

RETURN TO:
CONGRESS TITLE
P.O. Box 5479
Barclay Pavilion East
Cherry Hill, NJ 08034

DECLARATION
OF
COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
KINGS GATE EAST

James N. Hogan, Gloucester County Clerk
Receipt#: 27228 09:38:54 A.M. 05/15/2006
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THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS ("Declaration") is made this 11th day of April, 2006 by Beazer Homes Corp., a Tennessee corporation, with a mailing address at 275 Phillips Boulevard, Trenton, NJ 08618 (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, on August 17, 2004 the East Greenwich Twp. Planning Board granted final major subdivision approval for the development of that certain real estate described in Schedule A, as attached hereto and made a part hereof, for the development Project (defined below) commonly known as "Kings Gate East", which said approval is set forth and memorialized in that certain Decision and Resolution of the East Greenwich Twp. Planning Board adopted on August 17, 2004 (the "Approval"); and

WHEREAS, the Approval authorizes, among other things, the real estate described in Schedule A to be subdivided into seventy-five (75) building units on individual lots (collectively the "Lots") and five (5) open space lots to contain, inter alia, a storm water management system (including two (2) storm water detention basins), and passive recreation areas (collectively the "Common Areas"); and

WHEREAS, the Approval also authorizes the creation of public roadways within the area described in Schedule A (collectively the "Roadways"), and which Roadways, upon completion and dedication, shall be owned and maintained by the East Greenwich Twp.; and

WHEREAS, the Lots, Common Areas and Roadways shall collectively be hereinafter referred to as the "Project"; and



WHEREAS, the Approval contemplates that one or more final subdivision maps encompassing the real estate described in Schedule A shall be filed in the Gloucester County Clerk's Office (a "Final Map") in order to lawfully establish all of the various Lots and Common Areas authorized by the Approval to constitute the Project; and

WHEREAS, Declarant, for itself, its successors and assigns, intends to develop the Project in accordance with the Approval and to this end, desires to provide, among other things, for the maintenance, preservation, upkeep and repairs or replacements (if necessary) of the Common Areas and their related improvements and for the performance of certain services to the Lots and for the means to fund such activities and further desires to subject the Lots and Common Areas to the covenants, conditions, restrictions, easements, charges and liens hereinafter to be set forth, each and all of which is and are hereby declared to be for the benefit of the Lots and Common Areas and every Owner (hereinafter defined) of any and all portions thereof; and

WHEREAS, Declarant has deemed it advisable to create an entity to which shall be delegated and assigned the power and authority to, among other things, maintain and administer the Common Areas, perform certain services to the Lots, administer and enforce the covenants, conditions, restrictions and easements related to the real estate described in Schedule A and collect and disburse all assessments and charges necessary for such applicable maintenance, administration and enforcement, all as hereinafter provided; and

WHEREAS, in furtherance of the above, Declarant has caused or will cause to be created and incorporated a non-profit corporation known or to be known as "Kings Gate East Homeowners' Association, Inc." (the "Association") for the purposes set forth above;

NOW, THEREFORE, Declarant hereby declares that all of the real estate described in Schedule A attached shall be held, sold, conveyed, leased, mortgaged, alienated or transferred subject to the following easements, charges, assessments, obligations, liens, restrictions, covenants and conditions, all of which shall run with the real estate described in Schedule A for the term of this Declaration.

ARTICLE I
DEFINITIONS

Section 1. ANNUAL ASSESSMENT shall mean and refer to those fees or charges levied by the Association upon the Owner of each Lot for the purpose of adequately meeting expenses for the maintenance of the Common Areas within the jurisdiction of the Association and for the promotion and maintenance of the recreation, health, safety and welfare of the residents of the Lots.

Section 2. ARTICLES OF INCORPORATION shall mean and refer to the Articles of Incorporation of KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC., a copy of which is attached as Schedule C.

Section 3. ASSOCIATION shall mean and refer to KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC., its successors and assigns (hereinafter referred to sometimes as "Association").

Section 4. ASSOCIATION DOCUMENTS shall mean and refer to this Declaration of Covenants, Conditions, Easements and Restrictions, the Articles of Incorporation of the Association, the By-Laws of the Association and any rules and regulations which the Association may properly promulgate in the future.

Section 5. BOARD OF TRUSTEES shall mean and refer to the Board of Trustees of the Association.

Section 6. BY-LAWS shall mean and refer to the By-Laws of the Association, a copy of which is attached hereto and made a part hereof as Schedule D.

Section 7. COMMON AREAS shall mean and refer to all real property and improvements in which the Association may hold a fee or other title interest for the common use of the Owners. Common Areas shall include the active open spaces and any facilities and appurtenances therein provided and required by the Approval for the common use and enjoyment of Owners including, but

not limited to, pipes, culverts, headwalls, low flow channels, a storm water management system including two(2) detention basins, and a passive recreation area, common landscaping, fencing, and such similar items and facilities as are shown on or otherwise described in any plans or maps or other documents encompassed in the Approval. No changes to the Common Areas from what is contained in the Approval may be made without the approval of the PB (defined below) or other authorized agency of the East Greenwich Twp. The Common Areas comprise the real estate constituting open space Lots 1 & 4 in Block 1103.01, Lot 1 in Block 1103.02 and Lots 20 & 31 in Block 1103.05 in final plan of lots as shown on Schedule B attached hereto. An outflow from the detention basin on Lot 4, Block 1103.01 may be connected to a storm water drainage system on property currently designated on the tax map of East Greenwich Twp as Lot 1, Block 1104 which is a portion of lands which may in the future be developed as Kings Gate South, subject to and in accordance with the term and conditions of any development approvals granted by the PB for Kings Gate South.

Section 8. DECLARANT shall mean and refer to Beazer Homes Corp., its successors and assigns.

Section 9. DECLARATION shall mean and refer to this Declaration of Covenants, Conditions, Easements and Restrictions.

Section 10. FINAL MAP shall mean and refer to any final subdivision plat depicting any portion of the real estate described in Schedule A, which is prepared and filed in the Gloucester County Clerk's Office in accordance with applicable law.

Section 11. LOT shall mean and refer to any of the seventy-five (75) individual building lots or plots of land developed or intended to be developed with a dwelling Unit as shown upon a Final Map.

Section 12. MEMBER shall mean and refer to any Owner who is a member of the Association as hereinafter provided.

Section 13. OWNER shall mean and refer to the record owner, whether one or more persons, of fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation.

Section 14. PB shall mean and refer to the Planning Board of the East Greenwich Twp..

Section 15. PROPERTIES shall mean and refer to that certain real property and all scheduled improvements thereto that may be conveyed to the Association and such areas within the jurisdiction of the Association as are set forth herein and in the By-Laws of the Association.

Section 16. SPECIAL ASSESSMENT shall mean and refer to those fees or charges levied by the Association upon the Owner of each Lot for the purpose of capital improvements and/or special and unusual circumstances.

Section 17. UNIT shall mean and refer to a structure or part thereof designed, sold and occupied exclusively as an attached dwelling unit on a Lot located in the Project. For the purpose of this Declaration, each separate Unit shall be subject to all of the rights, privileges and duties as if each were separately owned, irrespective of whether or not this is so in fact.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

All premises within the area described in Schedule A, including the Common Areas and Lots established from among the lands described in Schedule A as shown on any Final Map filed in the Gloucester County Clerk's Office, shall be and are held, transferred, sold, conveyed, leased and occupied subject to this Declaration and the Schedules hereto attached.

ARTICLE III

PROPERTY RIGHTS

Section 1. OWNERS EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Areas described herein, which shall be appurtenant to and shall pass with the title to every Lot, which rights shall be subject to the following provisions:

(a) The right of the Declarant and/or the Association to dedicate, grant, reserve or transfer all or any part of the Common Areas via easement(s) or in fee to any public agency, authority or utility for such purposes, including but not limited to the purposes of installing, maintaining, repairing, replacing and inspecting all appurtenances for storm water drainage, with the right(s) of the grantee(s) to have access over and across such portions of the Common Areas which are consistent with the full exercise of such grants;

(b) The right of the Association to borrow money for the purpose of improving the Common Areas and, in aid thereof, to mortgage the Common Areas;

(c) The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure;

(d) The right of the Association to co-venture or cooperate or otherwise contract with other associations for maintenance of the Common Areas and facilities therein.

(e) The right of the Association to access each Lot and the Unit thereon for the purpose of performing its functions and duties hereunder;

(f) The right of the Association, as provided in the By-Laws, to promulgate rules and regulations for the use and the enjoyment of the Common Areas or to suspend the enjoyment and voting rights of any Member for any period during which any Annual Assessments or Special Assessments (referred to as "Assessments" when used collectively) remain unpaid, or for any period during which any infraction of its published rules and regulations continues, it being understood that any suspension for either non-payment of any Assessments or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the Assessments.

Section 2. DELEGATION OF USE. Any Owner may delegate, in accordance with the By-Laws, his right to enjoyment of the Common Areas to members of his family, his lawful tenants, or contract purchasers who reside in the Unit on the Lot subject to any special rules and/or regulations applicably related to the various passive recreation and other features or facilities within the Common Areas.

Section 3. TITLE TO COMMON AREAS. Declarant shall retain legal title to the Common Areas until such time as it has completed all improvements thereon which are required by the terms of the Approval and which have been inspected and approved by the East Greenwich Twp. Engineer. Limited by the foregoing, Declarant shall not convey the Common Areas to the Association until such time as, in the opinion of the Declarant, the Association is able to maintain the same, but, notwithstanding such determination by Declarant, Declarant hereby covenants for itself, its successors and assigns, that it may so convey the Common Areas to the Association when Declarant, its successors or assigns, owns less than one third of the dwelling Lots approved for final subdivision by the PB from among the lands described in Schedule A, which conveyance shall be free of the lien of any mortgage or other encumbrance. After fee title to the Common Areas is transferred to the Association, Declarant shall pay the pro-rata share of Assessments for any Units which are owned by Declarant and for which Certificates of Occupancy have been issued by the East Greenwich Twp., subject to the requirement that the Association shall be responsible for all Common Areas maintenance related to those Units of Declarant, whether occupied or not, for which Certificates of Occupancy from the East Greenwich Twp. have been issued.

