

Suburban Village Condominium Association: Master Deed

Table of Contents

SCHEDULE A: MASTER DEED

Table of Contents

List of Exhibits

Master Deed

1. Establishment of Condominium	2
2. Definitions	2
3. General Description of Condominium	6
4. Description of Units	7
5. Description of General and Limited Common Elements	9
6. Estate Acquired: Interest in Common Expenses: Interest in Common Surplus: Voting: Common Expenses	12
7. Covenant for Maintenance and Capital Improvement Assessments	14
8. Common Expenses: Responsibilities of Owners: Damage Due to Negligence, Omission or Misuse	17
9. Easements	19
10. By-Laws and Administration; Changes in Documents; Power of Attorney	24
11. Restrictions	26
12. Obligations of Sponsor	35
13. No Partition	36
14. Membership in the Association	36
15. Compliance by Owners	36
16. Damage or Destruction to the Property	37
17. Eminent Domain	40
18. Insurance	42
19. Amendment of Master Deed	42
20. Enforcement	43
21. Waiver	43
22. Gender	44
23. Ratification, Confirmation and Approval of Agreements	44
24. Rights Reserved to Sponsor	44a
25. Protective Provisions for the Benefit of institutional Lenders	45
26. Duration	48
27. Rule Against Perpetuities	49
28. Special Sponsor's Rights	50
29. Invalidity	53
30. Exhibits	53

EXHIBITS TO THE MASTER DEED:

- Exhibit A: Legal Description
- Exhibit B: Survey of the Property
- Exhibit C: Floor Plan of Units
- Exhibit D: Articles of Incorporation
- Exhibit E: By-Laws of the Association (See TOC below; page iii)
 - Amendments to the By-laws
- Exhibit F: Schedule of Percentage Interest

MASTER DEED
FOR
SUBURBIAN VILLAGE, A CONDOMINIUM

DATED:

RECORD & RETURN TO:

TABLE OF CONTENTS FOR

THE MASTER DEED OF

SUBURBIAN VILLAGE, A CONDOMINIUM

	<u>PAGE</u>
1. Establishment of Condominium.	2
2. Definitions	2
3. General Description of Condominium.	6
4. Description of Units.	7
5. Description of General and Limited Common Elements	
General Common Elements	9
Limited Common Elements	11
Reserved Common Elements.	12
6. Estate Acquired: Interest in Common Expenses:	
Interest in Common Surplus: Voting: Common	
Expenses.	12
7. Covenant for Maintenance and Capital Improvement	
Assessments	14
8. Common Expenses: Responsibilities of Owners: Damage	
Due to Negligence, Omission, or Misuse.	17
9. Easements	19
10. By-Laws and Administration; Changes in Documents;	
Power of Attorney	24
11. Restrictions.	26
12. Obligations of Sponsor.	35
13. No Partition.	36
14. Membership in the Association	36
15. Compliance by Owners; Enforcement	36
16. Damage or Destruction to the Property	37
17. Eminent Domain	40
18. Insurance	42
19. Amendment of Master Deed.	42
20. Enforcement	43
21. Waiver.	43
22. Gender.	44
23. Ratification, Confirmation and Approval of	
Agreements.	44
24. Rights Reserved to Sponsor.	44
25. Protective Provisions for the Benefit of	
Institutional Lenders	45
26. Duration.	48
27. Rule Against Perpetuities	49
28. Special Sponsor's Rights	50
29. Invalidity.	53
30. Exhibits.	53

LIST OF EXHIBITS

- A. Legal Description
- B. Survey
- C. Unit Plans
- D. Articles of Incorporation
- E. By-Laws
- F. Percentage of Interest Schedule

MASTER DEED

FOR

SUBURBIAN VILLAGE, A CONDOMINIUM

THIS MASTER DEED, made this day of 1993,
by BURMA RD., INC., a New Jersey Corporation, having its principal
office at 99 Conklintown Road, Wanaque, N.J. 07465 (hereinafter
referred to as "Sponsor").

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

WHEREAS, the Property includes four (4) two-story buildings
in which are located 19 two bedroom units together with certain
driveways, walkways and other improvements all as are more
particularly shown on that certain survey prepared by Boyce L.
McGeoch, L.S., dated May 20, 1988 and amended June 16, 1988,
attached hereto and made a part hereof as Exhibit "B" and on
those certain unit plans attached hereto and made a part hereof
as Exhibit "C", A-1 through A-11, A-2, A-4, A-5, A-7 and A-8
intentionally omitted.

WHEREAS, it is the intention of the Sponsor to establish the
form of ownership of the Property as a condominium pursuant to the

provisions of the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., under the name of "SUBURBIAN VILLAGE, A Condominium", (hereinafter referred to as the "Condominium"); and

WHEREAS, the Sponsor has established or is about to establish Suburban Village Condominium Association, Inc., a New Jersey non profit corporation, for the administration, operation and management of the Condominium and other improvements intended for the common use and enjoyment of the residents of the Condominium.

THEREFORE, WITNESSETH:

1. ESTABLISHMENT OF CONDOMINIUM. The Sponsor does hereby submit, declare and establish in accordance with N.J.S.A. 46:8B-1 et seq. the condominium form of ownership for that parcel of land, together with the improvements located thereon, described in Exhibit "A" aforesaid and as more particularly shown on Exhibits "B" and "C", A-1 through A-11, (A-2, A-4, A-5, A-7 and A-8 intentionally omitted).

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

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

(b) "Association" shall mean Suburban Village Condominium Association, Inc., a New Jersey non-profit corporation, formed to administer, manage and operate the common affairs of the Unit Owners of

the Condominium and to maintain, repair and replace the General and Limited Common Elements of the Condominium as provided in this Master Deed and the By-Laws.

