisions of this subsection shall not apply to Units owned by the Developer until such Units have been initially sold and conveyed by the Developer unless such Developer-owned Units are voluntarily not being offered for sale in the regular course of business.

- DD. No Owner shall cause or permit any clothes, sheets, blankets or laundry of any kind; any window air conditioning unit; any electrical, telephone or other wiring or any other articles to be hung or displayed on the outside of windows or placed on the outside window sills, walls, patios, porches, steps, stoops, terraces, balconies or decks of any Unit within the Condominium or otherwise placed elsewhere within the Common Elements except as may be permitted by the Condominium Association's Rules and Regulations.
- EE. No clothes lines, poles or other clothes drying devices shall be installed or maintained within the Condominium, temporarily or permanently, except as may be permitted by the Rules and Regulations of the Condominium Association.
- FF. No signs, advertisements, awnings, grills, patio or balcony enclosures, deck railing or enclosures, fences, canopies, shutters, radio or television antennae, aerial or reception devices (except those installed by the Developer) or satellite dishes shall be erected, installed or affixed within the Condominium or any part thereof except as may be expressly permitted by the Rules and Regulations of the Condominium Association without the prior written consent of the Board of Directors. In spite of the foregoing, the Developer shall have the right to display signs for promotional, sales, exhibit and administrative purposes upon any portion of the Condominium and/or upon any Unit owned or leased by it until ninety (90) days after it initially conveys the last Unit incorporated within the Condominium.

- GG. No immoral, improper, offensive or unlawful use shall be made of any Unit or portion of the Common Elements; and all applicable laws, including by way of example and not by way of limitation, zoning ordinances, building codes and regulations of all governmental agencies having jurisdiction of the Condominium, shall be observed.
- HH. No Unit Owner or agent of a Unit Owner shall place signs or other advertisements in, upon, around or about the Unit, the Common Elements in connection with the Owner's desire to sell, lease or otherwise dispose of his Unit. No such signs or advertisements may be placed inside of a Unit what would be visible from outside of the Unit. This restriction will last until the last Unit incorporated within the Condominium and owned by the Developer is initially conveyed-by the Developer to an unrelated purchaser. This Subsection is not applicable to the Developer. Unless expressly permitted by the Rules and Regulations of the condominium Association or approved in advance in writing by the Board of Directors, no other sign of any type visible from outside of a Unit shall be placed on the interior window surface of any Unit.
- II. The Units and the Common Elements shall only be used in a manner reasonably consistent with their respective intended uses as part of a residential development and the use of same shall be prescribed by the promulgated, adopted and published Rules and Regulations of the Condominium Association.
- JJ. There shall be no obstruction of access to any Unit or the Common Elements other than such temporary obstruction as may

occur from time to time as a result of the reasonable exercise by the Developer of its development rights.

KK. No Unit Owner (other than the Developer) shall service, maintain, repair or replace the underground sprinkler system which may be installed by the Developer as part of the original construction of the Condominium or which subsequently may have been installed by the Condominium Association, without the prior written consent of the Condominium Association.

LL. No Unit Owner (other than the Developer) shall construct any fence, wall or barrier within the boundaries of a Unit.

None of the restrictions contained herein shall be applied to prohibit the reasonable adaption of any Unit for use by the disabled.

10.02. Prohibition Against Discrimination. The Condominium Association shall take no action that will result in discrimination between resident-Unit Owners and non-resident Unit Owners, Owner-occupants and non-Owner occupants of Units. Thus, any and all fees that are permissible for the Condominium Association to impose, any restrictions that are enforced by the Condominium Association and any and all other administration of the Condominium by the Condominium Association must be uniform with regard to the foregoing types of owners, occupants and Units. Furthermore, the prohibition established by this Section 10.02 shall not be amended or modified except by the affirmative vote of all Unit Owners.

10.03. Age Restrictions.

A. Condominium to Remain 55 or Over Housing. The Condominium is intended to be "55 or Over Housing" within the meaning of the Fair Housing Act, so as to qualify as "housing for older persons" within the exemption provisions

of the Fair Housing Act. The construction, interpretation and enforcement of this Article IX, as well as the remainder of the Master Deed and the By-Laws, shall be in a manner consistent with such requirements.

B. General Age Restrictions. Occupancy of the Units shall be restricted to use by permanent residents fifty-five (55) years of age or older with no person under forty (40) years of age in permanent residence, with the following exception: One (1) temporary resident over twenty-one (21) years of age who provides necessary health care to a permanent resident of the Unit will be permitted, provided that such individual may not be accompanied by any person(s) intending to reside in the Unit temporarily or otherwise. However, in the event the aforesaid restrictions are subsequently amended by court order or otherwise to permit additional classes of residents, the Developer reserves the right to permit residency by such persons as shall be required. Exceptions to the foregoing age restrictions may be granted in particular cases by the Developer or the Association, in accordance with Section 10.03C.

C. Approval Procedures.

(i) It shall be the duty of the Developer, in connection with the initial occupancy of Units, and of the Association as to all subsequent occupancy of Units, to enforce the Master Deed and this Article IX so that at all times the Condominium will qualify for the "55 or Over Housing" for older persons exemption under the Fair Housing Act.

(ii) No occupancy of any Unit shall be permitted, begin, or continue if such occupancy would be in violation of the provisions of this Article IX or result in the loss of the Condominium's "55 or Over Housing" for older persons exemption under the Fair Housing Act. No person may transfer, sell, give, lease, assign, grant, buy, rent or occupy any Unit in the Condominium, unless and until

such person shall have received the approval of the Association in accordance with this subparagraph.

(iii) No transfer, sale, gift, lease, assignment, grant, purchase, rental or occupancy of any Unit shall be made by any Owner or any subsequent prospective purchaser or lessee until the existing Owner who desires to transfer makes full disclosure to the Board in writing, of the name, address and age of the prospective purchaser or lessee and all prospective residents of the Unit, together with evidence that said prospective purchaser or lessee and residents meet all qualifications set forth herein. Said Owner who intends to sell, transfer, give, lease, assign any Unit, shall, before entering into any binding agreement (other than an agreement whose enforceability is expressly contingent upon Board approval) for such with any prospective purchaser, grantee, lessee or assignee, submit the evidence in writing as aforesaid to the Board and such Owner shall not execute said agreement without first obtaining the written approval of the Board. The Board must act within ten (10) business days of the Owner's submission to the Board. In the event the Board does not act within the time set forth hereinabove, the Board will be deemed to have consented. In the event the Board withholds its consent, then the Board shall set forth the reasons for its denial in writing and present same to the Owner at the time the Owner is informed of the Board's decision. If the Owner is dissatisfied with the Board's decision, then the Owner may request a hearing before the Board, with or without legal counsel present, which hearing will be scheduled by the Board within fifteen (15) days of an Owner's request for a hearing. All decisions of the Board after the hearing shall, as with the *initial* decision, be set forth in writing. The Board must render said decision in writing within five (5) days of the scheduled hearing.

In spite of anything to the contrary herein, title to any Unit may be transferred to or held by any entity or any individual under the age of 55 years of age provided that the occupant(s) of the Unit comply with and are approved in accordance with this Paragraph 10.03 of this Article X.

(iv) Upon receipt of any application for the transfer, sale, gift, grant, occupancy, or rental of any Unit, the Board shall:

(a) Obtain verification of age of all proposed residents of the Unit, such verification to consist of copies of driver's licenses, birth certificates, or similar recognized substantiation. No approval shall be granted, and no application shall be deemed complete, unless and until all proposed residents shall have submitted age verification as contemplated by this subparagraph.

(b) If the proposed residents of the Unit meet the restrictions of Section 10.03B (i.e., at least one member of a couple is over the age of 55 years, or one temporary resident is 21 years of age or older if such person provides necessary health care to a permanent resident of the Unit), then the Board shall approve the application.

(c) If all of the proposed residents of the Unit are all under the age of 55 years, then the Board may, in its discretion, but shall have no obligation to, approve the application provided, however, that the Board shall not have the authority to approve and shall not approve any application if to approve the application would cause or threaten to cause the Condominium to have less than 50% of its Units occupied by at least one person over the age of 55 of years, or otherwise to fail to continue to qualify for the "55 or Over Housing" for older persons exemption under the Fair Housing Act.

ARTICLE XI

REQUIRED INSURANCE AND DISPOSITION OF PROCEEDS

11.01. Insurance - Common Elements and Association. As required by N.J.S.A. 46:8B-14(d) and (e), the Board of Directors shall obtain and continue in effect blanket property insurance on the Common Elements in an amount equaling replacement value (exclusive of land, foundations or slabs, excavations and such other items as are usually excluded from insurance coverage) and in a form satisfactory to any Institutional Lenders holding First Mortgages on a majority of the Units, but without prejudice to the right of the Owner of any Unit to obtain individual Unit insurance at his own cost. In addition, the Board of Directors shall obtain and continue such other amounts of insurance coverage as may be required by the provisions of the By-Laws and in such amounts as are prescribed therein, if any. Premiums for all such insurance coverage, except for individual Unit coverage, shall be a Common Expense to be included in the annual Common Expense assessment.

11.02. Casualty Insurance - Units. On or before the date of acquisition of title to any Unit, each Owner shall obtain broad form insurance against loss by fire, and including all risk extended coverage, for all improvements forming a part of or appurtenant to the Unit and owned by the Owner. The policy shall insure full replacement cost, without deduction for depreciation, of the dwelling (exclusive of foundations and footings) and any other improvements forming a part of the Unit or appurtenant to the Unit and owned by the Owner. The policy shall designate the Association as the loss payee for the benefit of any Owners who may be affected by any loss under the policy and for the purposes of repairing or reconstructing insured improvements. Upon the payment to the Association of any amounts under any such policy, the Association shall utilize such amounts for the purpose of reconstructing the

improvements for the benefit of the affected Owner. Each such policy shall meet the applicable criteria set forth at Sub-Section I. of Section 6.02 of Article VI of the Association's By-Laws for policies of insurance maintained by the Association. Each Owner must continue such insurance coverage, at his sole cost and expense, at all times; obtain an insurance certificate and letter of adequacy from his insurance company or his agent at the time of each policy renewal and serve, in the manner provided in Section 15.12 of Article XV of this Master Deed, a copy of the certificate and letter to the Association at least ten {10} days prior to the date of expiration of any current coverage period. Each such policy must provide that it is cancelable only upon thirty {30} days prior written notice to the Association.

In the event the Association does not receive the insurance certificate and letter of adequacy within the time period as aforesaid or should the Association receive notice that an insurance policy governing an individual Unit is to be cancelled for any reason whatsoever, the Association shall have the right but not the obligation to obtain broad form insurance as described above and to assess the cost of the premium therefore to the particular Owner in question as a Remedial Common Expense assessment pursuant to Section 6.13 of Article VI this Declaration.

It shall be the affirmative personal obligation of each Owner to be responsible for repair and/or reconstruction of any casualty damage occurring with respect to the improvements to his Unit and owned by him.

11.03. Disposition of Insurance Proceeds. If any Common Element, or any part thereof is damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the provisions of this Article XI.

11.04. Insurance Proceeds Less Than or Equal to \$10,000. If the insurance proceeds derived from an insured loss amount to \$10,000.00 or less, the Board of Directors shall contract with a licensed contractor or contractors of its choice to rebuild or repair such damaged or destroyed portions of the Condominium in conformance with the original plans and specifications therefor, or if adherence to such original plans and specifications is deemed impracticable *in* the sole and absolute discretion of the Board of Directors, then in conformance with revised plans and specifications, provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board of Directors shall accept bids only *in* specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

11.05. Insurance Proceeds Greater than \$10,000. If the insurance proceeds derived from an insured loss exceed \$10,000.00, all such insurance proceeds shall be paid directly to an Insurance Trustee, as may be designated by the Board of Directors. Disbursement of such funds shall be made only upon the signatures of a majority of the members of the Board of Directors in accordance with the following:

- A. Upon notification of the receipt of insurance proceeds by the Insurance Trustee or at such earlier date as may be determined appropriate by the Board of Directors, in its sole and absolute discretion, the Board of Directors shall enter into a contract for a specific dollar amount with a licensed contractor or contractors for the repair or rebuilding of all of the damaged or destroyed portions of the Condominium, as nearly as practicable to the original plans and specifications thereof and in accordance with all applicable building codes.

- B. The Board of Directors shall enter into said contract with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the Insurance Trustee. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate and contractor's requisition containing such provisions as may be appropriate under the circumstances and deemed suitable by the Board of Directors.
- C. The Board of Directors shall employ an architect or other qualified party to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is completed in a workmanlike manner and according to plans and specifications.

11.06. Responsibility of Unit Owner. If the damage is to any part of a Unit, then the Owner of the Unit shall be responsible for reconstruction and repair after any casualty.

11.07. Insurance Proceeds Insufficient. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair of damaged or destroyed portions of the Condominium, or, if at any time during or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, a Special Common Expense assessment shall be levied against all Units. In spite of anything to the contrary in this Master Deed or the By-Laws, such Special Common Expense assessments shall be in proportion to the Unit Owner's percentage interest in the Common Elements relative to the aggregate interest in the Common Elements of all Units specially assessed. The foregoing provisions of this Section 11.07 are applicable to the repairs and reconstruction to be undertaken by the Condominium Association and do not cover

damages to those portions of the Unit for which the responsibility of maintenance and repair and the costs thereof is that of the Unit Owner.

11.08. 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 Condominium Association and applied by it to reduce the Common Expenses.

ARTICLE XII

EMINENT DOMAIN

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

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

12.03. Allocation of Awards. Any awards made in connection with such proceedings shall be collected by the Condominium Association and applied or distributed by it in accordance with and Sections 5.02 and 12.04 of this Master Deed, unless the award or decree provides to the contrary.

12.04. Re-Allocation Following Condemnation.

A. Units Rendered Uninhabitable. Upon acquisition by the condemning authority, each affected Unit's entire appurtenant proportionate interest in the Common Elements of the Condominium and its corresponding proportionate liability for payment of Common Expenses shall be automatically reallocated to the remaining Units on the same basis as their respective proportionate interests and liability were initially esta-

blished. The Condominium Association, acting through its Board of Directors, shall promptly prepare, execute and record an amendment to this Master Deed reflecting such reallocations. Any remnant of a Unit which has been rendered uninhabitable remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element.

- B. Units Remaining Habitable. Upon acquisition by the condemning authority, the appurtenant proportionate interest in the Common Elements of the Condominium and corresponding proportionate liability for Common Expenses of each affected Unit shall remain unchanged.

12.OS. Allocation of Proceeds Derived from Acquisition of Common Elements. If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Condominium Association. The Condominium Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit Owners in proportion to their respective proportionate interest in the Common Elements before the taking.

ARTICLE XIII

PROTECTIVE PROVISIONS FOR THE BENEFIT OF MORTGAGE HOLDERS

13.01. General. "Notice Mortgagee" shall mean and refer to any holder of a Permitted Mortgage which has given written notice to the Condominium Association in the manner provided in Section 15.12 of this Master Deed of its desire to have notice of those matters that are the subject of Sections 13.02 through 13.06 and 13.09 of this Master Deed. Any such notice must state the name of the Mortgage Holder and the address to which notices to be sent to it should be directed and must sufficiently identify the Unit for which the Notice Mortgagee is the Mortgage Holder of a Permitted Mortgage. It shall be the

obligation of the Notice Mortgagee to keep the Condominium Association informed of any change of address to which required notices should be sent. The Condominium Association shall be deemed to have fulfilled its obligations hereunder and a Notice Mortgagee shall be deemed to have been given any required notice hereunder so long as the Condominium Association can establish that it served the notice in question in the manner provided herein directed to the Notice Mortgagee at the last address given by it to the Condominium Association in the manner provided herein. The manner in which the Condominium Association shall give the notices required to Notice Mortgagees pursuant to this Article XIII shall be via United States Postal Service by certified mailr with return receipt requested and sufficient prepaid postage affixed thereto, addressed to the last address of the Notice Mortgagee identified to the Condominium Association as provided herein.

13.02. Prior Written Approval of SJ.% of Notice Mortgagees. The prior written approval of at least fifty-one percent (SJ.%) of the Notice Mortgagees is required for any material amendment to this Master Deed or to the By-Laws or Certificate of Incorporation of the Condominium Association, including/ but not limited tor any amendment which would change any provision relating to:

- A. voting rights;
- B. reserves for maintenance, repair and replacement of Common Elements;
- C. responsibility for maintenance and repairs;
- D. reallocation of interests in the General Common Elements or rights to their use (except as expressly contemplated by Articles II and XIV of this Master Deed);
- E. boundaries of any Unit (except as contemplated by Section J.4.02D. of this Master Deed);

- F. convertibility of Units into Common Elements or vice versa (except as expressly contemplated by Articles II and XIV of this Master Deed);
- G. expansion or contraction of the Condominium, or the addition, annexation or withdrawal of land to or from the Condominium (except as expressly contemplated by Articles II and XIV of this Master Deed);
- H. insurance or fidelity bonds;
- I. leasing of Units;
- J. imposition of any restrictions upon a Unit Owner's right to sell or transfer his Unit;
- K. a decision by the Condominium Association to establish self-management rather than professional management;
- L. restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;
- M. any action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs;
- N. any provisions that expressly benefit Notice Mortgagees; or
- O. assessment allocations, assessment liens or subordination of assessment liens.

The notice given to Notice Mortgagees pursuant to Section 13.01 of this Master Deed with regard to any proposed material amendment as aforesaid must include a copy of the proposed amendment.

13.03. Prior Written Approval of 67% of Notice Mortgagees. The prior written approval of at least sixty-seven percent (67%) of the Notice Mortgagees

and the Township of White Planning Board *is* required before the effectuation of any decision by the Unit Owners to terminate the legal status of the Condominium as a Condominium for reasons other than substantial destruction or condemnation.

13.04. Implied Approval of Notice Mortgagees Assumed. In spite of the requirements of prior written approval of Notice Mortgagees provided in Sections 13.02 and 13.03 of this Master Deed, provided that the Condominium Association serves notice on Notice Mortgagees of those matters that are the subject of Sections 13.02 and 13.03 of this Master Deed in the manner provided in Section 13.01 of this Master Deed, the Condominium Association may assume implied approval of any Notice Mortgagee failing to submit a written response to any notice given within thirty (30) days after it receives such notice as provided herein and so long as the notice was delivered by certified mail as indicated by a signed return receipt.

13.05. Additional Any Notice Mortgagee shall also be Notices.

entitled to timely written notice of:

- A. any condemnation ,or casualty loss that affects either a material portion of the Condominium or the Unit securing the Notice Mortgagee's loan; and no Unit Owner or other party shall have priority over such Notice Mortgagee with respect to the distribution to such Unit(s) of the proceeds of any condemnation award or settlement in the event of condemnation or with respect to the distribution to such Unit(s) of any insurance proceeds in the event of casualty loss;
- B. any sixty (60) day delinquency in the payment of annual regular Common Expense assessment installments or other Common Expense assessments or charges owed to the Condominium

Association by the Owner of any Unit for which the Notice Mortgagee holds a Mortgage;

- C. a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Condominium Association; and
- D. any proposed action that requires the consent of a specified percentage of Notice Mortgagees.