Section 4. EASEMENT FOR UNIT. Each Unit on a Lot shall have an easement of use, access, maintenance and repair for any part thereof or thereto appurtenant, as first constructed, which is totally or partially located upon another Owner's Lot or on the Common Areas. It shall be the responsibility of the Owner whose Unit is benefited by such encroachment to maintain, insure, repair and restore any encroaching element(s) which may be erected in whole or in part on another Owner's Lot or on a portion of the Common Areas.

Section 5. INSURANCE. Each Owner shall be individually responsible for maintaining liability and casualty insurance coverage's and, if applicable, flood insurance coverage for his Unit and Lot and for all personal property of the Owner in an amount equal to the maximum insurable replacement value of the Unit. The Association shall be responsible for maintaining fidelity insurance (or as provided by any management company retained by the Association), general liability and property insurance on its assets, as well as Directors' and Officers' insurance and any other insurance coverage as deemed appropriate by the Board of Trustees of the Association. The Association, through its Board of Trustees, shall, in addition to liability and any other types and kinds of insurance as are provided herein and in the Association's By-Laws, be required to obtain and maintain, if applicable, liability insurance insuring the Common Areas and covering the interests of the Association and the Board of Trustees as their interests may appear, in the amount determined by the Board of Trustees.

Section 6. EXTENT OF EASEMENTS OF ENJOYMENT. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Declarant and of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas, and in aid thereof to mortgage said Common Areas.

(b) The right of the Association to take such steps as are reasonably necessary to protect the above-described Common Areas against foreclosure.

(c) The right of the Association, through its Board of Trustees, as provided in the By-Laws, to promulgate rules and regulations for the use and enjoyment of the Common Areas or to suspend a Member's use and enjoyment of the Common Areas and the voting rights of any Member for any period during which any Annual Assessments or Special Assessments (referred to as "Assessments" when used collectively) remain unpaid, or for any period during which any infraction of its published rules and regulations continues, it being understood that any suspension for either non-payment of any Assessments or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the Assessments, provided,

however, that no such suspension of a Member's right to use and enjoy the Common Areas shall deprive such Member from having access to and from his Lot over and through the Common Areas to the public right of way abutting such Common Areas; and

(d) The Association shall not dispose of any part of the Common Areas, by sale or otherwise, except to an organization conceived and established to own and maintain the Common Areas for the benefit of the Lots as set forth in Article IX, Section 4 below. Such dedication or transfer shall not become effective unless such dedication, transfer and determination as to purpose and conditions thereof shall be authorized by the affirmative vote, in person or by proxy, of two-thirds (2/3) of all of the votes eligible to be cast by all of the Members of the Association, and unless written notice of the proposed form of resolution authorizing such action is sent to every Member at least thirty (30) days in advance of the scheduled meeting of the Association at which such action is scheduled to be taken. A true copy of such resolution together with a certificate of the result of the vote taken thereon shall be made and acknowledged by the President or Vice-President and the Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Areas, prior to the recording thereof in the Office of the Gloucester County Clerk. Such certificate shall be conclusive evidence of authorization by the membership.

(e) The following easements which are hereby established:

(i) A blanket perpetual and non-exclusive easement in, upon, over, across and through the Common Areas for the purpose of the installation, maintenance, repair and replacement of all storm water detention and vehicular circulation and parking facilities necessary or incidental to the proper functioning of any such storm water drainage or vehicular circulation and parking system serving the Common Areas or Lots, which easement shall be for the benefit of the Declarant, or any governmental agency which requires same for the purposes associated with either or both the foregoing services;

(ii) A blanket and non-exclusive easement in, upon, through and over the Lots and Common Areas for the purpose of construction, installation, maintenance and repair of any

improvements on the Lots or Common Areas, which easement shall be to the benefit of the Declarant, its successors and assigns who shall be engaged in the construction, development and sale of Units on the Lots;

(iii) A blanket perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Common Areas to East Greenwich Twp. and the Association their respective officers, agents and employees (but not the public in general) and all policemen, firemen, ambulance and utility or service personnel in the proper performance of their respective duties, voluntary or otherwise (including, but not limited to, inspections of the Common Areas or any facilities therein or thereon as well as the making of emergency or other necessary repairs to a feature within the Common Areas which the Association has failed to perform), and for any applicable repair, maintenance or replacement of a feature within the Common Areas for which the Association or East Greenwich Twp. shall have applicable legal liability and/or responsibility. Except in the event of emergencies, the rights accompanying the easements provided for in this sub-Section shall be exercised during reasonable hours and then, whenever practicable, after advance notice to any Owner(s) directly affected thereby; and

(iv) A perpetual easement in, upon, through and over the Lots and the Units thereon for the purposes set forth in Article IV, Section 2 below, which easement shall be to the benefit of the Association.

(v) A blanket and non exclusive easement in favor of Declarant, its successors and assigns, to expire upon the closing of title from Declarant, its successors or assigns, to a bona fide third party for the last Lot from among the real estate described in Schedule A, to utilize the Common Areas and/or any Lot(s) for the purposes of locating features which are deemed necessary or desirable by Declarant, its successors or assigns, in the sales and/or merchandising of the Lots to prospective purchasers thereof, including, without limitation, the Subdivision identification sign/monument located on the Common Areas and its associated landscaping, irrigation and lighting (as and if applicable); provided, however, that any use(s) of the Common Areas and/or such Lot(s) for such sales and/or merchandising purposes shall, if applicable and/or necessary, have first been made the subject of approval(s) by the East Greenwich Twp. and shall be subject to the conditions that (i) during such use(s), the portion(s) of the Common Areas and/or

Lot(s) so utilized shall be maintained by Declarant, its successors or assigns and (ii) and when such use(s) cease, the portion(s) of the Common Areas and/or Lot(s) so utilized shall be placed in or returned to the condition which pre-existed such utilization(s) at the sole cost and expense of Declarant, its successors or assigns.

(vi) A perpetual, blanket and non-exclusive easement upon, over and across any portions of the Common Areas improved with common roadways, sidewalks or walkways for the purpose of vehicular and pedestrian access to, ingress to and egress from any other real property being used for residential purposes that is not subject or intended to be subjected to this Declaration is hereby reserved to Declarant, its successors and assigns. In the event the rights conferred by this easement are exercised, the beneficiaries of this easement who exercise the rights conferred by same shall be and hereby are obligated to bear a proportionate share of the annual expenses incurred by the Association for maintaining, clearing, cleaning, repairing and replacing such common roadways, sidewalks and walkways. Said proportionate share shall be equal to the percentage produced by dividing the number of residential units in the benefited property by the total numbers of residential units in the benefited property and the number of Lots in the Project. The aforesaid proportionate share of annual expenses shall be due and owing to the Association upon such due dates and terms as the Association may, in its sole discretion, determine and the obligation for payment of same shall run with the land benefited thereby and also be the joint and several personal obligation of anyone holding title to all or a portion of the land benefited hereby. Anyone acquiring title to all or any portion of the land benefited by this easement, whether or not it shall be so expressed in any deed or other instrument of conveyance, shall be deemed to covenant and agree to pay the Association the proportionate share of expenses contemplated herein, and the imposition by the Association of an annual charge for the proportionate expenses as aforesaid shall be a continuing lien upon all of the land benefited thereby. In the event of nonpayment, this lien may be foreclosed by suit brought in the name of the Association in the same manner as the foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid charges may be maintained without waiving the lien securing same.

Section 7. NON-OCCUPANT MEMBERS' USE. In the event an Owner lawfully leases his Unit, the tenant of the Unit shall be entitled to use any of the Common Areas otherwise available for

use by all Owners; provided, however, that the tenant's right to use the Common Areas shall be deemed an assignment of the Owner's right to use same and shall preclude the non-occupant Owner from also using these facilities (unless otherwise determined by the Board of Trustees). Any such tenancy shall be further subject to the restrictions set forth below in Article VII below.

Section 8. NO WAIVER OF USE. No Owner may exempt himself from liability with respect to the payment of Assessments levied by the Association, nor release his Unit or Lot from the lien created for non-payment of Assessments by waiver of the use or enjoyment of the Common Areas, by abandonment of his Unit or Lot, by any conveyance or covenant severing the rights and benefits from the Unit or Lot, or otherwise. The obligation to pay Assessments is absolute and unconditional and, in addition to being a covenant running with the land, is a personal obligation of each Owner and shall not be subject to setoffs or counterclaims.

ARTICLE IV COVENANT FOR ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS (a) The Owner of each Lot within the area described in Schedule A hereby covenants that by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, such Owner is deemed to covenant and agree to pay to the Association: (i) the Annual Assessment or charges provided in Section 3 of this Article IV; and (ii) any Special Assessment provided in Section 4 of this Article IV (collectively the "Assessments"). Such Assessments are to be established and collected as hereinafter provided.

(b) Assessments, together with interest, costs, late charges and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which any such Assessments are made (the "Lien"); provided, however that such Lien shall be deemed to have been satisfied if any installment of any Assessments then due the Association (along with any other charges authorized by this Declaration and then due to the Association from the Owner) shall have been paid in full. Any such Assessments, together with interest, costs and

reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when any of the Assessments fell due. The obligation for delinquent Assessments shall pass to such Owner's successors in title, said Assessments being a charge against a Lot in favor of the Association. The Association shall provide for the issuance and shall issue to every Owner or to such Owner's mortgagee, upon reasonable request, a statement of such amounts due. A person other than an Owner may rely upon such statement and such Owner's liability shall be limited to the amounts set forth therein. Liability for the payment of said amount to the Association shall not attach to the purchase of the Lot following a mortgage foreclosure sale, provided the Association has been joined as a party to the foreclosure suit. Such unpaid share shall be deemed to be expenses collectible from the remaining Owners, including the acquirer.