- (c) "Board" shall mean the Board of Directors of the Association and any reference herein or in the Articles of Incorporation, By-Laws, or Rules and Regulations to any power, duty, right of approval or any other right of the Association shall be deemed to refer to the Board and not the Membership of the Association, unless the context expressly indicates to the contrary.
- (d) "Building" shall mean all the enclosed structures containing Units and/or any other enclosed structure now or hereafter constructed upon the land described in Exhibit "A" and shown on Exhibits "B" and Exhibit "C". A-1 through A-11, A-2, A-4 A-5, A-7 and A-8 intentionally omitted.
- (e) "By-Laws" shall mean the By-Laws of the Association a copy of which document is attached hereto and made a part hereof as Exhibit "E", together with all future amendments or supplements thereto.
- (f) "Common Elements" shall mean "General Common Elements" or "Limited Common Elements."
- (g) "Common Expenses" shall, subject to the provisions of paragraph 6 hereof, mean all those expenses anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses including reserves incurred or assessed by the Association, or

its respective directors, officers, agents or employees, in the lawful performance of their respective duties or powers.

- (h) "Condominium" shall mean (i) all the lands and premises described in Exhibit "A"; (ii) all improvements now or hereinafter constructed in, upon, over or through such lands and premises, whether or not shown on any Exhibit hereto; and (iii) all rights, roads, waters, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed.
- (i) "Condominium Act" shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and all applicable amendments and supplements thereto.
- (j) "General Common Elements" shall have the same meaning as "common elements" pursuant to N.J.S.A. 46:8B-3(d), except as same may be modified by the provisions of paragraph 5 hereof.
- (k) "Institutional Lender" shall mean any bank, mortgage banker, insurance company, savings and loan association or other financial institution or pension fund, which is the record owner of a first mortgage loan which encumbers any Unit.
- (l) "Lease" shall mean any agreement for the leasing or rental of any Unit of the Condominium, including any sublease.
- (m) "Limited Common Elements" shall have the same meaning as "limited common elements" pursuant to N.J.S.A. 46:8B-3(j),

except as same may be modified by the provisions of Paragraph 5 hereof.

- (n) "Master Deed" shall mean this instrument together with all future amendments or supplements hereto.
- (o) "Owner" or "Unit Owner" shall mean and refer to those persons or entities in whom record title to any Unit is vested as shown in the records of the Passaic County Register's Office, including the Sponsor unless the context expressly indicates otherwise, but notwithstanding any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such Unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure, nor shall the term "Unit Owner" refer to any lessee or tenant of a "Unit Owner".
- (p) "Permitted First Mortgage" shall mean and refer to any first mortgage lien encumbering a Unit held by an Institutional Lender or which is a purchase money mortgage held by the Sponsor or by the Seller of a Unit.
- (q) "Property" shall mean the Building, the land and premises described in Exhibits "A" and "B" and all improvements now or hereafter constructed in, upon, over or through such land.
- (r) "Rules and Regulations" shall mean the Rules and Regulations of the Association together with all future amendments or supplements thereto.

- (s) "Sponsor" shall mean and refer to Burma Rd., Inc.
a New Jersey Corporation, its successors and assigns, and includes any successor Sponsor contemplated by paragraph 28 of this Master Deed.
- (t) "Unit" shall mean a part of the Condominium designated and intended for independent ownership and use as a residential dwelling as more specifically described in paragraph 4 hereof and shall not be deemed to include any part of the General Common Elements or Limited Common Elements situated within or appurtenant to a Unit.

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

3. GENERAL DESCRIPTION OF CONDOMINIUM. The Condominium will include the lands described in Exhibit "A" aforesaid consisting of approximately 2.99 acres, an aggregate of 19 Units, located in four (4) Buildings, together with parking areas and all other site improvements all as shown on Exhibit "B", and includes all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining. Each of the aforesaid Units is designated by the lettered Building in which it is located and by a separate number within each such Building all as is shown on Exhibit "B".

4. DESCRIPTION OF UNITS. The dimensions, area and location of the Buildings and all of the aforesaid Units within the Condominium are as shown graphically on Exhibits "B", and "C" A-1 thru A-11, aforesaid. Each Unit shall be described by letter and number signifying the building and location of the Unit in the building. Each Unit is intended to contain all space within the area bounded by the interior surface of the perimeter walls of each Unit and the floor and the ceiling of each Unit as follows:

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

TOP: The top of each Unit is an imaginary plane along and coincident with the unfinished and unexposed surface of the gypsum board or other material which forms the uppermost ceiling of the Unit and extending in every direction to the point where it closes with every side of such Unit.

SIDES: The sides of each Unit are imaginary vertical planes along and coincident with the innermost surface of the perimeter wall. Where no wall exists, the side is an imaginary vertical plane along and coincident with the exterior surface of the windows or doors located on the perimeter of such Unit. The sides of each such Unit are bounded by the bottom and top of the Unit.

Each Unit also includes all built in appliances, fixtures, doors, sliding glass doors, windows, interior walls and partitions, gypsum board and/or other facing material on the walls and ceilings thereof, the inner decorated and/or finished surface of the floors (including all flooring tile, ceramic tile, carpeting and all other improvements located within such Unit described, which are exclusively appurtenant to such Units, although all or part thereof may not be located within the Unit, and shall include, but not be limited to the following individual appurtenances to the extent that same serve each individual Unit only and not any other Unit or any portion of the Common Elements:

- (a) So much of the common heating, plumbing and ventilating system as extends from the interior surface of the walls, floors or ceilings into the Unit;
- (b) Hot water heater;
- (c) All electrical wires which extend from the interior surface of walls, floors or ceilings into the Units and all fixtures, switches, outlets and circuit breakers;
- (d) All cable television wiring which extends from the interior surface of the walls, floors, or ceilings into the Unit; and
- (e) All utility meters, if any, not owned by the public utility agency supplying the service.

(f) All equipment, appliances, machinery, mechanical or other systems which serve the Unit exclusively whether or not same are located within or without the Unit.

(g) Garages.

Interior partitions or nonbearing walls within the confines of each Unit may, from time to time, be removed or replaced, subject to the prior written approval of the Board. In the event a Unit Owner does remove or replace any or all such interior partitions or walls, no amendment of the Master Deed will be necessary or required. No Unit may be partitioned or subdivided without the prior written approval of any Institutional Lender for such Unit and the Board. None of the foregoing approvals shall apply to Sponsor prior to the conveyance of any Unit(s) affected to another Unit Owner.

