



January 26, 2006

DESCRIPTION OF PROPERTY  
CONSERVATION DEED RESTRICTION EASEMENT  
THROUGH BLOCK 11.01, LOTS 1 THRU 22  
LOOKOUT POINTE

All that certain lot or parcel of land situated in the Township of Union, County of Hunterdon, and State of New Jersey, shown on a plan entitled, " Final Plat, Lookout Pointe ", dated April 2, 2001, last revised October 31, 2005, prepared by Eastern States Engineering, Inc., Horsham, Pennsylvania, 19044, filed or about to be filed in the Hunterdon County Clerk's Office, more particularly described as follows:

Beginning at a corner of a Conservation Deed Restriction Easement on the northerly side of Albert Drive (50' R.O.W.), said point located a total arc and tangent distance of 237.67 feet from the intersection of the prolonged northerly side of Albert Drive (50' R.O.W.) with the prolonged westerly side of Albert Drive (Variable Width R.O.W.) and running;

1. Passing through Block 11.01, Lot 1, the following five (5) courses and distances, North 31 degrees 15 minutes 18 seconds West, a distance of 260.00 feet to a point, a conservation easement marker post; thence
2. North 59 degrees 30 minutes 09 seconds East, a distance of 136.10 feet to a point, a conservation easement marker post; thence
3. North 01 degrees 11 minutes 11 seconds East, a distance of 91.23 feet to a point, a conservation easement marker post; thence
4. South 88 degrees 58 minutes 25 seconds West, a distance of 212.74 feet to a point, a conservation easement marker post; thence
5. North 01 degrees 04 minutes 56 seconds West, a distance of 123.27 feet to a point on line of Block 11.01, Lot 14, a concrete monument; thence
6. Along a common line between Block 11.01, Lot 1 and Block 11.01, Lots 14 thru 12, South 88 degrees 55 minutes 04 seconds West, a distance of 243.65 feet to a common corner of Block 11.01, Lots 1 and 2; thence
7. Along a common line between Block 11.01, Lots 1 and 2, South 23 degrees 37 minutes 02 seconds West, a distance of 79.38 feet to a point, a conservation easement marker post; thence
8. Passing through Block 11.01, Lot 2, North 79 degrees 42 minutes 13 seconds West, a distance of 167.31 feet to a point on line of Block 11.01, Lot 3, a conservation easement marker post; thence
9. Passing through Block 11.01, Lots 3 thru 5, South 88 degrees 42 minutes 54 seconds West, a distance of 336.20 feet to a point on line of Block 11.01, Lot 6, a conservation easement marker post; thence

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Clinton, NJ  
908/638-5270

Dulles, VA  
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Description of Property  
Conservation Deed Restriction Easement  
Through Block 11.01, Lots 1 Thru 22  
Lookout Pointe  
January 26, 2006  
Page 2 of 3

10. Passing through Block 11.01, Lot 6, North 18 degrees 05 minutes 33 seconds West, a distance of 54.40 feet to a point on line of Block 11.01, Lot 7 a conservation easement marker post; thence
11. Passing through Block 11.01, Lot 7, the following two (2) courses and distances, North 34 degrees 45 minutes 32 seconds East, a distance of 32.58 feet to a point, a conservation easement marker post; thence
12. North 30 degrees 32 minutes 45 seconds West, a distance of 223.35 feet to a point on the curved southerly side of Albert Drive, a conservation easement marker post; thence
13. Along said side, passing along an arc of a circle curving to the right having a radius of 265.00 feet, an arc distance of 97.37 feet, a chord bearing of North 64 degrees 26 minutes 01 seconds East, a chord distance of 96.83 feet to a point, a conservation easement marker post; thence
14. Passing into Block 11.01, Lot 8, South 30 degrees 32 minutes 45 seconds East, a distance of 171.53 feet to a point, a conservation easement marker post; thence
15. Passing through Block 11.01, Lots 8 thru 11, North 89 degrees 57 minutes 20 seconds East, a distance of 423.77 feet to a point on line of Block 11.01, Lot 12, a conservation easement marker post; thence
16. Passing through Block 11.01, Lots 12 through 19, North 86 degrees 44 minutes 31 seconds East, a distance of 896.29 feet (passing over a conservation easement marker post) to a point, a conservation easement marker post; thence
17. Passing through Block 11.01, Lot 19, North 15 degrees 18 minutes 03 seconds East, a distance of 150.80 feet to a point on the curved southerly side of Albert Drive; thence
18. Along said side, passing along an arc of a circle curving to the right having a radius of 260.00 feet, an arc distance of 101.32 feet, a chord bearing of South 63 degrees 30 minutes 11 seconds East, a chord distance of 100.69 feet to a point, a conservation easement marker post; thence
19. Passing through Block 11.01, Lot 20, the following two (2) courses and distances, South 20 degrees 18 minutes 17 seconds West, a distance of 198.20 feet to a point, a conservation easement marker post; thence
20. South 05 degrees 12 minutes 17 seconds East, a distance of 59.08 feet to a point on line of Block 11.01, Lot 21, a conservation easement marker post; thence
21. Passing through Block 11.01, Lot 21, South 37 degrees 30 minutes 27 seconds West, a distance of 93.11 feet to a point on line of Block 11.01, Lot 22, a conservation easement marker post; thence
22. Along a common line between Block 11.01, Lot 21, and Block 11.01, Lot 22, South 34 degrees 53 minutes 29 seconds East, a distance of 145.35 feet to a point on the northerly side of Albert Drive, a common corner of Block 11.01, Lots 21 and 22; thence
23. Along said side, South 55 degrees 06 minutes 31 seconds West, a distance of 192.80 feet; thence
24. Passing through Block 11.01, Lot 22, the following two (2) courses and distances, North 34 degrees 53 minutes 29 seconds West, a distance of 190.27 feet; thence

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Description of Property  
Conservation Deed Restriction Easement  
Through Block 11.01, Lots 1 Thru 22  
Lookout Pointe  
January 26, 2006  
Page 3 of 3

25. South 83 degrees 03 minutes 23 seconds West, a distance of 151.42 feet to a point on line of Block 11.01, Lot 1; thence
26. Along a common line between Block 11.01, Lot 22, and Block 11.01, Lot 1, South 06 degrees 56 minutes 37 seconds East, a distance of 295.73 feet to a point on the northerly side of Albert Drive, a common corner of Block 11.01, Lots 22 and 1; thence
27. Along the northerly side of Albert Drive, South 55 degrees 06 minutes 31 seconds West, a distance of 104.57 feet to the first mentioned point and place of beginning.

Containing 396,607 square feet of land.

Subject to restrictions and easements of record, if any.

Description prepared by Eastern States Engineering, Inc., Horsham, Pa. 19044.



Dana J. Rarish, N.J.P.L.S. No. GS-030092  
Professional Land Surveyor

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January 26, 2006

DESCRIPTION OF PROPERTY  
CONSERVATION DEED RESTRICTED EASEMENT  
THROUGH BLOCK 11, LOTS 8.24 THRU 8.13  
LOOKOUT POINTE

All that certain lot or parcel of land situated in the Township of Union, County of Hunterdon, and State of New Jersey, shown on a plan entitled, "Final Plat, Lookout Pointe", dated April 2, 2001, last revised October 31, 2005, prepared by Eastern States Engineering, Inc., Horsham, Pennsylvania, 19044, filed or about to be filed in the Hunterdon County Clerk's Office, more particularly described as follows:

Beginning at a corner of a Conservation Deed Restricted Easement, a point on a common line between Block 11, Lot 8.24 and Block 11, Open Space Lot 8.37, a Conservation Easement Marker Post, said point located the following two (2) courses and distances from the point of intersection of the extended southerly side of Albert Drive (90' R.O.W.) with the prolonged easterly side of Albert Drive (50' R.O.W.).

- a. Along the easterly side of Albert Drive a total arc and tangent distance of 1483.43 feet to a common corner of Block 11, Lot 8.24, and Block 11, Open Space Lot 8.37; thence
- b. Along a common line between Block 11, Lot 8.24, and Block 11, Open Space Lot 8.37, North 22 degrees 03 minutes 45 seconds East, a distance of 134.78 feet to the point of beginning and running;
1. Passing through Block 11, Lots 8.24 thru 8.20 and partially into Lot 8.19, South 89 degrees 07 minutes 01 seconds West, a distance of 749.21 feet (passing over a conservation easement marker post) to a Conservation Easement Marker Post; thence
2. Continuing through Block 11, Lot 8.19 and passing through Block 11, Lots 8.18 thru 8.13, South 88 degrees 56 minutes 21 seconds West, a distance of 827.33 feet (passing over two (2) conservation easement marker post) to a point on line between Block 11, Lot 8.13 and Block 11, Open Space Lot 8.36; thence
3. Along a common line between Block 11, Lot 8.13 and Block 11, Open Space Lot 8.36, North 75 degrees 38 minutes 51 seconds East, a distance of 42.65 feet to a common corner of Block 11, Lot 8.13, and Block 11, Lot 8.36, a point on line of Block 11, Lot 8.14; thence
4. Along a common line between Block 11, Open Space Lot 8.36 and Block 11, Lot 8.14, North 08 degrees 40 minutes 15 seconds West, a distance of 91.00 feet to common corner of Block 11, Lot 8.14 and Open Space Lot 8.36, a point on line of Block 11, Lot 4; thence
5. Along a common line between Block 11, Lots 8.14 thru 8.19 and Block 11, Lot 4, North 88 degrees 56 minutes 21 seconds East, a distance of 798.02 feet to a common corner of Block 11, Lot 8.19 and Block 11, Lot 4, a concrete monument; thence

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Description of Property  
Conservation Deed  
Restriction Easement  
Through Block 11, Lots 8.24 thru 8.13  
Lookout Pointe  
January 26, 2006  
Page 2 of 2

6. Along a common line between Block 11, Lots 8.19 thru 8.24 and Block 11, Lot 4, North 89 degrees 07 minutes 01 seconds East, a distance of 791.69 feet to a common corner of Block 11, Lot 8.24 and Block 11, Open Space Lot 8.37, a point on line of Block 11, Lot 4; thence
7. Along a common line between Block 11, Lot 8.24 and Block 11, Open Space Lot 8.37, South 22 degrees 03 minutes 45 seconds West, a distance of 108.59 feet to the first mentioned point and place of beginning.