Section 2. PURPOSE OF ASSESSMENTS. The Assessments levied by the Association shall be used exclusively for the purposes of promoting, furthering and/or preserving the recreation, health, safety, and welfare of the residents in the Lots and in particular for the improvement and maintenance of the Common Areas, the Lots and services facilities devoted to these purposes and related to the use and enjoyment of the Common Areas, including but not limited to such of the following as may be applicable:

- (a) snow removal from paved surfaces in Common Areas, if any;
- (b) the irrigation of the grassed areas in the Common Areas where or if an irrigation system was installed by Declarant as part of the original construction/development of the Project, if any; the cutting and fertilization of those areas of grass on Common Areas which were sodded or seeded by the Declarant as part of the original construction/development of the Common Areas and the maintenance of any other applicable landscaping for the Project's benefit which was required by the terms of the Approval;
- (c) the payment of expenses to operate the light fixtures on the Common Areas;
- (d) the payment of any real estate taxes on the Common Areas and liability and property damage insurance premiums which the Association must applicably pay;

(e) the maintenance and repair in the Common Areas, including all storm water drainage pipes, the detention basins and their related appurtenances and all systems and/or features, signage, and light fixtures therein located;

(f) the removal of any wind-blown or accumulated trash or garbage from the Common Areas;

(g) making compliance with ordinances, regulations, government rules and regulations and any easements or restrictions applicably affecting the Common Areas;

(h) maintenance and repair (including or excluding any applicable replacement) of any other items related to the Common Areas, which the Association's Board of Trustees lawfully deems appropriate from time to time;

(i) the supervisory and management costs for the foregoing activities; and

(j) the payment of costs associated with programs, facilities or services provided or contracted by the Association which are from time to time determined by the Board of Trustees to be for the general benefit and/or for the health, safety and welfare of the Members and/or their families and/or other lawful occupants of the Units on the Lots.

Section 3. ANNUAL ASSESSMENT. The amount of the Annual Assessment shall be fixed by the Board of Trustees on an annual basis in a sum sufficient to meet the expenses necessary for the improvement, maintenance, repair and replacement, as required, of the Common Areas or improvements therein or thereon and for the promotion and maintenance of the recreation, health, safety and welfare of the residents of the Lots, and each Lot shall be treated equally with regard to an Annual Assessment. The amount of the Annual Assessment may be changed from time to time by action of the Board of Trustees, but such action shall be taken only when justified by changes in circumstances.

Section 4. SPECIAL ASSESSMENTS In addition to the other Assessments authorized in this Article 4, the Board of Trustees may levy, in any assessment year, a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto.

Section 5. COMPUTATION OF ASSESSMENTS. The Annual Assessment and any Special Assessment shall be computed by dividing the total number of dwelling Lots subject to this Declaration (i.e. 75) into the total amount(s) calculated pursuant to Sections 3 and 4 above, as the case may be, with the quotient thereby arrived at being the Assessments each Owner shall pay pursuant to the terms of this Declaration. All Assessments must be fixed at a uniform rate for all affected Lots.

Section 6. DATE OF COMMENCEMENT OF ASSESSMENTS: DUE DATES The Assessments provided for herein shall be pro-rated for payment by Owners on a monthly basis or on such other basis as may be determined by the Association. All applicable Assessments (for so long as same shall be applicable) shall commence as to each Lot on the first day following the conveyance of title to each such Lot by the Declarant to the Owner and shall be adjusted according to the number of days or months remaining in the calendar month or year (depending on what installment basis of payment, if any, has been selected by the Association). Written notice of the applicable Assessment(s) shall be sent to every Owner subject thereto. The due date(s) shall be established by the Board of Trustees.

Section 7. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION Any Assessments not paid within thirty (30) days after the due date(s) shall bear interest from the due date(s) at the rate of twelve (12%) percent per annum, but in no event shall the interest rate on such delinquent payment(s) be in excess of that rate which is lawful. Any Assessments not paid within fifteen (15) days of their due date(s) shall also be subject to a late charge of \$25.00 for each month or portion thereof for which the Assessment remains delinquent, or such other charge as determined by the Board of Trustees from time to time. Each Owner of a Lot by acceptance of a deed therefore, whether or not it shall be so expressed in said deed, is deemed to

covenant and agree to permit the Association to record a Lien in the Gloucester County Clerk's Office, at such Owner's cost and expense, including reasonable attorney's fees of not less than \$250.00, by filing a Claim of Lien form (attached hereto as Schedule E) at any time after such Owner has failed to pay any installment of any of the Assessments within thirty (30) days of the due date thereof. Any costs for the release or discharge of such Lien from record shall be borne by the affected Owner, his successors or assigns. The Association may bring an action at law against the Owner personally obligated to pay the delinquent Assessments and/or foreclose the Lien against the Lot. The Board of Trustees may change the foregoing interest rate, late charge and grace period as it shall from time to time determine.

Section 8. OBLIGATIONS OF DECLARANT. Until Declarant has sold all of the Units it has constructed in the Project to third party Owners, Declarant's only obligation with respect to payment of the Annual Assessments attributable to built but unsold Units or to as yet unbuilt Units in the Project shall be to pay the difference between actual and/or accrued income of the Association from collections or accruals of Annual Assessments from third party Owners during the then applicable year for which the budget of Annual Assessments is in effect and the application of transfers of all available funds from the Association's operating funds account and/or working capital account and the actual common expenses (including reserves) of the Association for that same period, which such payment of such differential by Declarant shall be in lieu of any obligation of Declarant to pay any proportionate share of Annual Assessments for (i) any then built but unsold Units covered by the then applicable Annual Assessments budget, or (ii) Units which have not yet been built by Declarant. Declarant shall post no bond or other security for its foregoing obligation hereunder. During the time when Declarant shall only have the obligation to fund the operating "shortfall" (so-called) of the Association as provided in the first sentence of this Section 8, Declarant shall also have no responsibility or obligation whatsoever for the payment of any Special Assessments. Despite the foregoing obligation of Declarant as set forth in the first sentence of this Section 8, Declarant shall always have the right at any time and upon thirty (30) days' prior written notice to the Association, to terminate its obligation to pay the aforescribed differential and commence to pay the pro-rata portion of the Annual Assessments attributable to each of the built but unsold Units or unbuilt Units owned by it on the same basis as all other third party Owners. For so long as Declarant shall have the obligation to fund the excess of expenses over income of the

Association (including the reserves portion thereof), any Annual Assessments budget of the Association shall be structured by the Association so as to not include any line items not shown on the original budget to be promulgated by the Board of Trustees pursuant to Section 3 above or delete any line items as shown on said original budget, nor shall the level of services required or goods purchased or insurance coverages carried or reserves to be funded be decreased below the items and amounts as shown on said original budget, except that the original budget, as same may be from time to time amended, and the estimated expense category items reflected thereon may be reasonably increased for future inflation and other reasonable factors not currently known or readily predictable.

While Declarant maintains a majority on the Board of Trustees, it shall make no additions, alterations, improvements or purchases which would necessitate any Special Assessments or a substantial increase in installments of the Annual Assessments, unless required by a governmental agency, title insurance company or mortgage lender or in the event of an emergency.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The Lien of any of the Assessments provided for herein shall be subordinate to the lien of any bona fide first mortgage. Sale or transfer of any Lot shall not affect the Lien for Assessments. The sale or transfer of any Lot pursuant to mortgage foreclosure shall not extinguish the Lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the Lien thereof.

Section 10. LIST OF ASSESSMENTS, NOTICE OF ASSESSMENTS, CERTIFICATE AS TO PAYMENT. (a) The Board of Trustees shall cause to be prepared, at least thirty (30) days in advance of the initial due date(s) of each applicable Assessment, a list of the Lots and the Assessments applicable thereto, according to the names of the Owners thereof, which list shall be kept by the Treasurer of the Association and shall be open to inspection.

(b) If a holder of an institutional mortgage of record or other purchaser of a Lot obtains title to such Lot as a result of foreclosure of such first mortgage, such acquirer of title, his successors and assigns shall not be liable for the Assessments by the Association pertaining to such Lot or chargeable to the former Owner thereof which became due prior to acquisition of title as a result of the foreclosure. Such unpaid Assessments shall be deemed to be common expenses

collectible from all of the remaining Owners of Lots including such acquirer, his successors and assigns.

(c) Liens for unpaid 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. A suit to recover a money judgment for unpaid Assessments may be maintained without waiving the lien securing same.

(d) If an Annual Assessment is not made as required, an Annual Assessment shall be presumed to have been made in the amount of the last prior year's Annual Assessment, and any installments of such Annual Assessment shall be due upon each installment payment date until changed by an amended Annual Assessment. In the event any Annual Assessment proves to be insufficient, the budget and Annual Assessments may be amended at any time by the Board of Trustees, provided that nothing herein shall serve to prohibit or prevent the Board of Trustees from imposing a supplemental, lump sum Annual Assessment in the case of any immediate need or emergency.

Section 11. ACCELERATION OF ASSESSMENT INSTALLMENTS AND OTHER REMEDIES OF THE ASSOCIATION: If a Member shall be in default in the payment of an installment upon an Assessment, the Board of Trustees may accelerate the remaining monthly installments of the Assessment due, and the then unpaid balance of the Assessment shall become due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Member, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. If such default shall continue for a period of thirty (30) days, then the Board of Trustees shall be obligated to:

(a) accelerate the remaining installments of the Assessment,

(b) take appropriate action to file a Lien for such accelerated Assessment, and

(c) notify the mortgagee of the Lot affected of such default if such mortgagee has requested notice from the Association in writing. If said default continues for a period of sixty (60) days, then the Board of Trustees shall have the duty to foreclose the foregoing lien pursuant to law and/or commence a suit against the appropriate Owner(s) to collect said Assessment.

Section 12. COUNSEL FEES In the event that the Board of Trustees shall effectuate collection of any Assessments by resort to counsel, the Board of Trustees may add to the amount(s) owed a sum or sums of twenty (20%) percent of the gross amount due as counsel fees, but in no event less than \$250.00, in addition to such costs as are allowable by law.

Section 13. EXPENDITURE OF FUNDS. The amounts of monies for common expenses deemed necessary by the Board of Trustees and the manner of expenditure thereof, including, but not limited to, the allocation thereof, shall be a matter for the sole discretion of the Board of Trustees, except to the extent otherwise specifically provided herein.

Section 14. OWNERS' NEGLIGENCE Each Owner shall be obligated to reimburse the Association for any expenses incurred by it in repairing or replacing any part or parts of the Common Areas damaged by his act, omission or negligence or by the act, omission or negligence of his tenants, agents, guests or licensees, promptly upon receipt of the Association's statement therefor.

Section 15. SURPLUS FUNDS. Any surplus of the Association remaining from collections of Annual Assessments and after payment of or provision for common expenses and any prepayment of reserves established in any Annual Assessment may be used by the Association as determined by the Board of Trustees and, to the extent not so used, may be credited equally to the Owners to reduce their future Annual Assessments.