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

5. DESCRIPTION OF GENERAL AND LIMITED COMMON ELEMENTS.

(a) General Common Elements

All appurtenances and facilities and other items which are not part of the Units hereinbefore described in paragraph 4 or part of the Limited Common Elements hereinafter described in subparagraph 5(b) shall comprise the General Common Elements as graphi-

cally shown on Exhibits "B" and "C" A-1 thru A-11, aforesaid. The General Common Elements shall also include by way of description but not by way of limitation:

- (i) All land shown on Exhibit "B" and Exhibits "C" A-1 thru A-11, aforesaid, whether improved or unimproved, and
- (ii) All private streets, driveways, curbs and sidewalks, subject to the easements and provisions set forth in paragraph 7 hereof; and
- (iii) The parking spaces as shown on Exhibit "B";
- (iv) Lawn areas, shrubbery, rubble walls, conduits, utility lines, underground sprinkler system, if any, subject to the easements and provisions set forth in paragraph 9 hereof; and
- (v) Public connections and meters for gas, electricity, telephone and water not owned by the public utility or other agencies providing such services; and
- (vi) The roof, the foundations, footings, columns, girders, beams, supports, exterior or interior bearing or main walls.
- (vii) Exterior lighting and other facilities necessary to the upkeep and safety of the Building and grounds; and
- (viii) Any easement or other right which may now or hereafter be granted for the benefit of the Unit Owner(s) or others for access to or use of the General or Limited Common Elements not included within the Condominium or for any other purpose; and

- (ix) All tangible personal property required for the operation, maintenance and administration of the Condominium which may be owned by the Association; and
- (x) All other facilities or elements of any improvement within any Building or upon the Property, necessary or convenient to the existence, management, operation, maintenance, and safety of the Condominium or normally in common use; and
- (xi) Areas for garbage receptacles.
- (b) Limited Common Elements
- (i) The Limited Common Elements shall be as graphically shown on Exhibits "C-A-1" thru "C-A-11", aforesaid, and shall include by way of description and not by way of limitation, any balcony, terrace, patio, deck or stoop to which there is direct access from the interior of an appurtenant Unit and shall be for the exclusive use of such Unit(s) to which it is physically adjacent. Each Unit Owner's right to use the balcony, terrace, patio, deck or stoop appurtenant to his Unit may not be transferred apart from the conveyance of title to the Unit. The owners of a Unit to which a balcony, terrace, patio, deck or stoop is attached

or connected shall make repairs thereto caused by their own negligence, misuse or neglect and shall be responsible for all snow removal and cleaning from said balcony, terrace, deck or patio. Any other repairs or maintenance by or with respect to the Limited Common Elements shall be the responsibility of the Association; and

- (ii) Any porch, steps, stairways, deck or stoop, if any, to which there is a direct access from the interior of the Unit shall constitute a Limited Common Element for the exclusive use of the said Unit;

(c) Reserved Common Elements

The Board shall have the power in its discretion to:

- (i) designate from time to time certain Common Elements as "Reserved Common Elements"; (ii) grant reserved rights therein to the Association and to any or less than all of the Unit Owners; and (iii) establish a reasonable charge to such Unit Owners for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

6. ESTATE ACQUIRED: INTEREST IN COMMON EXPENSES: INTEREST IN COMMON SURPLUS: VOTING: COMMON EXPENSES:

The Owner of each Unit shall have such an estate therein as

may be acquired by grant, by purchase or by operation of law, including an estate in fee simple; and shall acquire as an appurtenance thereto an undivided percentage interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains, as set forth in Exhibit "F" attached hereto and made a part hereof. The undivided percentage interest for each Unit shall be in the amount of 05.263% (achieved by dividing 1 by 19). Said percentage is expressed as a finite number to avoid an interminable series of digits: the last digit has been adjusted to that value which is most nearly correct. The percentages are the same for each Unit and shall remain fixed. The last unit percentage will be rounded to equal 100%.

The aforesaid percentage interest, which is based upon the number of total Units in the Condominium, shall be used to (i) allocate the division of proceeds, if any, resulting from casualty loss, any eminent domain proceedings, any common surplus of the Association, or from any other disposition of the Condominium property; (ii) apportion the assessments for the Common Expenses of each Unit within the Condominium; and (iii) determine voting rights of Unit Owners in the Association.

The Sponsor shall not be permitted to cast any votes held by him for unsold Units which would cause or result in an amendment to the Master Deed, By-Laws or any other document for the purpose of changing the permitted use of a Unit or for the purpose of reducing the Common Elements or facilities thereon.

7. COVENANT FOR MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENTS.

It shall be an affirmative and perpetual obligation of the Board to fix Common Expense assessments in an amount at least sufficient to maintain the exterior of the Building and to maintain and operate the Common Elements as contemplated by the Master Deed or By-Laws and as required by the Condominium Act. The amount of monies for Common Expenses of the Association deemed necessary by the Board and the manner of expenditure thereof shall be a matter for the sole discretion of the Board.

Annual Common Expense assessments shall be made for an annual period to be determined by the Board, and shall be payable in monthly installments due on the first day of each month. The Board shall cause to be prepared at least thirty (30) days in advance of the due date of the first annual Common Expense installment, a list of the Units and the annual Common Expense assessment applicable thereto, according to the names of the Unit Owners, which list shall be kept in the office of the Association and shall be open to inspection, upon request, by any Unit Owner. Written notice of the annual Common Expense assessments shall be sent by mail or delivered to every Unit Owner, as more particularly described in Article XIV of the By-Laws.

If an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment, increased by ten (10%) percent only after Sponsor no longer controls the Board. Any installments of such annual assessments shall be due upon each installment payment date until a new annual Common Expense assessment is made.

In the event the annual Common Expense assessment proves to be insufficient, the budget and assessment may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency.

In addition to the annual Common Expense assessments hereinbefore authorized, the Board may levy, in any assessment year, a special Common Expense assessment, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon or to the Common Elements, including the necessary furniture, fixtures, equipment, and other personal property related thereto, or for any other lawful purpose, provided that any such special Common Expense assessment shall be authorized by the vote in person or by proxy of two-thirds (2/3) of the aggregate votes held by all of the members in good standing affected at a meeting duly called for such purpose. Written notice of such meeting shall be sent to all Unit Owners at least thirty (30) days in advance, and which notice shall set forth the purpose of the meeting. The due date(s) of any special assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing such special assessment.