Containing 156,382 square feet of land.

Subject to restrictions and easements of record, if any.

Description prepared by Eastern States Engineering, Inc., Horsham, Pa. 19044.



Dana J. Parrish, N.J.P.L.S. GS-030092  
Professional Land Surveyor

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703/433-6254



Civil Engineering, Land Surveying and Land Planning Services  
250 Gibraltar Road  
Suite 2E  
Horsham, PA 19044  
PHONE (215) 914-2050  
FAX (215) 293-5489

January 26, 2006

DESCRIPTION OF PROPERTY  
VARIABLE WIDTH SIGHT LINE EASEMENT - 25' MAX.  
THROUGH BLOCK 11, OPEN SPACE LOTS 8.35  
LOOKOUT POINTE

All that certain lot or parcel of land situated in the Township of Union, County of Hunterdon, and State of New Jersey, shown on a plan entitled, "Final Plat, Lookout Pointe", dated April 2, 2001, last revised October 31, 2005, prepared by Eastern States Engineering, Inc., Horsham, Pennsylvania, 19044, filed or about to be filed in the Hunterdon County Clerk's Office, more particularly described as follows:

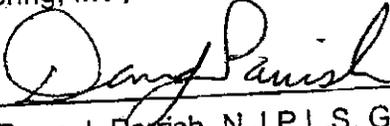
Beginning at a corner of a Variable Width Sight Line Easement - 25' Max, a concrete monument on the southerly side of Albert Drive (50' R.O.W.), said point located a total arc and tangent distance of 1064.91 feet from the intersection of the prolonged northerly side of Rupell Road (Variable Width R.O.W.) with the prolonged easterly side of Albert Drive (90' R.O.W.) and running;

1. Passing through Block 11, Open Space Lot 8.35, the following two (2) courses and distances, passing along an arc of a circle curving to the left having a radius of 247.79, an arc distance of 99.70, a chord bearing of North 53 degrees 18 minute 28 seconds West, a chord distance of 99.03 feet to a point of compound curve; thence
2. Passing along an arc of a circle curving to the left having a radius of 662.28, an arc distance of 98.18, a chord bearing of North 72 degrees 33 minute 27 seconds West, a chord distance of 98.09 feet to a corner on the southerly side of Albert Drive; thence
3. Along said side, the following two (2) courses and distances, North 84 degrees 16 minutes 07 seconds East, a distance of 39.83 feet to a point of curve, a concrete monument; thence
4. Continuing along said side, passing along an arc of a circle curving to the right having a radius of 125.00, an arc distance of 176.68, a chord bearing of South 55 degrees 14 minutes 23 seconds East, a chord distance of 162.33 feet to the first mentioned point and place of beginning.

Containing 3,374 square feet of land.

Subject to restrictions and easements of record, if any.

Description prepared by Eastern States Engineering, Inc., Horsham, Pa. 19044.

  
Dana J. Raffish, N.J.P.L.S. GS-030092  
Professional Land Surveyor

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Exhibit B Plan of Property

Exhibit C Bylaws

Exhibit D Easements

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed as of the day and year first above written.

TOLL LAND IV, L.P.,  
a New Jersey limited partnership

By: Toll Land Corp. No. 10, its general partner

By: *David A. Larkin*  
Name: David A. Larkin  
Title: Assistant Vice President

STATE OF Pennsylvania :

: ss

COUNTY OF Montgomery :

I certify that on February 20, 2006, David A. Larkin personally came before me and stated to my satisfaction that: (a) he is the Assistant Vice President of Toll Land Corp. No. 10, the general partner of Toll Land IV, L.P., named in the within instrument; (b) that the execution, as well as the making of this instrument, has been duly authorized by Toll Land Corp. No. 10 as its voluntary act and deed by virtue of authority from its Assist. V.P.; and (c) that the within instrument has been signed and delivered by said officer as and for the voluntary act and deed of said Assistant Vice President on behalf of Toll Land IV, L.P. through Toll Land Corp. No. 10, its general partner.

Sworn and subscribed to me

This 20<sup>th</sup> day of FEBRUARY, 2006

*Joseph G. Kwiatkoski*  
Notary Public

NOTARIAL SEAL  
JOSEPH G. KWIAKOSKI, NOTARY PUBLIC  
TRAINER BOROUGH, COUNTY OF DELAWARE  
MY COMMISSION EXPIRES AUGUST 24, 2006



END OF DOCUMENT

DECLARATION OF COVENANTS AND RESTRICTIONS

Handwritten signature or initials in the top right corner.

FOR

LOOKOUT POINTE

THIS DECLARATION is made this 20<sup>th</sup> day of February, 2006, by Toll Land IV, L.P., a New Jersey limited partnership, having an office located at 250 Gibraltar Road, Horsham, Pennsylvania 19044 (hereinafter referred to as the "Developer").

Handwritten number 1118 on the right margin.

WHEREAS, the Developer is the owner of the fee simple title to certain property in the Township of Union, County of Hunterdon and State of New Jersey consisting of approximately eighty-two (82) acres of land, being more particularly described by a metes and bounds description appended hereto as Exhibit "A" and more particularly shown on that certain survey prepared by Eastern States Engineering dated April 2, 2001, appended hereto as Exhibit "B" (the "Community");

WHEREAS, the Developer intends, and reserves the right, but is not obligated to create thereon a planned unit development, which is intended to ultimately consist of up to forty-six (46) detached single family dwellings, eight (8) fee simple townhouse dwellings, and one (1) existing farmhouse to be located on fifty-five (55) residential lots (the "Homes") and certain Common Property, to be known as Lookout Pointe (hereinafter the "Community") and as hereinafter defined; and

WHEREAS, in order to establish and preserve the character of Lookout Pointe as a high quality community, the Developer is desirous of imposing a general scheme of restrictions covering said lands and premises of the Community for the protection and benefit of the Developer, its successors and assigns, the Community, and each and every owner of any and all portions thereof;

WHEREAS, the Developer intends to subject all of the Homes, together with certain Common Property to the terms and conditions of this Declaration;

WHEREAS, the Developer has established or shall establish Lookout Pointe Community Association, Inc., a New Jersey not-for-profit corporation, as the association assigned the power and authority to maintain and administer the Common Property and certain other portions of the Community, to administer and enforce the covenants and restrictions governing the Community, and to collect and disburse all assessments and charges necessary for such maintenance, administration, and enforcement, which are hereinafter more fully described;

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



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

## ARTICLE I

### DEFINITIONS

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

1.02. "Annual Common Expense Assessment" shall mean and refer to those assessments imposed upon all Owner(s) as described in Article VI of this Declaration.

1.03. "Annual Assessment" shall mean and refer to Annual Common Expense Assessments.

1.04. "Association" shall mean and refer to Lookout Pointe Community Association, Inc., a New Jersey not-for-profit corporation, its successors and assigns, which shall have the duties and powers established in the Governing Documents.

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

1.06. "Bylaws" shall mean and refer to the Bylaws of the Association together with all future amendments and/or supplements thereto.

1.07. "Capital Improvement Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 6.11 of this Declaration.

1.08. "Certificate of Incorporation" shall mean and refer to the Certificate of Incorporation of the Association together with all future amendments and/or supplements thereto.

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

1.10. "Common Property" shall mean and refer to the common lands and facilities to be provided within the Community for the use and enjoyment of all Owners in the Community, including the entrance sign with landscaping, basins and open space lots, two bus shelters, roads, and sidewalks interspersed throughout the Community.

1.11 "Community" shall mean and refer to the residential development more particularly described in Exhibit "A" and shown on Exhibit "B", which has received preliminary and/or final subdivision approval from Union Township.

1.12. "Community Systems" shall mean and refer to any and all cable television, telecommunication, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennae, satellite dishes, equipment, materials, installations and fixtures (including those based on, containing and serving future technological advances not now known), installed by Developer or the Association; or pursuant to any grant of easement to the Developer or the Association, or authority by the Developer or the Association within the Common Property.

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

1.14. "Developer" shall mean and refer to Toll Land IV, L.P., a New Jersey limited partnership, its successors and assigns, and includes any successor to the Developer contemplated by Article XI of this Declaration.

1.15. "Dwelling" shall mean and refer to the residential dwelling structure erected or to be erected upon a Lot and shall be deemed to include, mean and refer to any and all other improvements erected or to be erected upon a Lot and attendance and/or appurtenant to the residential dwelling structure as well as all other improvements erected within, upon, under, over and/or through a Lot, provided that none of the foregoing improvements, regardless of their location, have been established as Common Property pursuant to the express terms of this Declaration or are owned by a public or private utility entity and located within, upon, over or under a Lot by virtue of an easement declared for the benefit of such entity. When the term "Dwelling" is used, unless the context clearly indicates a contrary intent, it shall be deemed to refer to and mean solely the improvements erected or to be erected within, upon, under, over or through a Lot as aforesaid and shall not be deemed to refer to any other unimproved realty constituting the Lot.