ARTICLE V LIMITED CHARGES

Section 1. CHARGES TO INDIVIDUAL OWNERS The Board of Trustees shall have the right to assess charges against one or more Owners (but not all Owners) to cover costs associated with services provided exclusively to such Owner or Owners or the Association's cost to remedy any condition caused by such Owner or Owners (or their tenants, occupants, employees, pets, contractors, invitees or agents) in violation of the terms of this Declaration. These charges shall be known as Limited Charges. Nothing herein shall obligate the Association to provide services to a limited range of Owners.

Section 2. TIME OF PAYMENT. Payment of any applicable Limited Charges by the affected Owners shall be made in conjunction with payment of Assessments levied pursuant to Article IV of this Declaration.

Section 3. ENFORCEMENT OF COLLECTION AND OTHER PROVISIONS RELATED TO COLLECTION OF LIMITED CHARGES The Association and the Board of Trustees shall have all of the rights, remedies and enforcement mechanisms available to it pursuant to Article IV of this Declaration for the collection of any applicable Limited Charges.

ARTICLE VI

ASSOCIATION'S MAINTENANCE AND REPAIRS RESPONSIBILITIES

Section 1. ASSOCIATION RESPONSIBILITY All maintenance, repairs and replacements necessary to keep the Common Areas in a good and orderly state of repair and cleanliness shall be performed by the Association with the cost thereof assessed against the Owners as herein provided, except that any repairs or replacements required due to the negligence or misuse of an Owner and not covered by the Association's insurance may be billed by the Association to such responsible Owner.

Section 2. ENFORCEMENT BY THE MUNICIPALITY (a) In the event that the Association shall fail to maintain all or part of the Common Areas in reasonable order and condition, East Greenwich Twp. may serve written notice upon the Association setting forth the manner in which the Association has failed to maintain the Common Areas in reasonable condition, and said notice shall include a demand that the deficiencies in maintenance be cured within thirty-five (35)

days of the date of the notice, and shall state the date and place of a hearing thereon, which shall be within fifteen (15) days of the date of the notice. Thereafter, East Greenwich Twp., through its designated municipal body or officer, shall have and be entitled to, all the rights, privileges and powers set forth in Public Law 1975, chapter 291, Section 31 b. (N.J.S.A. 40:55D-43 et seq.) and in the East Greenwich Township's Land Use and Development Ordinance including, specifically, but not limited to, the right to enter upon the Common Areas, maintain the same and assess the cost thereof, as provided herein.

(b) The Declarant, for itself, its successors and assigns, the Association and its Members, does hereby expressly covenant, agree, stipulate and authorize East Greenwich Twp., its agents and employees, in case of emergency or in the event of a matter involving the health and safety of municipal residents, to immediately enter upon the Common Areas and take whatever action is reasonably necessary and the reasonable cost of same shall be borne by the Association or the Owners, as set forth below.

(c) The reasonable cost of the maintenance by East Greenwich Twp. shall be assessed pro rata against the Lots in accordance with their assessed value at the time of the imposition of the lien and the municipal assessment so made shall become a lien and tax on said Lots and be added to and be a part of the taxes to be levied and assessed thereon and enforced and collected with interest by the same officers and in the same manner as other taxes.

(d) East Greenwich Twp. shall have no obligation to proceed as set forth herein and the Association and the Owners shall hold East Greenwich Twp. harmless from any liability arising from East Greenwich Twp.'s actions or failure to act with respect to maintenance of the Common Areas.

(e) In the event that East Greenwich Twp. shall undertake the maintenance of any of the Common Areas, the Association shall continuously indemnify, defend and hold East Greenwich Twp. and its officials, agents and employees harmless from and against any and all liens, claims, causes of action, damages, liabilities, demands, suits, obligations, losses, penalties, costs and expenses of any kind (including, but not limited to, court costs and reasonable counsel fees) arising

out of the acts and/or omissions of the Association or Board or their employees, agents, consultants or contractors in performing their duties hereunder; except that such indemnity and hold harmless agreement shall not extend to those acts or actions or omissions to act of East Greenwich Twp. or its officials, employees or agents which are willful or grossly negligent.

ARTICLE VII

USE RESTRICTIONS

Section 1. USE RESTRICTIONS. (a) Units and Lots shall be used for residential purposes only; provided that home occupations may be carried on in the Units if the use (i) is incidental to the Unit's primary residential use, (ii) shall have no employees, customers or clients who visit the Unit and (iii) shall be approved by the East Greenwich Twp. or other authorities having jurisdiction over the use.

(b) Each Unit and Lot shall be maintained by its Owner and its occupant(s) and/or the Association, as and where applicable, 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 under this Declaration or under law.

(c) No commercial, industrial, recreational or professional activity not permitted by zoning then applicable to the Lot, other applicable laws and ordinances and any rules or regulations thereunder shall be carried on in any Unit or on any Lot at any time. If, in the future, zoning regulations change so as to expand the scope of activities permitted to be conducted within the Units or on Lots, in addition to any application to be made to East Greenwich Twp. for its approval to lawfully use the Unit in accordance with then-applicable zoning, application shall also be made by an Owner to the Board of Trustees for approval to commence the newly permitted use of his Unit or Lot. 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 Unit or Lot, it may not revoke the approval so long as the nature and scope of the approved use remains unchanged. Notwithstanding any Board of Trustees approval, no Owner shall permit his Unit or Lot to be used or occupied for any prohibited purpose or for any purpose not lawfully approved by East Greenwich Twp..

(d) No Unit or Lot shall be used so as to create a nuisance or an unreasonable interference with the peaceful possession and occupation or proper use of the Common Areas or any other Unit or Lot. Any violation of this section shall be enforceable by the appropriate authorities of East Greenwich Twp..

(e) Except for work done by the Declarant in connection with the construction and marketing of Units to original Owners, nothing shall be built, caused to be built or done in or to any Unit or Lot which will alter or cause any alteration to the Common Areas without the prior written approval of the Board of Trustees and, if applicable, the appropriate authorities of East Greenwich Twp..

(f) No Owner or occupant of any Unit (or any employee, tenant, contractor, invitee or agent) shall carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment and proper use of or causes damage to the Common Areas or any other Unit by any other Owner or Owner(s) or which creates or results in a hazard or nuisance at the Project.

(g) Except for lawful promotional signage of Declarant, no sign, including "For Rent" or "For Sale" signs may be erected by any Owner or occupant on or in any portion of the Project by any Owner or occupant without the prior written approval of the Board of Trustees.

(h) No Owner or occupant may obstruct the Common Areas in any way. No Owner or occupant may store anything in or on the Common Areas without the prior written approval of the Board of Trustees.

(i) No pets shall be permitted to run loose or uncontrolled in or on the Common Areas or on any Lot not owned or occupied by the owner of such pet. Pet owners shall immediately clean up any waste left by pets anywhere at the Project.

(j) No portion of the Project shall be used or maintained as a dumping ground for rubbish, trash, new or used lumber or wood, metal scrap, garbage or other waste.

(k) No Owner or occupant shall erect or maintain an outside antenna or satellite signal reception device on any Unit or Lot or on any other portion of the Project unless same shall be in conformance with then current FCC regulations; satellite dishes of no greater than 2 ft. in diameter shall be permitted, provided that any such dish must be installed so as to be fully below the height of the peak of the Unit's roof.

(l) No Owner or occupant shall operate or leave any non-operating vehicle or vehicles not currently registered and licensed and having a valid and unexpired state motor vehicle inspection on or about the Project. No maintenance or repairing of permitted vehicles may be done anywhere at the Project except within a garage associated with a Unit on a Lot.

(m) Driveways, and other exterior parking areas at the Project shall be used by Owners and residents for four wheel passenger vehicles only. No recreational vehicles, vans (other than non-commercial passenger vans or SUVs), tractors, mobile homes, trailers, boats, boat trailers, trucks or commercial vehicles (whether or not registered as a commercial vehicle with the State Department of Transportation) shall be permitted to be parked at the Project, except on a temporary basis in connection with repairs, maintenance or construction work. None of the foregoing restrictions shall apply to trucks or other equipment of Declarant or its agents, servants, contractors, etc. while in use at the Project for the construction thereof.

(n) Unless permitted by law and under the provisions of Section 4 of this Article VII, no storage tanks, accessory buildings or structures shall be erected or permitted to remain at the Project.

(o) Owners and the Association shall be prohibited from altering any landscaping originally installed in the Common Areas by Declarant but the Association may add landscaping to the Common Areas provided such additional landscaping has been reviewed and approved by the Board of Trustees and, if applicable, the PB. Any such additional landscaping may not be added to

those portions of the Common Areas that have been subjected to recorded conservation easements or restrictions unless such proposed, additional landscaping has been explicitly reviewed and approved by the PB and/or its designated landscape architect and any other approving authority as the circumstance may require.

(p) Additional use restrictions may be adopted in accordance with the By-laws.

(q) Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit on a Lot for handicapped use.

(r) Nothing shall be done which interferes with the sight triangle easements on Lots 4 and 9 of Block 1103.02, Lots 1, 3, 10 and 11 of Block 1103.03, Lots 1 and 10 of Block 1103.04, Lot 24 of Block 1103.05 and Lot 8 of Block 1103.01.

(s) No Unit on a Lot shall be (i) rented by the Owner thereof (except a lender in possession of such Unit following a foreclosure proceeding or such lender's receipt of any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient purposes, and (ii) rented for a term of less than one (1) year; provided, however, that any Owner, including Declarant, may rent a Unit for a period of less than one (1) year to a contract purchaser of the Lot containing such Unit. No Owner may lease less than the entire Unit on a Lot. Other than the foregoing, Owners, including Declarant, shall have the right to lease Units on Lots provided that said leases are in writing and made subject to all provisions of this Declaration, the By-Laws and any other documents referred to herein, including the right of amendment herein reserved to Declarant, provided that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the lease. In the event a tenant of a Unit on a Lot defaults under his lease by failure to comply with the provisions of this Declaration, the By-Laws or any applicable rules and regulations of the Association, then, in addition to all other remedies which it may have, the Association shall have the right to notify the Owner in writing of such default and demand that same be cured through the Owner's efforts within thirty (30) days after such notice. If such default is not cured within said thirty (30) days, then the Owner shall immediately thereafter, at his own cost and expense and in accordance with applicable, controlling law, institute and diligently prosecute an

eviction action against his tenant on account of such default. 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 obligation, then Declarant or 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. Said costs and expenses shall be deemed to constitute a lien on the particular Lot involved, and collection thereof may be enforced by the Association in the same manner as the Association is entitled to enforce collection of Assessments. By acceptance of a deed to any Lot, each and every Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Association as his attorney-in-fact for the purposes described in this sub-Section..