While the Sponsor maintains a majority of the Board of Directors, it shall make no additions, alterations, improvements or purchases not contemplated in this Offering which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a government agency, title insurance company, mortgage lender or in the event of an emergency.

Every Unit Owner, by acceptance of a deed or other conveyance for a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association such sums, by way of annual or special Common Expense assessments contemplated herein or in the By-Laws. Upon the conveyance of title to a Unit, the portion of the then current annual assessment payable by the new Unit Owner shall be an amount which bears the same relationship to the annual assessment as the remaining number of months in the then current annual assessment period bears to twelve. Such first annual assessment or portion thereof for which a new Unit Owner is liable shall be immediately due upon the closing of title to the purchaser.

The Association shall, upon the request of any Unit Owner liable for a Common Expense assessment, or of the Institutional Lender for any Unit, furnish to such Unit Owner or Institutional Lender, a certificate in writing, signed by an officer of the Association, setting forth whether or not such Common Expense assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any Common Expense assessments therein stated to have been paid.

No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each such assessment shall be a continuing lien upon the Unit against which it was made and shall also be the joint and several personal obligation of the Owner of such Unit at the time when the Common Expense assessment fell due, and of each subsequent record Owner of such Unit, except as otherwise contemplated by subparagraph 25(g) of this Master De

together with such interest thereon and cost of collection thereof (including reasonable attorney's fees). Liens for unpaid Common Expense assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid Common Expense assessments may be maintained without waiving the lien securing the same.

8. COMMON EXPENSES: RESPONSIBILITIES OF OWNERS:

DAMAGE DUE TO NEGLIGENCE, OMISSION, OR MISUSE.

The annual Common Expense assessments levied by the Board shall be used exclusively for promoting the health, safety, pleasure and welfare of the members of the Association, including, but without limitation: the maintenance and repair of the exterior and roof of the Buildings, including but not limited to cleaning and painting of the exterior surfaces and finishes; roof repair; maintenance, repair and replacement of the Common Elements or any other improvements on the Property; payment of all taxes, and insurance premiums; all costs and expenses incidental to the operation and administration of the Association; and, such other items as may from time to time be deemed appropriate by the Board. The Board may also provide, by its Rules and Regulations, for ordinary maintenance and minor repairs and replacements to be furnished to Units by Association personnel or representatives and charged as a Common Expense.

Each Unit Owner shall promptly furnish, perform, and be

responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit, provided, however: (i) such maintenance, repairs and replacements as may be required for the functioning of the common plumbing, heating, air-conditioning, mechanical, electrical and water supply systems within the Building; and (ii) the Association, its agents and employees may effect emergency or other necessary repairs which the Unit Owner has failed to perform; but any and all expenses incurred pursuant to the foregoing provisions shall be the responsibility of the Unit Owners affected thereby. Except as hereinbefore provided, maintenance, repairs and replacements of the plumbing fixtures and systems, windows, doors, balconies, electrical wiring and receptacles, kitchen appliances and equipment, and lighting fixtures within any Unit which are not common shall be the Unit Owner's responsibility at his sole cost and expense, and if the Unit Owner fails to perform such work the Association may do so on the Unit Owner's behalf and charge the reasonable expenses thereof to the Unit Owner. Maintenance, repair, replacement cleaning and washing of all wallpaper, paint, paneling, floor covering, draperies and window shades or curtains within any Unit shall also be the Unit Owner's responsibility at his sole cost and expense.

If, due to the negligent act or omission of or misuse by Unit Owner, or a member of his family or household pet, or a guest, occupant or visitor (whether authorized or unauthorized by the Unit Owner), damage shall be caused to the Common Elements, or to a Unit(s)

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

9. EASEMENTS

Every Unit Owner, his successors and assigns, shall have the following perpetual easements with respect to the Property:

- (a) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements; and
- (b) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or upon any Common Elements, now existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a Building or a Unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long

as the Building stands; and

- (c) A non-exclusive easement for ingress and egress to his Unit in, upon, under, over, across and through the General Common Elements; and
- (d) An exclusive easement to use and enjoy the surfaces of the main walls, (including any windows, doors, chimneys, balcony, stoops, or patio therein), ceilings and floors contained within his Unit; and
- (e) An easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines, television, cable television and other General Common Elements located in any of the other Units and serving his Unit; and
- (f) A perpetual and non-exclusive easement in, over and through the General Common Elements of the Condominium and to use the driveways, walks and other common facilities within the Condominium subject to the right of the Board to:
 - (i) promulgate rules and regulations for the use and enjoyment thereof; and
 - (ii) suspend the enjoyment and voting rights of any Unit Owner for any period during which any assessment for Common Expenses remains unpaid, or for any period during which any infraction of its published rules and regulations continues, it being understood that

any suspension for either non-payment of any assessment or a breach of the Rules and Regulations of the Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment.

Sponsor, its successors and assigns, shall have the following easements with respect to the Property:

- (a) A blanket and non-exclusive easement in, upon, through, under and across the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units or the Common Elements, for ingress and egress for the use of all driveways, parking areas, and for the utilization of existing and future model Units for sales promotion and exhibition, until the expiration of one (1) year from the date the last Unit is sold and conveyed in the normal course of business, but in no event more than ten (10) years from the date of recording this Master Deed. In addition, Sponsor hereby reserves the irrevocable right to enter into, upon, over or under any Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service such Unit or any part of the Building provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of

entry shall be immediate whether the Unit Owner is present at the time or not; and

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

The Property shall also be subject to the following easements:

- (a) The Association shall have a perpetual exclusive easement for the maintenance of any Common Elements, which presently or may hereafter encroach upon a Unit; and
- (b) The Association, through the Board or any manager, or managing agent, or their respective agents or employees shall have the perpetual and non-exclusive right of access to each Unit (i) to inspect same (ii) to remedy any violations set forth in this Master Deed, the By-Laws or in any Rules and Regulations of the Association, and (iii) to perform any operations required in connection with the maintenance, repairs or replacements of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements; provided that requests for entry are

made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not; and

- (c) Any Institutional Lender, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair of the Common Elements, or any Units so encumbered by a first mortgage owned by it. This right shall be exercised only during reasonable daylight hours, and then whenever practicable, only after advance notice to and with the permission of the Board and the Unit Owner; and
- (d) A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, waters, poles, transformers, cable television antennas and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the Property, which easement shall be for the benefit of any governmental agency, or utility company or other entity which requires same for the purpose of

furnishing one or more of the foregoing services; and

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

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

The administration of the Common Elements of the Condominium and other common facilities shall be by the Association in accordance with the provisions of the New Jersey Condominium Act, this Master Deed, the Articles of Incorporation, the By-Laws, the Rules and Regulations and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently be required by any Institutional Lender designated by the Sponsor or

by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor to insure title to any Unit(s). Sponsor hereby reserves for itself, its successors and assigns, for a period of three (3) years from the date the first Unit is conveyed to an individual purchaser, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Condominium, any such agreement, documents, amendments or supplements to the above described documents which may be so required by any such Institutional Lender, governmental agency or title insurance company; provided, however, that no such agreement, document, amendment or supplement which adversely affects the value or substantially alters the floor plan of any Unit, or changes the percentage of the undivided interest in the Common Elements or increases the financial obligations of the Unit Owner or reserves any additional or special privileges shall be made without the prior written consent of the affected Unit Owner(s) and all owners of any mortgage(s) encumbering same; or if such agreement, document, amendment or supplement adversely affect the priority or validity of any mortgage which encumbers any Unit, without the prior written consent of the owners of all such mortgages.

By acceptance of a deed to any Unit or by acceptance of any other legal or equitable interest in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the

Condominium does automatically and irrevocably name, constitute, appoint and confirm (i) Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deed(s) and other instrument(s) necessary to effect the foregoing, subject to the limitations set forth above in the preceding paragraph, and (ii) the Association as attorney-in-fact to acquire title to or lease any Unit whose Owner desires to surrender, sell or lease the same, in the name of the Association or its designees, corporate or otherwise, and on behalf of all Unit Owners to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Units so leased by the Association.

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

11. RESTRICTIONS. The Condominium is subject to all covenants, restrictions and easements of record and to the following restrictions:

- (a) No Unit, except those Units owned by the Sponsor and used as sales offices, administrative offices or models, shall

- be used for any purpose other than as a private residence;
- (b) There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements without the prior consent of the Board. The use by Unit Owners of any designated storage area which is part of the General Common Elements shall be governed by Rules and Regulations.
- (c) No bird, reptile, or animal of any kind shall be raised, bred, or kept in any Unit or anywhere else upon the Property except that dogs, cats or other household pets are permitted, not to exceed two in the aggregate, provided that they are not kept, bred or maintained for any commercial purpose, are housed within the Unit and abide by all applicable Rules and Regulations. No outside dog pens, runs or yards shall be permitted.
- (d) No vehicles of a size larger than a panel truck and no mobile home, recreation vehicle, boat, boat trailer, inoperable vehicle, or the like shall be parked on any part of the Property, except that those vehicles temporarily on the Property for the purpose of servicing the Property itself or one of the Units shall be permitted without written consent of the Board.
- (e) No Unit Owner can obstruct driveways leading to garages;

- (f) No portion of the Common Elements or other portion of the Property thereof shall be used or maintained for the dumping of rubbish or debris. Trash, garbage or other waste shall be kept in sanitary containers on the Property for weekly or more frequent collections.
- (g) No exterior loudspeakers other than as contained in portable radios or television sets shall be permitted, nor shall unshielded floodlights be installed in any exterior area of any Unit or any balcony, patio or terrace appurtenant thereto without the permission of the Board.
- (h) The Owner of each Unit shall not cause or permit any clothes, sheets, blankets, or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills, walls or balconies of any Building or in any parking areas; and no signs, awnings, grills, balcony enclosure, fence, canopies, shutters, or radio or television antenna or aerial shall be erected or installed in or upon the Common Elements or any part thereof without the prior consent of the Board. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building or any parking areas. Each Unit Owner is responsible to promptly report to the Board any defect or need for repairs, the responsibility for which is that of the Association.

- (i) In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current up-to-date roster of Unit Owners, each Unit Owner shall give the Secretary of the Association, timely notice of his intent to list his Unit for sale, and, upon closing of title shall forthwith notify such Secretary of the names and home addresses of the purchasers.
- (j) No Unit Owner or occupant shall build, plant, or maintain any matter or thing upon, in, over or under the General or Limited Common Elements without the prior written consent of the Board unless permitted by the Rules and Regulations.
- (k) Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows of his Unit and also the front door and any doors leading onto the balcony, terrace, deck or patio adjacent to his Unit.
- (l) No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements.
- (m) To the extent that equipment, facilities and fixtures, within any Unit(s) shall be connected to similar equipment, facilities or fixtures affecting or serving other Unit(s) or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to this Master Deed, the By-Laws and the Rules and Regulations of the Association.

- (n) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of any Building or the contents thereof beyond the rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which will result in the cancellation of insurance on any Building or the contents thereof, or which will be in violation of any law.
- (o) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any Unit nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other residents in the Condominium. The use of General Common Elements for recreation shall be governed by the Rules and Regulations.
- (p) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.
- (q) Nothing shall be done to any Unit or on or in the Common Elements which will impair the structural integrity of any Building or which will structurally change any Building. No Unit Owner (other than the Sponsor) may make any structural

additions, alterations or improvements in or to his Unit or in or to the Common Elements, without the prior written approval of the Board, or impair any easement without the prior written consent of the Board. The Board shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement to his Unit within forty-five (45) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a consent to the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must be reviewed by the Board and, if approved, shall be executed by the Board and may then be submitted by the Unit Owner. Such approval, however, shall not result in liability on the part of the Association to any contractor, subcontractor, or materialman on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owners shall furnish the Board with a copy of any such permit which he has procured. The provisions of this subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor.

(r) Draperies, blinds, curtains or other window coverings

must be installed by each Unit Owner on all windows of his Unit and must be maintained in said windows at all times.

(s) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.

(t) No Unit shall be leased by the Owners thereof (except a lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or by any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as "(i) rental for any period less than six (6) months; or (ii) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry and linen, and bellboy service", provided however, that any Unit Owner, including Sponsor, may rent a Unit for a period of less than six (6) months to a contract purchaser thereof.

No Unit Owner may lease less than an entire Unit.

Other than the foregoing obligations, the Unit Owners shall have the right to lease same provided that said lease is in writing and made subject to all provisions of this Master Deed, the By-Laws of the Association and

other documents referred to herein, including the right of amendment reserved to Sponsor herein, and provided further 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 fails to comply with the provisions of this Master Deed, the By-Laws or Rules and Regulations then, in addition to all other remedies which it may have, the Association shall notify the Unit Owner of such violation(s) and demand that the same be remedied through the Unit Owner's efforts within thirty (30) days after such notice. If such violation(s) is not remedied within said thirty (30) day period, then the Unit Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such violation(s). Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Board shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said cost and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Board in the same manner

as the Board is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his attorney-in-fact for the purposes described in this subparagraph (s).

- (u) No Unit Owner shall have the right to mortgage or encumber his Unit, unless such mortgage or encumbrance is a Permitted First Mortgage. No other mortgages or encumbrances shall be permitted without the prior written approval of the Board.
- (v) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided in the New Jersey Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his proportionate undivided percentage interest in the General Common Elements.
- (w) Each Unit Owner shall pay for his own telephone, and other utilities, including sewer and water charges, which are separately metered or billed to each user by the respective utility company.

Utilities that are billed to the Association or which serve the Common Elements shall be treated as part of the Common Expenses.

- (x) No clothes poles or lines shall be installed or maintained, but a collapsible clothes tree is permitted, provided it be removed when not in use.
- (y) No business, trade or profession shall be conducted in any Unit.
- (z) The Common Elements shall be used for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.
- (aa) Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use.

The Board shall have the power to make such rules and regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring law suits to enforce the rules and regulations so promulgated. The Board shall further have the right to levy fines for violations of these regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$10.00. Each day that a violation continues after receipt of notice by the Unit Owner may be considered as a separate violation. Any fine so levied shall be considered as a Common Charge to be levied against the particular Unit Owner involved, and collection may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Charges.

12. OBLIGATIONS OF SPONSOR. Until the conveyance of title

to the first Unit, the Sponsor shall be solely responsible for all Common Expenses. Following the first conveyance, the Owners of Units to whom title shall have been conveyed shall be responsible for their proportionate share of all Common Expenses and the Sponsor shall be responsible for payment of all Common Expenses assessed against Units which have not been conveyed for which an initial Certificate of Occupancy has been issued by the Borough of Wanaque.

13. NO PARTITION. Subject to the provisions of this Master Deed and Articles of Incorporation and By-Laws and the New Jersey Condominium Act, the Common Elements shall remain undivided and no Unit Owner(s) shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

14. MEMBERSHIP IN THE ASSOCIATION. Upon acceptance of a Deed to a Unit each Unit Owner shall automatically become a Member of the Association and shall be a Member for so long as he shall hold legal title to his Unit subject to all provisions of this Master Deed, the New Jersey Condominium Act, the Articles of Incorporation, and the By-Laws and Rules and Regulations which may now or hereafter be established for or by the Association. The Sponsor shall be a Member of the Association with respect to all Units owned by it.

15. COMPLIANCE BY OWNERS. Each Owner or occupant of a Unit

shall comply with, and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having jurisdiction over the Condominium, the provisions of this Master Deed, the Articles of Incorporation, By-Laws, Rules and Regulations or any other documents, amendments or supplements to the foregoing as described in paragraph 10 hereof. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both, by the Sponsor, the Association, or any Unit Owner, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid, and against any Unit Owner to enforce any lien created by this Master Deed or any covenant contained herein. Failure by the Sponsor, the Association, or any Unit Owner to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

16. DAMAGE OR DESTRUCTION TO THE PROPERTY. If the Building, any improvement or Common Element or any part thereof is damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the following:

a. If the insurance proceeds derived from such loss amount to to \$25,000 or less, then the Board shall contract with any licensed contractor or contractors to rebuild or repair such damage or destroyed portions of the Property in conformance with the original plans and specifications; or if adherence to such original plans and specifications is impracticable in the Board's opinion, then in conformance with revised plans and specifications provided such repairs or rebuilding shall be of a quality and kind

substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

b. If the insurance proceeds derived from such loss exceed \$25,000.00, all such insurance proceeds shall be paid directly to an Insurance Trustee as may be designated by the Board, as trustee for all Institutional Lenders holding first mortgages on the Property, and all Unit Owners as their interests may then appear. Disbursement of such funds shall be made only upon the signatures of a majority of the members of the Board.

c. While the developer maintains control of the executive board, he shall take no action which adversely affects a homeowners rights under N.J.A.C. 5:25-5.5. Claims relative to defects in common elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

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

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

the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board,

(3) The Board shall employ a licensed architect to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is contemplated in a workmanlike manner and according to plans and specifications.

c. If the damage is only to those parts of a Unit for which the responsibility for maintenance and repair is that of the Owner, then that Owner shall be responsible for reconstruction and repair, but the proceeds of any insurance that may have been obtained by the Association shall be made available for such purpose. Subject to the provisions of this Master Deed, in all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

d. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners whose Units were damaged or destroyed, in sufficient amounts to provide funds for the payment of such costs. Despite anything to the contrary in this Master Deed or By-Laws such assessments shall be in proportion to the Unit Owner's

percentage interest in the Common Elements. The foregoing provisions of this subparagraph are applicable to the repairs and reconstruction to be undertaken by the Association and do not cover damages to those portions of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner for which the costs and expenses must be borne by each Owner; provided, however, any portion of the insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an individual Unit Owner shall be paid to said Unit Owner, or if there is a mortgage endorsement as to such Unit, then to the Unit Owner and mortgagee, jointly.

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

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

17. EMINENT DOMAIN. If any Building, improvement or Common

Element or any part thereof shall be taken, injured or destroyed by eminent domain, each Unit Owner affected shall be entitled to notice of such taking and to participate through the Association in the proceeding incident thereto. Any awards made in connection with such proceedings shall be collected by the Association and applied or distributed by it in accordance with such award or decree.