13.06. No Partition. No Unit in the Condominium may be partitioned or subdivided.

13.07. Common Expense Lien Subordinate. With the exception of such portions of the Condominium Association's "customary condominium assessment" for which it has established a limited lien priority pursuant to N.J.S.A. 46:8B-21, any lien the Condominium Association may have on any Unit in the Condominium for the payment of Common Expense assessments, regardless of nature; attributable to such Unit is subordinate to the lien or equivalent security interest of any First Mortgage on the Unit recorded prior to the date any such Common Expense assessment became due. If a mortgagee of a First Mortgage or other purchaser or a Unit obtains title to such Unit as a result of foreclosure of the First Mortgage, such acquirer of title, his successors and assigns shall not be liable for the share of Common Expenses or other assessments by the Condominium Association pertaining to such Unit or chargeable to the former Unit Owner which became due prior to acquisition of title as a result of the foreclosure except for such portion of the Condominium Association's "customary condominium assessment" levied against the former Unit Owner for which the Condominium Association has established a limited lien priority pursuant to N.J.S.A. 46:8B-21 but which remains unpaid. Such unpaid shares of Common Expenses and other assessments (except for the aforementioned portion of the Condominium

Association's "customary condominium assessment" that is the subject of a perfected but unsatisfied lien entitled to limited priority by N.J.S.A. 46:8B-21) shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquirer, his successors and assigns.

13.08. Maintenance and Inspection of Records. The Condominium Association shall maintain current copies of this Master Deed, the Certificate of Incorporation, the By-Laws and the Rules and Regulations of the Condominium Association, and any respective amendments thereto, as well as its own books, records and financial statements and have same reasonably available for inspection by Unit Owners and Permitted Mortgage Holders. Any Permitted Mortgage Holder shall, upon prior written request: (i) be permitted to inspect the documents, books and records of the Condominium Association during normal business hours; and (ii) receive an annual audited financial statement of the Condominium Association within ninety (90) days following the end of any fiscal year of the Condominium Association.

13.09. Notice of Meetings. Any Notice Mortgagee shall receive written notice of all meetings of the Condominium Association and be permitted to designate a representative to attend all such meetings.

13.10. Liability for Common Expense Assessments. Any Mortgage Holder that obtains title to a Unit as a result of foreclosure of a 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 Condominium Association pertaining to such Unit or chargeable to the former Unit 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 Unit Owners including such acquirer, his successors and assigns.

13.11. Management Agreements. Any management agreement for the Condominium entered into by or on behalf of the Condominium Association shall be terminable by the Condominium Association, with or without cause, upon thirty (30) days prior written notice thereof. The term of any such agreement shall not exceed one (1) year.

13.12. Common Expense Default. In spite of 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 Common Expense assessment, regular or otherwise, for a Unit, any Mortgage Holder holding a Permitted Mortgage which encumbers such Unit shall be entitled to declare such Mortgage in default in the same manner that is permitted by such Mortgage with respect to any default in the payment of real estate taxes.

ARTICLE XIV

DEVELOPER'S RIGHTS AND OBLIGATIONS

14.01. Ratification, Confirmation and Approval of Agreements. The fact that some or all of the officers, Directors, Members or employees of the Condominium 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 Condominium Association or with third parties will not invalidate any such agreements and the Condominium Association; and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit and the acceptance of the deed 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 agreement(s), or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation or the By-Laws of the Condominium Association.

14.02. Rights Reserved to Developer. In spite of anything to the contrary in this Master Deed or the Certificate of Incorporation or By-Laws of the Condominium Association, the Developer hereby reserves the following rights for itself, its successors and any assigns:

- A. the right, for so long as it owns one or more Units in the Condominium, to sell, lease, mortgage or sublease any unsold Units within the Condominium
- B. the right, but not the obligation, for a period of ten (10) years from the date it initially conveys title to the first Unit within the Condominium to a purchaser, to develop, on a phased basis, some or all of undeveloped portions of the Property other than Section A in Phase I with improvements not incorporated as part of the Condominium by the express terms of this Master Deed at the time of its recordation in the Warren County Clerk's Office. Such development shall be limited to improvements that are governmentally approved and that are consistent with the residential character of the Condominium and, based upon the governmental approvals for the Property as of the date of this Master Deed, may include the development of, in the aggregate, up to three hundred and two (302) Units, as presently approved for development upon the Entire Tract by the Township of White, or such greater or lesser number of Units as may be approved by the Township of White. The Developer reserves the right to seek amendment to or modification of the present development approvals applicable to the Entire Tract. In any event, the Developer shall develop such additional portions of the Entire Tract in

accordance with and subject to the approval of all governmental authorities having jurisdiction over such further development.

In the event the Developer exercises all or a portion of its development rights reserved herein, such development shall be identified as Sections of Phases, identifiable by graphic representation on a survey map/site plan that will become part of this Master Deed by being included as an Exhibit to the Amendment and supplement pursuant to which the Developer exercises the herein reserved rights as hereafter provided. Phases shall be identified by numerals, the first such Phase being Phase I that is being developed and incorporated as part of the Condominium pursuant to this Master Deed. Each Section within a Phase shall be identified by a letter. The specific improvements included in the Developer's development of portions of the Property, including the type, character, design, quantity, etc. of any site improvements (including roadways), and Units shall be in the sole and absolute discretion of the Developer, subject only to the approval of and regulation by all governmental authorities having jurisdiction over such development.

The Developer's right of development hereby reserved shall include the right and obligation, in the event the Developer exercises such reserved rights of development, to incorporate all residential dwellings constructed and all other improvements as Units and Common Elements, respectively, of the Condominium. Such right and obligation shall be exercised

and discharged by the Developer by its recordation in the Warren County Clerk's Office of appropriate Amendments and Supplements to this Master Deed expressly incorporating the additional residential dwellings and other improvements into the Condominium as Units and Common Elements, respectively. Such Amendments and Supplements shall include such amendatory, supplemental or replacement exhibits as are necessary, if any, to graphically identify the additional Phases and Sections, and the additional Units and Common Elements, as required by N.J.S.A. 46:8B-9(d) and (e), and to reapportion the proportionate interest in the Common Elements of the Condominium appurtenant to each Unit then incorporated into the Condominium in accordance with Article V of this Master Deed and N.J.S.A. 46:8B-9(g). Any such Amendments and Supplements shall not be operative until duly recorded in the Warren County Clerk's Office. The reallocation of each Unit's appurtenant proportionate interest in the Common Elements of the Condominium shall not be deemed to constitute a restricted reduction of interest under Article XIII of this Master Deed. Such Amendments and Supplements and the changes effected thereby, including the aforesaid reallocation of the proportionate interest in the Common Elements appurtenant to the Units, shall be fully binding upon all contract purchasers, Unit Owners and all holders of Mortgages encumbering Units within the Condominium. Nothing contained herein shall be construed to authorize or permit annexation or incorporation of any lands to the Condominium except by

amendment duly adopted pursuant to Article XV of this Master Deed.

By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest *in* the Condominium, each and every such contract purchaser, Unit Owner, mortgagee or other lienholder or party having a legal or equitable interest *in* the Condominium does automatically and irrevocably name, constitute, appoint and confirm the Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such Amendments and Supplements to this Master Deed and any other instrument(s) necessary to effect the foregoing rights reserved to the Developer. 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 Units and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all rights, title and interest of the principal in and to said power.

14.03. Transfer of Special Developer Rights. No special rights created or reserved to the Developer under this Master Deed (from now on called "Special Developer Rights") may be transferred except by an instrument evidencing the transfer recorded in the Warren County Clerk's Office. The instrument shall not be effective unless executed by the transferee.

14.04. Liability of Transferor. Upon transfer of any Special Developer 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 Unit Owner of standing to bring an action to enforce any obligation of the transferor.
- B. If a transferor retains any Special Developer Right, or if a successor to any such Special Developer Right is an Affiliate of the Developer, the transferor is subject to liability for all obligations and liabilities imposed on a Developer by law or by this Master Deed arising after the transfer and is jointly and severally liable with the successor for the liabilities and obligations of the successor which relate to the Condominium.
- C. A transferor that retains no Special Developer 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 Right by a successor Developer which is not an affiliate of the transferor.

14.05. 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 Units or interests in the Condominium owned or held by Developer, a person or entity acquiring title to all the Units being foreclosed or sold, as applicable, but only upon its request, succeeds to all Special Developer Rights, or only to any such Special Developer Rights to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Developer Rights requested.

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

- A. the Developer ceases to have any Special Developer Rights, and
- B. the period of Developer control terminates, unless the judgment or instrument conveying title provides to the contrary.

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

- A. A successor to all Special Developer Rights which is an Affiliate of the Developer is subject to all obligations and liabilities imposed on a Developer by law or by this Master Deed.
- B. A successor to all Special Developer Rights, other than a successor described in Section 14.07 C. or D. hereof which is not an Affiliate of the Developer, is subject to all obligations and liabilities imposed upon the Developer by law or this Master Deed but is not subject to liability for misrepresentations or warranty obligations on improvements made by any previous Developer or made before the Condominium was created or for a breach of fiduciary obligations by any previous Developer.
- C. If it is not an Affiliate of Developer, a successor to only Special Developer Rights to maintain models, sales offices and signs may not exercise any other Special Developer Right, but is not subject to any liability or obligation as a Developer.

D. A successor to all Special Developer 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 Units under Section 14.06 hereof 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 Units owned by the successor or until recording an instrument permitting exercise of all those rights, that successor may not exercise any Special Developer Rights other than the right to control the Board of Directors for the duration of any period of Developer control, and any attempted exercise of those rights is void. So long as a such successor Developer may not exercise Special Developer Rights under this Subsection 14.07 D., it is not subject to any liability or obligation as a Developer other than liability for its own acts and omissions under this Master Deed.

14.08. Ineffectiveness. Nothing in this Article XIV subjects any successor to a Special Developer Right to any claims against or other obligations of a transferor other than claims and obligations arising under this Master Deed.

ARTICLE XV

GENERAL PROVISIONS

15.01. Duration. The provisions of this Master Deed shall be perpetual in duration, shall run with title to and bind all of the land included in the Condominium and shall inure to the benefit of and be enforceable by the Condominium Association and the Unit Owners, their respective successors,

assigns, heirs, executors, administrators and personal representatives, except that the covenants and restrictions set forth in Section 10.01 shall have an initial term of forty (40} years from the date this Master Deed is recorded in the Warren County Clerk's Office at the end of which period such covenants and restrictions shall automatically be extended for successive periods of ten (10) years each, unless Unit Owners owning at least two-thirds (2/3} in interest of the Common Elements of the Condominium at the time of expiration of the initial period or of any extension period shall sign an instrument or instruments (which may be in counterparts} in which they shall agree to change said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Unit Owner at least ninety (90} days in advance of the action taken in authorizing said agreement; and, in any event, any changes concerning any such agreement shall not become effective and binding until three (3} years after the recording of the fully executed instrument or instruments containing such agreement, and provided further, that in no event may the Common Elements be conveyed to any third person, firm or corporation without the express consent by ordinance, of the governing body of the Township of White (or such municipal corporation or other governmental entity as may then have zoning and subdivision jurisdiction over the Condominium).

15.02. Amendment of Master Deed. Except for those provisions herein that expressly provide otherwise, this Master Deed may be amended at any time after the date hereof by a vote of those Unit Owners in good standing owning at least sixty-seven percent (67%) of the interest in the Common Elements of the Condominium, at any meeting of the Condominium Association duly held in accordance with the provisions of the By-Laws; provided, however, that any amendment to this Master Deed affecting an interest of the Township of White in

the Condominium shall require the approval of the Township. No amendment shall be effective until recorded in the Warren County Clerk's Office. This Subsection is by way of supplement to and not in derogation of the powers of amendment reserved to the Developer pursuant to Articles IX and XIV hereof. In the alternative/ an amendment may be made by an agreement, signed and acknowledged by all of the Unit Owners in the manner required for the execution of a deed/ and such amendment by agreement shall be effective when recorded in the Warren County Clerk's Office. In spite of the foregoing/ any amendment so requiring it under the provisions of Article XIII hereof/ shall also have the prior written approval of fifty-one (51%) percent of the Notice Mortgagees.

15.03. Termination. In spite of anything to the contrary herein, an amendment/ deed of revocation or other document shall be effective to terminate the condominium form of ownership hereby established only upon the written approval of ta) the Township of White; and (b) non-Developer Unit Owners owning at least eighty percent (80%) in interest of the Common Elements of the Condominium; and (c) the Developer, for so long as it holds one (1) Unit for sale in the ordinary course of business.

15.04. Enforcement. Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction over 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 Master Deed or any covenant herein contained. Failure by the Condominium 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.

15.05. Maintenance by Municipality. In the event the Condominium is not maintained in reasonable order and condition, the Township of White shall have the right, but not the obligation, to enter upon and maintain it. The assumption of such maintenance responsibility shall be in accordance with the procedure set forth in N.J.S.A. 40:55D-43(b). The cost of same shall be assessed, enforced and collected in accordance with the provisions of N.J.S.A. 40:55D-43(c). In spite of any limitations as to the applicability of N.J.S.A. 40:55D-43(b) and (c) to the maintenance of "open space," provisions of this Section shall be deemed to apply to all maintenance obligations as set forth in this Master Deed. The cost of such maintenance by the municipality shall be assessed pro rata against the Owners of each Unit affected thereby, shall become a lien and tax on each such Unit and shall be enforceable by the Township of White in the manner provided by law with respect to real estate taxes assessed directly against each such Unit. The Township of White shall have no obligation to proceed as set forth herein and the Condominium Association will hold the Township of White harmless for any liability arising from the Township of White's actions or failure to act with respect to the maintenance of the Common Elements. All of the above provisions are subject and subordinate to the provisions of N.J.S.A. 40:55D-43 and any amendments and/or supplements thereto.

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

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

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

15.09. Rule Against Perpetuities. If any provision of this Master Deed, the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association shall be interpreted to constitute a violation of the rule against perpetuities, such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

15.10. Conflict. In the event any provision of this Master Deed 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. In the event any provision of this Master Deed is in conflict with any provision of **the** Certificate of Incorporation, the By-Laws or the Rules and Regulations of the Condominium Association, the provision of the Master Deed shall govern.

15.11. Notice - Unit Owners and Members. Unless express provision to the contrary is made in this Master Deed, the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association, any notice permitted or required to be given to or served upon any Unit Owner or Member under the provisions of this Master Deed, the Certificate of Incorporation, By-

Laws or Rules and Regulations of the Condominium Association shall be deemed to have been properly given or served when same is mailed via the United States Postal Service, with sufficient prepaid first class postage affixed thereto, addressed to the Unit Owner or Member at his last known mailing address as reflected in the records of the Condominium Association at the time of such mailing. Notice to one of two or more co.-owners of a Unit shall constitute notice to all co-owners thereof. It shall be the obligation of every Unit owner and Member to immediately notify the Condominium Association in writing of any change of address for purposes of notices to which it is entitled pursuant to the terms of this Master Deed, the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association. Such notification of a change of address to the Condominium Association shall be given to the Condominium Association in writing in the manner provided for notices to the Condominium Association in Section 5. 2 of this Master Deed. Until such time as a Unit Owner gives contrary notice to the Condominium Association in the manner herein provided, the Condominium Association shall be entitled to conclusively presume that the address of a Unit is the record address of the Owner of the Unit.

Valid notices may also be given to Unit owners and Members by: (i) personal delivery to any approved occupant of the Unit of the Owner or Member or (ii) affixing said notice or sliding same under the front entrance door of the Unit.

5. 2. Notice-Condominium Association. Unless express provision to the contrary is made in this Master Deed, the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association, any notice permitted or required to be given to or served upon the Condominium Association under the provisions of this Master Deed, the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association shall be deemed to

have been properly given to or served upon the Condominium 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 corporate Registered Agent of the Condominium Association as reflected in the official records of the New Jersey Secretary of State as of the date such notice is mailed.

15.13. Requests for Consent. Approval or Permission. To the extent that this Master Deed/ the Certificate of Incorporation, By-Laws or Rules and Regulations of the Condominium Association provides that certain actions not be taken without the consent, approval or permission of the Condominium Association or its Board of Directors, any request for such consent, approval or permission shall be submitted in the manner provided for notices pursuant to Subsection 15.12 herein unless the Board of Directors by its Rules and Regulations establishes a different manner.

ARTICLE XVI

CONDOMINIUM RULES AND REGULATIONS

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

16.02. Publication. No Condominium Association Rule or Regulation promulgated and adopted by the Board of Directors subsequent to a Unit Owner's acquisition of title to a Unit shall be deemed to be effective as to a particular

Unit Owner until written notice of same has been given to the Unit Owner pursuant to Section 15.04 of this Master Deed. Once such notice is given, the Condominium Association shall have no further obligation to publish adopted Condominium Association Rules and Regulations other than to maintain a current compilation of same available for inspection during regular business hours at the Condominium Association's principal office. There shall be a rebuttable presumption that a purchaser acquiring title to a Unit has actual notice of all Condominium Association Rules and Regulations adopted as of the date title is acquired. To rebut this presumption of actual notice, a Unit Owner must be able to establish by clear and convincing legally competent evidence in any enforcement proceeding that a copy of the Rule or Regulation that the Condominium Association is seeking to enforce was not being maintained and available for inspection as aforesaid by not later than the date on which the Unit Owner acquired title to the Unit.

16.03. Enforcement. Enforcement of the Condominium's Association's Rules and Regulations shall be as provided in Section 15.04 of this Master Deed and the Condominium Association's By-Laws.

IN WITNESS WHEREOF, the Developer has caused this Master Deed to be executed the day and year first above written by the Developer's duly authorized Managing Member.

BELVIDERE DEVELOPMENT COMPANY, L.L.C.
a New Jersey Limited Liability Company
Developer

WITNESS:

By: _____
Kenneth G. McDermott, Managing Member

STATE OF NEW JERSEY, COUNTY OF SOMERSET

SS.:

I CERTIFY that on _____, 1998, Kenneth G. McDermott, the Manager of Belvidere Development Company, L.L.C., a New Jersey Limited Liability Company, personally came before me and acknowledged under oath, to my satisfaction, that he is the person named in and acknowledged under oath, to my satisfaction, that he is the person named and who executed the within Master Deed, and thereupon acknowledged that he personally signed, sealed and delivered this Master Deed as his act and deed for the uses and purposes therein expressed.

EXHIBIT A

to

MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

Legal Description of Entire Tract

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June 18, 1998

Brookfield Condominium
Township of White
Warren County
New Jersey

Beginning at a point on the common line of Block 30, Lot 12 now or formerly of Kenneth and Kathleen McDermott and Block 30, Lot 14.01 now or formerly of Janke Rusticus said point being distant Four Hundred Ninety-one and Seventeen hundredths feet (491.17') northerly along said line from a concrete monument at the intersection of said line and the proposed northerly line of County Route 519 said monument being Thirty-three and Zero hundredths (33.00') northerly of and at right angles to the centerline of County Route 519 and from said point of beginning running thence

1) Along the northerly line of Block 30, Lot 12.06 now or formerly of Kenneth and Kathleen McDermott, South Sixty-two degrees Eighteen minutes Twenty-eight seconds West (S 62° 18' 28" W) a distance of Two Hundred Sixty-nine and Twenty-six hundredths feet (269.26') to a point, thence

2) Along the same, South Seventy-eight degrees Fifteen minutes Forty-two seconds West (S 78° 15' 42" W) a distance of Seventy-five and Zero hundredths feet (75.00') to a point, thence

3) Along the same, South Eleven degrees Forty-four minutes Eighteen seconds East (S 11° 44' 18" E) a distance of Twenty-four and Sixty-two hundredths feet (24.62') to a point, thence

4) Along a new line, South Seventy-eight degrees Fifteen minutes Forty-two seconds West (S 78° 15' 42" W) a distance of One hundred ten and Zero hundredths feet (110.00') to a point, thence

5) Along the northeasterly line of Block 30, Lot 10 now or formerly of Kenneth and Kathleen McDermott, North Eleven degrees Forty-four minutes Eighteen seconds West (N 11° 44' 18" W) a distance of Twenty-six and Ninety-nine hundredths feet (26.99') to a point, thence

6) Along the same, South Eighty-three degrees Forty minutes Fifty-three seconds West (S 83° 40' 53" W) a distance of Two hundred Thirty-six and Twelve hundredths feet (236.12') to a point, thence

7) Along the same, North Sixty-two degrees Twenty-eight minutes Thirteen seconds West (N 62° 28' 13" W) a distance of One hundred Seventeen and Sixteen hundredths feet (117.16') to a point, thence

8) Along the same, North Thirty-five degrees Four minutes Twenty-one seconds West (N 35° 04' 21" W) a distance of Four hundred twelve and Sixty-eight hundredths feet (412.68') to a point, thence

9) Along the same, North Forty degrees Thirty-eight minutes Twenty-five seconds West (N 40° 38' 25" W) a distance of Four hundred forty-eight and Twenty-six hundredths feet (448.26') to a point, thence

10) Along the same, North Eighty-eight degrees Thirty-nine minutes Thirteen seconds West (N 88° 39' 13" W) a distance of Six hundred five and Sixty-nine hundredths feet (605.69') to a point, thence

June 18, 1998

Brookfield Condominium
Township of White
Warren County
New Jersey

11) Along the easterly line of new Block 30, Lot 10 now or formerly of the Township of White, being the easterly twenty-five acres (25.00 ac+/-) more or less, of former Block 30, Lot 10 now or formerly of Kenneth and Kathleen McDermott as dedicated to the Township of White, North Eighty degrees, Five minutes, Thirty-four seconds West (N 80° 05' 34" W) a distance of One hundred Six and Ninety-one hundredths feet (106.91') to a point; thence

12) Along the same North Forty-seven degrees, Fifty-one minutes, Thirty seconds West (N 47° 51' 30" W) a distance of Three hundred Six and Forty-seven hundredths feet (306.47') to a point; thence

13) Along the same North Seventy degrees, Forty-five minutes, Thirty-seven seconds West (N 70° 45' 37" W) a distance of One hundred sixty-eight and Ninety-one hundredths feet (168.91') to a point; thence

14) Along the same South Fifty-seven degrees, Seventeen minutes, Thirty-seven seconds West (S 57° 17' 37" W), a distance of One hundred forty-nine and Forty-eight hundredths feet (149.48') to a point in the easterly line of Block 30, Lot 11 now or formerly of William E. Jr. and Joan P. Terhune; thence

15) Along the westerly lines of former Block 30, Lot 10, Block 30.01, Lot 4, Block 30, Lot 3 and Block 31, Lot 2 all now or formerly of Kenneth and Kathleen McDermott said line being along the easterly line of Block 30, lot 11 in the Township of White to the center of Pophandusing Creek represented as the municipal boundary line between the Township of White and the Town of Belvidere and continuing along said boundary line represented as the easterly line of Block 51, Lot 3 now or formerly of William E. Jr. and Joan P. Terhune, Block 51, Lot 2 now or formerly of Secondary Development Corp., Block 51, Lots 1.05 through 1.20 as shown on the Final Map "Lifestyle 80's at Belvidere-Section One" filed in the Warren County Clerk's Office on 6-9-88, File No. 88-223, Block 51, Lot 1.01 now or formerly of Lawrence and Nancy Ehasz, Block 51, Lot 1.02 now or formerly of James and Patricia Smith, Block 51, Lot 1.03 now or formerly of John and Stella Popovitch, Block 51, Lot 1.04 now or formerly of Gene and Janet Digilio, North Thirty-one degrees, Four minutes, Twelve seconds East (N 31° 04' 12" E) a distance of Two thousand two hundred fifty-three and Thirty-five hundredths feet (2253.35') to a point in the southerly line of County Route 623, a Sixty-six foot wide Right of Way (66.00' R.O.W.); thence

16) Along said Right of Way line, North Eighty-seven degrees, Forty-eight minutes, Ten seconds East (N 87° 48' 10" E) a distance of Eight hundred ninety-seven and Fifty-nine hundredths feet (897.59') to a point; thence

17) Along the westerly line of Block 31, Lot 1 now or formerly of Janke Rusticus, South Nine degrees, Twenty-four minutes, Twenty-six seconds East (S 09° 24' 26" E) a distance of Four hundred forty-one and Sixty-two hundredths feet (441.62') to a point; thence

18) Along the southerly line of Block 31, Lot 1 North Fifty-three degrees, Twelve minutes, Fifteen seconds East (N 53° 12' 15" E) a distance of Five hundred seventy-three and Eighty-five

June 18, 1998

Brookfield Condominium
Township of White
Warren County
New Jersey

- 8) North Forty-six degrees, Fifty-three minutes, Seven Seconds East (N 46° 53' 07" E), a distance of Two hundred sixty-two and Seventy-one hundredths feet (262.71') to a point; thence
9) South Forty-three degrees, Six minutes, Fifty-three seconds East (S 43 ° 06' 53" E), a distance of Seventy-five and Zero hundredths (75.00') to the point and place of beginning.

Containing Ninety-six and Twenty-five hundredths acres more or less acres more or less (96.25 ac. +/-) And being subject to all existing easements as shown on the survey "Survey of Brookfield Condominium..." prepared by Mace Consulting Engineers P.C. dated June 18 1998.


DOUGLAS M. MACE, PE, LS, PP #18390

A\sect12.1gl

EXHIBIT B

to

MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

Survey of Entire Tract

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EXHIBIT C

to

MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

Legal Description of Section A of Phase I

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June 18, 1998

BLOCK 30, LOT 12.03
wmTE TOWNSHIP
WARREN COUNTY, NEW JERSEY

Being all that certain tract or parcel of land situate in the Township of White, Warren County, New Jersey, being known and designated as Block 30, Lot 12.03 on the map entitled "Final Plat Retirement Community Section I..." prepared by Mace Consulting Engineers P.C. as drawing number NJ-W-WH-124, dated June 1, 1998 and being more particularly described as follows.

Beginning at a point in the westerly Right of Way line Brookfield Drive, as shown on the aforementioned plan, said point being Thirty feet (30.00') right of the centerline of said road at station 93+ 05.38, and from said point of beginning running thence

- 1) Along said Right of Way line, South Eleven degrees, Fortyfour minutes, Eighteen seconds East (S 11° - 44' • 18" E), a distance of Seventy-nine and Sixty-two hundredths feet (79.62') to a point, thence
- 2) Along the same line, South Seventy-eight degrees, Fifteen minutes, Forty-two seconds West (S 78° - 15' 42" W), a distance of Twenty-five and Zero hundredths feet (25.00') to a point, thence
- 3) Along the same line, South Eleven degrees, Forty-four minutes, Eighteen seconds East (S 11° - 44' - 18" E) a distance of Thirty-seven and Twenty-four hundredths feet (37.24') to a point, thence
- 4) Along northe terly line of said parcel, South Eighty degrees, Seventeen minutes, Fifty-four seconds West (S 80° - 17' - 54" W), a distance of Eighty-two and Twenty-seven hundredths feet (82.27') to a point, thence
- 5) Along said line, North Eighty-one degrees, Twenty-one minutes, Forty-one seconds West (N 81° - 21' - 41" W), a distance of Eighty-two and Thirteen hundredths feet (82.13') to a point, thence
- 6) Along said line, North Sixty degrees, Thirty-three minutes, Forty-two seconds West (N 60° - 33' - 42" W), a distance of Ninety-seven and Zero hundredths feet (97.00') to a point, thence
- 7) Along said line, North Fifty-two degrees, Fifty-one minutes, Five seconds West (N 52° - 51' - 05" W), a distance of One hundred sixty-six and Thirty hundredths feet (166.30') to a point, thence
- 8) Along said line, North Thirty degrees, Twenty-eight minutes, Thirty-one seconds West (N 30° • 28' - 31" W), a distance of Three hundred four and Fifty-seven hundredths (304.57') to a point, thence
- 9) Along said line, North Thirty-seven degrees, Forty-five minutes, Forty-nine seconds West (N 37° - 45' - 49" W), a distance of Two hundred fifty and Fifty-two hundredths feet (250.52') to the southeasterly corner of Block 30 Lot 12.01, thence
- 10) Along the southerly line of said parcel, North Forty-six degrees, Fifty-three minutes, Seven seconds East (N 46° - 53' - 07" E), a distance of One hundred thirty-seven and Thirty-seven hundredths feet (137.37') to a point, thence
- 11) Along the southwesterly line of Block 30 Lot 12.02, South Sixty-five degrees, Fifty-eight minutes, Fifty-nine seconds East (S 65° - 58' - 59" E), a distance of One hundred eighty-two and Eighteen hundredths feet (182.18') to a point of curvature on the Northerly Right of Way of Coventry Drive, thence
- 12) Along the westerly Right of Way of Coventry Drive, around a curve to the left having a radius of

June 18, 1998

BLOCK 30, LOT 12.03
WHITE TOWNSHIP
WARREN COUNTY, NEW JERSEY

One hundred sixty and Zero hundredths feet (160.00'), an arc distance of One hundred fifty-two and Seventeen hundredths feet (152.17'), a chord bearing of South Three degrees, Thirteen minutes, Forty-six seconds East (S 03° - 13' - 46" E), One hundred forty-six and Fifty hundredths feet (146.50') to a point of tangency, thence

13) Along the said line of Coventry Drive, South Thirty degrees, Twenty-eight minutes, Thirty-three seconds East (S 30° - 28' - 33" E) a distance One hundred seventy-one and Eighty-six hundredths feet (171.86') to a point of curvature, thence

14) Along said line, around a curve to the left, having a radius of Five hundred thirty feet (530.00'), an arc distance of Two hundred six and Ninety-six hundredths feet (206.97'), a chord bearing and distance of South Forty-one degrees, Thirty-nine minutes Forty-seven seconds East (S 41° - 39' - 47" E) Two hundred five and Sixty-six hundredths feet (205.66') to a point of tangency, thence

15) Along said line, South Fifty-two degrees, Fifty-one minutes, Two seconds East (S 52° - 51' - 02" E) a distance of Thirty-three and Fifty-nine hundredths feet (33.59') to a point of curvature, thence

16) Along said line, around a curve to the left having a radius of One hundred thirty-five feet (135.00'), an arc distance of One hundred fifteen and Nineteen hundredths feet (115.19'), a chord bearing and distance of South Seventy-seven degrees, Seventeen minutes, Forty seconds East (S 77° - 17' - 40" E) One hundred eleven and Seventy-three hundredths feet (111.73') to a point of tangency, thence

17) Along said line, North Seventy-eight degrees, Fifteen minutes, Forty-one seconds East (N 78° - 15' - 41" E) a distance of Twenty-four and Twenty-seven feet (24.27') to a point of curvature at the southwesterly corner of Coventry Drive and Brookfield Drive, thence

18) Along the southeasterly Right of Way of Coventry Drive, around a curve to the right having a radius of twenty-five and Zero hundredths feet (25.00'), an arc distance of Thirty-nine and Twenty-seven hundredths feet (39.27'), a chord bearing and distance of South Fifty-six degrees, Forty-four minutes, Eighteen seconds East (S 56° - 44' - 18" E) Thirty-five and Thirty-six hundredths feet (35.36') to the Point and Place of Beginning.

Containing Three and Twenty-three hundredths acres more or less (3.23 acs.+/-). As shown on the plan entitled " Brookfield - Phase 1, Section A... " prepared by Mace Consulting Engineers P.C. dated June 16 1998.


DOUGLAS M. MACE, PE, LS, PP #18390

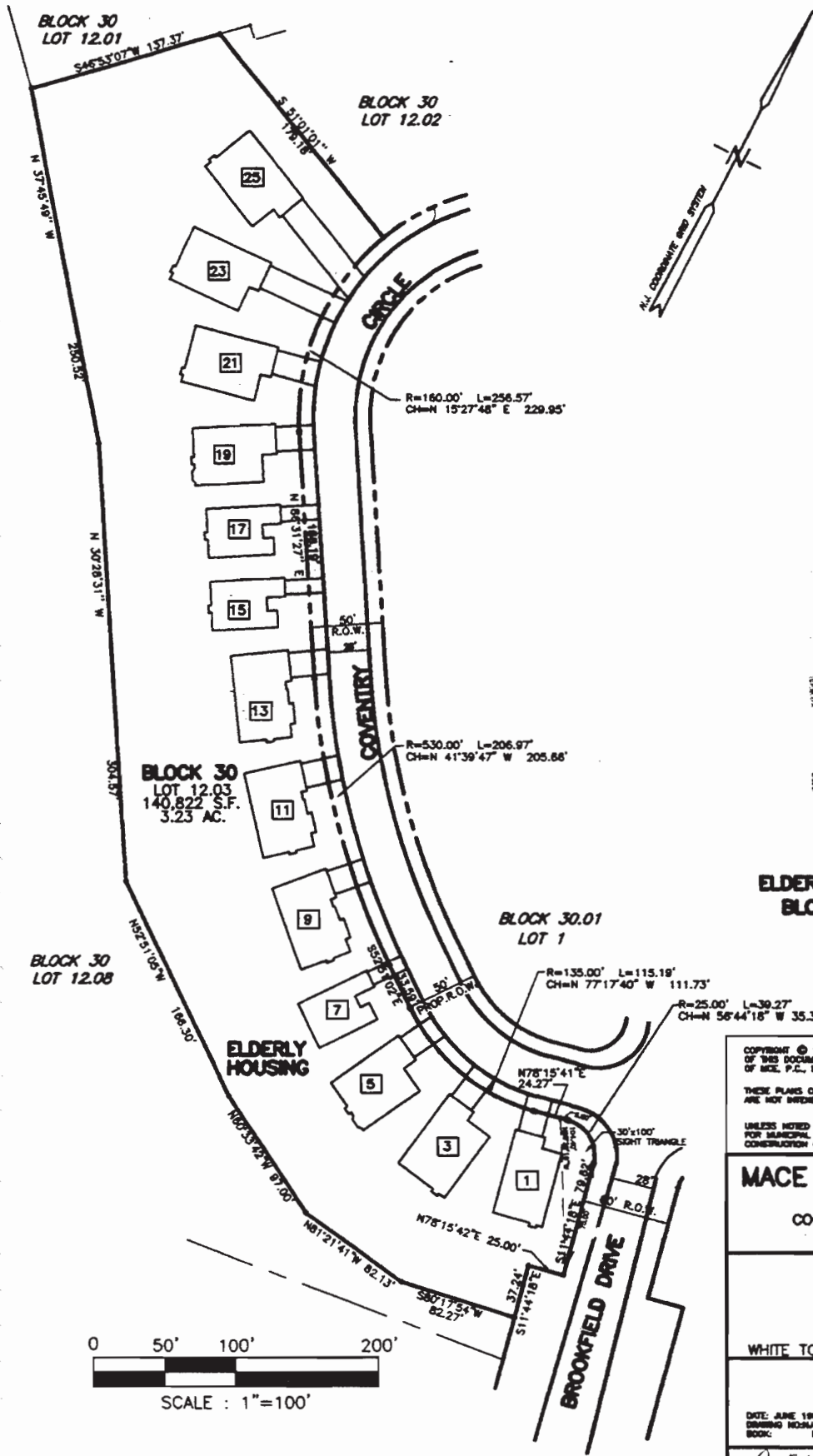
EXHIBIT D

to

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

Survey of Section A of Phase I

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PRINT MADE

JUN 1 9 1988
 MACE CONSULTING ENGINEERS, P.C.

**ELDERLY HOUSING
 BLOCK 30.02**

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 UNLESS NOTED OTHERWISE, THESE PLANS ARE INTENDED AS A "COMPLETE" APPLICATION FOR MUNICIPAL AND/OR GOVERNMENTAL APPROVALS AND ARE NOT INTENDED AS CONSTRUCTION CONTRACT DOCUMENTS.

MACE CONSULTING ENGINEERS
A Professional Corporation
 CONSULTING ENGINEERS - PLANNERS
 PHILIPSBURG, N.J.