Section 2. MODIFICATION; INVALIDATION; ENFORCEMENT.

(a) The restrictions contained in this Article, the sizes of the Lots, the descriptions of the Lots and the courses of the Lots may be changed or amended by Declarant or its successors and assigns, and with the approval of the PB, in order to correct or protect any condition which in its opinion, would be beneficial to the Project.

(b) The invalidation of any one of these restrictions by judgment, court order or otherwise shall in no way affect any of the other restrictions which shall remain in full force and effect.

(c) It is understood and agreed that in the event any of the covenants or restrictions herein set forth are violated, unless the same have been released or changed as herein set forth, Declarant, any Owner(s) of Lots or the Association shall have the lawful right to prosecute an action at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions either to prevent such violation or recover damages for the same. No prior failure of any of the foregoing persons or entities to act shall operate as a waiver of that person's or entity's right(s) to act in the future as to any perceived violations hereof by any Owner.

ARTICLE VIII
MEMBERSHIP AND VOTING RIGHTS

Section 1. MEMBERSHIP. Every Owner of a Lot (including the Declarant, its successors and assigns) shall be a Member of the Association and such membership shall be appurtenant to and shall not be separated from ownership of any Lot. The Owner of a Lot shall become subject to this Declaration immediately upon such Owner's acquisition of fee title to his Lot.

Section 2. VOTING RIGHTS. Each Lot shall be entitled to one (1) vote. When more than one person holds an interest in any Lot, the vote for such Lot shall be exercised by the persons holding such interest as they among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Voting may only be exercised when applicable by a Member in good standing (i.e., a Member who assessments payments obligations to the Association are paid in full and as to whom there are no outstanding violations of the terms of this Declaration).

ARTICLE IX
MISCELLANEOUS

Section 1. SEVERABILITY. Invalidation of any one of these covenants and restrictions by judgment or Court order shall in no manner affect any other provisions which shall remain in full force and effect.

Section 2. DURATION AND AMENDMENT The covenants and restrictions of this Declaration shall run with and bind the land described in Schedule A, for a term of fifty (50) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. The Declaration may be amended by vote of not less than two-thirds (2/3) percent of the Lot Owners in good standing. Any amendment by the Owners to change permitted uses of Lots or reduce the size of the Common Areas shall require the prior approval of the PB. No amendment shall be effective unless and until recorded in the Office of the Clerk of Gloucester County. No such amendment may alter or diminish any of the obligations assumed by

the Declarant in conjunction with the Approval or any other obligations which may now or later exist by law, without the approval of the PB or other appropriate municipal entity of East Greenwich Twp.. No amendment, in the sole judgment of Declarant, shall impair or adversely affect the rights of Declarant as set forth in this Declaration on its date of execution by Declarant or cause Declarant to suffer any financial, legal or other detriment, including, but not limited to any direct or indirect interference with the sale of Lots by Declarant. This Declaration may be amended in whole or in part, without the approval of other Members, by the Declarant at any time prior to the first conveyance of the title to any Lot to a non-Declarant purchaser, provided, however, that no such amendment which effects a reduction in the size of or improvements to the Common Areas shall be made without the approval of the PB. Such amendment shall not be effective unless and until recorded in the Office of the Clerk of Gloucester County. For a period of two (2) years following the sale of the last Lot by the Declarant to a bona fide, third party purchaser, the Declarant may make any amendment to this Declaration, by its own action, without the approval of other Members, for the purpose of complying with the rules or requirements of any governmental or quasi-governmental body having jurisdiction or any institution purchasing, holding or insuring a security interest in any portion of the Properties.

Section 3. CONVEYANCE Declarant reserves the right, prior to the conveyance to the Association of title to the Common Areas herein described, to determine, in Declarant's sole discretion, but subject to approval of the PB, the type of improvement(s) to be constructed in or upon such Common Areas, provided, however, that any such improvement(s) shall comply with the requirements of the Approval and/or of governmental authorities having jurisdiction over such Common Areas and Declarant further reserves the right, prior to the conveyance of the Common Areas, to apply for and obtain additional governmental approvals affecting such Common Areas including, but not limited to, modifications of, supplements to and amendments of the Approval.

Section 4. DISSOLUTION. The Association cannot be dissolved unless the interests, rights and obligations of the Association in and to the Common Areas shall be dedicated or assigned to East Greenwich Twp. or any entity or agency, public or private, approved by East Greenwich Twp.. If East Greenwich Twp. shall not accept said dedication or assignment, then such interests, rights and obligations of the Association shall be transferred to such other public or private agency or

instrumentality as will most nearly carry out the original intention of this Declaration. The provisions herein shall apply also if the Association ceases to operate and, in such case, it shall be the duty of the Owners herein to cause said interest, rights and obligations to be dedicated, assigned or transferred as provided herein.

Section 5. INSURANCE. (a) The Association, through its Board of Trustees, shall, in addition to liability and any other types and kinds of insurance as are provided herein and in the Association's By-Laws, be required to obtain and maintain, if applicable, liability insurance insuring the Common Areas and covering the interests of the Association and the Board of Trustees as their interests may appear, in the amount determined by the Board of Trustees. If possible without payment of separate premium, the Association shall have the East Greenwich Twp. named as an added insured on such policy as its interest shall appear.

(b) Premiums for any such insurance coverage shall be included in the Annual Assessments for common expenses and such premium charges may be held in a separate escrow account of the Association to be used solely for the payment of said premiums, as same become due.

(c) All policies of physical damage insurance, if possible, shall contain waivers of subrogation and waivers of any reduction of pro-rata liability of the insurer as a result of any insurance carried by any Owner of a Lot or of invalidity arising from any acts of the insured or any Owner of a Lot, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insured, including all mortgagees of Lots.

Section 6. WORKING CAPITAL ACCOUNT CONTRIBUTION. At the time of acquiring title to any Unit from Declarant, its successors or assigns, or any subsequent Owner of the Unit, each successive Owner shall pay to the Association the sum Three Hundred and 00/100 (\$300.00) Dollars (or such greater or lesser sum as the Board of Trustees shall from time to time determine), said sum to provide working capital for the Association. The payment required by this Section 6 shall not be refundable and shall be paid in addition to any Assessments authorized by this Declaration.

Section 7. SUCCESSORS AND ASSIGNS. The rights, terms, conditions, provisions, protective covenants, restrictions, limitations and easements hereof shall be binding upon the successors and assigns of Declarant, the Association and all Owners of Lots as applicable to each.

ARTICLE X

INDEMNIFICATION AND EXCULPATION OF OFFICERS, TRUSTEES AND COMMITTEE MEMBERS: EXCULPATION OF ASSOCIATION

(a) The Association shall indemnify every current and past Trustee, officer and committee member and each of their heirs, executors and administrators against all losses, costs and expenses, including counsel fees, reasonably incurred by an indemnitee in connection with any action, suit or proceeding to which they are made a party by reasons of being or having been an Association Trustee, officer or committee member, except if they are finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of settlement, indemnification is provided only in connection with matters covered by the settlement and for which the Association receives advice of counsel that by a preponderance of the evidence then known, the indemnitee was not guilty of gross negligence or willful misconduct in the performance of Association duties. Costs of Association indemnification are common expenses.

(b) Unless acting in bad faith, neither the Board as a body nor any past or current Trustee, officer, or committee member is to be personally liable to any Unit Owner in any respect for any action or lack of action arising out of execution of their office or position. Each Unit Owner is bound by the good faith actions of the Board, officers and committee members in the execution of their duties.

(c) The Association shall not be liable in any civil action brought by or on behalf of a Unit Owner or by or on behalf of the spouse of that person to respond in damages as a result of bodily injury to the Unit Owner, including death resulting from bodily injury, to the Unit Owner or to the spouse of that person occurring on the Common Areas unless caused by the Association's willful, wanton or grossly negligent act of commission or omission.

(d) The Association shall not be liable to a Unit Owner in any civil action brought by or on behalf of a Unit Owner to respond in equity or law for damages to their Unit or personal property as a result of the exercise of discretion, when, in light of competing demands, the Association determines whether and how to utilize and apply existing resources, including those allocated for equipment, facilities, and personnel unless a court concludes that the determination of

the Association was completely without any rational and reasonable basis. Nothing contained herein shall exculpate Board members appointed by Declarant from their fiduciary responsibilities.

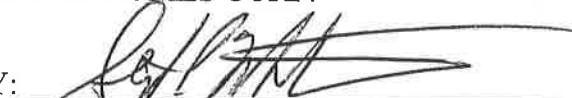
IN WITNESS WHEREOF, the undersigned Declarant has caused this instrument to be appropriately executed this 11th day of April, 2006.

ATTEST:

BEAZER HOMES CORP.


Richard S. Israel

BY:


STEPHEN P. MUTASCIO
DIVISION VICE-PRESIDENT

STATE OF NEW JERSEY

:

:S.S.

COUNTY OF MERCER

:

BE IT REMEMBERED, that on this 11th day of April, 2006, before me, the subscribe, personally appeared Stephen P. Mutascio, who, being by me duly sworn on his oath, deposes and makes proof to my satisfaction, that he is the Division Vice President of Beazer Homes Corp., the Declarant in the foregoing Declaration named, and that the said Declaration was signed and delivered by him as such Division Vice President of Declarant and I heard him declare that he signed and delivered the same as the voluntary act and deed of said Declarant pursuant to authority from Declarant's Board of Directors, for the uses and purposes therein expressed.