Upon acquisition by the condemning authority, unless the decree provides otherwise, each affected Unit's entire percentage interest and its Common Expense liability shall be automatically reallocated to the remaining Units in proportion to their respective percentage interests and the liabilities of such remaining Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Master Deed reflecting the reallocations. Any remnant of a Unit remaining after a part of a Unit is taken under this subsection shall thereafter be a Common Element.

If a part of the Common Elements is acquired by eminent domain, the award must be paid to the Association. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit Owners in proportion to their respective percentage interests in the Common Elements before the taking, but the portion of the award attributable to the acquisition of any Limited Common Element must be divided among the Owners of the Units to which that Limited Common Element was allocated at the time of acquisition. Such division shall be proportionate based upon such Owners' proportionate interest in that Limited

Common Element.

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

18. INSURANCE. The Board shall obtain and continue in effect blanket property insurance on the Common Elements in an amount equaling replacement value, and in form satisfactory to any Institutional Lender holding first mortgages on a majority of the Units, but without prejudice to the right of the Owner of any Unit to obtain individual Unit insurance at his own cost. In addition, the Board shall obtain and continue such other amounts of insurance as may be required by the provisions of the By-Laws. Premiums for all such insurance coverage except for individual Unit coverage shall be a Common Expense to be included in the monthly assessment for Common Expenses.

19. AMENDMENT OF MASTER DEED. This Master Deed may be amended at any time after the date hereof by a vote of at least two-thirds (2/3) of all Unit Owners at any meeting of the Association duly held in accordance with the provisions of the By-Laws provided, however, that any amendment so requiring it under the provisions of paragraph 25, shall also have the prior-written approval of each Institutional Lender. No amendment shall be effective until recorded in the Office of the Register of Passaic County, New Jersey. This paragraph is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor pursuant to paragraph 10 hereof. In the alternative, an amendment may be made by an agreement, signed and

acknowledged by all of the Unit Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Register of Passaic County, New Jersey.

20. ENFORCEMENT. Enforcement of this Master Deed shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person or persons, firm or corporation violating or attempting to violate any covenant herein contained; either to restrain or enjoin such violation or threatened violation, or to recover damages; and against any Owner to enforce any lien created by this Master Deed in any covenant herein contained. Failure by the Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

In the event the Condominium is not maintained in reasonable order and condition, the Borough of Wanaque shall have the right to enter upon and maintain the Condominium in accordance with the provisions of N.J.S.A. 40:55D-43(b). The cost of such maintenance by the municipality shall be assessed pro rata against the Owners of each Unit affected thereby and shall become a lien and tax on each such Unit, and shall be enforceable by the Borough of Wanaque in the manner provided by law with respect to real estate taxes assessed directly against each such Unit.

21. WAIVER. No provision contained in this Master Deed shall be deemed to have abrogated or waived by reason of any failure

to enforce the same, irrespective of the number of violations or breaches which may occur.

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

23. RATIFICATION, CONFIRMATION AND APPROVAL OF AGREEMENTS. The fact that some or all of the officers, Directors, Members or employees of the Association and the Sponsor may be identical, and the fact that the Sponsor or its nominees, have heretofore or may hereafter enter into agreements with the Association or with third parties, will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit, and the acceptance of the deed therefore by any party, shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the propriety and legality of said agreements or said agreement, or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Articles of Incorporation or the By-Laws. If the Developer retains title to any units, and rents those units, then the Developer shall pay the common charges/monthly assessments due on behalf of that unit. Further, in the event that the Developer retains title to and rents certain condominium units to non-contract occupants, the Developer shall amend this Application for Registration as appropriate to reflect such rental or leasing activity and any effect some may have on the control of the Condominium Association or upon any other aspect of the Condominium.

24. RIGHTS RESERVED TO SPONSOR. Despite anything to the contrary herein or in the Articles of Incorporation or By-Laws of the Association, Sponsor hereby reserves for itself, its successors and assigns, for so long as it owns one or more Units in the Condominium, the right to sell, lease, mortgage or sublease any unsold units within the Condominium.

unsold Units within the Condominium.

25. PROTECTIVE PROVISIONS FOR THE BENEFIT OF INSTITUTIONAL LENDERS.

Despite anything to the contrary in this Master Deed or the By-Laws or Articles of Incorporation, the following shall apply with respect to each Institutional Lender.

- (a) The prior written approval of each Institutional Lender who requested notice is required for the following events:
 - (i) The abandonment or termination of the Condominium except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;
 - (ii) Any material amendment to the Master Deed or to the By-Laws or Articles of Incorporation, including but not limited to, any amendment which would change the percentage interests of the Unit Owners in the Condominium, except for such amendments as may be permitted pursuant to paragraphs 4 or 10 of this Master Deed;
 - (iii) The effectuation of any decision by the Association to terminate professional management and assume self-management of the Condominium.
- (b) No Unit in the Condominium may be partitioned or subdivided without the prior written approval of any

Institutional Lender for such Unit.

- (c) Any lien the Association may have on any Unit in the Condominium for the payment of Common Expenses assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any Permitted First Mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.
- (d) Any Institutional Lender shall upon request, (i) be permitted to inspect the books and records of the Association during normal business hours; (ii) receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association; (iii) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings; and (iv) receive written notice of any default in the payment of any Common Expense assessment installments which is more than thirty (30) days in arrears, provided said Institutional Lender holds a Permitted First Mortgage lien on the Unit.
- (e) In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, any Institutional Lender which may be affected shall be entitled to timely written notice of any such damage or

destruction. No Unit Owner or other party shall have priority over such Institutional Lender with respect to the distribution to such Unit of any insurance proceeds.

- (f) If any Unit or portion thereof, or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the Institutional Lender(s) holding a Permitted First Mortgage on the Unit(s) is entitled to timely written notice of any such proceeding or proposed acquisition and no Unit Owner or other party shall have priority over such Institutional Lender with respect to the distribution to such Unit(s) of the proceeds of any award or settlement.
- (g) Any Institutional Lender who holds a Permitted First Mortgage lien on a Unit who obtains title to the Unit as a result of foreclosure of the first mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, is not liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which became due prior to acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of

the remaining Unit Owners including such acquirer, his successors and assigns.

- (h) Any management agreement for the Condominium will be terminable by the Association for cause upon sixty (60) days' prior written notice thereof, and the term of any such agreement shall not exceed one year.
- (i) Despite the absence of any express provision to such effect in the mortgage instrument, in the event that there is any default in the payment of any installment of a Common Expense assessment with respect to any Unit, either regular or special, any Institutional Lender holding a mortgage which encumbers such Unit shall be entitled to declare such mortgage in default in the same manner that is permitted by such mortgage with respect to any default in the payment of real estate taxes.

26. DURATION. The provisions of this Master Deed shall be perpetual in duration, shall run with and bind all of the land included in the Condominium and shall inure to the benefit of and be enforceable by the Association and the Unit Owners, their respective successors, assigns, heirs, executors, administrators, and personal representatives, except that the covenants and restrictions set forth in Paragraph 11 shall have an initial term of forty years from the date this Master Deed is recorded in the Office of the Registrar of Passaic County Clerk, at the end of which period such covenants and restrictions shall automatically be extended for successive periods of

ten (10) years each, unless at least two-thirds (2/3) of the Unit Owners at the time of expiration of the initial period, or of any extension period, shall sign an instrument, or instruments (which may be in counter-parts), in which they shall agree to change said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Owner at least ninety (90) days in advance of the action taken in authorizing said agreement; and, in any event, any changes concerning any such agreement shall not become effective and binding until the recording of the aforesaid fully executed instrument or instruments containing such agreement, and provided further, that in no event may the Common Elements be conveyed to any third person, firm or corporation, without the express consent, by ordinance, of the governing body of the Borough of Wanaque (or such municipal corporation or other governmental entity as may then have zoning and subdivision jurisdiction over the Property).

27. RULE AGAINST PERPETUITIES. If any provision of this Master Deed, or the By-Laws shall be interpreted to constitute a violation of the rule against perpetuities, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

28. SPECIAL SPONSOR'S RIGHTS:

(a) No special rights created or reserved to the Sponsor under this Master Deed ("Special Sponsor Rights") may be transferred except by an instrument evidencing the transfer recorded in the Office of the Register of Passaic County, New Jersey. The instrument shall not be effective unless executed by the transferee.

(b) Upon transfer of any such Special Sponsor Right, the liability of the transferor is as follows:

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

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

3. A transferor who retains no such Special Sponsor Rights has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of any such Special Sponsor Right by a successor Sponsor who is not an affiliate of the transferor.

(c) Unless otherwise provided in a mortgage instrument or deed of trust, in case of foreclosure of a mortgage, sale by a trustee under a deed of trust, or sale under the Bankruptcy Act or receivership proceedings, of any Units owned by Sponsor in the Condominium, a person acquiring title to all the Units being foreclosed or sold, but only upon his request, succeeds to all such Special Sponsor Rights, or only to any such Special Sponsor Rights to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Sponsor Rights requested.

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

1. The Sponsor ceases to have any such Special Sponsor Rights, and
2. The period of Sponsor control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Sponsor Rights to a successor to Sponsor.

(e) The liabilities and obligations of persons who succeed to all Special Sponsor Rights are as follows:

1. A successor to all such Special Sponsor Rights who is an affiliate of the Sponsor is subject to all obligations and liabilities imposed on any Sponsor by law or by the Master Deed.
2. A successor to all such Special Sponsor Rights, other than a successor described in paragraphs 3 or 4 hereof who is not an

affiliate of Sponsor, is subject to all obligations and liabilities imposed upon Sponsor by law or the Master Deed, but he is not subject to liability for misrepresentations or warranty obligations on improvements made by any previous Sponsor or made before the Condominium was created, or for a breach of fiduciary obligation by any previous Sponsor.

3. A successor to only a Special Sponsor Right to maintain models, sales offices and signs, if he is not an affiliate of Sponsor, may not exercise any other Special Sponsor Right, but is not subject to any liability or obligation as a Sponsor.

4. A successor to all Special Sponsor Rights who is not an affiliate of Sponsor and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under subparagraph (c) aforesaid, may declare his intention in a recorded instrument to hold those rights solely for transfer to another party. Thereafter, until transferring all such Special Sponsor Rights to any person acquiring title to any Unit owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than right to control the Board for the duration of any period of Sponsor control, and any attempted exercise of those rights is void. So long as a successor Sponsor may not exercise special rights under this subparagraph he is not subject to any liability or obligation as a Sponsor other than liability for the

successor's acts and omissions under the Master Deed.

(f) Nothing in this paragraph subjects any successor to a Special Sponsor Right to any claims against or other obligations of a transferor other than claims and obligations arising under the Master Deed.

29. INVALIDITY. The invalidity of any provision of this Master Deed, the Articles of Incorporation, or By-Laws of the Association shall not be deemed to impair or affect in any manner the validity, enforceability or effect the remainder of this Master Deed or said By-Laws and in such event all of the other provisions of this Master Deed and said By-Laws shall continue in full force as if such invalid provisions had never been included.

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

- EXHIBIT "A" - Metes and bounds description of the Property.
- EXHIBIT "B" - Survey of the Property.
- EXHIBIT "C" - Floor Plans of Units A-1 to A-11
A-2, A-4, A-5, A-7 and A-8 intentionally omitted.
- EXHIBIT "D" - Articles of Incorporation of Suburban Village Condominium Association.
- EXHIBIT "E" - By-Laws of Suburban Village Condominium Association.
- EXHIBIT "F" - Percentage of Interest Schedule.

IN WITNESS WHEREOF, the Sponsor has caused this instrument to be

executed the day and year first above written.

BURMA RD., INC.

By JACK LEVKOVITZ, President

STATE OF NEW JERSEY)

SS:

COUNTY OF PASSAIC)

I CERTIFY that on

, 19

JACK LEVKOVITZ, President of Burma Rd., Inc., personally came before me and acknowledged under oath, to my satisfaction, that he:

- (a) is named in and personally signed the attached document; and
- (b) signed, sealed and delivered this document as his act and deed.

ARNOLD S. COHEN, ESQ.

Attorney at Law of New Jersey