BROOKFIELD
 PHASE 1, SECTION A
 WHITE TOWNSHIP, WARREN COUNTY, NEW JERSEY

DOUGLAS M. MACE
 N.J.P.E.# 18724E P.E. L.S.# 586 N.J.P.E.# 18724E N.J.P.E.# 1191
 DATE: JUNE 1988 DRAWN BY: A.E. FILE NAME: PHASE1.PLANS-0-0511.dwg
 SHEET NO. 18-124-124 PAGE: SCALE: 1"=100'

DOUGLAS M. MACE N.J.P.E.L.S. 18390 1
 Professional Engineer - Land Surveyor DATE 1

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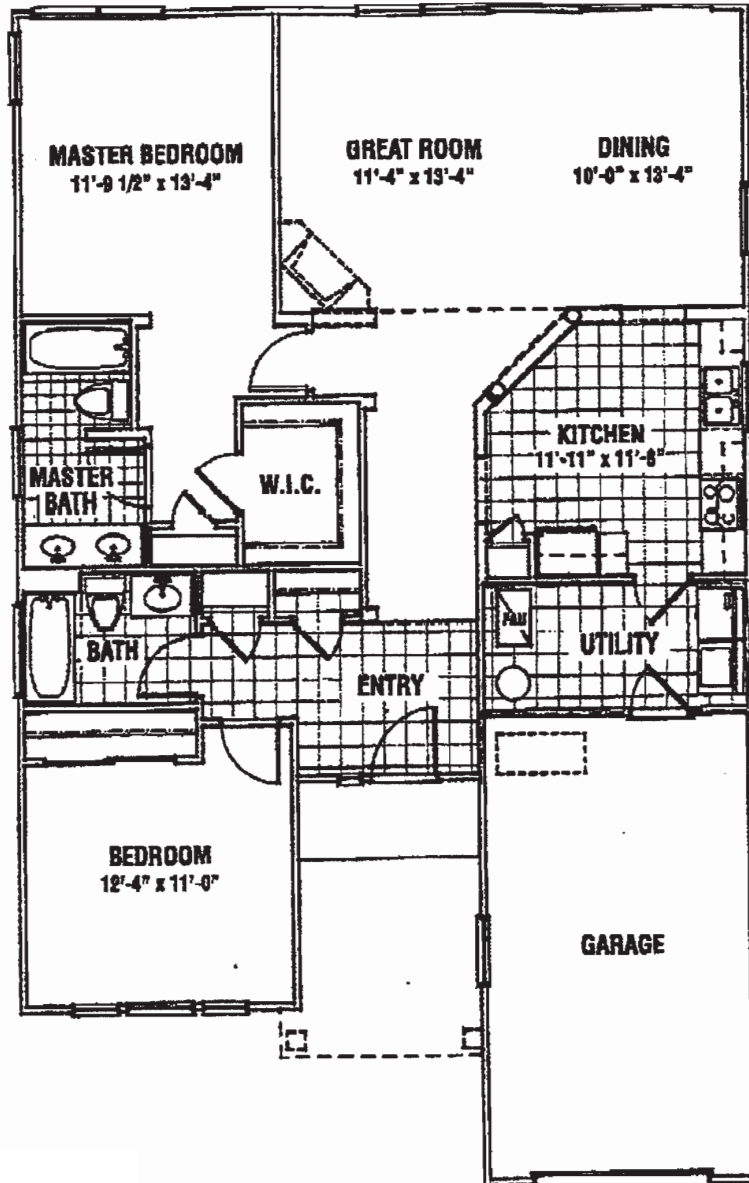
EXHIBIT E

to

MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

Architectural Drawings and Floor Plans

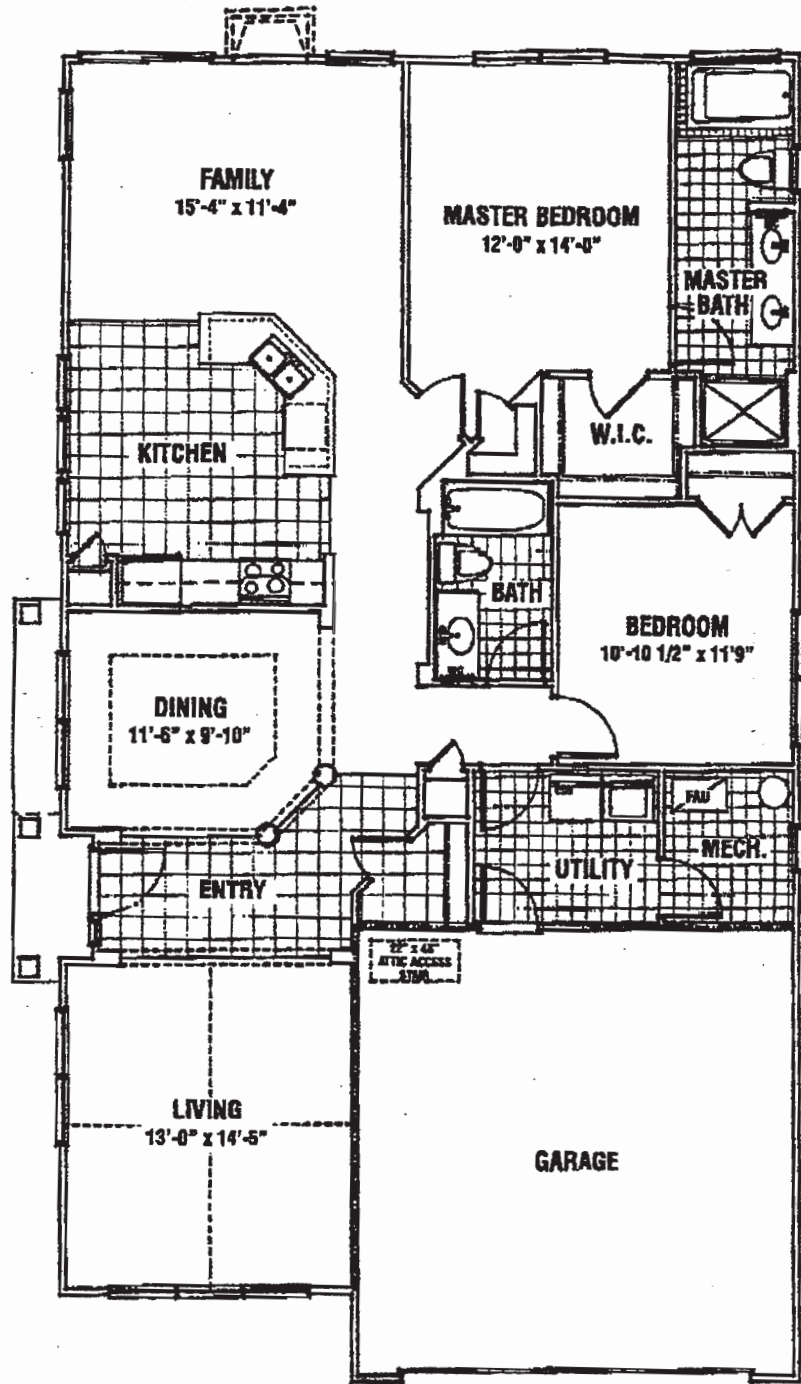
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FIRST FLOOR A PLAN

1/4"=1'-0"

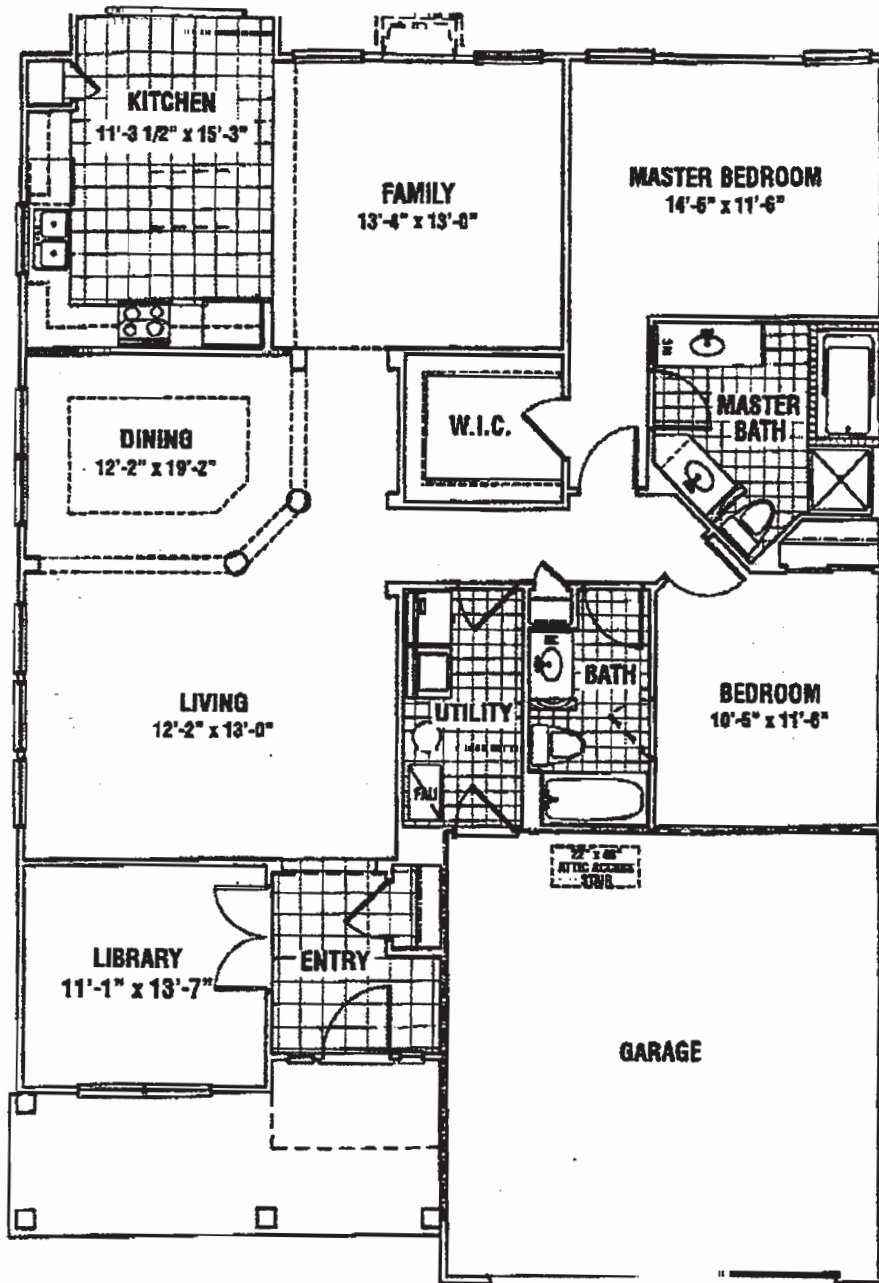
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FIRST FLOOR B PLAN

1/4"=1'-0"

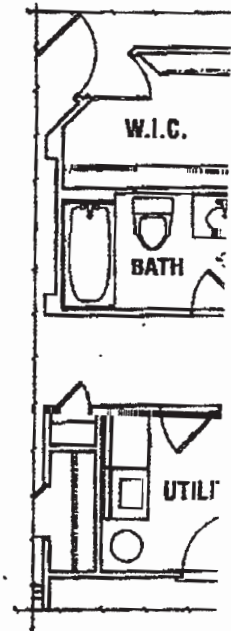
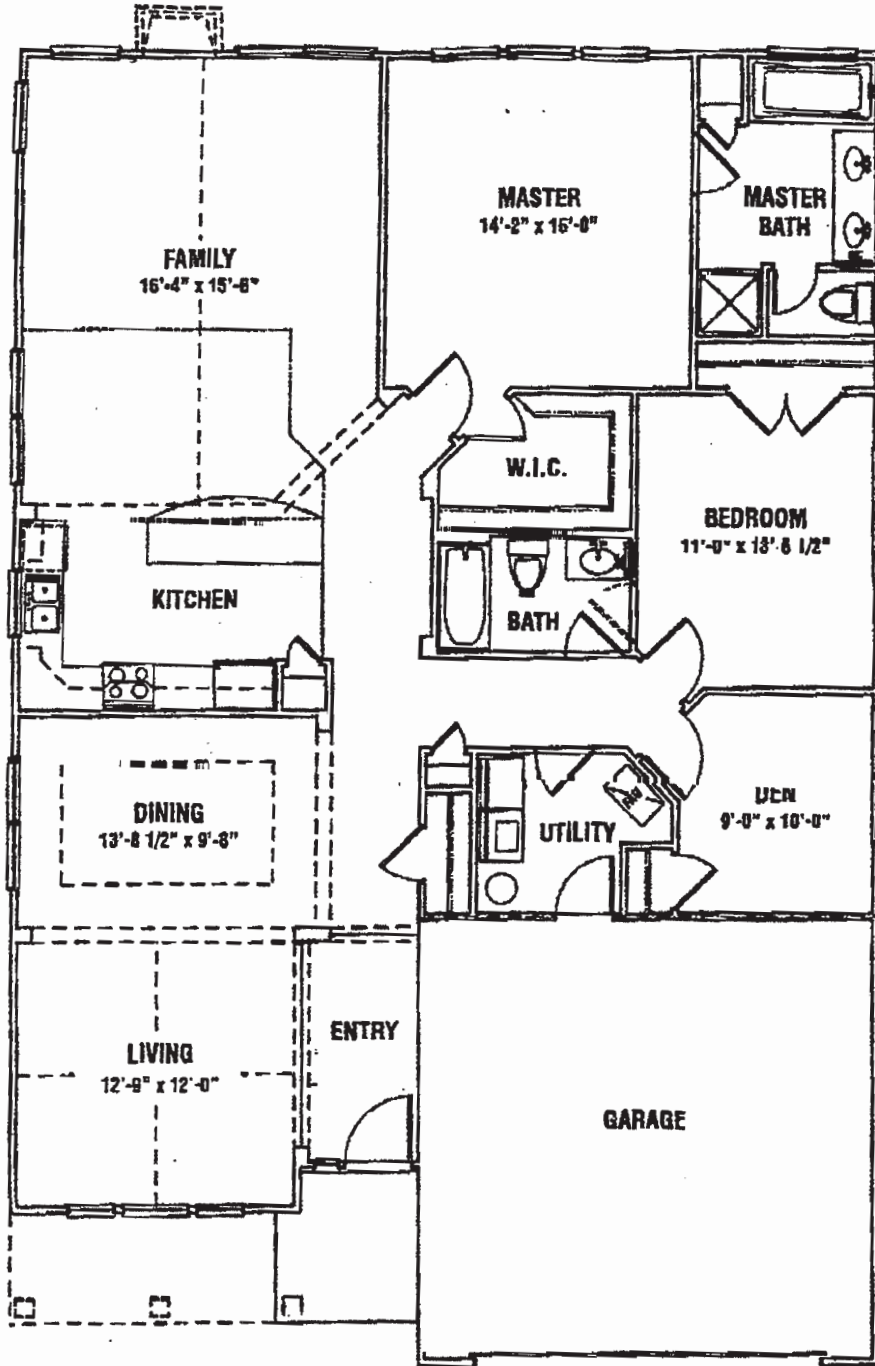
Pat



FIRST FLOOR C PLAN

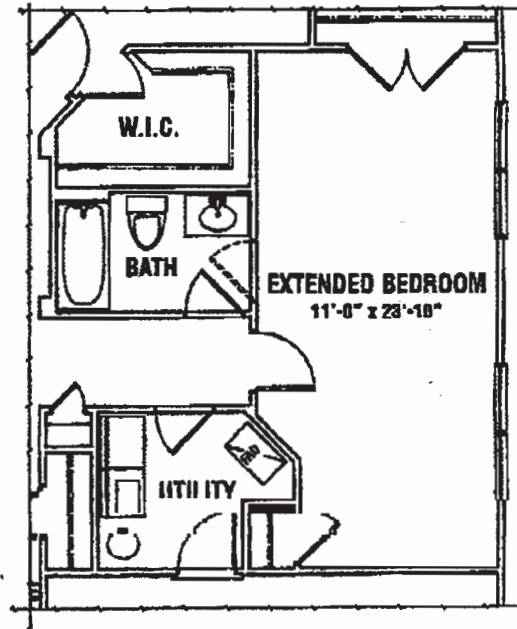
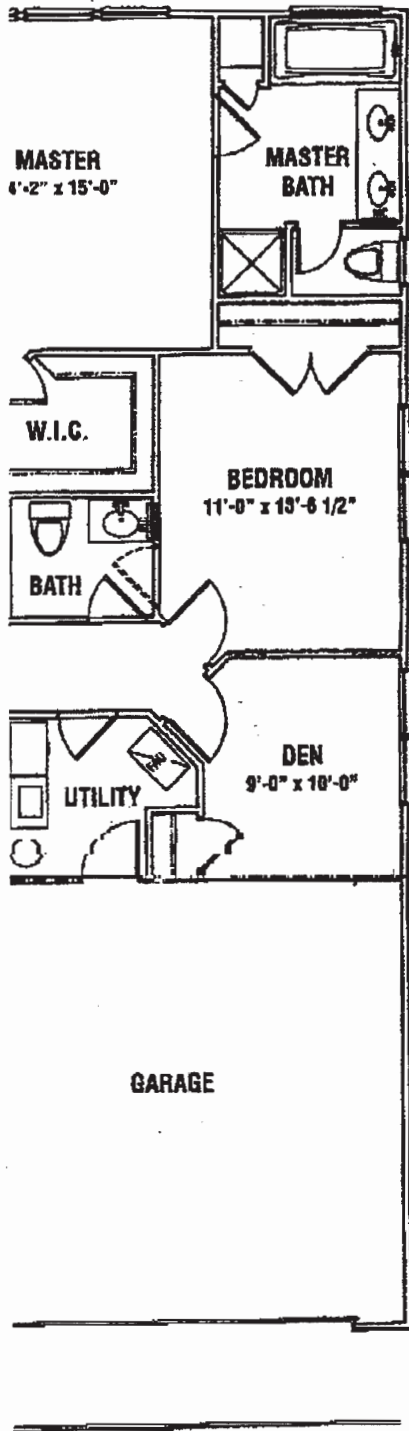
1/4"=1'-0"

62



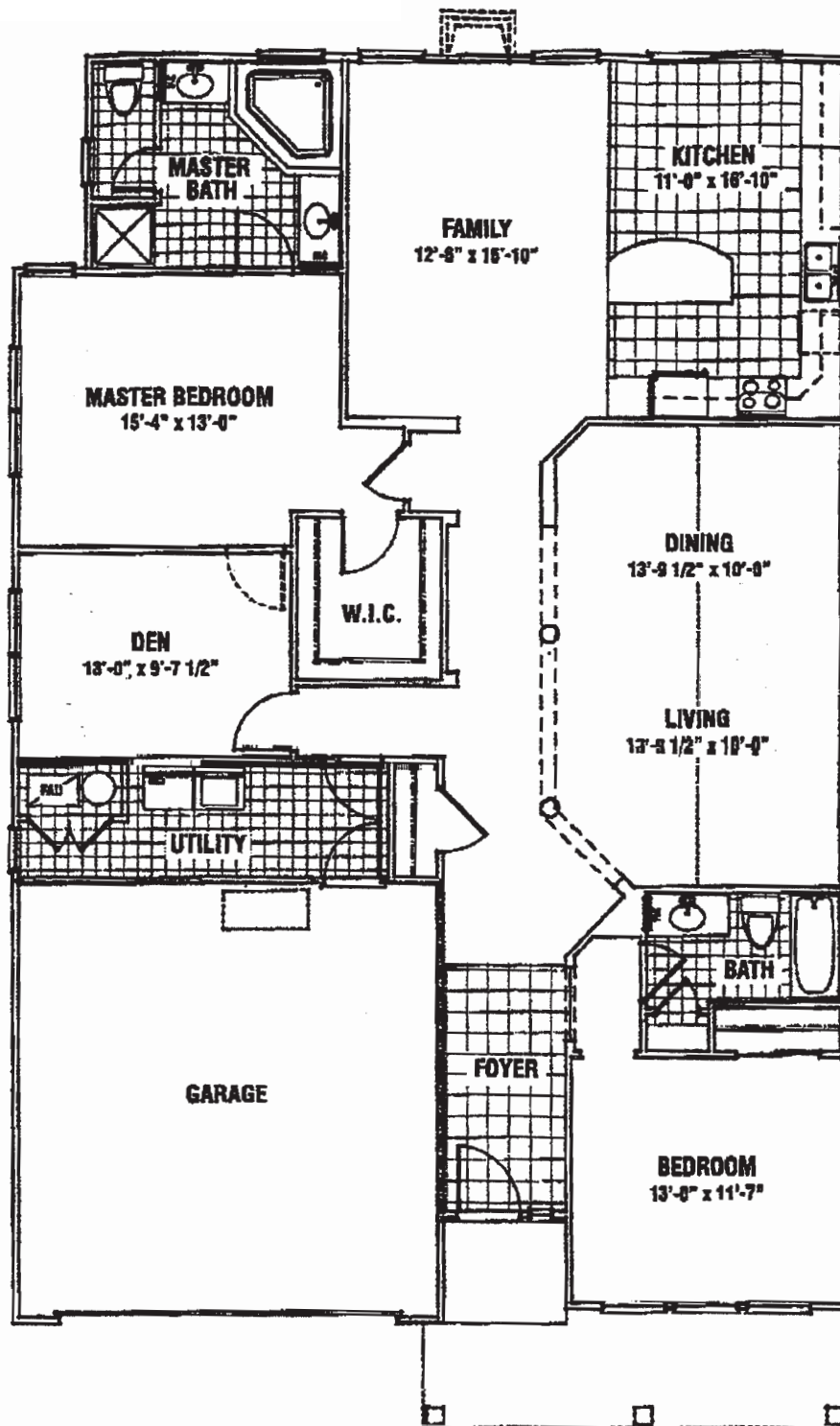
OPTIONAL EXTE
1/4"=1'0"

FIRST FLOOR D PLAN
1/4"=1'0"



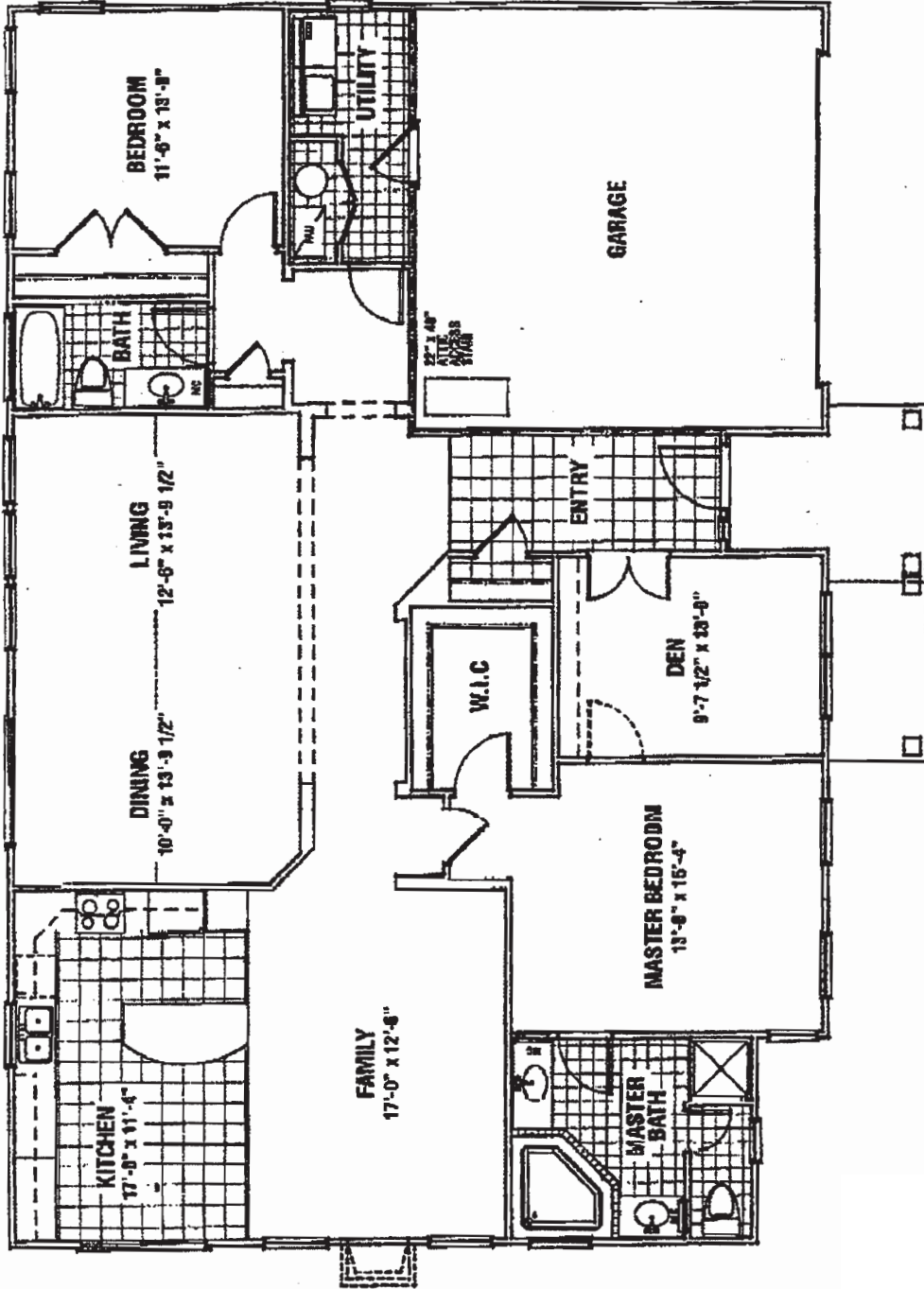
OPTIONAL EXTENDED BEDROOM SUITE

1/4"=1'0"

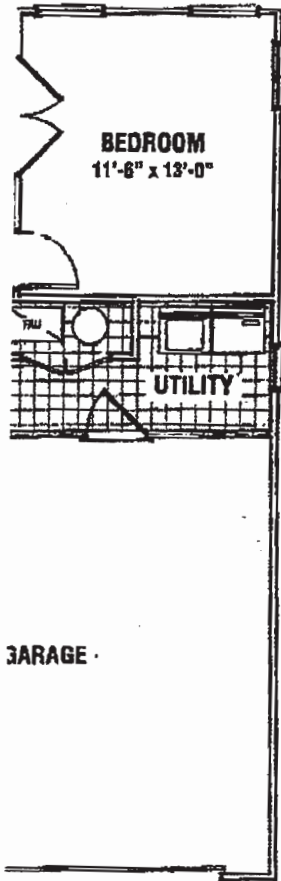


FIRST FLOOR E2 PLAN

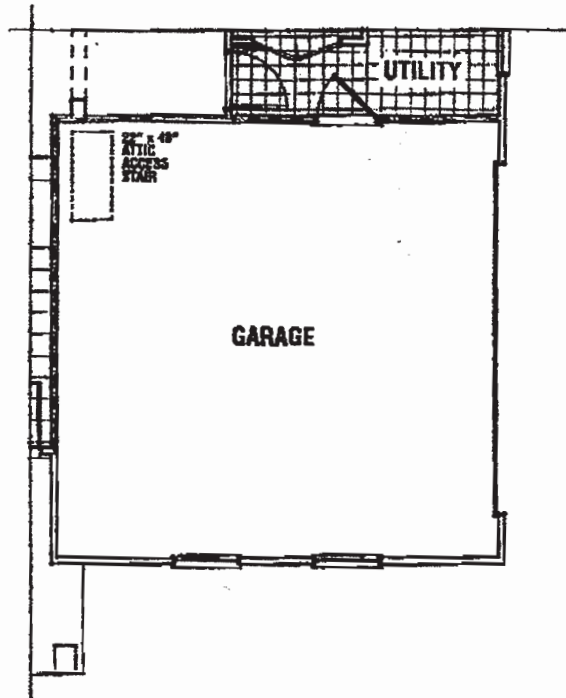
1/4" = 1'-0"



FIRST FLOOR E PLAN
 1/4" = 1'-0"



GARAGE



SIDE GARAGE ENTRY

1/4" = 1'-0"

BSH

EXHIBIT F

to

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

Certificate of Incorporation of
Brookfield Condominium Association, Inc.

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EXHIBITH

of

MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

Schedule of Proportionate Interests in
Common Elements for Section A of Phase I

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SCHEDULE OF PROPORTIONATE INTERESTS IN
BROOKFIELD, A CONDOMINIUM
BASED UPON DEVELOPMENT OF
SECTION A OF PHASE I ONLY (13 UNITS)

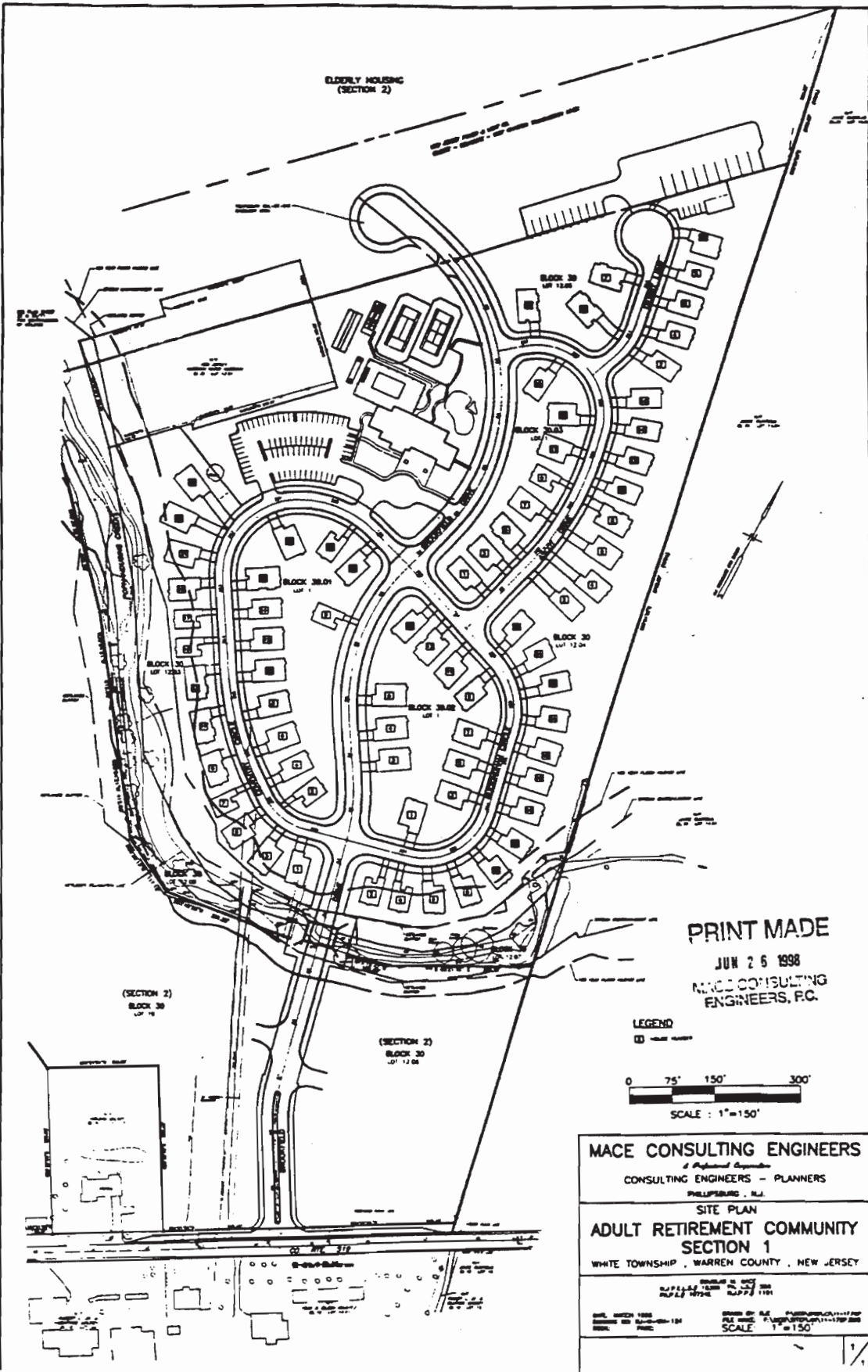
<u>Unit</u>	<u>% Interest</u>
1 Coventry Circle	7.692%
3 Coventry Circle	7.692%
5 Coventry Circle	7.692%
7 Coventry Circle	7.692%
9 Coventry Circle	7.692%
11 Coventry Circle	7.692%
13 Coventry Circle	7.692%
15 Coventry Circle	7.692%
17 Coventry Circle	7.692%
19 Coventry Circle	7.692%
21 Coventry Circle	7.692%
23 Coventry Circle	7.692%
25 Coventry Circle	<u>7.696%</u>
	100%

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EXHIBIT 2

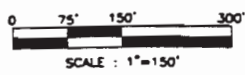
SITE PLAN OF PHASE I

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PRINT MADE
 JUN 26 1998
 MACE CONSULTING
 ENGINEERS, P.C.

LEGEND
 [Symbol] UNIT NUMBER



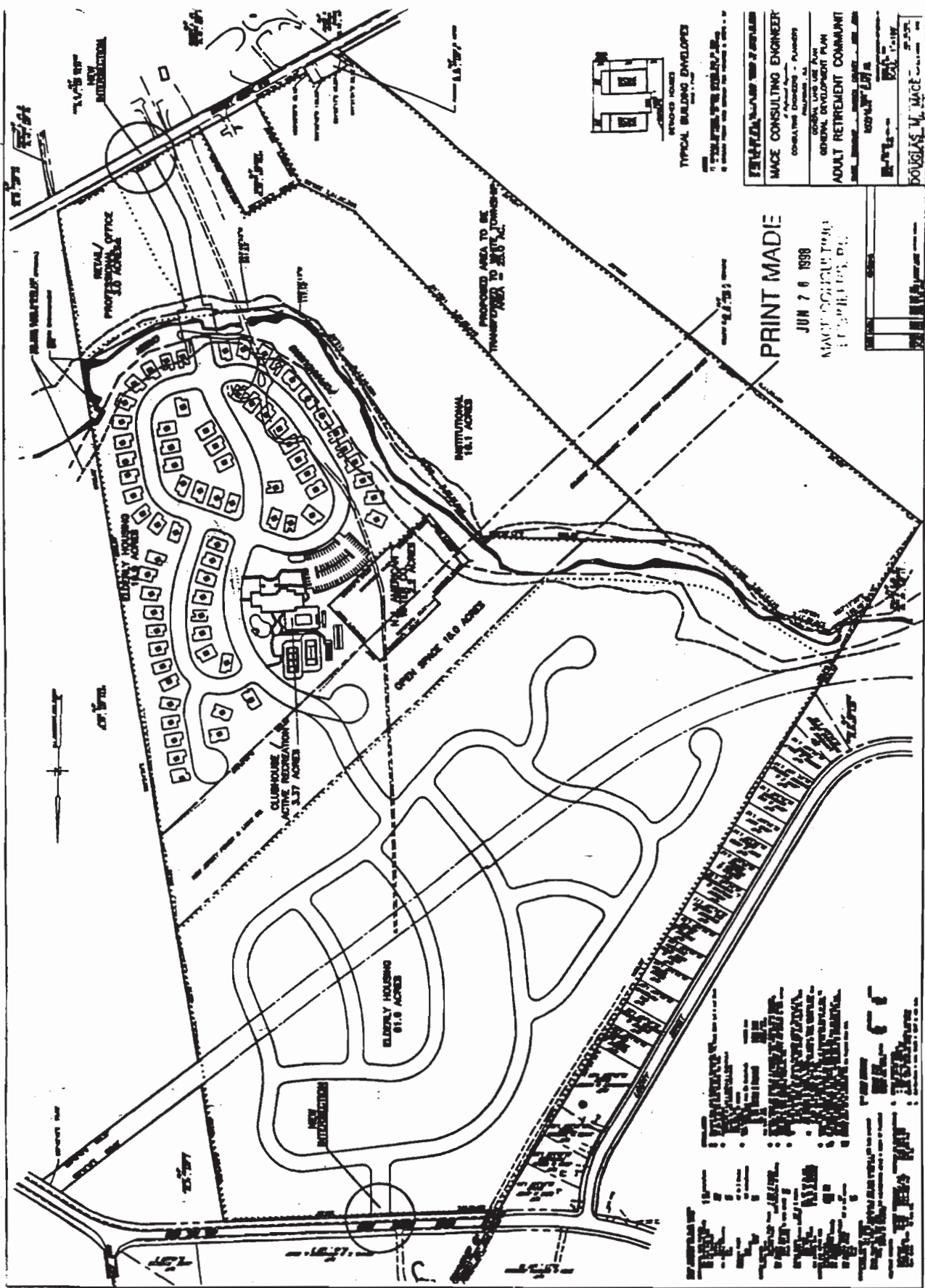
MACE CONSULTING ENGINEERS <i>A Professional Corporation</i> CONSULTING ENGINEERS - PLANNERS PHILIPSBURG, N.J.	
SITE PLAN ADULT RETIREMENT COMMUNITY SECTION 1 WHITE TOWNSHIP, WARREN COUNTY, NEW JERSEY	
PREPARED BY MACE CONSULTING ENGINEERS, P.C. PHILIPSBURG, N.J.	DATE: JUN 26 1998 SHEET NO. 101 TOTAL SHEETS: 101 SCALE: 1"=150'

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EXHIBIT 3

PROPOSED FULL DEVELOPMENT PLAN

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TYPICAL BUILDING ENVELOPE
 1" TO 1/4" SCALE
 1/4" = 1'-0"

PREPARED BY MACE CONSULTING ENGINEER CONSULTING ARCHITECTS - PLANNERS 1000 W. 10TH ST. SUITE 100 DENVER, CO 80202	
GENERAL USE AND PLAN GENERAL DEVELOPMENT PLAN ADULT RETIREMENT COMMUNITY	
DATE JUN 7 6 1998	DESIGNED BY DOUGLAS M. MACE

PRINT MADE
 JUN 7 6 1998
 MACE CONSULTING ENGINEER
 1000 W. 10TH ST.

REVISIONS NO. DATE BY DESCRIPTION 1 06/07/98 DM MACE CONSULTING ENGINEER	NOTES 1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE CITY OF DENVER ZONING ORDINANCES AND THE COLORADO BUILDING CODE.
---	--

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EXHIBIT 4

FORECASTED OPERATING BUDGET; ACCOUNTANT'S OPINION
RE: ADEQUACY: LETTER RE: INSURANCE ADEQUACY

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Wilkin & Guttenplan, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

1200 TICES LANE
EAST BRUNSWICK, NJ 08816
TEL: (732) 846-3000
FAX: (732) 845-0618

TO THE SPONSOR OF BROOKFIELD CONDOMINIUM ASSOCIATION

JULES C. FRANKEL, CPA, MBA
EDWARD GUTTENPLAN, CPA, MBA
MICHAEL M. LUYERHOE, CPA
WILLIAM J. McDEVITT, CPA
GARY S. ROSEN, CPA
H. EDWARD WILKIN II, CPA

BEF SILVERSTEIN, CPA

LOUI A. BARNHART, CPA
DEBORAH A. MACKEL, CPA
SUSAN M. KLUMCSAK, CPA
MICHAEL E. McDEVITT, CPA
MARIE D. MURRAY, CPA
ANNETTE MURRAY, CPA

We have examined the accompanying Forecasted Operating Budget of Brookfield Condominium Association for the initial year based upon Phase I (73 units) and Phase II (302 units, full occupancy). Our examination was made in accordance with standards for an examination of a forecast established by the American Institute of Certified Public Accountants and, accordingly, included such procedures as we considered necessary to evaluate both the assumptions used by the Sponsor and the preparation and presentation of the forecast.

The accompanying Forecasted Operating Budget presents, to the best of the Sponsor's knowledge and belief, the Association's expected revenues, expenditures and replacement funding for the initial year based upon Phase I (73 units) and Phase II (302 units, full occupancy). It is not intended to be a forecast of financial position, results of operations, or cash flows. The accompanying forecasted operating budget and this report were prepared for the Sponsor for inclusion in the Public Offering Statement of Brookfield Condominium Association and should not be used for any other purpose.

In our opinion, the accompanying Forecasted Operating Budget is presented in conformity with guidelines for presentation of forecasted information established by the American Institute of Certified Public Accountants, and the underlying assumptions provide a reasonable basis for the Sponsor's forecast, and that the operating budget including replacement funding appears adequate. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.


WILKIN & GUTTENPLAN, P.C.
Certified Public Accountants

East Brunswick, New Jersey

July 1, 1998

**BROOKFIELD
CONDOMINIUM ASSOCIATION**

OPERATING BUDGET NOTES

**FIRST FULL YEAR OF OPERATIONS BASED UPON
FULL OCCUPANCY
OF 302 HOMES AT 1998 COSTS**

Income:

- 4010 **COMMON EXPENSE ASSESSMENT:** Monthly fees of \$119.50 per home or \$1,434.00 per year are projected, based on the first full year of operation with the community occupied by 302 homes. This is based on the definitions of units as provided by the developer.
- 4030 **INTEREST INCOME:** Interest income earned on the Association's operating accounts. This estimate is based on the current rate of interest and an estimated balance of 30,000.
- 4040 **CAPITAL CONTRIBUTION:** A fee of three months Common Expense Assessments is paid to the Association at the time of closing as a one-time non-refundable fee and becomes a part of the Working Capital Fund. It is anticipated that after the initial sales offering, ten resales will occur each year. This fund is kept in a separate account and not used for operations, but will be in a discretionary fund to be used as per Board Resolution.

EXPENSES:

- 5010 **INSURANCE EXPENSE:** Blanket Liability, Property, including the recreational facilities and structures, Workers' Compensation, Umbrella Liability, and Directors and Officers coverage will be carried by the Association. This is based on quotes for coverages provided by licensed Insurance Agents.
- 5022 **OFFICE EXPENSES:** It is anticipated that there will be an on-site office and that routine maintenance contracts for copier, other equipment and perishable supplies will be needed.
- 5040 **LEGAL EXPENSE:** It is anticipated that the Association will engage the services of an attorney to handle collection matters, contract review, attend Board and Association meetings, etc. This estimate is based on a proposal received for these services from a legal firm specializing in Community Association law.

- 5060 **AUDIT EXPENSE:** Engagement of a certified public accountant to perform the annual audit of the Association records and to prepare the annual income tax return. This estimate is based on a proposal received from an independent Certified Public Accountant.
- 5080 **MANAGEMENT FEES:** Fees for management services which include financial, administration and physical property management. This amount is based on a proposal received for these services from a Professional Management Firm.
- 5170 **ADMINISTRATIVE EXPENSES:** Expenses such as stationary, envelopes, notices, copying, postage, and newsletters are included. The estimate for these items is based on previous experience in similar communities.
- 9060 **ANNUAL REPORT:** The State of New Jersey requires the filing of an annual report to maintain corporate status. There is a \$25.00 filing fee per year.
- 6020 **LAWN CARE:** Lawn cutting and maintenance of lawns is based on proposals received from independent contractors and increasing service to 40 cuts per year.
- 6025 **LAWN CARE (COMMON AREA):** This is based on proposals received from independent contractors.
- 6030 **GARBAGE REMOVAL:** This includes recycling and is based on quotations for serviced obtained by developer.
- 6040 **CLUBHOUSE UTILITIES:** Estimates based on similar buildings in similar communities.
- 6050 **WATER IRRIGATION – (COMMON AREA):** This is for Clubhouse area only and since schematics are not available, estimates are based on similar buildings in similar communities.
- 6070 **SNOW CLEARING:** Snow clearing and salt application to parking areas, driveways and roads, based on a proposal received from an independent contractor and five (5) storms a year.
- 6090 **GENERAL MAINTENANCE AND SUPPLIES:** Labor and materials to maintain the Common buildings and Recreational areas, based on experience with similar-sized communities

- 6100 **SUPPLIES – (COMMON AREA):** Estimates based on similar buildings in similar communities.
- 6150 **IRRIGATION MAINTENANCE:** For Clubhouse only, based on estimates since schematic is not completed.
- 6160 **POOL MAINTENANCE & GUARDS:** Based on proposals from independent contractors.
- 6240 **PEST CONTROL:** Contracted services for monthly extermination services to control rodents and other river vermin, based on estimate of costs at similar sites
- 6440 **CLUBHOUSE CLEANING:** Based on industry standards of similar buildings.
- 8010 **REPLACEMENT RESERVES:** Funds to be set aside for the replacement of capital items based on information received from the Developer and costs for similar communities. Reserve Schedule is attached.
- 8020 **MISCELLANEOUS CONTINGENCY** This reflects approximately 3% of the total operating budget. This money is an allowance of shortfalls in any line item or unanticipated expenses.
- 9010 **TAXES:** The Association must pay Federal Income Tax on Interest Income Earned. This estimate is based on current tax rates and rates of interest.

BROOKFIELD CONDOMINIUM ASSOCIATION
Full Occupancy Budget - 302 Units at 1998 Costs
Replacement Reserve Schedule

Replacement Item	Approximate Area or Quantity	Estimated Unit Cost	Replacement Cost (Current)	Estimated Life (Years)	Annual Replacement Provision	Monthly Collection	Monthly Per Unit Cost
Clubhouse Roofs	200 Squares	\$60/Square	\$12,000	20	\$600	\$50	0.17
Pool		\$100,000	\$100,000	25	\$4,000	\$333	1.10
Pool Fence	360 Linear Feet	\$18/Linear Ft.	\$8,300	25	\$252	\$21	0.07
Pool Mechanicals		\$20,000	\$20,000	25	\$800	\$67	0.22
Tennis Courts (2)		\$30,000 each	\$60,000	25	\$2,400	\$200	0.68
Clubhouse Sprinkler System & Master Control for Community Sprinklers	\$5,500	\$5,500	\$5,500	20	\$275	\$23	0.08
Clubhouse Plumbing & Electrical	\$10,000	\$10,000	\$10,000	25	\$400	\$33	0.11
Clubhouse HVAC		\$100,000	\$100,000	25	\$4,000	\$333	1.10
TOTAL					\$12,727	\$1,061	\$3.51

Based on information provided by the Developer.

June 24, 1998

E.W. Murray Associates
4760 Route 9 South
Howell, NJ 07731

Re: Brookfield Association
Letter of Adequacy
Completed Community with - 302 Units and Amenities

Dear Ms. Murray:

Boyarin Hourigan Blundell Insurance Agency will be providing insurance coverage through Reliance Insurance Co. and Chubb Insurance Co.

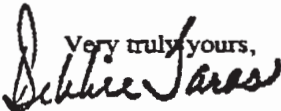
Included will be \$1,000,000 Comprehensive General Liability which will cover the liability exposures of the Association, a Fidelity Bond in the amount of \$100,000, a \$1,000,000 Directors and Officers Liability policy, and Workers Compensation Coverage.

Based on current replacement cost, the value to be insured upon completion of the common elements is \$1,500,000.

In our opinion, the above insurance coverages are adequate and insure the full exposures of the association.

Please be further advised that the insurance premium is projected at \$9,683. This includes the premiums necessary to procure the insurance coverages stated herein, based upon current conditions, rates and underwriting guidelines.

If you have any questions, please call me.

Very truly yours,


Debbie Taras, CIC, CPIW

DT:cj



Brookfield Association

PROPOSED INSURANCE BUDGET FIGURES

POLICY	LIMIT	PREMIUM
PROPERTY	\$1,500,000	\$5,700
LIABILITY	\$1,000,000	INCLUDED
FIDELITY BOND	\$ 50,000	\$500
DIRECTORS & OFFICERS	\$ 1,000,000	\$2,500
WORKERS COMPENSATION	STATUTORY	\$583
EQUIPMENT & MACHINERY	\$500,000	\$400
TOTAL		\$9,683
OPTIONAL UMBRELLA QUOTES:		
	\$1,000,000	\$ 500
	\$2,000,000	\$ 900
	\$3,000,000	\$1,200
	\$4,000,000	\$1,500
	\$5,000,000	\$1,800

**BROOKFIELD CONDOMINIUM ASSOCIATION
ESTIMATE OF INCOME AND COMMON EXPENSES FOR
FIRST YEAR OF OPERATIONS - BASED ON
Six Months of Clubhouse & Recreation Facilities
PHASE 1 (73 UNITS) AND 1998 COSTS**

	ANNUAL COST	MONTHLY COST/UNIT
BUDGETED INCOME:		
4010 COMMON EXPENSE	104,682	119.50
4030 INTERST INCOME	1,115	1.27
4035 DEVELOPER SUBSIDY	30,502	34.82
4040 CAPITAL CONTRIBUTION	0	0.00
TOTAL BUDGETED INCOME	<u>136,299</u>	<u>155.59</u>
 BUDGETED COMMON EXPENSES:		
ADMINISTRATIVE EXPENSES		
5010 INSURANCE EXPENSE	10,648	12.16
5022 OFFICE EXPENSE	500	0.57
5040 LEGAL EXPENSE	1,000	1.14
5060 AUDIT EXPENSE	1,700	1.94
5080 MANAGEMENT FEES	13,140	15.00
5170 ADMINISTRATIVE EXPENSES	200	0.23
5060 ANNUAL REPORT	25	0.03
TOTAL ADMINISTRATIVE EXPENSES	<u>27,213</u>	<u>31.07</u>
 OPERATING EXPENSES		
6020 LAWN CARE	28,000	31.96
6025 LAWN CARE - (COMMON AREA)	2,250	2.57
6030 GARBAGE REMOVAL	17,520	20.00
6040 CLUBHOUSE UTILITIES	5,400	6.16
6050 WATER IRRIGATION - (COMMON AREA)	3,000	3.42
6070 SNOW CLEARING	23,652	27.00
6090 GENERAL BUILDING MAINT. & SUPPLIES	600	0.68
6100 SUPPLIES - (COMMON AREA)	1,800	2.05
6150 IRRIGATION MAINTENANCE	1,500	1.71
6160 POOL MAINTENANCE & GUARDS	8,000	9.13
6240 PEST CONTROL	1,200	1.37
6440 CLUBHOUSE CLEANING	6,750	7.71
TOTAL OPERATING EXPENSES	<u>99,672</u>	<u>113.78</u>
 OTHER EXPENSES		
8010 REPLACEMENT RESERVES -(SEE ATTACHED SCHEDULE)	6,364	7.27
8020 MISCELLANEOUS CONTINGENCY	3,050	3.48
8010 TAXES	0	0.00
TOTAL OTHER EXPENSES	<u>9,414</u>	<u>10.75</u>
TOTAL EXPENSES	<u>136,299</u>	<u>155.59</u>
NET INCOME OVER EXPENSES:	<u>0</u>	<u>0.00</u>

BROOKFIELD CONDOMINIUM
ASSOCIATION

OPERATING BUDGET NOTES

FIRST FULL YEAR OF OPERATIONS BASED UPON
PARTIAL OCCUPANCY
BY 73 HOMES AT 1998 COSTS

Income:

- 4010 COMMON EXPENSE ASSESSMENT: Monthly fees of \$119.50 per home or \$8,723.50 per year. This is based on the definitions of units as provided by the developer.
- 4030 INTEREST INCOME: Interest income earned on the Association's operating accounts. This estimate is based on the current rate of interest on estimated balance.
- 4035 DEVELOPER SUBSIDY: This is the amount that is anticipated to be paid by the developer to subsidize the partial occupancy budget. This subsidy is anticipated to be for the first year only.
- 4040 CAPITAL CONTRIBUTION: A fee of three months Common Expense Assessments is paid to the Association at the time of closing as a one-time non-refundable fee and becomes a part of the Working Capital Fund. It is anticipated that after the initial sales offering, ten resales will occur each year. This fund is kept in a separate account and not used for operations, but will be in a discretionary fund to be used as per Board Resolution.

EXPENSES:

- 5010 INSURANCE EXPENSE: Blanket Liability, Property, including the recreational facilities and structures, Workers' Compensation, Umbrella Liability, and Directors and Officers coverage will be carried by the Association. This is based on quotes for coverages provided by licensed Insurance Agents.
- 5022 OFFICE EXPENSES: It is anticipated that there will be an on-site office and that routine maintenance contracts for copier, other equipment and perishable supplies will be needed.
- 5040 LEGAL EXPENSE: It is anticipated that the Association will engage the services of an attorney to handle collection matters, contract review, attend Board and Association meetings, etc. This estimate is based on a proposal received for these services performed by similar-sized communities.

- 5060 AUDIT EXPENSE: Engagement of a certified public accountant to perform the annual audit of Ule Association records and to prepare the annual income tax return. This estimate is based on a proposal received from an independent Certified Public Accountant.
- 5080 MANAGEMENT FEES: Fees for management services which include financial, administration and physical property management. This amount is based on a proposal received for these services from a Professional Management Firm.
- 5170 ADMINISTRATIVE EXPENSES: Expenses such as stationary, envelopes, notices, copying, postage, and newsletters are included. The estimate for these items is based on previous experience in imilar communities.
- 9060 ANNUAL REPORT: The State of New Jersey requires the filing of an annual report to maintain corporate status. There is a \$25.00 filing fee per year
- 6020 LAWN CARE (Units): Lawn cutting and maintenance of lawns is based on a proposal received from an independent contractor.
- 6025 LAWN CARE (COMMON AREA): This is based on proposals received from independent contractors.
- 6030 GARBAGE REMOVAL: This includes recycling and is based on quotations fur services obtained by developer.
- 6040 CLUBHOUSE UTILITIES: Estimates based on similar buildings in similar communities.
- 6050 WATER IRRIGATION (COMMON AREA): This is for Clubhouse area only and since schematics are not available, estimates are based on similar buildings in similar communities.
- 6070 SNOW CLEARING: Snow clearing and salt app cation to parking areas, driveways and mads, based on a proposal received from an independent contractor.
- 6090 GENERAL BUILDING MAINT. & SUPPLIES: Labor and matenals to maintain the Common buildings and Recreational Areas, based on experience with similar-sized communities.
- 6100 SUPPLIES (COMMON AREA): Estimates based on similar buildings in similar communities.

- 6150 IRRIGATION MAINTENANCE & GUARDS: For Clubhouse only, based on estimates since schematic is not completed.
- 6160 POOL MAINTENANCE & GUARDS: Based on proposals from independent contractors.
- 6240 PEST CONTROL: Contracted services for monthly extermination services to control rodents and other river vermin, based on estimate of costs at similar sites.
- 6040 CLUBHOUSE CLEANING: Based on industry standards of similar buildings.
- 8010 REPLACEMENT RESERVES : Funds to be set aside for the replacement of capital items based on information received from the Developer and costs for similar communities. Reserve Schedule is attached.
- 8020 MISCELLANEOUS CONTINGENCY: This reflects approximately 3% of the total operating budget. This money is an allowance of shortfalls in any line item or unanticipated expenses.
- 9010 TAXES: The Association must pay Federal Income Tax on Interest Income Earned. This estimate is based on current tax rates and rates of interest.

April 16, 1998

Eric Levine
Belvidere Development Co.
P.O. Box 466
Far Hills, NJ 07931

RECEIVED

APR 20 1998

Belvidere Development Co., LLC

Re: Brookfield Association
Letter of Adequacy
Phase I - 73 Units & Amenities

Dear Mr. Levine:

Boyarin Hourigan Blundell Insurance Agency will be providing insurance coverage through Reliance Insurance Co. and Chubb Insurance Co.

Included will be \$1,000,000 Comprehensive General Liability which will cover the liability exposures of the Association, a Fidelity Bond in the amount of \$50,000, a \$1,000,000 Directors and Officers Liability policy, and Workers Compensation Coverage.

Based on current replacement cost, the value to be insured upon completion of the common elements is \$1,500,000.

In our opinion, the above insurance coverages are adequate and insure the full exposures of the association.

Please be further advised that the insurance premium is projected at \$6,494. This includes the premiums necessary to procure the insurance coverages stated herein, based upon current conditions, rates and underwriting guidelines.

If you have any questions, please call me.

Very truly yours,


Debbie Paras, CIC, CPW

DT:cj



Brookfield Association

PROPOSED INSURANCE BUDGET FIGURES

POLICY	LIMIT	PREMIUM
PROPERTY	\$1,500,000	\$4,111
LIABILITY	\$1,000,000	INCLUDED
FIDELITY BOND	\$ 50,000	\$500
DIRECTORS & OFFICERS	\$ 1,000,000	\$900
WORKERS COMPENSATION	STATUTORY	\$583
EQUIPMENT & MACHINERY	\$500,000	\$400
TOTAL		\$6,494
 OPTIONAL UMBRELLA QUOTES:		
	\$1,000,000	\$300
	\$2,000,000	\$600
	\$3,000,000	\$900
	\$4,000,000	\$1,200
	\$5,000,000	\$1,500

EXHIBIT 5

PROPOSED MANAGEMENT AGREEMENT

EXHIBIT6

SAMPLE UNIT DEED

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Prepared by: _____

UNIT DEED

THIS UNIT DEED is made this _____ day of _____ in the year 199__ between BELVIDERE DEVELOPMENT COMPANY, L.L.C., a New Jersey Limited Liability Company, having an office at P.O. Box 14, 664 Independence Street, Belvidere, NJ 07823, referred to in this document as "Grantor", and

_____ about to reside at Unit _____, White, New Jersey, referred to in this document as "Grantee". (The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Unit Deed.)

In return for the payment to the Grantor by the Grantee of _____

_____ Dollars,

the Grantor grants and conveys to the Grantee a certain condominium unit, located in the Township of White, County of Warren and State of New Jersey, specifically described as follows:

Unit _____, situated in Brookfield, A Condominium, (referred to in this Unit Deed as the "Unit"), together with an undivided ___% interest in the Common Elements of said Condominium, as same may be used in the future as allowed by the Master Deed for Brookfield, A Condominium. The conveyance evidenced by this Unit Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46:8B 1 et seq.) and the Planned Real Estate Development Full Disclosure Act (N.J.S.A. 22A-21 et seq.),

as amended, and any applicable regulations adopted under either law. The conveyance evidenced by this Unit Deed is also made in accordance with the terms, limitations, conditions, covenants(restrictions, easements, agreements and other provisions set forth in that certain Master Deed for Brookfield A Condominium, dated _____, 19____ and recorded _____, 199____ in the Warren County Clerk's Office in Deed Book _____ at seq., as same may now or hereafter be lawfully amended and/or supplemented.

The Unit is now designated as Lot _____, Block CO _____ on the municipal tax map of the Township of White (or as Account No. _____).

{check box if applicable) No property tax identification number for the Unit is available at the time of this conveyance.

The Unit is subject to the Master Deed mentioned above and all its exhibits including all easements(terms, conditions, reservations, rights-of-way, air rights, covenants of record, governmental statutes, ordinances and regulat ions, possible added assessments for the year of sale as set or levied under N.J.S.A 54:4-63.1, et seq. and all facts that an accurate survey may disclose.

This conveyance is subject to those provisions restricting the age(s) of the occupants of the Unit as set forth in the Master Deed for Brookfield A Condominium, which same have been or hereafter may be amended. Furthermore(the Unit is subject to the ordinance of the Township of White requiring the issuance of a certificate occupancy by the White Township

Construction Official prior to the commencement or change in the occupancy, tenancy or use of the Unit.

This conveyance is also made subject to the following restrictions:

(a) No exterior alterations or improvements shall be made to a Unit without the prior written approval of the Brookfield Condominium Association, Inc.

(b) The maintenance of the Common Elements and Limited Common Elements shall be the responsibility of the Condominium Association, Inc., subject, however, to certain restrictions set forth in Articles IV and VII of the Master Deed for Brookfield, A Condominium.

(c) No detached accessory structures shall be constructed upon any lands contained within the Unit.

(d) No satellite dishes, except as may be permitted by applicable law, shall be situated within any Unit.

(e) No swimming pool may be constructed upon or situated within any Unit.

(f) No trailer, boat or commercial vehicle may be parked within any Unit at any time, except within an enclosed garage.

This Unit Deed entitles the Grantee to have and to hold for its proper use and benefit forever the Unit and all it is subject to as described in this document.

The Grantor covenants that the Grantor has done nothing which encumbers or adversely affects title to the Unit or the common elements of the Condominium.

By signing this Unit Deed, the Grantee consents to any future amendments, supplements and/or revisions (from now on collectively called "amendments"), of the Master Deed for Brookfield, the Certificate of Incorporation of Brookfield Condominium Association, Inc., the By-laws of Brookfield Condominium Association, Inc. and/or the Rules and Regulations of Brookfield Condominium Association, Inc. (from now on collectively called the "Condominium Governing Documents"), which are (a) required by applicable statutes, regulations, ordinances or orders of any governmental entity having jurisdiction over the lands that are proposed for incorporation or are incorporated as part of the Condominium or the Condominium itself; (b) required by any title insurance company licensed to do business in the State of New Jersey insuring or proposing to insure title to the lands that are proposed for incorporation or are incorporated as part of the Condominium, any Unit within the Condominium; or (c) required by any Institutional Lender owning, holding, servicing, insuring or guaranteeing or proposing to provide, own, hold, service, insure, guarantee or acquire a First Mortgage loan(s), the lien(s) of which will encumber (a) Unit(s) within the Condominium.

If an amendment is required for any one of the reasons described above, then the Grantee expressly agrees that the Grantor is authorized, on behalf of the Grantee, to sign and record any document necessary to make the amendment, supplement or revision effective. This authority is called a power of attorney and the Grantor, in exercising this authority, is

referred to as the Grantee's attorney-in-fact. By signing this Unit Deed, the Grantee designates the Grantor as having this authority. This power of attorney will be binding upon anyone who claims an interest in the Unit by or through the Grantee, such as a mortgagee, other lienholders, a purchaser, a tenant or someone with an interest acquired through a will or by operation of law. If an amendment is required for one of the reasons expressed,- only the signature of the attorney-in-fact is required in order for the amendment to be effective. The Grantor may not, however, exercise its authority as attorney-in-fact without a separate written consent of the Grantee if the amendment would substantially change the floor plan of the Grantee's Unit or the proportionate interest in the Common Elements associated with the Grantee's Unit (except as expressly permitted in the Master Deed); increase the nature of the financial obligations of the Grantee under the Condominium's governing documents; or reserve any additional special privileges for the Grantor.

The Grantee declares and acknowledges that this power of attorney is coupled with an interest in the subject matter. The Grantee understands that the Grantor has caused the Condominium's governing documents to be adopted and recorded and that same are binding on the owners of all Units in the Condominium for the mutual benefit of the owners of all Units including the Grantor. The Grantor, as the Developer of the Condominium, the initial seller of all Units and the present owner of Units has an interest in the Condominium and in the amendment of the Condominium's governing documents under the

circumstances described. For this reason, this power of attorney may not be revoked by the Grantee.

The power of attorney will be effective for a period of ten (10) years from the date the first Unit is conveyed to an individual purchaser or until the Grantor conveys title to the last Unit to an individual purchaser, whichever is the first to occur. This power of attorney shall not be affected by the death or disability of any principal.

The Grantor has received the full payment from the Grantee.

This Unit Deed is signed by the Members of the Grantor on the date first mentioned above.

WITNESS: BELVIDERE DEVELOPMENT COMPANY, L.L.C.,
a New Jersey Limited Liability Company

_____ By: _____
Kenneth G. McDermott, Member

_____ By: _____
Kathleen McDermott, Member

WITNESS: _____ (L.S.)
Grantee

_____ (L.S.)
, Grantee

CERTIFICATE OF ACKNOWLEDGEMENT BY INDIVIDUAL

STATE OF NEW JERSEY

SS.:

COUNTY OF

I am an Attorney at Law of the State of New Jersey, an officer authorized to take acknowledgements and proofs in this State. I sign this acknowledgement below to certify that it was made before me.

On _____, 19____

_____ appeared before me in person. (If more than one person appears, the words "this person shall include all persons named who appeared before the officer and made this acknowledgement). I am satisfied that this person is the person named in and who signed this Unit Deed as Grantee. This person acknowledged signing, sealing and delivering this Unit Deed as this person's act and deed for the uses and purposes expressed in this Unit Deed.

An Attorney at Law of the State of
New Jersey

UNIT DEED

BELVIDERE DEVELOPMENT COMPANY, L.L.C.,
a New Jersey Limited Liability Company

Grantor

to

Grantee

DATED:

RECORD AND RETURN TO:

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EXHIBIT 7

SAMPLE OWNERS AND MORTGAGE POLICIES
OF TITLE INSURANCE

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Your Title Insurance Policy

ALTA Residential Form, Rev 1987

One-To-Four Family Residences Only

SPECIMEN

Policy Number **SB** (to be inserted)



OWNER'S INFORMATION SHEET

Your Title Insurance Policy is a legal contract between you and Old Republic National Title Insurance Company.

It applies only to a one-to-four family residential lot or a condominium unit. If your land is not either of these, contact us immediately.

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

The Policy is limited by:

- Exclusions on page 2.
- Exceptions on Schedule B.
- Conditions on pages 3 and 4.

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

If you want to make a claim, see Item 3 under Conditions on page 3.
You do not owe any more premiums for the Policy.

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

YOU SHOULD READ THE POLICY VERY CAREFULLY.

If you have any questions about the Policy, contact the issuing office.

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TITLE LINES

37 DUMONT ROAD • P.O. BOX 661
FAR HILLS, NJ 07931
(908) 234-2620 (1-800) 624-2805

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
ALTA RESIDENTIAL TITLE INSURANCE POLICY
ONE-TO-FOUR FAMILY RESIDENCES

SCHEDULE A

FILE NO: to be inserted POLICY NUMBER: to be inserted
AMOUNT: to be inserted POLICY DATE: to be inserted

1. Name of Insured: to be inserted.

Deed information to be inserted.

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

Fee Simple.

3. The land referred to in this Policy is in the County of Warren, Township of White, State of New Jersey, and is described as follows:

BEING known and designated as Unit _____ in Building _____ situated in BROOKFIELD, in the Township of White, together with the undivided percentage interest in the Common Elements appurtenant thereto, in accordance with and subject to the terms and conditions, covenants, restrictions, limitations and other provisions of the Master Deed and By-Laws dated _____ and recorded on _____ in Deed Book _____ Page _____ in the Warren County Clerk's Office and any legal amendments thereto.

This policy valid only if Schedule B is attached.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

ALTA RESIDENTIAL TITLE INSURANCE POLICY
ONE-TO-FOUR FAMILY RESIDENCES

SCHEDULE B

EXCEPTIONS

FILE NO: to be inserted

POLICY NUMBER: to be inserted

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

1. Taxes: Certified as paid through _____ quarter _____. Subject to added taxes, if any, for additional construction or improvements pursuant to Chapter 197 of the laws of 1941, amendments and supplements thereto.
2. Terms, conditions, covenants and restrictions as are contained in Master Deed for BROOKFIELD recorded in Deed Book _____ Page _____, and any amendments thereto.
3. Easements as are contained in Deed Book 277 Page 224; Deed Book 277 Page 225; Deed Book 331 Page 369; Deed Book 353 Page 120 with receipt in Deed Book 358 Page 338; Deed Book 360 Page 173 with receipt in Deed Book 358 Page 510; Deed Book 442 Page 498; Deed Book 442 Page 548; Deed Book 957 Page 217 and Deed Book 1317 Page 239.
4. Agreements as are contained in Agreement Book 2 Page 227 and Deed Book 1092 Page 83.
5. Rights of adjoining owners in and to stream crossing subject premises.
6. (Mortgage taken out and encumbering the premises will be included on each individual policy.)
7. Subject to the provisions of the New Jersey Condominium Act (N.J.S.A. 46:8B-1 et seq., amendments and supplements thereto.)

This policy insures that a valid condominium has been established covering the insured premises.

ENDORSEMENT

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

To be attached to and become a part of Policy No. (to be inserted) (File No. to be inserted) of Old Republic National Title Insurance Company.

Paragraph 8 of the Conditions in your policy is amended by this endorsement. This Paragraph allows arbitration and is amended to read:

You and the Company may together agree to arbitration. The arbitration shall be binding on both you and the Company. The arbitration shall decide any matter in dispute between you and the Company.

The arbitration award may:

- (a) include attorney's fees if allowed by state law;
- (b) be entered as a judgment in the proper court.

The arbitration shall be under the Title Insurance Arbitration Rules of the American Arbitration Association. You may choose current Rules or Rules in existence on Policy Date.

The law used in the arbitration is the law of New Jersey.

You can get a copy of the Rules from the Company.

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

Victoria Stewart
Authorized Signatory

Old Republic National Title
Insurance Company
400 Second Avenue South
Minneapolis, Minnesota 55401

OWNER'S COVERAGE STATEMENT

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

Your insurance is limited by the following:

- EXCLUSIONS below.

- EXCEPTIONS in Schedule B.
- CONDITIONS pages 3 and 4.

We insure you against actual loss resulting from:

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

COVERED TITLE RISKS

This Policy covers the following title risks, if they affect your title on the Policy Date.

- Someone else owns an interest in your title.
- A document is not properly signed, sealed, acknowledged, or delivered.
- Forgery, fraud, duress, incompetency, incapacity or impersonation.
- Defective recording of any document.
- You do not have any legal right to access to and from the land.
- There are restrictive covenants limiting your use of the land.
- there is a lien on your title because of:
 - a mortgage or deed of trust
 - a judgment, tax or special assessment.
 - a charge by a homeowner's or condominium association
- There are liens on your title, arising now or later, for labor and material furnished before the Policy Date—unless you agreed to pay for the labor and material.
- Others have rights arising out of leases, contracts, or options.
- Someone else has an easement on your land.
- Your title is unmarketable, which allows another person to refuse to perform a contract to purchase, to lease or to make a mortgage loan.
- You are forced to remove your existing structure—other than a boundary wall or fence—because:
 - it extends on to adjoining land or on to any easement
 - it violates a restriction shown in Schedule B
 - it violates an existing zoning law
- You cannot use the land because use as a single-family residence violated a restriction shown in Schedule B or an existing zoning law.
- Other defects, liens, or encumbrances.

COMPANY'S DUTY TO DEFEND AGAINST COURT CASES

We will defend your title in any court case as to that part of the case that is based on a Covered Title Risk insured against by this Policy. We will pay the costs, attorney's fees, and expenses we incur in that defense.

We can end this duty to defend your title by exercising any of our options listed in Item 4 of the Conditions.

EXCLUSIONS

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

- Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - land use
 - improvements on the land
 - land division
 - environmental protection
 This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
- The right to take the land by condemning it, unless:
 - a notice of exercising the right appears in the public records on the Policy Date.
 - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

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

(This Policy is not complete without Schedules A and B.)

CONDITIONS**1. Definitions**

- a. *Easement*—the right of someone else to use your land for a special purpose.
- b. *Land*—the land or condominium unit described in Schedule A and any improvements on the land which are real property.
- c. *Mortgage*—a mortgage, deed of trust, trust deed or other security instrument.
- d. *Public Records*—title records that give constructive notice of matters affecting your title—according to the state statutes where your land located.
- e. *Title*—the ownership of your interest in the land, as shown in Schedule A.

2. Continuation of Coverage**This Policy protects you as long as you:**

- own your title, or
 - own a mortgage from anyone who buys your land, or
 - are liable for any title warranties you make
- This Policy protects anyone who receives your title because of your death.

3. How to Make a Claim**a. You Must Give The Company Notice Of Your Claim**

If anyone claims a right against your insured title, you must notify us promptly in writing. Send the notice to:

Old Republic National Title Insurance Company
400 Second Avenue South
Minneapolis, Minnesota 55401
(612) 371-1111

Please include the Policy number shown in Schedule A, and the county and state where the land is located.

Our obligation to you could be reduced if:

- you fail to give prompt notice and
 - your failure affects our ability to dispose of or to defend you against the claim
- b. Proof Of Your Loss Must Be Given To The Company**
You must give us a written statement to prove your claim of loss. This statement must be given to us not later than 90 days after you know the facts which will let you establish the amount of your loss.

The statement must have the following facts:

- the Covered Title Risks which resulted in your loss

- the dollar amount of your loss
 - the method you used to compute the amount of your loss
- You may want to provide us with an appraisal of your loss by a professional appraiser as a part of your statement of loss. We may require you to show us your records, checks, letters, contracts, and other papers which relate to your claim of loss. We may make copies of these papers. We may require you to answer questions under oath. Our obligation to you could be reduced if you fail or refuse to:
- provide a statement of loss
or
 - answer our questions under oath
or
 - show us the papers we request
or
 - your failure or refusal affects our ability to dispose of or to defend you against the claim.

4. Our Choices When You Notify Us of a Claim

After we receive your claim notice or in any other way learn of a matter for which we are liable, we can do one or more of the following:

- a. Pay the claim against your title.
- b. Negotiate a settlement.
- c. Prosecute or defend a court case related to the claim.
- d. Pay you the amount required by this Policy.
- e. Take other action which will protect you.
- f. Cancel this policy by paying the Policy Amount, then in force, and only those costs, attorneys' fees and expenses incurred up to that time which we are obligated to pay.

5. Handling a Claim or Court Case

You must cooperate with us in handling any claim or court case and give us all relevant information.

We are required to repay you only for those settlement costs, attorney's fees and expenses that we approve in advance.

When we defend your title, we have a right to choose the attorney. We can appeal any decision to the highest court. We do not have to pay your claim until your case is finally decided.

6. Limitation of The Company's Liability

- a. We will pay up to your actual loss or the Policy Amount in force when the claim is made—whichever is less.
- b. If we remove the claim against your title within a reasonable time after receiving notice of it, we will have no further liability for it. If you cannot use any of your land because of a claim against your title, and you rent reasonable substitute land or facilities, we will repay you for your actual rent until:
 - the cause of the claim is removed, or
 - we settle your claim
- c. The Policy Amount will be reduced by all payments made under this Policy—except for costs, attorneys' fees and expenses.
- d. The Policy Amount will be reduced by any amount we pay to our insured holder of any mortgage shown in this Policy or a later mortgage given by you.
- e. If you do anything to affect any right of recovery you may have, we can subtract from our liability the amount by which you reduced the value of that right.

7. Transfer of Your Rights

When we settle a claim, we have all the rights you had against any person or property related to the claim. You must transfer these rights to us when we ask, and you must not do anything to affect these rights. You must let us use your name in enforcing these rights.

We will not be liable to you if we do not pursue these rights or if we do not recover any amount that might be recoverable. With the money we recover from enforcing these rights, we will pay whatever part of your loss we have not paid. We have a right to keep what is left.

8. Arbitration

If it is permitted in your state, you or the Company may demand arbitration.

The arbitration shall be binding on both you and the Company. The arbitration shall decide any matter in dispute between you and the Company.

The arbitration award may:

- include attorneys' fees if allowed by state law
- be entered as a judgment in the proper court

The arbitration shall be under the Title Insurance Arbitration rules of the American Arbitration Association. You may choose current Rules or Rules in existence on Policy Date.

The law used in the arbitration is the law of the place where the property is located.

You can get a copy of the Rules from the Company.

9. Our Liability is Limited to this Policy

This Policy, plus any endorsements, is the entire contract between you and the Company.

Any claim you make against us must be made under this Policy and is subject to its terms.


Issued through the Office of:

Victoria C. Hewitt

Authorized Signatory

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By  President

Attest  Secretary

Loan Policy

SPECIMEN

American Land Title Association Loan Policy 10-17-92

Policy Number **MM** (to be inserted)

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
 - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
 - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, the said OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers as of the date shown in Schedule A, the policy to be valid when countersigned by an authorized officer or agent of the Company.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) Created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

Issued through the Office of:



Authorized Signatory

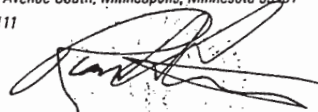
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

A Stock Company

400 Second Avenue South, Minneapolis, Minnesota 55401

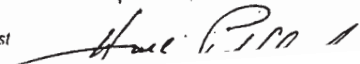
(612) 371-1111

By



President

Attest



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

LOAN POLICY
AMERICAN LAND TITLE ASSOCIATION - 1992

SCHEDULE A

FILE NO: to be inserted POLICY NUMBER: to be inserted

AMOUNT: to be inserted POLICY DATE: to be inserted

1. Name of Insured: NAME OF MORTGAGEE TO BE INSERTED.

2. The title to the fee simple estate in said land is, at the date hereof, vested in:

Owner(s) name and deed information to be inserted.

3. The mortgage, and the assignments, if any, covered by this policy are described as follows:

Mortgage as was made by to _____
dated and recorded on n Mortgage Book Page
 o rren County to secure the sum of Be ng a
vald first lien.

4. The land referred to in this Policy is in the County of Warren, Township of White, State of New Jersey, and is described as follows:

BEING known and designated as Unit in Building
situated in BROOKFIELD, in the Townshp of White, together
with the undivided percentage interest in the Common
Elements appurtenant thereto, in accordance with and subject
to the terms and conditions, covenants, restrictions,
limitations and other provisions of the Master Deed and
By-Laws dated and recorded on in Deed Book
 Page in the Warren County Clerk's Office and any
legal amendments thereto.

This policy valid only if Schedule B is attached.

LOAN POLICY

AMERICAN LAND TITLE ASSOCIATION • 1992

SCHEDULE B - I

FILE NO: to be inserted

POLICY NUMBER: to be inserted

This policy does not insure against loss or damage by reason of the following:

1. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.

The above is removed in accordance with the following:
Based on a survey made by _____ dated _____, the
Company hereby insures against loss or damage which the
insured shall sustain by reason of any encroachments,
overlaps, boundary line disputes or easements, except as
follows: Survey information to be inserted,

2. Taxes: certified as paid through _____ quarter
Subject to added taxes, if any, for additional construction
or improvements pursuant to Chapter 197 of the laws of 1941,
amendments and supplements thereto.

3. Terms (conditions, covenants and restrictions as are
contained in Master Deed for BROOKFIELD recorded in Deed
Book _____ Page _____, and any amendments thereto.

Easements as are contained in Deed Book 277 Page 224; Deed
Book 277 Page 225; Deed Book 331 Page 369; Deed Book 353
Page 120 with receipt in Deed Book 358 Page 338; Deed Book
360 Page 173 with receipt in Deed Book 358 Page 510; Deed
Book 442 Page 498; Deed Book 442 Page 548; Deed Book 957
Page 217 and Deed Book 1317 Page 239.

5. Agreements as are contained in Agreement Book 2 Page 227 and
Deed Book 1092 Page 83.

6. Rights of adjoining owners in and to stream crossing subject
premises.

1. Subject to the provisions of the New Jersey Condominium Act
(N.J.S.A. 46:8B-1 et seq., amendments and supplements
thereto.)

This policy insures that a valid condominium has been
established covering the insured premises.

Policy hereunder guarantees against loss, damage or forfeiture
of title resulting from any existing or future violation of
restrictions or building setback lines, and guarantees that any
easements, grants or reservations have not been encroached upon
and do not substantially interfere with the use of the premises
for residential purposes.

ORT Form 401 - ALTA Loan Policy 10-17-92

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

SCHEDULE B

PART II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest is prior to such matters:

There are no junior liens.

ENDORSEMENT

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

To be attached to and become a part of Policy No. (to be inserted) {File No. to be inserted} of Old Republic National Title Insurance Company.

Paragraph 13 of the Conditions *in your policy is* amended by this endorsement. This Paragraph allows arbitration and *is* amended to read:

You and the Company ~~may~~ together agree to arbitration. The arbitration shall be binding on both you and the Company. The arbitration shall decide any matter in dispute between you and the Company.

The arbitration award may:

{a) include attorney's fees if allowed by state law;

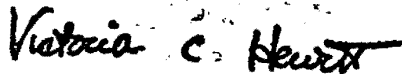
{b) be entered as a judgment *in* the proper court.

The arbitration shall be under the Title Insurance Arbitration Rules of the American Arbitration Association. You may choose current Rules or Rules *in* existence on Policy Date.

The law used in the arbitration *is* the law of New Jersey.

You can get a copy of the Rules from the Company.

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



Authorized Signatory

Old Republic National Title
Insurance Company
400 Second Avenue South
Minneapolis, Minnesota 55401

ORT Form 401 - ALTA Loan Policy 10-17-92

Endorsement



SPECIMEN

To be attached to and become a part of Policy No. (to be inserted) of Old Republic National Title Insurance Company.

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the public records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. Any charges or assessments provided for in the condominium statutes and condominium documents due and unpaid at Date of Policy.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

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

Victoria

Hewitt

Authorized Officer or Agent

ORT Form 3621
AITA Endorsement Form 4.1
Condominium Endorsement 1992

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By

President

Attest

Secretary

Environmental Protection Lien Endorsement

VOID IF THE INSURED LAND IS NOT USED OR TO BE USED PRIMARILY FOR RESIDENTIAL PURPOSES

SPECIMEN



To be attached to and become a part of Policy No. (to be inserted) of Old Republic National Title Insurance Company.

The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

1a) any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in Schedule 8; or

1b) any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes: N.J.S.A. 58:10-23.11 et seq. This endorsement does not insure against liens arising pursuant to the Spill Compensation and Control Act N.J.S.A. 58:10-23.11 et seq., subsequent to Date of Policy.

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

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

A Stock Corporation
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 311-1111

Victoria Hewitt

Authorized Officer or Agent

ORT Form 3356 (IIIJ) • AITA 8.1
Environmental Protection Lien Endorsement 27 B11

By

[Signature]
[Signature]

President

Attest

CONDITIONS AND STIPULATIONS

1. Definition of Terms.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A. The term "insured" also includes:

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2(a) of these Conditions and Stipulations.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or water ways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. Continuation of Insurance.

(a) After Acquisition of Title. The coverage of this policy shall continue in force as of Date of Policy in favor of (i) an insured who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) After Conveyance of Title. The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

(c) Amount of Insurance. The amount of insurance at the time of acquisition of the estate or interest in the land shall in neither event exceed the least of:

(i) the Amount of Insurance stated in Schedule A;

(ii) the amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) the amount paid by any governmental agency or governmental instrumentality, if the agency or instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. Notice of Claim to be Given by Insured Claimant.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable, if prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. Defense and Prosecution of Actions: Duty of Insured Claimant to Cooperate.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's

{Continued on inside back cover.}

(Continued from inside front cover.)

obligation to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. *Proof of Loss or Damage.*

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

6. *Options to Pay or Otherwise Settle Claims; Termination of Liability.*

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of either of the options provided for in paragraphs (a)(i) or (ii), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

7. *Determination and Extent of Liability.*

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section Z(c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. *Limitation of Liability.*

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

9. *Reduction of Insurance; Reduction or Termination of Liability.*

(a) All payments under this policy, except payment made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. However, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of the insurance afforded under this policy except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(Continued on back cover.)

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company except as provided in Section 2(a) of these Conditions and Stipulations.

10. Liability Noncumulative.

If the insured acquires title to the estate or interest in satisfaction of the indebtedness secured by the insured mortgage, or any part thereof, it is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy.

11. Payment of Loss.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12. Subrogation Upon Payment or Settlement.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

(b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by the insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of the insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of the insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(ii) of these Conditions and Stipulations.

13. Arbitration.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. Liability limited to This Policy; Policy Entire Contract.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. Severability.

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to its Home Office: 400 Second Avenue South, Minneapolis, Minnesota 55401. (612) 371-1111.

TITLE LINES

37 DUMONT ROAD • P.O. BOX 661

FAR HILLS, NJ 07931

(908) 234-2620 (1-800) 624-2805

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EXHIBIT 8

FLOOD CERTIFICATION

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FEDERAL EMERGENCY MANAGEMENT AGENCY
STANDARD FLOOD HAZARD DETERMINATION

See the Attached
 Instructions

U.S. FORM NO. 5007-100-04
 Expires April 30, 1998

SECTION I - LOAN INFORMATION

1. LENDER NAME and ADDRESS	2. COLLATERAL (building/mobile home/personal property) PROPERTY ADDRESS (legal description may be attached)
	299 Route 519 White NJ block 30 lots 12 & 12-Q-0140

3. LENDER ID. NO.	4. LOAN IDENTIFIER	5. AMOUNT OF FLOOD INSURANCE REQUIRED \$
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SECTION II

NATIONAL FLOOD INSURANCE PROGRAM (NFIP) COMMUNITY JURISDICTION			
NFIP Community Name	County	State	NFIP Community Number
White (Township)	Warren	NJ	340497

NATIONAL FLOOD INSURANCE PROGRAM (NFIP) DATA AFFECTING BUILDING/MOBILE HOME				
NFIP Map Number or Community-Panel Number (Community name, if not the same as "A")	NFIP Map Panel Effective/ Revised Date	LOMA/LOMR Yes Date	Flood Zone	No NFIP MAP
0015 B	May 15, 1984		A, C	

FEDERAL FLOOD INSURANCE AVAILABILITY (Check all that apply)

Federal Flood Insurance is available (community participates in NFIP) Regular Program Emergency Program of NFIP

Federal Flood Insurance is not available because community is not participating in the NFIP

Building/Mobile Home is in a Coastal Barrier Resources Area (CBRA). Federal Flood Insurance may not be available
 CBRA designation date: _____

Determination

IS BUILDING/MOBILE HOME IN SPECIAL FLOOD HAZARD AREA
 (ZONES BEGINNING WITH LETTERS "A" OR "V") YES NO

If yes, flood insurance is required by the Flood Disaster Protection Act of 1973.

If no, flood insurance is not required by the Flood Disaster Protection Act of 1973. to be advised*

COMMENTS (Optional):

*subject property is partially in special flood hazard area;
 dwelling determination pending review of survey
 certify to: Belvidere Development Co., L.L.C.
 owner: McDermott, Kenneth & Kathleen
 reference: TL 7978R
 issued to: Title Lines, P.O. Box 661, Far Hills, NJ 07931

This determination is based on examining the NFIP map, any Federal Emergency Management Agency revisions to it, and any other information needed to locate the building/mobile home on the NFIP map.

PREPARER'S INFORMATION NAME, ADDRESS, TELEPHONE NUMBER (if other than lender)	STATE OF NEW JERSEY GEOLOGISTS FLOOD ZONE CERTIFICATION, INC.	Date of Determination
FLOOD ZONE CERTIFICATION, INC. P.O. Box 2 Westwood, NJ 07675 201/666-6640 FAX 201/358-6734		June 16, 1998

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EXHIBIT9

FORM OF AMENDMENT AND SUPPLEMENT TO THE
MASTER DEED FOR BROOKFIELD. A CONDOMINIUM

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----- AMENDMENT AND SUPPLEMENT
TO THE
MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

DATED:

Prepared By: _____
Christine F. Li, Esq.

RECORD AND RETURN TO:
Christine F. Li, Esq. GREENBAUM,
ROWE, SMITH, RAVIN, DAVIS
& HIMMEL, LLP, ESQS.
P.O. Box 5600
Woodbridge, New Jersey 07095

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_____ AMENDMENT AND SUPPLEMENT

TO THE

MASTER DEED FOR BROOKFIELD, A CONDOMINIUM

THIS _____ AMENDMENT AND SUPPLEMENT TO THE MASTER DEED FOR BROOKFIELD, A CONDOMINIUM is made on this _____ day of _____, 19__ by BELVIDERE DEVELOPMENT COMPANY, L.L.C. a New Jersey Limited Liability Company, having an office located at 664 Independence Street, Belvidere, New Jersey 07823 (from now on referred to in this document as the "Developer").

W I T N E S S E T H:

WHEREAS, Belvidere Development Company, L.L.C., as the owner of the fee simple title to a certain tract of land and the improvements thereon located in the Township of White, Warren County, New Jersey, consisting of an aggregate of approximately 88.78 acres (from now on referred to in this document as the "Entire Tract"), submitted and subjected same to a certain set of common covenants, easements and restrictions by encumbering same with a certain Master Deed for Brookfield, A Condominium made by the Belvidere Development Company, L.L.C., dated _____ and recorded on _____ in the office of the Warren County Clerk in Deed Book _____, at _____ 001 et seq. (hereinafter the "Master Deed");

WHEREAS, Developer is creating thereon a condominium development intended for occupancy by persons, 55 years or older, which is presently intended to ultimately consist of up to three hundred and two (302) residential condominium dwellings (the "Units") in four (4) Phases, which Phases are proposed to be developed and incorporated into the Condominium in Sections, together with certain Common Elements, all as described on Exhibit "A" and depicted on Exhibit "B", attached to the Master Deed for Brookfield, A Condominium (hereinafter the "Entire Tract"); and

WHEREAS, in order to establish and preserve the character of Brookfield, A Condominium (the "Condominium) including its character as a high quality adult community, the Developer is desirous of imposing a general

scheme of restrictions covering said lands and premises of the Entire Tract for the protection and benefit of the Developer, its successors and assigns, the Entire Tract, and each and every owner of any and all portions thereof; and

WHEREAS, Developer has deemed it advisable to create a condominium association to which shall be delegated and assigned the power and authority to maintain and administer the Common Elements, and certain other portions of the Entire Tract, to administer and enforce the covenants and restrictions governing the Entire Tract, and to collect and disburse all assessments and charges necessary for such maintenance, administration, and enforcement, all as hereinafter provided; and

WHEREAS, Developer has caused to be incorporated under the laws of the State of New Jersey, a non-profit corporation known and designated as Brookfield Condominium Association, Inc. as the entity to perform the aforesaid functions, and which are hereinafter more fully set forth in the Master Deed; and

WHEREAS, the Developer has heretofore subjected to the provisions of the Master Deed all of the Units and Common Elements described in Exhibit "C" and depicted on Exhibit "D" of the Master Deed, as recorded in the Office of the Clerk of Warren County on _____, 199__, constituting Section A of Phase I of the Entire Tract; and

WHEREAS, Section A of Phase I consists or will consist of an aggregate of thirteen (13) Units, together with certain other improvements, all as shown on Exhibits "D" to the Master Deed designated as Phase I;

WHEREAS, pursuant to Article XIV of the Master Deed, the Developer has reserved, for a period of ten (10) years from the date of the recordation of the Master Deed in the office of the Warren County Clerk, the right to incorporate the improvements erected and/or to be erected on the Entire Tract (not previously submitted to the Master Deed by its original terms) to the Master Deed;

WHEREAS, pursuant to Article XIV of the Master Deed, the Developer has reserved the right to effectuate incorporation of all or a part of the improvements erected and/or to be erected thereon as part of the Property identified as "Phases", and/or the "Sections" within those Phases, by the recordation of one or more Amendments and Supplements to the Master Deed in the office of the Warren County Clerk;

WHEREAS, pursuant to Article XIV of the Master Deed, any Amendment and Supplement to the Master Deed whereby the Developer exercises its reserved right to incorporate all or a portion of the balance of the improvements erected and/or to be erected upon the Entire Tract as part of the Condominium shall identify the incorporated lands and improvements and shall amend and supplement as necessary and appropriate the Exhibits to the Master Deed so as to: identify incorporated parcels by legal (metes and bounds) descriptions upon which the improvements have been or will be erected, and graphically depict such **parcels** and the improvements therein by survey map/site plan;

WHEREAS, pursuant to Article XIV of the Master Deed, by execution of a deed conveying title to a Unit from the Developer to a purchaser, each Owner automatically and irrevocably named, constituted, appointed and confirmed the Developer, its successors and assigns, as attorney-in-fact for the purpose of executing any and all Amendments and Supplements to the Master Deed in order for the Developer to effectuate its reserved rights as aforesaid;

WHEREAS, pursuant to Article XIV of the Master Deed, the aforesaid power of attorney runs with the title to any and all Units and shall be binding upon the heirs, personal representatives, successors and assigns of any Owner;

WHEREAS, pursuant to Article XIV of the Master Deed, by execution of a deed conveying title to a Unit from the Developer to a purchaser, each Owner automatically and irrevocably named, constituted, appointed and confirmed the Developer, its successors and assigns, as attorney-in-fact for

the purpose of executing any and all Amendments and Supplements to the Master Deed for the aforesaid purposes;

WHEREAS, pursuant to Article XIV of the Master Deed, the aforesaid power of attorney runs with the title to any and all Units and shall be binding upon the heirs, personal representatives, successors and assigns of any Owner;

WHEREAS, ten (10) years has not elapsed since the recordation of the Master Deed in the office of the Warren County Clerk;

WHEREAS, the Developer desires to subject to the provisions of the Master Deed and to incorporate into the Condominium the additional improvements in Section _____ of Phase _____ of the Condominium, which have been or will be constructed upon that portion of the Entire Tract described in Exhibit "C- _____" and shown on that certain map entitled: _____ consisting of _____ acres prepared by _____, which map is attached hereto and incorporated herein as Exhibit "D- _____"; and

WHEREAS, by the recordation of this _____ Amendment and Supplement to the Master Deed in the office of the Warren County Clerk, the Developer is exercising its reserved right to develop and incorporate within the Development as Section _____ of Phase _____ that portion of the Entire Tract presently designated Lot _____ in Block _____ on the official Tax Map of the Township of White containing approximately _____ acres of land, as more specifically described by the legal (metes and bounds) description appearing as Exhibit "C- _____" hereof and as graphically depicted as Section _____ of Phase _____ on Exhibit "D-1" hereof;

WHEREAS, by the recordation of this _____ Amendment and Supplement to the Master Deed in the office of the warren County, the Developer is further exercising its reserved right to incorporate as part of the Development the improvements erected and/or to be erected on the aforesaid parcel, including (but not limited to) thirty-eight (38) Units, together with

certain other improvements, all as shown on that portion of Exhibit "B" hereof; and

WHEREAS, by the recordation of this Third Amendment and Supplement to the Master Deed in the office of the Warren County Clerk, the total number of Units incorporated within the Development will be increased from _____ to _____.

NOW THEREFORE, the Developer hereby amends and supplements the Master Deed as follows:

1. Upon the recordation of this Amendment and Supplement to the Master Deed, the Developer hereby incorporates into Brookfield, A Condominium the Units and other improvements which have been or will be constructed upon that portion of the Entire Tract as described in Exhibit "C- " and shown in Exhibit "D- aforesaid; thereby increasing the total number of Units within the Condominium from _____) to _____ and, there is likewise incorporated as part of the Condominium, as part of the Common Elements including actual and/or proposed improvements that are not part of the Units as graphically depicted on Exhibit "D- " hereof. and
2. Upon the recordation of this Amendment and Supplement to the Master Deed, the Developer declares that such lands and improvements are and shall be held, transferred, sold, leased, conveyed, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations and liens and provisions set forth in the Master Deed, as now or hereafter amended, all of which are hereby incorporated by reference as though fully set forth herein; and
3. Except as expressly modified herein, all other terms and conditions of the Master Deed shall remain in full force and

effect and in the case of any conflict, the provisions hereof shall be deemed controlling.

IN WITNESS WHEREOF, the Developer has caused this Master Deed to be executed the day and year first above written by the Developer's duly authorized Members.

BELVIDERE DEVELOPMENT COMPANY, L.L.C.
a New Jersey Limited Liability Company
Developer

WITNESS:

By: _____
Kenneth G. McDermott, Member

By: _____
Kathleen McDermott,

STATE OF NEW JERSEY, COUNTY OF SOMERSET

SS.:

I CERTIFY that on _____, 1998, Kenneth G. McDermott and Kathleen-McDermott, the Members of Belvidere Development Company, L.L.C., a New Jersey Limited Liability Company, personally came before me and acknowledged under oath, to my satisfaction, that they are the persons named in and acknowledged under oath, to my satisfaction, that they are the persons named and who executed the within Amendment and Supplement to the Master Deed, and thereupon acknowledged that they personally _____ sealed and delivered this Amendment and Supplement to the Master Deed as their act and deed for the uses and purposes therein expressed.