RICHARD S. ISRAEL
ATTORNEY AT LAW
STATE OF NEW JERSEY

Schedules to Declaration

Schedule A - Legal Description of Property

Schedule B - Site Plan/Survey

Schedule C - Articles of Incorporation (Association)

Schedule D - By-Laws (Association)

Schedule E - Lien Claim (Form)

Schedule A

KINGS GATE EAST

SECTION 1

BLOCK 1103 * P/O LOTS 2 & 3
EAST GREENWICH TOWNSHIP,
GLOUCESTER COUNTY, NEW JERSEY

ALL that certain tract or parcel of land and premises, situate in the Township of East Greenwich, County of Gloucester, State of New Jersey, more particularly described in accordance with a plan entitled, "Final Plan of Lots, Kings Gate-East, prepared by Millennium Surveying & Engineering, Inc., dated January 8, 2004, last revised September 13, 2004," as follows;

BEGINNING at the Southwesterly corner of the Westerly line of Tomlin Station Road, County Route 607, 49.50 feet wide, and the Southeasterly line of Rattling Run Road, 49.50 feet wide, unimproved, and extending;

1. S 04°13'42" E, along the Westerly line of Tomlin Station Road, 1600.05 feet to a point in the same; Thence,
2. S 19°08'27" E, along the westerly line of Tomlin Station Road, 35.65 feet to a corner to Lot 5, Block 1103; Thence,
3. S 70°51'33" W, along the line of Lot 5, Block 1103, 327.11 feet to a corner to Lots 5 & 4.03, Block 1103; Thence,
4. S 26°56'04" W, along the line of Lot 4.03, Block 1103, 298.85 feet to a point in the same; Thence,
5. N 63°03'56" W, along the division line between Sections 1 & 2, 225.00 feet to a point; Thence,
6. S 26°56'04" W, along the same, 219.88 feet to a point; Thence,
7. N 63°03'56" W, along the same, 203.95 feet to a point; Thence,
8. S 32°41'13" W, along the same, 89.73 feet to a point; Thence,
9. N 36°18'09" W, along the same, 348.36 feet to a point; Thence,
10. N 62°18'02" E, along the same, 84.73 feet to a point; Thence,
11. N 23°41'24" W, along the same, 205.00 feet to a point; Thence,
12. S 66°18'36" W, along the same, 30.00 feet to a point; Thence,

13. N 23°41'24" W, along the same, 880.02 feet to a point in the Southeasterly line of Rattling Run Road; Thence,
14. N 65°38'41" E, along said Southeasterly line of Rattling Run Road, 597.41 feet to an angle point; Thence,
15. N 65°54'40" E, along the same, 119.84 feet to an angle point; Thence,
16. N 58°20'40" E, along the same, 388.27 feet to an angle point; Thence,
17. N 59°26'40" E, along the same, 473.70 feet to an angle point; Thence,
18. N 50°56'40" E, along the same, 61.55 feet to the point of BEGINNING.

Containing: 1,983,421 SF or 45.533 Ac.



2nd Rev. 02/23/05

Charles E. Szovati
Professional Land Surveyor,
New Jersey License No. GS-35887

KINGS GATE EAST

SECTION 2

BLOCK 1103 * P/O LOTS 2 & 3
EAST GREENWICH TOWNSHIP,
GLOUCESTER COUNTY, NEW JERSEY

ALL that certain tract or parcel of land and premises, situate in the Township of East Greenwich, County of Gloucester, State of New Jersey, more particularly described in accordance with a plan entitled, "Final Plan of Lots, Kings Gate-East, prepared by Millennium Surveying & Engineering, Inc., dated January 8, 2004, last revised September 13, 2004," as follows;

BEGINNING at a point in the division line between Lots 3 & 4.03, Block 1103, located the following two courses from the intersection of the Westerly line of Tomlin Station Road, County Route 607, 49.50 feet wide, and the division line between Lots 3 & 5, Block 1103;

- a. S 70°51'33" W, along the line of Lot 5, Block 1103, 327.11 feet to a corner to Lots 5 & 4.03, Block 1103; Thence,
- b. S 26°56'04" W, along the line of Lot 4.03, Block 1103, 298.85 feet to the point of **BEGINNING** and extending;
1. S 26°56'04" W, along the line of Lot 4.03, Block 1103, 938.50 feet to a corner to same in the corporate boundary line between the Township of East Greenwich and the Township of Woolwich; Thence,
2. N 40°37'54" W, along said corporate boundary line between the Township of East Greenwich and the Township of Woolwich, 61.35 feet to a point; Thence,
3. N 59°03'52" W, along the same, 256.38 feet to a point; Thence,
4. N 60°51'05" W, along the same, 126.48 feet to a point; Thence,
5. N 54°10'02" W, along the same, 146.69 feet to a point; Thence,
6. N 45°31'56" W, along the same, 199.16 feet to a point; Thence,
7. N 37°14'20" W, along the same, 129.94 feet to a point; Thence,
8. N 35°05'27" W, along the same, 180.74 feet to a point; Thence,
9. N 42°27'16" W, along the same, 301.50 feet to a point; Thence,
10. N 68°50'44" W, along the same, 49.16 feet to a point; Thence,

11. N 62°04'07" W, along the same, 92.75 feet to a point; Thence,
12. N 47°12'26" W, along the same, 116.30 feet to a point; Thence,
13. N 44°05'43" W, along the same, 25.70 feet to a point; Thence,
14. N 40°50'51" W, along the same, 10.58 feet to a point in the same, at a corner to Lot 2.01, Block 1103; Thence,
15. N 65°01'31" E, leaving said corporate boundary line between the Township of East Greenwich and the Township of Woolwich and along the line of Lot 2.01, Block 1103, 867.60 feet to a corner to same; Thence,
16. N 23°41'24" W, along the same, 631.94 feet to a point in the Southeasterly line of Rattling Run Road, 49.50 feet wide; Thence,
17. N 65°38'41" E, along said Southeasterly line of Rattling Run Road, 25.00 feet to a point; Thence,
18. S 23°41'24" E, along the division line between Sections 1 & 2, 880.02 feet to a point; Thence,
19. N 66°18'36" E, along the same, 30.00 feet to a point; Thence,
20. S 23°41'24" E, along the same, 205.00 feet to a point; Thence,
21. S 62°18'02" W, along the same, 84.73 feet to a point; Thence,
22. S 36°18'09" E, along the same, 348.36 feet to a point; Thence,
23. N 32°41'13" E, along the same, 89.73 feet to a point; Thence,
24. S 63°03'56" E, along the same, 203.95 feet to a point; Thence,
25. N 26°56'04" E, along the same, 219.88 feet to a point; Thence,
26. S 63°03'56" E, 225.00 feet to the point of BEGINNING.

Containing: 1,048,926 SF or 24.080 Ac.

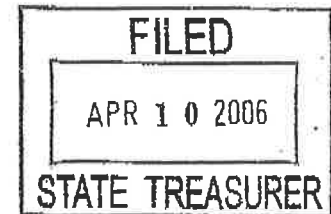


02/14/05

Charles E. Szovati
Professional Land Surveyor,
New Jersey License No. GS-35887

Schedule B

Schedule C



ARTICLES OF INCORPORATION
OF
KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC.

In compliance with the requirements of Title 15A, Chapter 1 et seq. of the Revised Statutes of New Jersey, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purposes of forming a corporation not for profit and do hereby certify:

ARTICLE I

NAME

The name of the Association is KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located c/o Beazer Homes, 275 Phillips Boulevard, Trenton, NJ 08618.

ARTICLE III

REGISTERED AGENT

Stephen P. Mutascio, whose address is located c/o Beazer Homes, 275 Phillips Boulevard, Trenton, NJ 08618 is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purpose for which it is formed is to provide for the maintenance and repair of common areas in the "Kings Gate East" subdivision and for the enforcement and administration of protective covenants and restrictions related hereto, all as described in that certain Declaration of Covenants, Conditions, Easements and Restrictions (hereinafter "Declaration") establishing various rights and obligations for the Owners of Lots who are Members of the Association, which Declaration is intended to be recorded in the Office of the Clerk of Gloucester County, New Jersey with these Articles attached thereto. In connection with its functions, the Association shall promote the health, safety and welfare of the Members and shall have the following powers;

0100961444

(a) To exercise all the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration and the By-Laws of the Association; as the same may be amended from time to time as therein provided, said Declaration and By-Laws being incorporated herein as if set forth at length;

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges or Assessments pursuant to the terms of said By-Laws of the Association, to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) To borrow money, to mortgage, pledge, deed in trust or hypothecate any or all of its property, if applicable, as security for money borrowed or debts incurred; and

(d) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of New Jersey by law may now or hereafter have or exercise.

ARTICLE V

MEMBERS

Every person or entity who is a record owner of a fee simple interest in a Lot described in the Declaration shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of any Lot shall be the sole qualification for membership.

ARTICLE VI

BOARD OF TRUSTEES

The affairs of the Association shall be managed by a Board of Trustees. The Board of Trustees shall be composed of three (3) persons whose eligibility shall be determined in accordance with the bylaws of the Association. The names and addresses of the persons who are to act in the capacity of Trustees until the selection of their successors are:

Stephen P. Mutascio
c/o Beazer Homes
275 Phillips Boulevard
Trenton, NJ 08618

Daniel G. Duncan
c/o Beazer Homes
275 Phillips Boulevard
Trenton, NJ 08618

Theresa Karschnik
c/o Beazer Homes
275 Phillips Boulevard
Trenton, NJ 08618

ARTICLE VII

TERM

The Association shall exist perpetually, but may be dissolved at any time pursuant to appropriate law and the provisions of the Declaration.

ARTICLE VIII

MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit associations organized for the same general purposes, provided that any such merger or consolidation shall have the assent of seventy-five (75%) percent of the votes present and entitled to be cast at any meeting of the Association, duly constituted for such purpose, a quorum being present.

ARTICLE IX

MEMBERSHIP

The qualifications for Members shall be set forth in detail in the By-Laws of the corporation or in the Declaration.

ARTICLE X

DISSOLUTION

The method of distribution of assets of the corporation upon dissolution shall be set forth in the By-Laws of the corporation or the Declaration.

ARTICLE XI

AMENDMENTS

These Articles may be amended at any meeting of the Association duly constituted for such purpose, a quorum being present, by an affirmative vote of seventy-five (75%) percent of the vote present and entitled to be cast.

ARTICLE XII

LIMITATION OF LIABILITY

To the fullest extent that the laws of the State of New Jersey, as they exist or may hereafter be amended, permit the limitation or elimination of the liability of trustees and officers, a trustee or officer of the Association shall not be personally liable to the Association for damages for breach of any duty owed to the Association, except for breaches of duty based upon an act or omission (i) in breach of such person's duty of loyalty to the Association (ii) not in good faith or involving a knowing violation of a law, or (iii) resulting in receipt by such person of an

improper personal benefit. Any repeal or modification of this Article shall not adversely affect any right or protection of such person existing at the time of such repeal or modification.