1.16. "Eligible Mortgage Holder" shall mean and refer to any holder, insurer or guarantor of a First Mortgage which has given written notice to the Association in the manner provided in Section 10.02 of this Declaration of its desire to have notice of those matters which are the subject of Section 10.01 through 10.04 and 10.07 of this Declaration.

1.17. "Emergency Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 6.09 of this Declaration.

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

1.19. "Governing Documents" shall mean and refer to this Declaration and its exhibits, which the Developer has recorded or will record in the Office of the Hunterdon County Clerk, the Certificate of Incorporation, Bylaws and Rules and Regulations of the Association, as same may hereafter be amended or supplemented.

1.20. "Home" shall mean and refer to any Lot and the Dwelling constructed or to be constructed thereon together with any and all other improvements constructed or to be constructed on the Lot which are attendant and/or appurtenant to such Dwelling and that are not expressly declared to be part of the Common Property pursuant to the terms of this Declaration.

1.21. "Institutional Lender" shall mean 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.

1.22. "Lease" shall mean any agreement for the leasing or rental of any Home located within the Community.

1.23. "Limited Common Expenses" shall mean Common Expenses, if any, for which some, but less than all, of the Owners are proportionately liable, including but not limited to those expenses which are declared to be Limited Common Expenses by the provisions of this Declaration or the Bylaws.

1.24. "Lot" shall mean and refer to a legally subdivided residential building lot established upon a portion of the Community by the filing of a subdivision plat in the Hunterdon County Clerk's Office. When the term "Lot" is used, unless the context clearly indicates a contrary intent, it shall be deemed to refer to and mean solely the unimproved land and shall not be deemed to refer to or mean the Dwelling erected or to be erected thereon and/or any other attendant and/or appurtenant improvements erected or to be erected thereon.

1.25. "Member" shall mean all those Owners who are members of the Association as provided in the Certificate of Incorporation.

1.26. "Member in Good Standing" shall mean and refer to any Member who has fully paid all installments due for Common Expense Assessments made or levied against him and his Home by the Board, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and to his Home.

1.27. "Miscellaneous Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 6.15 of this Declaration.

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

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

1.30. "Owner" or "Home Owner" shall mean and refer to those persons or entities in whom record fee simple title to any Home is vested as shown in the records of the Office of the Hunterdon County Clerk, including the Developer unless the context expressly indicates otherwise, but, despite any applicable theory of mortgage, shall not mean or refer to any mortgagee or trustee under a deed of trust unless and until such mortgagee or trustee has acquired title to any such Home pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Owner" refer to any lessee or tenant of an "Owner".

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

1.32. "Person" shall mean and refer to a natural individual, corporation, partnership, association, trust or other legal entity or any combination thereof.

1.33. "Property" shall mean and refer to the land and premises described and shown in Exhibits "A" and "B" respectively, together with land and premises shown on any final subdivision plats within the Community which may hereafter be lawfully subjected to the provisions of this Declaration or by any Amendment and Supplement hereto, pursuant to Section 2.02 hereof.

1.34. "Remedial Common Expense Assessment" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 6.14 of this Declaration.

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

1.36. "Special Common Expense Assessments" shall mean and refer to those assessments imposed upon the Owner(s) as described in Section 6.10 of this Declaration.

## ARTICLE II

### GENERAL DESCRIPTION

2.01. The Community. The Community includes the lands described in Exhibit "A" aforesaid consisting of approximately eighty-two (82) acres, as shown on Exhibit "B" of the Declaration. The Community is located in the Township of Union, Hunterdon County, New Jersey, and is planned to ultimately include a total of up to fifty-five (55) Homes.

## ARTICLE III

### PROPERTY SUBJECT TO THIS DECLARATION

3.01. The Community. Upon the recordation of this Declaration, the Community shall consist of all of the unimproved land proposed for development and all improvements now in existence or hereafter constructed, consisting of approximately eighty-two (82) acres, which property shall be held, transferred, sold, conveyed, leased and occupied subject to this Declaration and all amendments or supplements thereto.

3.02. Title to Common Property. Developer may retain the legal title to the whole or portions of the Common Property until such time as it has completed initial improvements thereon and until such time as, in the sole judgment of the Developer, the Association is able to satisfactorily maintain same. In spite of anything to the contrary in this Section 3.03, the Developer will convey legal title to the Common Property to the Association in its sole discretion but, in no event, later than ten (10) years from the date of the recordation of this Declaration. Notwithstanding the foregoing, Developer shall have the right to convey the Common Property at any time prior to the completion of the improvements that Developer is obligated to construct on or as part of such Common Property.

## ARTICLE IV

### RESPONSIBILITIES OF OWNERS

4.01. Owner's Covenant. Every Owner, by the acceptance of a deed for a Home or by acceptance of title to a Home as a devisee or heir, covenants to every other Owner, and the Association that he will not permit his Home (the Lot, the Dwelling and any other Lot improvements) to be maintained other than in a first-class state of repair and in a neat, safe and attractive condition. The foregoing covenant shall not be deemed to transfer any responsibilities relative to the Home that are expressly made the obligation of the Association pursuant to the Governing Documents.

## ARTICLE V

### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.01. Membership. The Membership of the Association shall be comprised of two classes:

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

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

## ARTICLE VI

### ASSESSMENTS

6.01. Covenant to Pay Assessments. Subject to this Article VI, every Owner, by acceptance of a deed or other conveyance of a Home, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association all Assessments and all fines and other charges contemplated by this Declaration or the Bylaws.

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

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

6.03. Due Dates of Annual Assessments. Annual Assessments shall be made for a yearly period to be determined by the Board of Trustees 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. Except as otherwise provided by Section 6.02, upon the conveyance of title to a Home, the portion of the then current Annual Common Expense Assessment payable by the new Owner shall be an amount which bears the same relationship to

the Annual Common Expense Assessment as the remaining number of months in the then current annual assessment period bears to twelve. Such first annual assessment or portion thereof for which a new Owner is liable shall be immediately due upon the acquisition of title by the purchaser.

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

6.05. Annual Assessments. It shall be an affirmative and perpetual obligation of the Board of Trustees to fix Annual Assessments in an amount at least sufficient to maintain and operate the Common Property, to maintain improvements which the Association is obligated to so maintain, to pay all taxes on the Common Property, and to place and maintain in full force and effect all of the insurance coverage provided for herein and in the Bylaws. The amount of monies for Common Expenses of the Association deemed necessary by the Board of Trustees and the manner of their expenditure shall be determined in the sole discretion of the Board of Trustees.

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

6.07. Use of Annual Assessments. The Board of Trustees may do all that it is legally entitled to do and shall be obligated to discharge its duties including, but not limited to, those set forth at Article VI of the Bylaws of the Association.

In furtherance of discharging its obligations, the Annual Common Expense Assessments levied by the Board of Trustees shall be used exclusively for promoting the health and welfare of the Members of the Association; maintenance, repair and replacement of the Common Property or any other improvements on the Property; payment of applicable common taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Association; and such other items as may from time to time be deemed appropriate by the Board of Trustees, provided that the Annual Common Expense Assessments shall not be used for new capital improvements subject to Section 6.12 of this Declaration. The Board of Trustees shall have the authority to determine the nature and extent of services provided to the Owners of the Homes, and the Common Expense Assessments imposed for such services.

6.08. Allocation of Common Expenses: Obligations of the Developer.

A. Allocation:

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

B. **Obligations of the Developer:** Until the conveyance of title to the first Home, the Developer shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Homes to whom title has been conveyed shall be responsible for payment of Common Expenses assessed against their Homes. The Developer shall be responsible for payment of all Common Expenses assessed against Homes owned by it for which an initial Certificate of Occupancy has been issued, in proportion to the benefits derived with respect to such Home(s); however, Developer shall have no obligation to pay any Common Expenses for Homes utilized by the Developer as either offices or models relative to the marketing and sale of Homes. The Developer shall also be responsible for the payment of any costs associated with the Common Property within any Section which has been subjected to the Declaration by the recordation of an Amendment and Supplement, in proportion to the benefits derived with respect to such Common Property. Furthermore, the Developer shall be responsible for costs associated with any undeveloped portions of the Community before same have been subjected to the Declaration by the recordation of an Amendment and Supplement in accordance with Sections 2.02 and 11.06 of the Declaration.

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

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

6.11. Special Assessments for Damages, Violations and Failures of Owners. If any Owner or his guest, tenant, invitee, or occupant or household pet causes damage to the Common Property which necessitates repair thereto or fails to maintain anything for which maintenance is his responsibility, or if the Association is required to expend monies to remedy any violations of the covenants and restriction hereinbefore stated or the published Rules and Regulation of the Association, then the Board of Trustees may impose a Special Assessment upon the Owner involved for the cost of performing such repairs or maintenance for remedying such violations, including reasonable attorney's fees, as the case may be. Such Special Assessment shall constitute a lien against any Home owned by such Owner, but such Special Assessment in question shall not be imposed without at least ten (10) days prior written notice to the affected

Owner and an opportunity for the affected Owner to be heard at a meeting of the Board of Trustees.

6.12. Capital Improvement Common Expense Assessment. In addition to the other assessments herein authorized, the Board of Trustees may levy, in any assessment year, a Capital Improvement Common Expense Assessment for the purpose of acquiring real or personal property or constructing a new capital improvement; provided, however, that such an assessment cannot be made against the Developer without its written consent. 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 \$25,000.00, it shall receive the assent of two thirds (2/3) in interest of the affected Members in Good Standing. This vote shall be taken at a meeting duly called for this purpose. Written notice of such meeting, stating the purpose of the meeting, shall be sent to all 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.

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

6.14. Remedial Common Expense Assessment. In addition to the other assessments herein authorized, the Board of Trustees of the Association may levy a Remedial Common Expense Assessment against any individual Home or Home Owner whenever required or permitted to do so by any of the provisions of this Declaration, the Bylaws or the Rules and Regulations expressly authorizing such a Remedial Common Expense Assessment. The Board may also provide, by its Rules and Regulations, for ordinary maintenance and minor repairs and replacements to be furnished to Home by Association personnel or representatives and charges as a Remedial Common Expense Assessment.

6.15. Miscellaneous Assessments. Any and all fines, late charges, costs of collection (including reasonable attorneys' fees), interest on unpaid assessments, capital contributions, membership fees, escrow deposits or any other sums required to be paid to the Association by an Owner by the provisions of the Governing Documents duly adopted resolution of the Board of Trustees shall be deemed Common Expense Assessments which each Owner has covenanted and agreed to pay according to the provisions of Section 6.02 and shall be collectible by the Association in the same manner as other Common Expense Assessments pursuant to the provisions hereof.

6.16. Certificate of Payment. The Association shall, within ten (10) days after receipt of the written request of any Owner, Purchaser of any Home or Mortgage Holder for any Home furnish to such Owner, Purchase or Mortgage Holder, a certificate in writing, signed by an officer of the Association, setting forth whether or not such assessment, fine or other charge, which would constitute a continuing lien against the Home pursuant to Section 6.02, has been

paid. Except as to an Owner requesting such a certificate for a Home that he owns, such certificate shall constitute conclusive evidence of the payment of any assessment(s) therein stated to have been paid.

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

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

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

6.19. Initial Contribution. The Association shall collect from each purchaser of a Home or Dwelling (including both the initial purchaser and all resale purchasers) at settlement a non-refundable contribution equal to \$500.00 or such other amount as may be determined by the Board, which payment shall be used by the Association for such purposes deemed appropriate or desirable by the Board.

## ARTICLE VII

### EASEMENTS

7.01. Owner Easements. Every Owner, his successors and assigns, shall have the following perpetual easements with respect to the Property, which shall be for the benefit of all owners and occupants of Homes in the Community and their invitees;

A. An exclusive easement for the existence and continuance of any encroachment by his Home upon any portion of the Common Property or adjacent Home, 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 Home, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the Home stands;

B. An exclusive easement in, upon, under, over, across and through the adjacent Lot for the installation, maintenance and repair of any improvements to the Home as a result of the location of the Dwelling on the lot line of the adjacent Lot.

C. A non-exclusive easement for access to an enjoyment of any facilities which may be constructed on the Common Property, provided, however, that the use of such easement may be denied by the Board during any period when the Owner's membership in the Association is deemed not to be in good standing.

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

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

B. A perpetual blanket and non-exclusive easement in, upon, over, under, across and through the Common Property for surface water runoff and drainage caused by natural forces and elements, grading or the improvements located upon the Community. No individual Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Community;

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

D. A blanket and non-exclusive easement in, upon, over, through, under and across the Common Property and the Homes for the performance of any maintenance responsibilities of the Owners, as set forth in Article IV of this Declaration, should any Owner fail to perform same in a timely and proper manner, until the expiration of two (2) years from the date the last Home is sold and conveyed in the normal course of business, but in no event more than fifteen (15) years from the date this Declaration is recorded.

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

A. An exclusive easement for the maintenance of the Common Property, lawn maintenance for individual Homes, and snow clearing from walkways and driveways on the Lots for those Homes for which the Association is responsible for providing such services; and

B. Through the Board of Trustees or any manager or managing agent, or their respective agents or employees, the Association shall have the perpetual and non-exclusive right of access to each Home: (i) to inspect same in connection with the performance of its responsibilities under the Governing Documents, (ii) to remedy any violations of law and/or the provisions of the Governing Documents, and (iii) to perform any operations required in connection with the maintenance, repairs or replacements of or to the Common Property, or any equipment, facilities or fixtures affecting or serving other Home(s) or the Common Property; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate, whether the Owner is present at the time or not.

C. A perpetual and non-exclusive right of access for the performance of those maintenance, repair and replacement responsibilities of the Association as discussed in Section 6.07.

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

7.05. Municipal Easements. The Common Property is subject to blanket, perpetual and nonexclusive easements of unobstructed ingress to and egress from, access to and travel within, upon, over, under, across and through the Community to the Township of Union, its respective officers, agents and employees (but not the public in general), and all police, fire and ambulance personnel in the proper performance of their respective duties (including but not limited to emergency or other necessary maintenance, repair and/or replacement to a Home which the Owner has failed to perform); for emergency or other necessary maintenance, repair and/or replacement of the Common Property which the Association has failed to perform; and for other necessary maintenance, repair and/or replacement of those areas situated within the Community as shown on the final plat in accordance with the Lookout Pointe Plan which is a part of the Master Plan of Union Township. The foregoing easement for the benefit of the Township of Union is expressly understood to include a maintenance easement to the Township of Union to enter upon the Common Property for the purpose of inspection and/or maintenance and/or repair of the detention basin established within the Common Property and for which the Association is responsible in the event the Association fails to fulfill its responsibilities relative thereto. Except in the event of emergencies, the right accompanying the easement provided for herein shall be

exercised only during reasonable daylight hours and then, whenever practicable, only after advance notice to and with permission of the Owner(s) directly affected thereby.

7.06. Public Access Easement. The ten foot (10') wide walkway easement is subject to a blanket, perpetual and non exclusive easement of unobstructed ingress to an egress from, upon and over by the public as may be permitted by the Township of Union.

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

7.08. Community Systems Easement. Use of the Common Property for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and plans of the Community. The Developer and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Property and the portions of the Lots and Common Property designated in plats for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems and other utilities. The grant of the aforesaid easement shall not obligate the Developer to deliver any of the services or perform any of the responsibilities set forth in this Section 7.08. Upon notice to the Association that the Developer no longer intends to deliver any of the services under this Section 7.08, the easement granted to the Developer shall run for the benefit of the Association for the purposes stated herein.

7.09. Easements of Record. The Common Property shall be subject to all easements of record.

## ARTICLE VIII

### ADMINISTRATION AND POWERS OF ATTORNEY

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

8.02. Developer's Power of Attorney. The Developer hereby reserves for itself, its successors and assigns, or until the Developer conveys title to the last Home within the Community, the right to execute on behalf of all contract purchasers, Owners, mortgagees, other

lienholders or parties claiming a legal or equitable interest in the Community, any such agreements, documents, amendments or supplements to the Governing Documents which may be required by:

(a) **Appointment.** by acceptance of a deed to any Home or by the acceptance of any other legal or equitable interest in the Property, each and every contract purchaser, Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Property does automatically and irrevocably name, constitute, appoint and confirm Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such agreements, instruments, amendments or supplements to this Declaration and other instrument(s) necessary to effect the foregoing, together with any Amendment and Supplement to the Declaration contemplated by Section 2.02 hereof, subject to the limitations set forth herein.

(b) **Limitations.** No agreement, document, amendment or supplement or other instrument which adversely affects the value of any Home, or increases the financial obligations of the Owner by more than ten (10%) percent of his then current annual Common Expense Assessment, or reserves any additional or special privileges for the Developer not previously reserved, shall be made without the prior written consent of the affected Owner(s) and all owners of any mortgage(s) encumbering the affected Home(s). Any such agreement, document, amendment or supplement or other document which adversely affects the priority or validity of any mortgage which encumbers any Home shall not be made without the prior written consent of the owners of all such mortgages.

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

8.03. **Association's Power of Attorney.** By execution of a contract to purchase a Home within the Community from the Developer, by execution or acceptance of a deed to any Home within the Community or by the acceptance of any other legal or equitable interest in the Community, each and every such contract purchaser, Owner, mortgagee or other lienholder or party having a legal or equitable interest in the Community does automatically and irrevocably name, constitute, appoint and confirm the Association as attorney-in-fact for the following purposes: (i) to acquire title to or lease any Home whose owner desires to surrender, sell or lease same, and, in the name of the Association or its designees, corporate or otherwise, and on behalf of all Owners; (ii) to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise dispose of any such Homes so acquired or to sublease any Homes so leased by the Association; (iii) to prepare, execute and record any amendments to the Declaration required by Article XI hereof; (iv) to commence and maintain any eviction proceedings contemplated under

Section 9.01 hereof; and (v) to prepare, execute and record any amendments to the Declaration made pursuant to Article XIV hereof.

The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Homes and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, this power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title and interest of the principal in and to said power.

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

## ARTICLE IX

### RESTRICTIONS

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

A. The Common Property 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 Homes.

B. No Owner shall have the right to mortgage or encumber his Home, unless such mortgage or encumbrance is a Permitted Mortgage.

C. Except as used by the Declarant in connection and marketing of Homes in the Community, each Home shall be used for residential purposes only.

D. Homes shall be occupied by no more persons than the maximum permitted by law for the Home.

E. Except for work done by the Declarant in connection with the construction and marketing of Homes, nothing shall be built, caused to be built or done in or to any part of the Property which will alter or cause any alteration to the Common Elements without the prior written approval of the Board of Trustees and the Declarant. The Declarant's approval shall be required until one (1) year after the conveyance by the Declarant of the last Home.

F. Each Owner or occupant shall maintain his Home in a safe, clean and sanitary manner and condition, in good order and repair and in accordance with all applicable restrictions, conditions, ordinances, codes and any Rules or Regulations which may be applicable hereunder or under law.

G. No Owner or occupant of any Home shall carry on, or permit to be carried on, any practice on his Home or on the Property which unreasonably interferes with the quiet enjoyment and proper use of another Home or the Common Elements by the Owner or occupant of any other Home, or which creates or results in a hazard or nuisance on the Property.

H. No sign, banner, flag, billboard or advertisement of any kind, including, without limitation, informational signs, "for sale" or "for rent" signs and those of contractors and subcontractors, shall be erected on the Home. Owners may not erect any sign on a Home until the last Home in the Community is conveyed to Owners.

I. No clotheslines and no outdoor clothes drying or hanging shall be permitted in the Community, nor shall anything be hung, painted or displayed on the outside of the windows (or inside, if visible from the outside) or placed on the outside walls or outside surfaces of doors of any of the Homes, and no awnings, canopies or shutters (except for those heretofore or hereinafter installed by Declarant) shall be affixed or placed upon the exterior walls or roofs of Homes, or any part thereof, nor relocated or extended, without the prior written consent of the Board of Trustees. Window air conditioners are prohibited.

J. No commercial, industrial, recreational or professional activity not permitted by the present zoning or other applicable laws or ordinances, shall be pursued on any Home, at any time. If zoning regulations change to expand the scope of activities that Owners may pursue lawfully within the Home, a Home Owner may apply to the Board of Trustees for approval to commence the permitted use of his Home. Each application shall be considered by the Board of Trustees on an individual basis. Once the Board of Trustees has given its approval to a particular use of a Home, it may not revoke the approval as long as the nature and scope of the approved use remains unchanged. No Owner shall permit his Home to be used or occupied for any prohibited purpose.

K. Home Owners shall not keep in any Home animals, wildlife, livestock, reptiles or poultry of any kind, other than domesticated household birds and fish, house dogs or domesticated house cats. Pets shall not be permitted to run loose or uncontrolled on their Home and the Common Elements. Home Owners shall immediately clean up any waste left by their pets anywhere on the Property. No doghouses shall be permitted. Subject to the prior approval by the Board of Trustees, electric underground fences may be permitted.

L. No portion of the Property shall be used or maintained as a dumping ground for rubbish, trash, new or used lumber or wood, metal scrap, garbage or other waste, except that such material may be kept in the Home or in areas of the Property designated for this purpose by the Declarant (in connection with its construction) or by the Board of Trustees, provided that these materials are kept in sanitary containers in a clean and sanitary condition. Owners shall place these containers for collection only in the designated areas and only on the

day these refuse materials are to be collected. Empty containers shall be removed promptly after collection.

M. To the extent permitted by law, a DBS antenna, MDS antenna or transmission-only antenna may be erected on a Home provided it is not greater than two (2) feet in diameter. No television broadcast antenna of any size or masts of any size attached to any of the above-listed antennas may be erected. Qualified antennas must be erected on the rear, and not the sides, of the Home, unless such placement impedes reception in which event such antenna may be erected in another location on the Home provided that it is screened by landscaping or other material where reasonable.

N. Each Home Owner shall maintain his Home in a manner satisfactory to the Association and in accordance with the Declaration, Bylaws and any Rules and Regulations of the Association. In the event that a Home is not so maintained, the Association shall have the right to enter upon the Home to maintain the same, after giving the Owner at least fifteen (15) days written notice to cure any maintenance problems or deficiencies. In the event that the Association exercises its right of entry for maintenance purposes, the Association shall have the right to assess the particular Owner for the cost of such maintenance. The Association, by its Board of Trustees, shall have the right to establish Rules and Regulations governing the maintenance of any Home.

O. Driveways, streets and other exterior parking areas on the Property shall be used by Owners, occupants and guests for fully operable, inspected and registered four wheel passenger vehicles, two wheel motorized bicycles and standard bicycles only. No recreational vehicles, vans (other than non-commercial passenger vans), mobile homes, trailers, boats, trucks (unless licensed as a passenger vehicle and less than three-quarter ton capacity) or commercial vehicles (whether or not registered as a commercial vehicle with the State Department of Transportation) shall be permitted to be parked on the Property, except on a day-to-day temporary basis in connection with repairs, maintenance or construction work on the Home or if entirely enclosed in a Home Owner's garage.

P. Motor vehicles including, but not limited to, mini-bikes, snowmobiles and motorcycles, may not be driven on the Common Property by any Owner, occupant or guest.

Q. Except for the Declarant, no Owner may subdivide or partition his Home, except as set forth in the Declaration and Bylaws of the Association.

R. No Owner shall perform or permit to be performed any work to any portion of his Home, which work may require access to, over or through the Common Property or other Homes without the prior consent of the Board of Trustees except in case of an emergency. All such work may only be performed by a Person who shall deliver to the Board of Trustees prior to commencement of such work, in form satisfactory to the Board of Trustees:

- (i) releases of the Board of Trustees and the Association for all claims that such Person may assert in connection with such work;

- (ii) indemnities of the Board of Trustees and the Association, holding each and all of them harmless from and against any claims asserted for loss or damage to person or property, including, but not limited to, Common Property or other Homes;
- (iii) certificates of insurance, including liability and workmen's compensation coverage, in amounts and with companies reasonably acceptable to the Board of Trustees; and
- (iv) all other information and protections which the Board of Trustees may reasonably require.

S. No Home Owner may alter the Common Property.

T. Nothing herein shall give the Board of Trustees authority to regulate, control or determine external design, appearance, use or location of portions of the Property under development, or to be developed, or Homes under construction, or to be constructed, marketed or sold by the Declarant if and when such design, appearance, use and location shall have received any required approvals by the appropriate departments or officials of the Township.

U. The Board of Trustees may prohibit or restrict the use of the Common Property from time to time, on a non-discriminatory basis, if and to the extent required for safety or other valid reasons.

V. A Home Owner may not alter the exterior of his Home except with the prior approval of the Board of Trustees.

W. No Owner shall erect or permit to be erected on any Home any fence, in-ground pool, tennis court or other outdoor game court, storage shed or other exterior building, addition or improvement, without the prior written consent and design approval of Declarant until such time as Declarant no longer owns a Home in the Community. Under no circumstances may any fences, hedges, fountain or mass plantings of any type be erected or planted in front of the front wall line of the Dwelling. No aboveground pools may be erected or maintained at any time. Each Owner shall act to insure that the Property and each Home remain open to light and air. As an example, no stockade fence or similar fence that blocks one's view or any other structure that will in any way prohibit free view of the Property will be permitted. The grading of any Home shall not be changed in any manner that will cause an adverse effect on any adjacent Home.

X. There shall be no obstruction of the Community, nor shall anything be stored in or upon the Community unless expressly permitted in writing in advance by the Board of Trustees of the Association.

Y. No Owner shall use or permit to be brought into or stored in any Home or in or upon the Common Property any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzene or other explosives or articles deemed hazardous to life, limb or property without in each case obtaining written consent of the Board of Trustees. No consent of the Board of Trustees shall be required for the storage of gasoline in proper containers for the operation of lawn mowers and garden equipment provided that same is in accordance with the Rules and Regulation of the Association.

Z. Every Owner shall be liable for any and all damage to the Common Property which shall be caused by said Owners, their respective family members, employees, servants, agents, tenants, visitors, licensees or household pets.

AA. Nothing shall be done or stored in any Home or in or upon the Common Property which will increase the rates of insurance of any Home or for the Community or the contents thereof or which will result in the cancellation of insurance on any Home or the contents thereof or which will be in violation of any law.

BB. No noxious or unlawful activity shall be carried on, in or upon the Common Property or in any Home nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other Owners within the Community. All laws, zoning ordinances and regulation of all governmental bodies having jurisdiction over the Community shall be observed.

CC. In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current, up to date roster of Owners, each Owner shall give the Secretary of the Association timely notice of his intent to list his Home for sale, and upon closing of title shall forthwith notify such Secretary of the Names and home addresses of the purchasers. As a condition of the transfer of title to the Home, Owner shall be required to provide such materials and information to the purchaser and to comply with such other requirements as may be established by the Association.

DD. The Home and the Common Property shall be subject to all applicable federal, state and municipal laws, statutes, regulations and ordinances.

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

Nothing shall be done to any Home or on or in the Community which will impair the structural integrity of any Home or which will structurally change any Home.

9.02. Restrictions on Leasing. No Owner other than the Developer shall lease or enter into an arrangement for use and/or occupancy of a Home for a term or period of less than six (6) months or more than one (1) year (except in the event of a lender in possession of a Home following a default in a First Mortgage, a foreclosure proceeding or a deed or other arrangement in lieu of foreclosure). Furthermore, no Owner shall permit the use and/or occupancy of a Home

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 Home 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 may rent to or enter into an arrangement for use and/or occupancy of a Home with a contract purchaser for less than six (6) months so long as such rental or arrangement for use and/or occupancy is not for transient or hotel purposes. No Owner may lease or enter into an arrangement for the use and/or occupancy of less than the entire Home. Rentals shall be pursuant to leases which (a) are in writing; (b) are expressly subject to all applicable laws and provisions of the Governing Documents including without limitation, the right of amendment reserved to the Developer herein, provided that any failure of the lessee to fully comply with terms and conditions of the Governing Documents shall constitute a default under the lease or arrangement; and (c) expressly assigned to the Association all rents due under the lease in the event of any delinquency in the payment of Common Expenses or other charges due and payable to the Association for more than thirty (30) days, including authorization for the tenant to pay such rents directly to the Association to the extent that such Common Expenses and other charges are due and payable to the Association with respect to the Home. Moreover, no lease or occupancy of a Home shall be permitted unless a true copy of the lease is furnished within ten (10) days of execution to the Association, together with the current address and phone numbers of both the Owner and the lessee. In addition, the Owner of the Home shall not have the right to utilities the Common Property during any period that said Home is rented. Except as permitted in this Section, an Owner shall not have the right to lease his Home or otherwise enter into arrangements for the use and/or occupancy of his Home. Every lease must also expressly state that the Owner of the Home has provided the tenant with the Governing Documents including the rules and regulations of the Association. Every lease must also expressly prohibit assignment of the lease and subletting.

The leasing or other arrangement for use and/or occupancy of a Home shall in no way relieve the Owner from his obligations under the Governing Documents and he shall remain primarily responsible in the event a tenant, user or occupant fails to comply with the provisions of the Governing Documents, in addition to all other remedies which it may have, the Association shall notify the Owner of such violation and demand that same be remedied through the Owner's efforts within thirty (30) days after such notice. If such violation is not remedied within such thirty (30) day period, immediately thereafter, at his own cost and expense, the 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 Association. In the event the Owner fails to fulfill the foregoing obligations, the Association shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Owner and at the Owner's sole cost and expense, including all legal fees incurred. Such costs and expenses shall be due and payable upon demand by the Association as a Remedial Common Expense Assessment and shall be deemed to constitute a lien on the particular Home involved. The collection thereof may be enforced by the Board of Trustees in the same manner as the Board of Trustees is entitled to enforce collection of other Remedial Common Expense Assessments.

By execution of a deed to any Home conveyed by the Developer or by the acceptance of a deed to any Home conveyed by an Owner other than the Developer, each Owner does thereby

automatically and irrevocably name, constitute, appoint and confirm the Board of Trustees as his attorney-in-fact for the purposes described in this Section. Each Owner declares and acknowledges that this power of attorney is coupled with an interest in the subject matter and shall be deemed to run with title to the Home.

In spite of anything to the contrary in this Section, all leasing or other arrangement for the use and/or occupancy for a Home shall satisfy the requirements of Section 9.04. Provided that lease or other arrangement for use and/or occupancy of a Home otherwise complies with Section 9.04 of this Declaration, the restrictions on the length of the term of the leasing or other arrangement for use and/or occupancy of a Home shall not apply to any arrangement between (a) a parent and child; or (b) siblings.

9.03. Rules and Regulations and Fines. The Board of Trustees is hereby empowered to promulgate, adopt and publish such Rules and Regulations as may be necessary to carry out the intent of the restrictions established in Sections 9.01 to 9.03 of this Declaration and shall have the right to bring law suits suffered by the Developer as a result of such action to enforce the Governing Documents and Rules and Regulations so established. Without limiting the foregoing, to the extent that New Jersey law may permit, the Architectural Control Committee or the Board, whichever is applicable, shall further have the right to levy fines for violations of the Governing Documents, provided that the fine for a single violation may not, under any circumstance, exceed the maximum amount permitted by law. Each day that a violation continues after receipt of notice by the Owner may be considered a separate violation. Any fine so levied shall be considered as a Remedial Common Expense Assessment to be levied against the particular Owner involved, and collection may be enforced by the Board of Trustees in the same manner as the Board is entitled to enforce collection of other Common Expense Assessments.

## ARTICLE X

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

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

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

10.03. Notice. Upon written request to the Association, identifying the name and address of the eligible mortgage holder, insurer or guarantor and the Owner or designation of the particular Home, any eligible mortgage holder, insurer or guarantor of a first mortgage lien on a Home shall be entitled to timely written notice of:

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

10.04. Prior Written Approval of 51% of Eligible Mortgage Holders. Despite anything contained in this Declaration to the contrary, the prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders is required for any material amendment to this Declaration or to the Bylaw or Certificate of Incorporation, including, but not limited to, any amendment which would change any provision relating to:

- A. voting rights;
- B. reserves for maintenance, repair and replacement of the Common Property;
- C. responsibility for maintenance and repair of the Common Property;
- D. convertibility of Homes into Common Property or vice versa (except as expressly contemplated by Articles IV and XI of this Declaration);
- E. expansion or contraction of the Common Property, or the addition, annexation or withdrawal of land to or from the Property (except as expressly contemplated by Article XI of this Declaration);
- F. insurance or fidelity bonds;

- G. leasing of Homes;
- H. imposition of any restrictions upon an Owner's right to sell or transfer his Home;
- I. a decision by the Association to establish self-management rather than professional management;
- J. restoration or repair of the Common Property (after damage, destruction or condemnation) in a manner other than that specified in this Declaration;
- K. any action to terminate the legal status of the Community after substantial damage or condemnation occurs;
- L. rights to the use of common Property;
- M. any provisions that expressly benefit Eligible Mortgage Holders; or
- N. assessment allocations, assessment liens or subordination of assessment liens.

10.05. Prior Written Approval of 67% of Eligible Mortgage Holders. The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders is required before the effectuation of any decision by the Owners to terminate the Declaration.

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

10.07. Common Expense Lien Subordinate. Except to the extent permitted by any applicable law authorizing the establishment of a limited lien priority for the payment of Common Expense Assessments, any lien the Association may have on any Home in the Community is subordinate to the lien or equivalent security interest of any First Mortgage on the Home recorded prior to the date any such Common Expense Assessment became due.

10.08. Maintenance and Inspection of Records. The Association shall maintain current copies of the Governing Documents, and any respective amendments and/or supplements thereto, as well as its own financial statement available for inspection by Owners and Mortgage Holders. Any Mortgage Holder shall upon prior written request: (i) be permitted to inspect the

documents, books and records of the Association during normal business hours subject to such reasonable rules and regulations as may be established by the Board; and (ii) receive an annual audit financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association.

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

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

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

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

## ARTICLE XI

### DEVELOPER'S RIGHTS AND OBLIGATIONS

11.01. Ratification, Confirmation and approval of Agreements. The fact that some or all of the officers, Trustees, Members or employees of the 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 Association or with third parties will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Home and the acceptance of the Deed therefore by any party shall constitute the ratification, confirmation and approval by such purchaser, its heirs, legal representative, successors and assigns, of the propriety and legality of said agreements or any other agreements authorized and permitted by this Declaration, the Certificate of Incorporation or the Bylaws.

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

(a) The right to sell, lease, mortgage or sublease any unsold Homes within the Community for so long as it owns one or more Homes in the Community;

(b) The right to use one or more Homes as models or a sales office or both and the right to post signs and other advertising material until it has sold the last Home within the Community, as fully developed.

(c) The right to perform any maintenance responsibilities of the Owners, as set forth in Article IV of this Declaration, should any Owner fail to perform same in a timely and proper manner, until the expiration of two (2) years from the date the last Home is sold and conveyed in the normal course of business, but in no event more than fifteen (15) years from the date this Declaration is recorded.

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

## ARTICLE XII

### GENERAL PROVISIONS

12.01. Duration. The provisions of this Declaration shall be perpetual in duration, shall run with and bind all of the land incorporated within the Community and shall insure to the benefit of and be enforceable by the Association and the Owners, their respective successors, assigns, heirs, executors, administrators, and personal representatives, except for those at Section 9.01A, the covenants and restrictions set forth in Section 9.01 shall have an initial term of forty (40) years from the date this Declaration is recorded in the office of the Hunterdon County Clerk at the end of which period such covenants and restrictions shall automatically be extended for successive periods of ten (10) years each, unless at least two-thirds (2/3) in interest of the Owners at the time of expiration of the initial period, or of any extension period, shall sign an instrument or instruments (which may be in counterparts) in which they shall agree to change said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Owner at least ninety (90) days in advance of the action taken in authorizing said agreement; and any changes concerning any such agreement shall become effective and binding at such time as approved, and communicated in writing to the Owners provided further, that in no event may the Community be conveyed to any third person, firm or corporation, without the express consent, by ordinance, of the governing body of the Township of Union (or such municipal corporation or other governmental entity as may then have zoning and subdivision jurisdiction over the Community).

12.02. Amendment of Declaration. Except as otherwise expressly provided herein, this Declaration may be amended at any time after the date hereof by a vote of those Owners in good standing representing at least sixty-seven (67%) percent of all Owners, at any meeting of the Association duly held in accordance with the provisions of the Bylaws. However, any amendment of Section 2.03, 6.08A, 6.08C, 7.06, 9.01A or 12.05 of this Declaration shall also require the prior written approval of the Township of Union. No amendment shall be effective until recorded in the Office of the Hunterdon County Clerk. This Section is by way of supplement to and not in derogation of the powers of amendment reserved to Developer pursuant to Articles VIII and XI hereof. In the alternative, an amendment may be made by an agreement, signed and acknowledged by all of the Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the office of the Hunterdon County Clerk, New Jersey. Despite the foregoing, any amendment so requiring it under the provisions of Article XI, shall also have the prior written approval of fifty-one (51%) percent of the Eligible Mortgage Holders.

12.03. Enforcement. In addition to the other remedies provided to the Association under the Governing Documents or by law, enforcement of this Declaration shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person or persons, firm or corporation violating or attempting to violate any covenant herein contained either to restrain or enjoin such violation or threatened violation or to recover damages and against any Owner to enforce any lien created by this Declaration or any covenant herein contained. Failure by the Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

12.04. Legal Actions. No judicial or administrative proceedings shall be commenced or prosecuted by the Association unless approved by Owners entitled to cast at least sixty percent (60%) of the votes present at a duly constituted meeting of members. The foregoing shall not apply to actions brought by the Association to enforce the provisions of this Declaration, the imposition and collection of assessments, proceedings involving challenges to real property taxes, or counterclaims brought by the Association in proceedings instituted against it, which may be pursued if approved by the Board of Trustees.

12.05. Maintenance by Municipality. In the event the Property is not maintained in reasonable order and condition, the Township of Union shall have the right 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). Despite 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 Declaration. The cost of such maintenance by the municipality shall be assessed pro rata against the Owners of each Home affected thereby, shall become a lien and tax on each such Home and shall be enforceable by the Township of Union in the manner provided by law with respect to real estate taxes assessed directly against each such Home. The Township of Union shall have no obligation to proceed as set forth herein and the Association will hold the Township of Union harmless for any liability arising from the Township of Union's actions or

failure to act with respect to the maintenance of the Property. 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. This Section 12.05 is expressly understood to be applicable to but not limited to the drainage basin located within the Common Property and for which the Association is responsible.

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

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

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

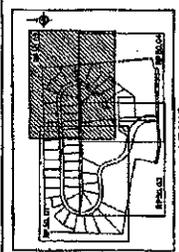
12.09. Rule Against Perpetuities. If any provision of this Declaration or the Bylaws shall be interpreted to constitute a violation of the rule against perpetuities, such provision shall be deemed to remain effect until the death of the last survivor of the now living descendants of George Herbert Walker Bush, former President of the United States of America, plus twenty-one (21) years thereafter.

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

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

12.12. Exhibits. Attached hereto and made a part hereof are the following Exhibit:  
Exhibit A      Legal (Metes and Bounds) Description of Lookout Pointe





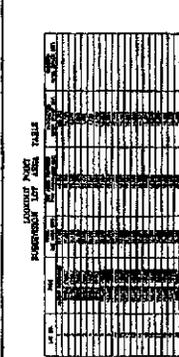
**GENERAL NOTES:**  
 1. THE PLAT IS BASED ON THE SURVEY OF THE TOWN OF LOOKOUT POINT, NEW JERSEY, DATED 1911, AS AMENDED BY THE SURVEY OF 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100.

**PERFORMANCE CALCULATIONS:**  
 1. TOTAL AREA OF THE SITE: 100,000 SQ. FT.  
 2. TOTAL AREA OF THE BUILDINGS: 50,000 SQ. FT.  
 3. TOTAL AREA OF THE DRIVEWAYS: 10,000 SQ. FT.  
 4. TOTAL AREA OF THE SIDEWALKS: 5,000 SQ. FT.  
 5. TOTAL AREA OF THE UTILITY LINES: 5,000 SQ. FT.  
 6. TOTAL AREA OF THE PROPERTY LINES: 25,000 SQ. FT.

**LOOKOUT POINT AREA TABLE**

| Block | Area (sq. ft.) | Area (acres) |
|-------|----------------|--------------|
| 1     | 10,000         | 0.23         |
| 2     | 10,000         | 0.23         |
| 3     | 10,000         | 0.23         |
| 4     | 10,000         | 0.23         |
| 5     | 10,000         | 0.23         |
| 6     | 10,000         | 0.23         |
| 7     | 10,000         | 0.23         |
| 8     | 10,000         | 0.23         |
| 9     | 10,000         | 0.23         |
| 10    | 10,000         | 0.23         |
| 11    | 10,000         | 0.23         |
| 12    | 10,000         | 0.23         |
| 13    | 10,000         | 0.23         |
| 14    | 10,000         | 0.23         |
| 15    | 10,000         | 0.23         |
| 16    | 10,000         | 0.23         |
| 17    | 10,000         | 0.23         |
| 18    | 10,000         | 0.23         |
| 19    | 10,000         | 0.23         |
| 20    | 10,000         | 0.23         |
| 21    | 10,000         | 0.23         |
| 22    | 10,000         | 0.23         |
| 23    | 10,000         | 0.23         |
| 24    | 10,000         | 0.23         |
| 25    | 10,000         | 0.23         |
| 26    | 10,000         | 0.23         |
| 27    | 10,000         | 0.23         |
| 28    | 10,000         | 0.23         |
| 29    | 10,000         | 0.23         |
| 30    | 10,000         | 0.23         |
| 31    | 10,000         | 0.23         |
| 32    | 10,000         | 0.23         |
| 33    | 10,000         | 0.23         |
| 34    | 10,000         | 0.23         |
| 35    | 10,000         | 0.23         |
| 36    | 10,000         | 0.23         |
| 37    | 10,000         | 0.23         |
| 38    | 10,000         | 0.23         |
| 39    | 10,000         | 0.23         |
| 40    | 10,000         | 0.23         |
| 41    | 10,000         | 0.23         |
| 42    | 10,000         | 0.23         |
| 43    | 10,000         | 0.23         |
| 44    | 10,000         | 0.23         |
| 45    | 10,000         | 0.23         |
| 46    | 10,000         | 0.23         |
| 47    | 10,000         | 0.23         |
| 48    | 10,000         | 0.23         |
| 49    | 10,000         | 0.23         |
| 50    | 10,000         | 0.23         |

**LEGEND:**  
 1. BUILDING FOOTPRINTS  
 2. DRIVEWAYS  
 3. SIDEWALKS  
 4. UTILITY LINES  
 5. PROPERTY LINES



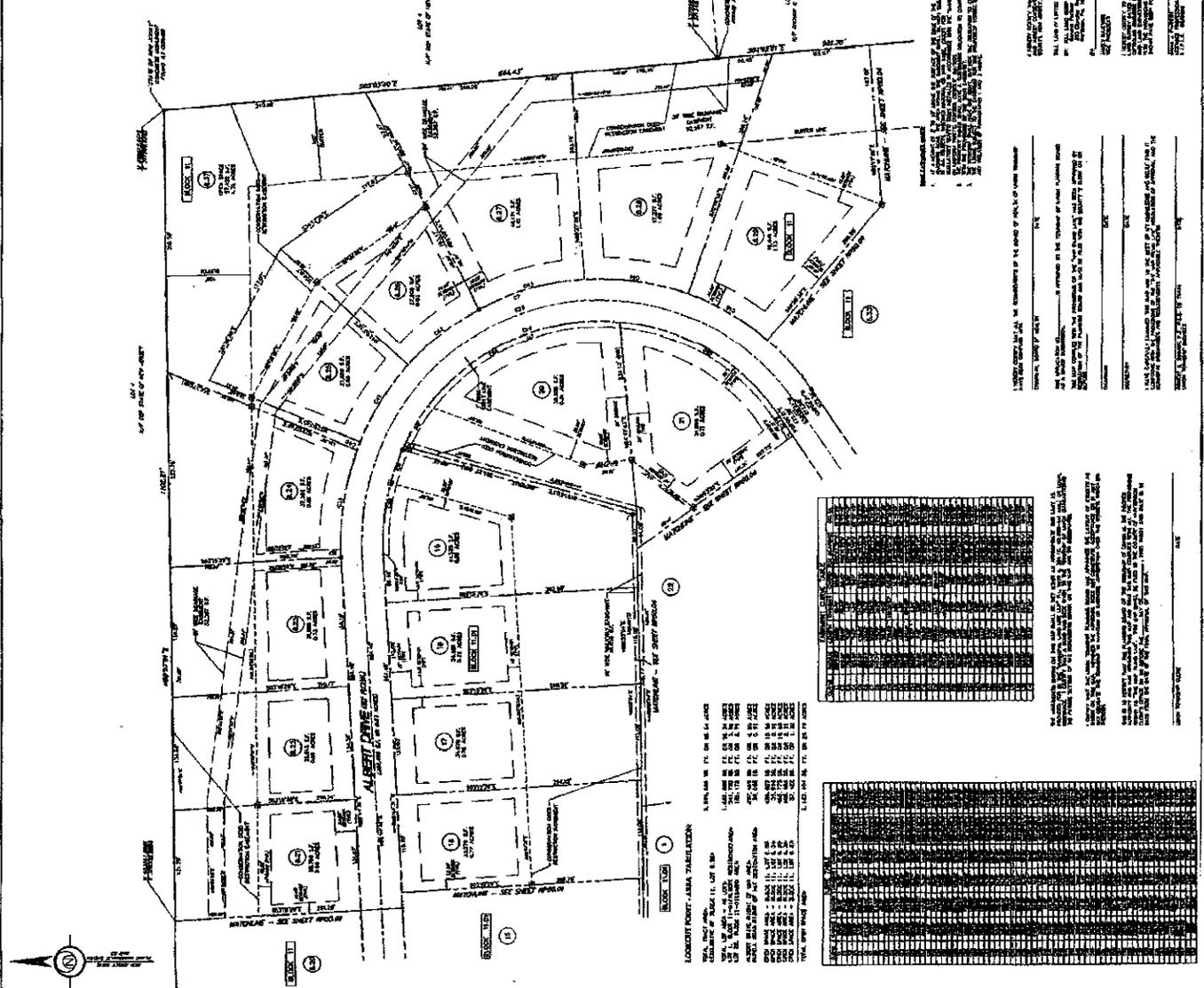
**GENERAL NOTES:**  
 1. THE PLAT IS BASED ON THE SURVEY OF THE TOWN OF LOOKOUT POINT, NEW JERSEY, DATED 1911, AS AMENDED BY THE SURVEY OF 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100.

**PERFORMANCE CALCULATIONS:**  
 1. TOTAL AREA OF THE SITE: 100,000 SQ. FT.  
 2. TOTAL AREA OF THE BUILDINGS: 50,000 SQ. FT.  
 3. TOTAL AREA OF THE DRIVEWAYS: 10,000 SQ. FT.  
 4. TOTAL AREA OF THE SIDEWALKS: 5,000 SQ. FT.  
 5. TOTAL AREA OF THE UTILITY LINES: 5,000 SQ. FT.  
 6. TOTAL AREA OF THE PROPERTY LINES: 25,000 SQ. FT.

**LOOKOUT POINT AREA TABLE**

| Block | Area (sq. ft.) | Area (acres) |
|-------|----------------|--------------|
| 1     | 10,000         | 0.23         |
| 2     | 10,000         | 0.23         |
| 3     | 10,000         | 0.23         |
| 4     | 10,000         | 0.23         |
| 5     | 10,000         | 0.23         |
| 6     | 10,000         | 0.23         |
| 7     | 10,000         | 0.23         |
| 8     | 10,000         | 0.23         |
| 9     | 10,000         | 0.23         |
| 10    | 10,000         | 0.23         |
| 11    | 10,000         | 0.23         |
| 12    | 10,000         | 0.23         |
| 13    | 10,000         | 0.23         |
| 14    | 10,000         | 0.23         |
| 15    | 10,000         | 0.23         |
| 16    | 10,000         | 0.23         |
| 17    | 10,000         | 0.23         |
| 18    | 10,000         | 0.23         |
| 19    | 10,000         | 0.23         |
| 20    | 10,000         | 0.23         |
| 21    | 10,000         | 0.23         |
| 22    | 10,000         | 0.23         |
| 23    | 10,000         | 0.23         |
| 24    | 10,000         | 0.23         |
| 25    | 10,000         | 0.23         |
| 26    | 10,000         | 0.23         |
| 27    | 10,000         | 0.23         |
| 28    | 10,000         | 0.23         |
| 29    | 10,000         | 0.23         |
| 30    | 10,000         | 0.23         |
| 31    | 10,000         | 0.23         |
| 32    | 10,000         | 0.23         |
| 33    | 10,000         | 0.23         |
| 34    | 10,000         | 0.23         |
| 35    | 10,000         | 0.23         |
| 36    | 10,000         | 0.23         |
| 37    | 10,000         | 0.23         |
| 38    | 10,000         | 0.23         |
| 39    | 10,000         | 0.23         |
| 40    | 10,000         | 0.23         |
| 41    | 10,000         | 0.23         |
| 42    | 10,000         | 0.23         |
| 43    | 10,000         | 0.23         |
| 44    | 10,000         | 0.23         |
| 45    | 10,000         | 0.23         |
| 46    | 10,000         | 0.23         |
| 47    | 10,000         | 0.23         |
| 48    | 10,000         | 0.23         |
| 49    | 10,000         | 0.23         |
| 50    | 10,000         | 0.23         |

**LEGEND:**  
 1. BUILDING FOOTPRINTS  
 2. DRIVEWAYS  
 3. SIDEWALKS  
 4. UTILITY LINES  
 5. PROPERTY LINES

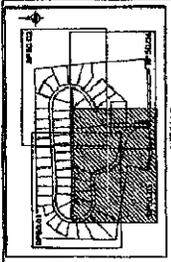


**FSD EASTERN STATES ENGINEERING**  
255 GRAND ST. NEW YORK, N.Y. 10011  
TEL. (212) 691-1100  
FAX (212) 691-1101  
WWW.FSD-ES.COM

THE ENGINEER, ARCHITECTS, LANDSCAPE ARCHITECTS, AND PLANNERS  
FOR THE PROJECT AND THE CITY OF NEW YORK

| NO. | DESCRIPTION      | DATE     |
|-----|------------------|----------|
| 1   | PRELIMINARY PLAN | 10/15/01 |
| 2   | FINAL PLAN       | 11/15/01 |

|             |                |
|-------------|----------------|
| DATE        | 11/15/01       |
| SCALE       | AS SHOWN       |
| PROJECT NO. | 10011          |
| CLIENT      | LOOKOUT POINTE |



**NOTES:**

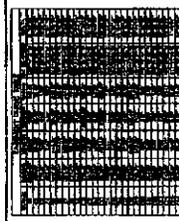
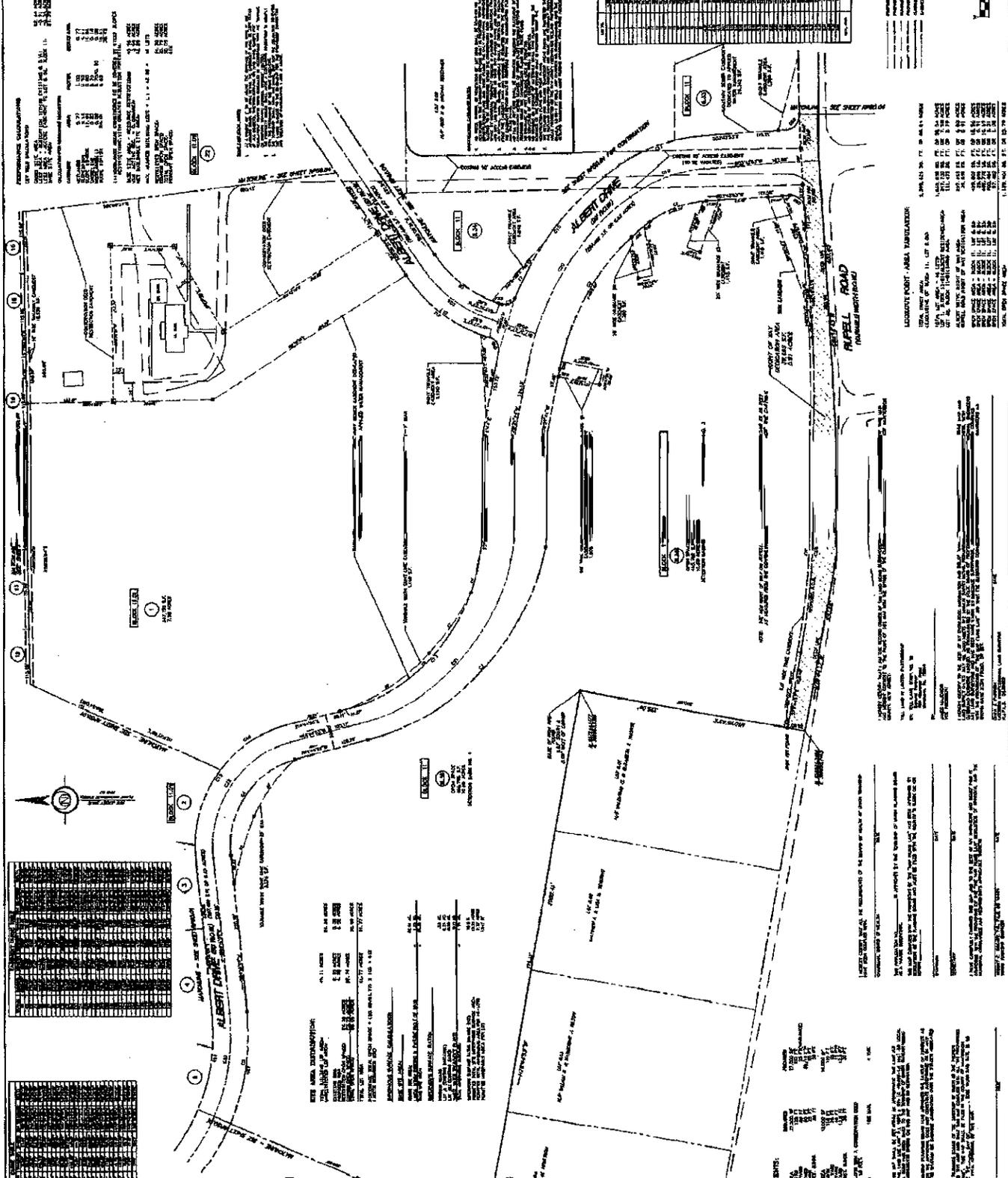
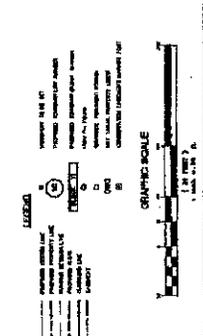
1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL BUILDING CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL PLUMBING AND MECHANICAL CODES.
2. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL FIRE CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL SAFETY CODES.
3. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ELECTRICAL CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL WIRE AND CABLE CODES.
4. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL MECHANICAL AND PLUMBING CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL PLUMBING AND MECHANICAL CODES.
5. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL FIRE AND SAFETY CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL SAFETY CODES.
6. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ELECTRICAL AND WIRE AND CABLE CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL WIRE AND CABLE CODES.
7. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL MECHANICAL AND PLUMBING CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL PLUMBING AND MECHANICAL CODES.
8. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL FIRE AND SAFETY CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL SAFETY CODES.
9. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL ELECTRICAL AND WIRE AND CABLE CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL WIRE AND CABLE CODES.
10. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL MECHANICAL AND PLUMBING CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL PLUMBING AND MECHANICAL CODES.

**LOOKOUT POINT TABLE**

| NO. | DESCRIPTION      | DATE     |
|-----|------------------|----------|
| 1   | PRELIMINARY PLAN | 10/15/01 |
| 2   | FINAL PLAN       | 11/15/01 |

**LOOKOUT POINT AREA PARCELIZATION**

| NO. | DESCRIPTION      | DATE     |
|-----|------------------|----------|
| 1   | PRELIMINARY PLAN | 10/15/01 |
| 2   | FINAL PLAN       | 11/15/01 |



**NOTES:**

1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL BUILDING CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL PLUMBING AND MECHANICAL CODES.
2. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL FIRE CODES AND THE LATEST EDITIONS OF THE INTERNATIONAL SAFETY CODES.
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**LOOKOUT POINT TABLE**

| NO. | DESCRIPTION      | DATE     |
|-----|------------------|----------|
| 1   | PRELIMINARY PLAN | 10/15/01 |
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**LOOKOUT POINT AREA PARCELIZATION**

| NO. | DESCRIPTION      | DATE     |
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| 1   | PRELIMINARY PLAN | 10/15/01 |
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