ARTICLE XIII

INCORPORATOR

The name and address of the Incorporator is as follows:

Richard S. Israel, Esquire
c/o Beazer Homes
275 Phillips Boulevard
Trenton, New Jersey 08618

IN WITNESS WHEREOF, for the purposes of forming this non-profit corporation under the laws of the State of New Jersey, the undersigned incorporator of this Association, have executed these Articles of Incorporation this 10th day of April, 2006.



RICHARD S. ISRAEL, ESQUIRE

Schedule D

Schedule D

BY-LAWS

OF

KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC.

The name of the association is KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC., (hereinafter referred to as the "Association"). The initial principal office of the Association shall be c/o Beazer Homes Corp., 275 Phillips Boulevard, Trenton, NJ 08618, and thereafter as determined from time to time by the Board of Trustees of the Association, but meetings of the Members and the Board of Trustees may be held at the principal office or such other places as may be designated by the Board of Trustees.

ARTICLE I

DEFINITIONS

Section 1. EXISTING DEFINITIONS. All defined terms herein shall have the same meanings as are set forth in that certain Declaration of Covenants, Conditions, Restrictions and Easements for Kings Gate East filed or intended to be filed in the Gloucester County Clerk's Office (the "Declaration").

Section 2. NEW DEFINITIONS. Any defined terms used herein which are not already provided in the Declaration shall have the meanings provided herein.

ARTICLE II

VOTING

Section 1. VOTING RIGHTS. Each Member of the Association shall be entitled to one vote for all purposes under the Declaration equal to the number of Lots owned by such Member. For the purposes hereof, Declarant will be entitled to one vote for each Lot owned by it which appears on the Final Map relating to the premises described in Schedule "A" attached to the Declaration.

Section 2. EXERCISE OF VOTES. The vote of any Member which is held by more than one person may be exercised by any one of them, unless any objection or protest by any holder of such membership is made prior to the completion of a vote, in which case the vote for such Member shall not be counted. Anything in these Bylaws to the contrary notwithstanding, nothing herein shall be construed so as to permit more than one (1) vote per Unit in any circumstance hereunder where voting is required.

ARTICLE III MEETINGS OF MEMBERS

Section 1. ANNUAL MEETINGS. (a) The first Annual Meeting of the Members shall be held within three (3) years from the date of incorporation of the Association or within sixty (60) days of the date when all Trustees of the Association shall have become Trustees not controlled by Declarant, whichever shall first occur.

(b) Subsequent regular Annual Meetings of the Members shall be held during the month of November of each year thereafter, or during such other month as the Board of Trustees shall determine.

Section 2. SPECIAL MEETINGS. (a) Special Meetings of the Members may be called at any time by the President of the Association or by the Board of Trustees, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes incident to membership.

(b) Upon the occasion when any election of Trustees not controlled by Declarant shall become applicable, a Special Meeting shall be called for the purpose of electing such Trustees as may be necessary.

Section 3. NOTICE OF MEETINGS. Written notice of each Annual Meeting or Special Meeting (collectively a "Meeting") of the Members shall be given by, or at the discretion of, the Secretary of the Association or other person authorized to call the Meeting, by mailing or

causing to be personally delivered a copy of such notice at least ten (10) days before such Meeting to each Member entitled to vote thereat addressed to (or hand-delivered to a responsible person) at the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the Meeting, and, in the case of a Special Meeting, the purpose of the Special Meeting.

Section 4. QUORUM. The presence at the Meeting of Members entitled to cast, or of Members' proxies entitled to cast, at least twenty (20%) percent for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws shall constitute a quorum. If, however, such quorum shall not be present or represented at any Meeting, the Members entitled to vote thereat shall have power to adjourn the Meeting from time to time, without notice other than announcement at the Meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. VOTING. At all Meetings of Members, each Member may vote either in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV

BOARD OF TRUSTEES: CONTROL; SELECTION: TERM OF OFFICE:

Section 1. CONTROL. The Board of Trustees (or "Board") shall initially be designated and controlled by the Declarant who shall surrender control thereof to the Members as follows:

(a) sixty (60) days after conveyance of twenty-five (25%) percent (i.e. 19) of the Lots, one (1) Member of the Board of Trustees shall be elected by the Members other than Declarant at a Special Meeting called for such purpose.

(b) sixty (60) days after conveyance of seventy-five (75%) percent (i.e. 57) of the Lots, the Declarant's control of the Board of Trustees shall terminate, at which time the Members shall elect the entire Board of Trustees at a Special Meeting called for such purpose; provided, however, that Declarant shall have the right to retain and/or appoint one (1) Member of the Board of Trustees for so long as any Lot shall remain unsold to a third party by Declarant in the normal course of Declarant's business.

Section 2. NUMBER. The affairs of the Association shall be managed by a Board of Trustees consisting of three (3) persons who shall be Members of the Association except that if Declarant shall control any trusteeships, it shall have the power to appoint any non-Member(s) as its representative(s) to the Board of Trustees.

Section 3. ELECTION AND TERM OF OFFICE. At the Special Meeting of the membership that is called pursuant to Section 1(a) above, the Trustee to be elected by the Members shall be elected for a period of two years or until the First Annual Meeting, whichever comes first, and the Trustees appointed by the Declarant shall be appointed to serve until their successors are elected at the Special Meeting called pursuant to Section 1(b) above. At the Special Meeting called pursuant to Section 1(b) above, the Members shall elect two (2) Trustees (subject, however, to the Declarant's right to appoint one (1) of the three (3) Trustees as provided in Section 1 above) for a term of two (2) years or until the First Annual meeting, whichever comes first.. At the First Annual Meeting one of the Trustees shall be elected for a term of one (1) year and the other Trustees shall be elected for a term of two (2) years (subject, however, to the Declarant's right to appoint one (1) of the three (3) Trustees as provided in Section 1 above). At each annual meeting thereafter, the term of each Trustee elected to fill a term which is expiring shall be two (2) years.

Section 4. REMOVAL. Any Trustee may be removed from the Board of Trustees, with or without cause by a majority of the Members of the Association voting for such removal. In the event of death, resignation or removal of a Trustee who has been elected by Unit owners other than Declarant, his successor shall be selected by the remaining members of the Board of Trustees at a Special Meeting of the Board to be held within thirty (30) days of the

vacancy having occurred, and such successor Trustee, who shall be a Unit owner other than Declarant, shall serve for the unexpired term of his predecessor.

Section 5. COMPENSATION. No Trustee shall receive compensation for any service he may render to the Association. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 6. ACTION TAKEN WITHOUT A MEETING. The Trustees shall have the right to take any action in the absence of a Board of Trustees meeting which they could take at a Board of Trustees meeting by obtaining the written approval of all the Trustees. Any action so approved shall have the same effect as though taken at a Board of Trustees meeting.

Section 7. DECLARANT'S PROTECTIVE PROVISIONS. After control of the Board of Trustees has become vested in Trustees elected by Members other than Declarant, and for so long as Declarant owns at least one (1) Lot and holds same for sale in the ordinary course of business, the following shall apply:

(a) Neither the Association nor its Board of Trustees shall take any action that will impair or adversely affect the rights of Declarant or cause Declarant to suffer any financial, legal or other detriment, including, but not limited to, any direct or indirect interference with the sale of Lots or Units, or the assessment of Declarant for capital improvements.

(b) The Association and its Board of Trustees shall continue at least the same level of maintenance, operation and services as provided immediately prior to the assumption of control of the Association and the Board of Trustees by Members other than Declarant.

(c) In the furtherance of the foregoing provisions, Declarant shall have the right to veto any and all actions of the Association or its Board of Trustees which violate sub-Sections (a) and (b) above. Declarant shall exercise its veto right, in its sole and absolute discretion, within ten (10) days after its receipt of written notice that a resolution or other action

is proposed or has been taken by the Association or its Board of Trustees. In such event, Declarant shall notify the Secretary of the Association of its exercise of its veto right and any such proposal or action shall be null and void and have no further force and effect.

The aforementioned protective provisions shall be construed in accordance with and not in derogation of N.J.A.C. 5:26-8.4 of the regulations promulgated pursuant to the New Jersey Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq.

Section 8. NO EXCULPATION. During the time that any of the Declarant's representatives shall serve as a member of the Board of Trustees, such representative(s) shall not be exculpated from the proper performance of their fiduciary responsibilities.

ARTICLE V

NOMINATION AND ELECTION OF TRUSTEES

Section 1. NOMINATION. Nomination for election to the Board of Trustees of Trustees shall be made from the floor at the Annual Meeting or Special Meeting at which the election of any Trustee(s) shall be a proper purpose of such meeting or by written presentment by any Member of the Association.

Section 2. ELECTION. Election to the Board of Trustees shall be by written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VI

MEETINGS OF TRUSTEES

Section 1. REGULAR MEETINGS. Regular meetings of the Board of Trustees may be held at the discretion of the Board with notice (including telephonic notice) at least three

(3) days in advance of such meeting, at such place and hour as may be fixed from time to time by resolution of the Board, but in no event shall meetings be less than annually.

Section 2. SPECIAL MEETINGS. Special meetings of the Board of Trustees shall be held when called by the President of the Association, or by any two (2) Trustees, after not less than three (3) days' notice to each Trustee.

Section 3. QUORUM. A majority of the Trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by majority of the Trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. POWERS. In addition to powers created by law or in the Declaration or Articles of Incorporation, the Board of Trustees shall have the power to:

(a) adopt and publish rules and regulations governing the use and maintenance of the Lots, the Common Areas and its facilities, and the personal conduct of the Members and their guests on the Common Areas, and to establish penalties for the infraction thereof; and

(b) suspend the voting rights and right to use the Common Areas of a Member during any period in which such Member shall be in default in payment of any Assessment levied by the Association. Such rights may also be suspended after notice and hearing for infraction of published rules and regulations. No such suspension however shall deprive the Member of the right to gain access to and egress from his Lot or Unit over and through the Common Areas to the public right of way abutting the Common Areas; and

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration; and

(d) declare the office of a member of the Board of Trustees to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Trustees; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties and further to contract with any person, or firm or corporation upon such terms as it deems proper for the maintenance, operation, preservation, improvement and management of the Common Areas; and

(f) to take all reasonable action necessary to maintain, preserve, and replace (as necessary) the Common Areas and to take all reasonable action necessary to promote the health, safety and welfare of the Members, the Association and the Properties; and

(g) borrow, mortgage, lease, improve, preserve, maintain, manage and replace improvements of the Common Areas.

Section 2. DUTIES. It shall be the duty of the Board of Trustees of Trustees to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any Special Meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote:

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period;

(ii) send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of each Assessment period;

(iii) establish or file the Lien against any Lot for which Assessments are not paid within thirty (30) days after due date (and thereafter foreclose same in the discretion of the Board of Trustees) or to bring an action at law against the Owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board of Trustees of Trustees for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on Common Areas owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Areas to be maintained in accordance with these By-Laws, the requirements of the ordinances of the Township of East Greenwich, and the provisions of the Declaration;

(h) upon the assumption by the Members of control of the Board of Trustees of the Association, the Declarant shall forthwith have delivered to the Association all items and documents pertinent to the Association such as, but not limited to, a copy of the

Declaration, other documents of creation of the Association, By-Laws, minute book, including all minutes, any rules and regulations, an accounting of Association funds, Association funds, all personal property, insurance policies, government permits, if applicable, a membership roster and all contracts and agreements relative to the Association;

(i) the Association, when controlled by the Members, shall not take any action that would be detrimental to the sales of Units on Lots by the Declarant, its successors or assigns, to bona fide third party purchasers in the ordinary course of business and shall continue the same level of maintenance, operation and services as immediately prior to their assumption of control, until the last Unit on a Lot is sold by Declarant, its successors or assigns, in the ordinary course of business;

Section 3. ABATING AND ENJOINING VIOLATIONS. The violation of any of the Rules and Regulations adopted by the Board of Trustees of Directors or the breach of any provisions of the Declaration or these By-Laws shall give the Board of Trustees of Directors the right, in addition to any other rights granted by the Declaration, these By-Laws or the Rules and Regulations, enjoin, abate or remedy by appropriate legal proceedings either at law or in equity the continuance of any such breach.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. ENUMERATION OF OFFICERS. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Trustees, a Secretary and a Treasurer, and such other officers as the Board of Trustees may from time to time by resolution create.

Section 2. ELECTION OF OFFICERS. The election of officers shall take place at the first meeting of the Board of Trustees following each Annual Meeting of the Members.

Section 3. TERM. The officers of the Association shall be elected annually by the Board of Trustees and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. SPECIAL APPOINTMENTS. The Board of Trustees may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Trustees may from time to time determine.

Section 5. RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by the Board of Trustees. Any officer may resign at any time by giving written notice to the Board of Trustees, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. VACANCIES. A vacancy in any office may be filled by appointment by the Board of Trustees. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. MULTIPLE OFFICES. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. DUTIES. The duties of the officers are as follows:

(a) PRESIDENT: The President shall preside at all meetings of the Board of Trustees and the Association; shall see that orders and resolutions of the Board of Trustees are carried out; shall sign all leases, mortgages, deeds and other written instruments

(including Notice of Claim of Lien forms) and shall co-sign all checks (unless delegated to a managing agent) and promissory notes.

(b) VICE-PRESIDENT: The Vice President shall act in the place and stead of the President in the event of such President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of such Vice-President by the Board of Trustees.

(c) SECRETARY: The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Trustees and Meetings of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Trustees and Meetings of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board of Trustees.

(d) TREASURER: Unless delegated to a managing agent, the Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association including all Assessments and shall disburse such funds as directed by resolution of the Board of Trustees of Trustees; shall sign all checks and promissory notes of the Association; keep proper books of account; and, if requested by the Board of Trustees, shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular Annual Meeting, and deliver a copy of same to each of the Members.

ARTICLE IX COMMITTEES

The Board of Trustees is authorized to appoint such standing and ad hoc committees as it deems appropriate to make recommendations to the Board with respect to the exercise of its powers and duties under the Declaration

ARTICLE X
BOOKS AND RECORDS

The books and records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available, upon prior reasonable notice, for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

Section 1. LIEN. As more fully provided in the Declaration, each Member is obligated to pay to the Association all Assessments, which such Assessments are secured by a continuing Lien upon the Lot against which the Assessments are made. Any Assessments which are not paid when due shall be delinquent. If any Assessment is not paid within thirty (30) days after the due date, the Assessment shall bear interest, late charges, attorney's fees and costs as provided in the Declaration and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the Lien against the Lot, and interest, costs, late charges and attorney's fees of any such action shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

Section 2. RIGHTS OF EAST GREENWICH TOWNSHIP. In addition to the aforesaid Assessments and in the event the Association fails to properly maintain the Common Areas, East Greenwich Township may serve written notice upon the Association, setting forth the manner in which the Association has failed to maintain the Common Areas and East Greenwich Township may enter upon and maintain the Common Areas, the reasonable cost of such maintenance being assessed against the Association, and/or each Lot or Owner set forth in the Declaration, and same shall be a tax lien upon the Lots, all as provided by law.

ARTICLE XII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "Kings Gate East Homeowners' Association, Inc."

ARTICLE XIII
AMENDMENTS

Section 1. METHOD. These By-Laws may be amended, at a regular Annual Meeting or Special Meeting of the Members by a vote of a majority of the Members.

Section 2. CONFLICT. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 3. PROHIBITION. Declarant shall not be permitted to cast any votes held by it for unsold Lots or Units for the purpose of amending the Declaration, these By-Laws or any other Association Documents for the purpose of changing the permitted use of a Lot or Unit or for the purpose of reducing the Common Areas or facilities therein.

ARTICLE XIV
DISSOLUTION

The Association cannot be dissolved unless the interests, rights and obligations of the Association in and to the Common Areas shall be dedicated or assigned to East Greenwich Township or any entity or agency, public or private, approved by East Greenwich Township. If East Greenwich Township shall not accept said dedication or assignment, then such interests, rights and obligations of the Association shall be transferred to such other public or private agency or instrumentality as will most nearly carry out the original intention of the

Declaration. The provisions herein shall apply also if the Association ceases to operate, and in such case, it shall be the duty of the Owners to cause said interest, rights and obligations to be dedicated, assigned or transferred as provided herein.

ARTICLE XV DISCHARGE OF POWERS

Subject to such applicable restrictions or limitations as are contained in the Declaration and restrictions or other instruments of creation, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization. The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the Project.

ARTICLE XVI BOARD MEETINGS

Section 1. OPEN MEETINGS. All meetings of the Board, except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all Unit Owners.

Section 2. RESTRICTIONS TO OPEN MEETINGS. Despite Section 1 above, the Board may exclude or restrict attendance at those meetings or portions of meetings dealing with the following:

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

Section 3. MINUTES AT OPEN MEETINGS. At each Board meeting required to be open to all Unit Owners, minutes of the proceedings shall be taken, and copies of those minutes shall be made available to all Unit Owners before the next open Board meeting. Such minutes shall show the time and place of any such Board meeting, the Trustees present, the subject(s) considered, the action(s) taken, the vote(s) of each Board member, and any other information required to be shown in the minutes by the By-Laws. Such minutes shall be made available to the Unit Owners within thirty (30) days.

Section 4. NOTICE REQUIREMENTS FOR OPEN MEETINGS. Adequate notice of any open meeting shall be given to all Unit Owners.

Section 5. ADEQUATE NOTICE. Adequate notice (except for emergency matters as in Section 6 below) means written advance notice of at least 48 hours, giving the date, time, location and, to the extent known, the agenda of any regular, special, or rescheduled meeting such notice shall accurately state whether formal action may or may not be taken. This notice shall be:

(a) prominently posted in at least one place within the Association's property reserved for such or similar announcements; or

(b) mailed, telephoned, telegraphed or hand delivered to a newspaper of general circulation designated by the Board; or

(c) delivered to Unit Owners in either of the manners provided in Article III of these By-Laws; and

(d) filed with the Association secretary or administrative officer responsible for administering the Association business office.

Section 6. EMERGENCY MEETINGS. In the event that a Board meeting is required to deal with such matters of urgency and importance that delay, for the purpose of


providing 48 hours advance notice would result in substantial harm to the interests of the Association, the notice shall be deemed adequate if it is provided as soon as possible following the calling of the meeting.

ARTICLE XVII
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January, and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Trustees of KINGS GATE EAST HOMEOWNERS' ASSOCIATION, INC., have hereunto set our hands this 11th day of April, 2006.


Stephen P. Mutascio


Daniel B. Duncan



Theresa Karschnik

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Schedule E

Prepared by: _____

Schedule E

**NOTICE OF CLAIM OF LIEN FOR
UNPAID ASSOCIATION CHARGES**

TO: CLERK OF THE COUNTY OF GLOUCESTER

1. Pursuant to the provisions of Sections 7 and 11(a) of Article IV of that certain Declaration of Covenants, Conditions, Easements, and Restrictions for Kings Gate East filed in the Gloucester County Clerk's Office on _____, 200_ in Deed Book _____ at Page _____ ("the Declaration") the undersigned does on this _____ day of _____, _____ make and enter a claim of Lien for unpaid Assessments owed to Kings Gate East Homeowner's Association, Inc. (the "Association") and you are requested to file the same pursuant to the provisions of the Declaration.

2. All capitalized or defined terms herein shall have the same meanings as provided in the Declaration.

3. The Unit to which this Lien shall attach is as follows:
_____, New Jersey, _____ Block _____, Lot _____
on the Township of East Greenwich Tax Map;

4. The name of the record Owner is _____:

5. The Declaration provides in Section 11 (a) of Article IV that the remainder of any Assessments due the Association for the year in which any Assessment is made shall be accelerated and become due and payable if the Owner is more than thirty (30) days delinquent in the payment of any installment of such Assessment then due. The Owner of the Unit set forth in Paragraph 3 above has failed to pay the portion of the Assessment which became due on _____ within thirty (30) days of such date and the balance of the Assessment for the year _____ is hereby accelerated as per the Declaration.

6. The amounts of Assessments and other charges, fees and costs authorized by the Declaration which are due the Association as of the date of recording of this Lien are: \$ _____ in late fees; \$ _____ for attorneys' fees; \$ _____ for recording fees and \$ _____ for delinquent and accelerated Assessments, for a total claim as of this date in the amount of \$ _____.

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7. The total claim shall accrue at the annual interest rate of _____ (____%) percent, but in no event at a higher than the maximum permitted by law, from the date on which the Assessment payment (as accelerated) first became due until the date on which same is fully paid, as permitted by the Declaration.

ATTEST:
HOMEOWNERS' ASSOCIATION, INC.

KINGS GATE EAST

_____, Sec.
_____, President

BY:

RECORD & RETURN TO: