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PUBLIC OFFERING STATEMENT

Planned Real Estate Development:

Newtowne Square, a Condominium

City of Pleasantville, New Jersey

Owner: G & H Realty Development Company, Inc.
A New Jersey corporation
1500 Tilton Road
Northfield, New Jersey

Effective Date of Statement:

NOTICE TO PURCHASERS

THIS PUBLIC OFFERING STATEMENT IS FOR INFORMATIONAL PURPOSES ONLY. PURCHASERS SHOULD ASCERTAIN FOR THEMSELVES THAT THE PROPERTY OFFERED MEETS THEIR PERSONAL REQUIREMENTS. NEW JERSEY DIVISION OF HOUSING HAS NEITHER APPROVED NOR DISAPPROVED THE MERITS OF THIS OFFERING.

BE SURE TO READ ALL DOCUMENTS CAREFULLY BEFORE YOU SIGN THEM.

Prepared by:

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PUBLIC OFFERING STATEMENT
FOR
NEWTOWNE SQUARE, A CONDOMINIUM

I. Name and Principal Address of the Grantor:

G & H REALTY DEVELOPMENT COMPANY, INC., a New Jersey corporation, having an office at 1500 Tilton Road, Northfield New Jersey, is hereinafter referred to as "Grantor".

II. Description of Interests Being Offered:

Grantor intends to construct fifty-six (56) condominium units and submit the development to the condominium form of ownership. The term Condominium refers to a form of property ownership. The property which is owned as a condominium contains two distinct types of property; units and common elements. Units are portions of a condominium which are set aside for individual ownership. Common elements, on the other hand, are all portions of the condominium which are not included within the units. The common elements, by way of description, but not by way of limitation, constitute the land and those portions of the structures which support, enclose or service the units. Each unit owner owns an undivided interest in the common elements. A unit owner owns

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his unit in many respects as a private homeowner owns his home. The unit is defined to include the undecorated interior surfaces of the units exterior walls, ceilings and floors. The unit owner will own his unit in fee simple and will be entitled to the exclusive possession thereof.

Each unit owner may mortgage his unit, provided however, that such mortgage is obtained from a bank, mortgage banker, trust company or other recognized institutional lender, or is a purchase money mortgage to the immediate predecessor in title to a unit. The unit owner is free to sell or lease his unit or dispose of it by gift or devise. The unit owner may decorate the interior of his unit in any way he desires so long as such decorations do not impair the structural integrity of the condominium building.

Pursuant to New Jersey law, each unit is separately taxed for real estate tax purposes. The unit owner will not be responsible if any of his neighbors fail to pay taxes due on their individual units.

In addition to the ownership of the area encompassed by the condominium unit, the unit owner also owns and undivided proportionate part of the common elements.

A unit owner acquires membership in the Condominium Association, which is formed for the purposes of maintaining and managing the common elements. The Association will collect a monthly assessment representing each individual unit owner's

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proportionate part of the expenses of maintaining all of the common elements of the condominium. The above charges and expenses, under the terms and conditions of the Master Deed and By-Laws of the Association, constitute a lien against an individual condominium unit in favor of the Condominium Association.

A Buyer upon signing the agreement of sale for a particular condominium unit agrees to subscribe to membership in the Condominium Association.

III. Narrative Description of the Condominium:

A. General. If all four Phases, as described below are completed, the condominium will be comprised of 56 residential units, on a site containing approximately 1.89 acres. The residential Units are contained in four (4) buildings one building of sixteen (16) units, two buildings each having fourteen (14) Units, and one building having twelve (12) units. In addition, the condominium contains a paddle-ball facility, two shuffleboard courts, parking areas and common driveways. The condominium property is more particularly described and shown on Exhibits "A" and "B", respectively. The condominium Units are more particularly described and shown on Exhibit "C", annexed hereto and made a part hereof.

B. Condominium Phases. The property will be developed in four phases.

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(a) Phase One: Grantor will construct sixteen (16) residential condominium units on the property designated as Phase One Land as more particularly described on Exhibit "A" of the Master Deed. Phase One will include 16 parking spaces. Phase One will be completed on or before December 31, 1983.

(b) Phase Two: In phase two, the Grantor will construct an additional fourteen (14) residential condominium units on the property designated as Phase Two Land and described on Exhibit "A". Phase Two will include sixteen (16) parking spaces, a paddle-ball facility and two shuffle board courts. Phase Two will be completed, if at all, on or before December 31, 1985.

(c) Phase Three: Grantor will construct an additional fourteen (14) residential condominium units on property designated as Phase Three Land and described on Exhibit "A" of the Master Deed. Phase Three will include 14 parking spaces. Phase Three will be completed, if at all, on or before December 31, 1987.

(d) Phase Four: Grantor will construct an additional twelve (12) residential condominium units on property designated as Phase Four Land and described on Exhibit "A" of the Master Deed. Phase Four will include 12 parking spaces. Phase Four will be completed, if at all, on or before December 31, 1989.

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Notwithstanding any provision to the contrary depending upon market conditions, mortgage availability, sales and other conditions and factors to be determined in Grantor's sole discretion, Grantor expressly reserves the right to withdraw, on or before December 31, 1985, the land designated as Phase Two Land and described on Exhibit "A" of the Master Deed; Grantor expressly reserves the right to withdraw, on or before December 31, 1987, the land designated as Phase Three and described on Exhibit "A" of the Master Deed; Grantor expressly reserves the right to withdraw, on or before December 31, 1989, the land designated as Phase Four and described on Exhibit "A" of the Master Deed. The land withdrawn by Grantor shall not exceed the area described as Phase Two Land, Phase Three Land and Phase Four Land on Exhibit "A" of the Master Deed. Should Grantor withdraw either or all of Phase Two, Phase Three or Phase Four Land from the Condominium, Grantor expressly reserves the right subject to this paragraph to sell, convey or use the land as Grantor may desire, in Grantor's sole discretion.

Upon the withdrawal of either Phase Two or Three from the condominium regime, and as a condition of the development of the withdrawn phase, Grantor covenants and agrees that:

(a) Grantor shall obtain necessary subdivision approval such that the withdrawn phase can be developed as a separate parcel or tract of land under different ownership and

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be in conformance with all applicable local and state laws regulations and ordinances; and

(b) Grantor shall not develop the withdrawn phase i such a manner as to cause any of the units or common element constructed or to be constructed in the condominium to com into violation or non-conformity with any applicable local o state laws, regulations or ordinances.

(c) Grantor covenants and agrees that during th construction of Phase Two, Phase Three, and/or Phase Four i will take no action that will impose additional expense on th unit owners owning units in Phase One, Phase Two or Phase Thre as the case may be, by reason of the construction of Phase Two, Phase Three, and/or Phase Four.

C. Description of Condominium Units. The condominium will consist of two types of units as more particularly described on Exhibit "A" annexed hereto and made a part hereof. The area measurements are approximations and not exact measurements. The descriptions are that of a typical unit, and individual units may vary from the description. The units are heated and air conditioned by gas and electric. The cost of heating, air conditioning, electric, water and sewer are charged to each unit and separately metered.

D. Common Elements. The common elements include all structures and space not within the boundaries of the condominium unit. They include but are not limited to

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shrubbery, landscaping, the parking lot, the roads, the exteriors of the buildings, the recreational facilities and are more particularly described in Exhibit "B" attached hereto and made a part hereof.

IV. Community Information.

Pleasantville is a suburban community consisting of 5.8 square miles. The city is located in the eastern portion of Atlantic County approximately sixty (60) miles from Philadelphia. The Atlantic City Expressway, which intersects the community, provides access to the metropolitan area of Philadelphia and is within two (2) miles of the Condominium. The New Jersey Turnpike which leads to North Jersey points and New York City can be reached via the Garden State Parkway. There are two (2) major airports, within a ten (10) mile radius of the Condominium. One is located in Atlantic City and one is located in Pomona. The nearby seashore communities of Atlantic City, Margate, Ventnor and Longport are easily accessible by the Black Horse Pike, the road adjacent to the Condominium. The current population of the City of Pleasantville is 13,500.

Pleasantville has a mayor-council form of government. The police and firemen are full-time employees paid by the city. Fire protection is provided by three (3) fire stations and (10) ten volunteer squads. The police station is three-fourths (3/4) of a mile and the fire stations are within a two (2) mile radius from the Condominium site.

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Elementary and secondary public education is available. There are four (4) elementary schools. North Main Street School, South Main Street School, Leeds Avenue School and the Middle School, respectively. Secondary education is provided by the Pleasantville Senior High School. Parochial education is available at the St. Peter's School. Both Atlantic Community College and Stockton State College offer many day and evening classes. Atlantic Community College located in Mays Landing, is a two (2) year institution and offers an associates degree. Stockton State, located in Pomona, is a four (4) year institution and offers a bachelor degree. The aforementioned educational institutions are all within a ten (10) mile radius of the Condominium.

There are a number of recreational facilities convenient to the Condominium. The city maintains six (6) public parks which offer playgrounds, tennis courts and a community sports complex system, all within a five (5) mile radius of the Condominium. The seashore resort of Atlantic City, located within ten (10) miles from the Condominium, is easily accessible by car. Atlantic City provides beaches, boating and summer housing. There are also nine (9) casino-hotels which offer casino gaming and family entertainment. Within a five (5) mile radius are a variety of golf courses and health clubs. There are also numerous shopping facilities located in close proximity to the

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Condominium. The Shore Mall, which houses over fifty (50) stores, is only one and a half (1-1/2) miles away. The Pleasantville Shopping Center is situated directly across from the Condominium on the Black Horse Pike. The Historic Towne of Smithville, which offers many fine restaurants and shops, is located approximately seven (7) miles away.

Three (3) modern well-equipped hospitals are within an eight (8) mile radius. The Atlantic City Medical Center Mainland Division, located in Pomona, has 110 beds, the Atlantic City Medical Center has 450 beds and the Shore Memorial Hospital, located in Somers Point, has 279 beds. Electricity is supplied by the Atlantic City Electric Company. Gas is supplied by the South Jersey Gas Company. Water is provided for by the New Jersey Water Company. The Pleasantville Water Pollution Control furnishes sewer services. Telephone is supplied by the New Jersey Bell Telephone Company. Sammons Communications offers cable television to the area. In addition, there are places of worship for most denominations situated within a seven (7) mile radius of the Condominium. There are approximately seventeen (17) churches in Pleasantville. Five (5) temples and synagogues are located in nearby Atlantic City.

V. Recreational Facilities.

A. Recreational Facilities. The condominium will contain a paddle-ball court and two shuffleboard courts. The

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use of the recreational facilities are restricted to the Unit owners and their guests. The recreational facilities will be completed prior to the conveyance of the first unit in Phase Two of the Condominium.

VI. Method of Operation and Management of the Common Elements and Facilities.

The common elements and facilities will be operated and managed by Newtowne Square Condominium Association. Such operation and management of the Condominium will be in accordance with the Master Deed of the Condominium and the By-Laws of the Association. The power of operation and management of the Condominium will be vested in the Association's Board of Directors. The Association will annually prepare and adopt a budget which will pay for all common expenses.

VII. Control of the Common Elements and Facilities.

The control of the common elements and facilities is vested in the Board of Directors of Newtowne Square Condominium Association, all as more particularly described in the By-Laws of the Condominium Association which are annexed hereto and made a part hereof as Exhibit "C". The Association Board of Directors shall consist of five (5) members. Until fourteen (14) units are sold and conveyed, the Grantor shall appoint all members.

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When fourteen (14) units are sold and conveyed, two (2) members of the Board of Directors shall be elected by the unit owners and three (3) members shall be appointed by the Grantor.

When forty-two (42) units are sold and conveyed, two (2) additional members shall be elected by the unit owners and one (1) member shall be appointed by the Grantor.

When all residential units are sold and conveyed, all five (5) members of the Board of Directors shall be elected by the unit owners.

There shall be fifty-six (56) votes in the Condominium Association. Each unit owner shall be entitled to one vote. If the condominium unit is owned by more than one person or party, then those persons or parties should designate one such person or party to vote for the unit. Such designation shall be in writing and shall be submitted to the Association. If the Grantor withdraws the property designated as Phase Two, Phase Three or Phase Four from the condominium then the total number of votes in the Condominium Association will be reduced by the number of units in the withdrawn Phase. For example, if Phase Four is withdrawn by Grantor then the number of votes in the association will be reduced by twelve and there will be a total of forty-four (44) votes in the Condominium Association. If Grantor withdraws either Phase Two, Phase Three or Phase Four from the condominium, the turnover control

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provisions above should be modified so that two of the member of the Board of Directors will be elected by the Unit owner when 25% of the remaining units are sold and conveyed. Four out of five of the members of the Board of Directors will be elected by the unit owners when 75% of the remaining units are sold and conveyed.

VIII. Proposed Budget.

A copy of the proposed budget, for the operation and maintenance of the common elements and facilities and the proposed annual assessments on the individual units is annexed hereto and made a part hereof as Exhibit "D". The estimated budget contains a projected monthly payment to cover the operation and maintenance of the common elements and facilities. This is a proposed budget for the first year only and is subject to change. Grantor makes no representations as to the accuracy or adequacy of the operating budget.

The monthly maintenance assessment for each Condominium unit can be computed by multiplying the total proposed operating budget by the unit's percentage of liability for common expenses which gives the Condominium unit's yearly maintenance assessments. Next, divide the yearly maintenance assessment expense by 12 giving the monthly maintenance assessment for the Condominium unit.

Grantor shall only be responsible and assessed for common expenses for Units that are actually constructed and

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have valid certificates of occupancy issued by the City of Pleasantville.

IX. Management Contract.

There is no management contract covering Newtown Square at this time.

X. Master Deed.

The Master Deed is annexed hereto and made a part hereof as Exhibit "E". The Master Deed is the instrument prepared by the Grantor of the property that submits the property to the provisions of N.J.S.A. 46:8B-1 et seq Condominiums, thereby creating a condominium.

XI. Restriction on Occupancy and Right of Alienation.

All units are restricted to residential use. Further restrictions and rules and regulations are contained in the restrictions section of the Master Deed contained on page 12-16 of the Master Deed for Newtown Square, a Condominium. Further restrictions are contained in the By-Laws of the Condominium Association.

A violation of the restrictions and rules and regulations may result in certain sanctions including, but not limited to, fines and liens being placed on a unit owner's Condominium unit, as more particularly described in the By-Laws of the Condominium Association.

Grantor has the right to use any unsold units as sales models or to lease any unsold units.

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No unit shall be rented for transient or hotel purposes.

Neither the Association nor the Grantor has a right of first refusal in the Association or Grantor.

Additional rules and regulations may be promulgated by the Board of Directors of the Condominium Association all as more particularly provided in the By-laws of the Condominium Association.

XII. Unit Deed and Agreement of Sale.

A copy of the Agreement of Sale and Unit Deed are annexed hereto and made a part hereof as Exhibits "F" and "G".

The Agreement of Sale will be used by the buyer to purchase a unit.

At settlement, a Unit Deed will be delivered to the Buyer as evidence of transfer of ownership from Grantor to the unit owner.

XIII. Deposits.

All monies paid to the Grantor by Buyer will be held in Newtowne Square escrow account with interest, in the First National State Bank of New Jersey, located at 550 Broad Street, Newark, New Jersey 07102. The deposits shall be held in Newtowne Square escrow account with William M. Culver, Vice-President of the First National State Bank, acting as escrow agent and will hold the funds in escrow until settlement or termination of the Agreement of Sale or until a bond or other guarantee is

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provided that is acceptable to the New Jersey Department of Community Affairs, Division of Housing. In no event shall the escrow funds be released prior to the expiration of the seven (7) day rescission period provided in the Agreement of Sale.

XIV. Title Insurance Policy.

A copy of the proposed title policy to be issued by Safeco Title Insurance Company to the unit purchaser containing all exceptions including but not limited to any encumbrances, easements, liens or restrictions is attached hereto and made part hereof as Exhibit "H". The property is subject to encumbrances, easements, liens and restrictions as hereinbefore described in the title report annexed hereto and made a part hereof and as set forth in the Agreement of Sale, and other condominium documents.

XV. Adverse Natural or Manmade Forces.

The property is not known by Grantor to be subject to any natural or manmade forces that would tend to adversely affect the use or enjoyment of the property.

XVI. Real Estate Taxes.

Real estate taxes for the property for the tax year 1982 are \$5,014.65. For the tax year 1981 the real estate taxes for the property were \$4,799.50. In 1980 there were no separate tax figures for the property as the parcel was part of a larger tract of land. The real estate tax rates and

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assessments for the property for the last three years are set forth below.

<u>YEAR</u>	<u>TAX ASSESSMENT PER 100</u>	<u>RATIO OF ASSESSED TRUE VALUE</u>
1980	3.31 per 100%	100.00 ratio
1981	2.90 per 100	100.00 ratio
1982	3.03 per 100	100.00 ratio

It is anticipated that the taxes will increase substantially to reflect the fair market value of each Unit. Each Unit owner will be responsible for his own real estate taxes.

XVII. Special Taxes or Special Assessments.

At this time, there are no anticipated special taxes or special assessments, however, any special taxes or special assessments will be prorated at the time of settlement.

XVIII. Settlement and Estimated Settlement Costs.

Settlement shall be held at the management office of the Condominium, at the office of Title Company of Jersey, or at such other place as designated by Seller. The date for settlement will be agreed upon by Buyer and Grantor. Buyer agrees to pay in cash or certified check at settlement the balance of the purchase price, and Buyer's settlement costs which include, but are not limited, to the service fees of the mortgagee, if any, the costs of title insurance and any recording fees. All taxes, special taxes and assessments, condominium assessments and rents if any, will be prorated to date of settlement. Buyer agrees to pay the cost and expense of a New Home Warranty Plan in accordance with the New Home

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Warranty Program and Builder Registration Act of the State of New Jersey. The Warranty Plan will be supplied by Seller at settlement.

At settlement purchaser will pay to the Condominium Association a non-refundable deposit to be used by the Condominium Association for working capital. The deposit shall be in an amount equal to two month's estimated common area maintenance charges from the unit deed purchased by the Buyer. A copy of Buyer's estimated settlement costs is annexed hereto as Exhibit "I". The date for settlement may be extended upon the mutual written consent of Buyer and Grantor. Nothing in this statement or the Agreement of Sale shall obligate a Buyer to obtain title insurance from Safeco Title Insurance Company. Buyer may elect to obtain title insurance from title insurer of its choice.

XIX. Warranties.

It is understood and agreed that the unit to be erected by Grantor will be completed substantially in accordance with the plans and specifications produced by Grantor which plans and specifications to Buyer hereby acknowledges having reviewed and agreed upon in their entirety. Grantor warrants that the unit is fit for its intended use as a residential dwelling unit. Grantor hereby warrants to supply to Buyer, at Buyer's sole cost and expense, a New Home Warranty Plan in accordance with the New Home Warranty

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Program and Builder Registration Act of the State of New Jersey. Grantor warrants the construction of the common facilities for a period of two (2) years from the date of completion of the common facilities. Grantor warrants that the common facilities are fit for their intended use. Grantor shall repair or correct any defect in the construction, material or workmanship in the common facilities within a reasonable time after notification of the defect within the two (2) year warranty period. Grantor warrants that all outbuildings, driveways, walkways, patios, retaining walls, and fences to be free from defect due to material workmanship for a period of one (1) year from the date of completion. Grantor further warrants that all drainage is proper and adequate and that all off-site improvements are free from defects for a period of one (1) year from date of completion. Buyer expressly understands and agrees that other than the warranties that are contained in this paragraph, Grantor makes no other warranties either express or implied.

XX. Businesses and Resume of Grantor.

The Grantor has been involved in the following businesses and projects as described in the resume of Grantor attached hereto as Exhibit "J", attached hereto and made a part hereof.

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XXI. Right to Cancel Clause.

BUYER HAS THE RIGHT TO CANCEL WITHOUT CAUSE THE CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE GRANTOR BY MIDNIGHT OF THE SEVENTH (7TH) CALENDAR DAY FOLLOWING THE DAY ON WHICH IT IS EXECUTED. ALL MONIES PAID SHALL BE PROMPTLY REFUNDED.

XXII. Insurance.

The Condominium Association shall provide the following insurance:

MULTI-PERIL INSURANCE shall afford protection against the following:

Loss or damage by fire, lightning, extended coverage and other perils, also with coverage for the payment of common expenses with respect to damaged units during the period of reconstruction. This should be an all-risk form of policy, insuring against vandalism, malicious mischief, windstorm, and other perils.

The Association will maintain full replacement value insurance with an eighty (80%) percent co-insurance endorsement on the common elements.

PUBLIC LIABILITY INSURANCE against claims for bodily injury, death or property damage, such insurance to afford minimum protection in respect of bodily injury or death of not less than \$500,000.00 for any one person, and not less than \$1,000,000.00 for any one occurrence.

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PROPERTY DAMAGE not less than \$500,000.00

WORKMEN'S COMPENSATION INSURANCE in amount necessary to meet the requirements of law.

CONTENTS INSURANCE to cover common elements shall be insured in the amount of eighty (80%) percent of replacement cost.

FIDELITY INSURANCE covering those officers and employees of the Association and those agents and employees hired by the Association who handle condominium funds, in amounts as determined by the Association.

ERRORS AND OMISSION INSURANCE may be maintained at the option of the Board of Directors.

INDIVIDUAL UNIT OWNER'S POLICY may be obtained at his sole expense covering his personal property and for his personal liability.

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EXHIBIT "A"

Description of Condominium Units

EXHIBIT "A" of
Public Offering Statement

Description of Units and
Typical Floor Plans of Buildings

One Bedroom Interior Unit - Each one bedroom interior Unit consists of two levels. The first level contains an entrance way, foyer, living room and kitchen. The second level contains bedroom and bath. The Unit contains four closets and has approximately 672 square feet.

One Bedroom End Unit - Each one bedroom end Unit consists of two levels. The first level contains an entrance foyer, living room and kitchen. The second level contains a bedroom and bath. The Unit contains four closets and has approximately 743 square feet.

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EXHIBIT "B"

Description of Common Elements

(a) All appurtenances and facilities and other items which are not part of the units hereinbefore described shall comprise the common elements as graphically shown in Exhibits "B" and "C" of the Master Deed. The common elements shall include by way of description but not by way of limitation:

(1) All lands described and shown on Exhibits "A" and "B" of the Master Deed whether improved or unimproved; and

(2) The air space above, surrounding and within the improvements, to the extent not included within the boundaries of the Units; and

(3) Maintenance rooms and supply rooms not located within the boundaries of a unit; and

(4) Refuse rooms not located within the boundaries of a unit; and

(5) Two shuffleboard courts; and

(6) A paddle-ball court; and

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(7) All curbs, all private streets and walkways; and

(8) Shrubbery and lawn areas; and

(9) Utility lines, conduits, pipes, wires and ducts not expressly made part of the unit by this Master Deed; and

(10) Public connections and meters for electricity, telephone and water not owned by the public utility or other agencies providing such services; and

(11) Foundations, structural parts, columns, girders, beams, supports, concrete or masonry parts of all interior or exterior bearing or main walls between Units; and

(12) Space between the floor of a Unit and the ceiling of the Unit immediately below; and

(13) All parts of the improvements above the highest ceiling in each structure and all parts of the improvements below the lowest floor in each structure; and

(14) Halls, corridors, lobbies, stairways, stairwells, passages, entrances and entrance halls, exits and other means of ingress and egress; and

(15) The Unit door, its hinges, frame and door cell leading to the corridor outside, except for the Unit - side surfaces thereof; and

(16) Exterior lighting and other facilities necessary to the upkeep and safety of the buildings and grounds; and

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(17) Any easement or other right which may now or hereafter be granted for the benefit of the Unit owners or others for access to or use of the common elements not included within the condominium or for any other purpose; and

(18) All tangible personal property required for the operation, maintenance and administration of the condominium which may be owned by the Association.

(b) Limited Common Elements. The limited common elements are as follows:

(1) Balconies and Terraces. All Units have balconies or terraces. These balconies and terraces are hereby set aside and reserved for the exclusive use of the Unit owner whose Unit has a balcony or terrace appurtenant thereto.

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EXHIBIT "C"

By-Laws

BY-LAWS
NEWTOWNE SQUARE CONDOMINIUM ASSOCIATION

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BY-LAWS
OF
NEWTOWNE SQUARE CONDOMINIUM ASSOCIATION

ARTICLE I - NATURE OF BY-LAWS

Purpose. These By-Laws are intended to govern the administration of Newtowne Square Condominium Association hereinafter referred to as "Association", a non-profit membership corporation organized under Title 15 of the Revised Statutes of New Jersey, together with the management administration, utilization and maintenance of the common elements described in the Master Deed for Newtown Commons, Condominium.

Fiscal Year. The fiscal year of the Association shall be on a calendar year basis, or such other basis as the Board of Directors of the Association shall determine.

Principal Office. The office of the corporation is located at the management office of Newtowne Square, City of Pleasantville, County of Atlantic, State of New Jersey, or at such other place as designated by the Board of Directors of the Condominium Association.

ARTICLE II - MEMBERSHIP AND VOTING RIGHTS

Membership. Every unit owner shall be a member of the Association, subject to the provisions of these By-Laws and any rules and regulations promulgated by the Board of Directors, hereinafter referred to as "Board". Membership in the Association shall terminate when any unit owner shall cease to be the record owner of a unit.

Voting Rights. There shall be fifty-six (56) votes in the Association each Unit shall have appurtenant to it one (1) vote. Initially, all fifty-six (56) votes shall be held by the Grantor; provided, however, that upon each conveyance of title to a Unit by Grantor to another Unit owner, such Unit owner shall become entitled to vote the vote appurtenant to such Unit, and the number of votes held by Grantor shall be reduced accordingly. The total number of votes may decrease to equal the number of units in Phase One, Two and Three or Four, or any combination thereof, as the case may be, if the Grantor withdraws either or all of Phase Two, Phase Three or Phase Four Land from the condominium herein.

If a condominium unit is owned by more than one (1) person or party, then those persons or parties shall designate one (1) such person or party to vote for the unit. Such designation shall be in writing and shall be submitted to the Association. Grantor's vote shall be cast by such persons as it may from time to time designate. Votes not held by Grantor shall be cast in person or by proxy as otherwise provided herein.

Suspension of Membership Rights and Voting Rights

The membership rights and voting rights of any unit owner may be suspended by action of the Board during the period when such unit owner's common expense assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored.

ARTICLE III - MEETINGS OF UNIT OWNERS

Place of Meeting. All meetings of the unit owners of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board.

First Annual Meeting and Regular Annual Meetings. The first annual meeting of the unit owners shall be held on call by the Board no more than sixty (60) days after fourteen (14) condominium units have been sold and conveyed. At said meeting, two (2) members of the five (5) member Board of Directors shall be elected by the unit owners from among unit owners. Thereafter, the Grantor shall appoint three (3) of the five (5) members to the Board. The members of the Board shall hold office until their respective successors have been elected by the unit owners. The Board appointed by the Grantor shall act until the election has been completed at said first meeting. The Grantor shall gradually turn over control of the Board to the unit owners as hereinafter described in Article IV. Regular annual meetings of the unit owners may be held at such time and place as shall be determined from time to time by the President of the Association, but at least one (1) annual meeting shall be held each year.

Special Meetings. After the first annual meeting, special meetings of the unit owners may be called by the President whenever he deems such a meeting advisable, or shall be called by the Secretary when so ordered by the Board, or upon the written request of members representing not less than twenty-five (25%) percent of all votes entitled to be cast at such meetings. Such request shall state the purpose(s) of such meeting and the matters proposed to be acted upon. Unless unit owners representing at least fifty (50%) percent of all votes entitled to be cast request such a meeting in writing, no special meeting may be called to consider any matter which is substantially the same as a matter voted upon at any meeting of the unit owners held during the preceding twelve (12) months.

Notice of Meeting. Except as otherwise provided by law, notice of each meeting of unit owners, whether annual or special, shall be given not less than ten (10) days, nor more than ninety (90) days before the date on which the meeting is to be held, to the representative of each unit owner at his last known address, by delivering a written or printed notice thereof to him personally, or by mailing such notice, postage prepaid. Except where expressly required by law, no publication of any notice of meeting of unit owners shall be required. Every such notice shall state the time and place of the meeting and shall state briefly the purpose(s) thereof. Notice of any meeting of unit owners shall not be required to have been sent to any unit owners who shall attend such meeting in person or by proxy.

Quorum. At any meeting of the unit owners, unit owners representing ownership of fifty (50%) percent, present in person or by proxy shall constitute a quorum for the transaction of business, except where otherwise provided herein.

Organization. At each meeting of the Association, the President, or, in his absence, the Vice President, or in the absence of both, a chairperson chosen by a majority vote of the unit owners present in person or represented by proxy and entitled to vote thereat, shall act as a chairperson, and the Secretary, or at his absence, a person whom the chairperson shall appoint, shall act as Secretary of the meeting.

Voting. Except as otherwise required by the Articles of Incorporation, the Master Deed or any law, a quorum being present a majority of the votes in person or by

proxy shall be sufficient on those matters which are to be voted on by all the unit owners. All proxies shall be in writing, signed by all individual owners of each unit or by his or her duly authorized representative(s), and delivered to the Secretary of the meeting. The holder of a proxy need not be a unit owner.

Judges. If at any meeting of the unit owners a vote by ballot shall be taken on any question, the chairperson of such meeting shall appoint two judges to act thereat with respect to such vote. Each judge so appointed shall first subscribe an oath faithfully to execute the duties of a judge at such meeting with strict impartiality and according to the best of his ability. Such judges shall decide the qualifications of voters and shall report the number of votes represented at the meeting and entitled to vote on such question, shall conduct and accept the votes, and when the voting is completed, shall ascertain and report the number of votes respectively for and against the question. Reports of judges shall be in writing and subscribed and delivered by them to the Secretary of the meeting. The judges need not be members of the Association, and any officer of the Association may be a judge on any question other than a vote for or against his election to any position with the Association or any other question in which he may be directly interested.

Order of Business. The order of business at the annual meeting of the unit owners or at any special meetings as far as practicable shall be:

- (a) Calling on the roll and certifying the proxies.
- (b) Proof of notice of meeting and waiver of notice.

- (c) Reading and disposal of any unapproved minutes.
- (d) Receiving reports of officers.
- (e) Receiving reports of committees.
- (f) Appointment of judges of election, if appropriate.
- (g) Election of Board of Directors, if appropriate.
- (h) Old business.
- (i) New business.
- (j) Adjournment.

Roberts Rules of Order will cover any phase of the Association meeting not specifically covered by the By-Laws or other condominium documents.

ARTICLE IV - BOARD OF DIRECTORS

Express and Implied Powers and Duties; Delegation Thereof. The property, affairs and business of the Association shall be managed by the Board of Directors, which shall have all those powers granted to it by the Articles of Incorporation, the Master Deed and By-Laws.

Number and Qualification. The Board of Directors shall consist of five (5) persons. The Grantor shall appoint all members of the Board until fourteen condominium units have been sold and conveyed. The Grantor's appointees need not be unit owners. Any Board of Director elected by the unit owners must be a unit owner.

(a) The Grantor shall appoint all the members of the Board until fourteen (14) condominium units have been sold and conveyed.

(b) No later than sixty (60) days after the sale and conveyance of fourteen (14) condominium units, the Unit owners shall be notified and instructed to attend the first

annual meeting of the Association at which time unit owners will elect two (2) members to the Board of Directors. The Grantor will appoint three (3) members to the Board of Directors.

(c) Within sixty (60) days after the sale and conveyance of forty-two (42) condominium units, the unit owners shall elect four (4) members of the Board of Directors and the Grantor shall appoint one (1) member to the Board.

(d) The Grantor will appoint one (1) member of the Board of Directors as long as it owns any units, in the ordinary course of business.

(e) No later than sixty (60) days after the sale and conveyance of the fifty-sixth (56th) condominium unit, the unit owners shall elect all five (5) members of the Board of Directors.

The Association, when controlled by the unit owners, shall not take any action that would be detrimental to the sale or lease of units by the Grantor, and shall continue the same level of maintenance, operation and services as were in existence immediately prior to their assumption of control. If the Grantor withdraws the property designated as Phase Two, Phase Three or Phase Four from the condominium then the total number of votes in the Condominium Association will be reduced by the number of units in the withdrawn Phase. For example, if Phase Four is withdrawn by Grantor then the number of votes in the association will be reduced by twelve and there will be a total of forty-four (44) votes in the Condominium Association. If Grantor withdraws either Phase Two, Phase Three or Phase Four from the condominium, the turnover control provisions above should be modified so that

two of the members of the Board of Directors will be elected by the Unit owners when 25% of the remaining units are sold and conveyed. Four out of five of the members of the Board of Directors will be elected by the unit owners when 75% of the remaining units are sold and conveyed.

Election and Term of Board of Directors. Each unit owner shall vote in accordance with the provisions of the By-laws for each position to be filled on the Board of Directors.

At the first annual meeting, two (2) directors will be elected from among unit owners. The candidate receiving the highest number of votes will be elected to a two (2) year term. The other elected director will be elected to a one (1) year term.

Within sixty (60) days after the sale and conveyance of forty-two (42) condominium units, two (2) additional directors will be elected from among unit owners, one to a term which expires on the date of the annual meeting at least one (1) year from the election date, the other to a term which expires on the date of the annual meeting at least two (2) years from the election date. The candidate receiving the highest number of votes will be elected to the longer term.

Within sixty (60) days after the sale and conveyance of the last condominium unit, the fifth elected director shall be elected from among unit owners for a term which expires on the date of the annual meeting at least one (1) year from the election date.

At any other annual election, the number of positions open on the Board of Directors shall be divided by two (2), and two (2) groups will be formed, Group A and Group B. If an odd number of positions are open, the greater number will be in Group A. Group A shall be elected to a two (2) year term and Group B shall be elected for a one (1) year term. The successful candidates receiving the higher number of votes shall be placed in Group A and elected for a two (2) year term. Successful candidates receiving a lower number of votes will be in Group B, elected for a one (1) year term. The purpose of this provisions is to insure that there will always be some experienced members meeting on the Board of Directors.

If at any meeting for election of membership to the Board more than twice the number of candidates to be elected at such meeting are nominated, then and in such event, there shall be two (2) ballots for membership. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running as there are positions to be filled. The lowest vote getters in the first ballot shall be eliminated. The second ballot shall be held, and on the second ballot the top vote getters will be elected. If there are no more than twice the number of nominees for the number of positions to be filled, then there shall be one ballot, with the top vote getters being elected to membership on the Board.

Removal of Members of the Board. At any duly held regular or special meeting of the unit owners, any one or more of the directors may be removed with or without cause by a majority of the unit owners, and a successor may then or

thereafter be elected to fill the vacancy thus created. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting. This provision shall not apply to any of the directors appointed by the Grantor. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting. Any director elected by Unit owners, who is removed, must be replaced by a director elected by Unit owners not a director appointed by grantor.

Vacancies. Vacancies in the Board caused by any reason other than the removal of a director by a vote of the unit owners of the Association shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board held for that purpose after the occurrence of such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a director for the remainder of the term of the director whose term he is filling and until his successor shall be elected. Notwithstanding any provisions to the contrary, the Grantor shall appoint a new director to any vacancy, caused by any reason, to the director the Grantor is entitled to appoint. The remaining elected Directors shall elect a new Director to any vacancy, caused by any reason, to an elected director.

Meeting of the Board; Notice; Waiver of Notice. The first meeting of the Board following the first annual meeting of the unit owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the unit owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Board may

be held at such time and place as shall be determined from time to time by a majority of the Board, but at least six (6) meetings shall be held each year. Notice of the regular or adjourned meetings of the Board shall be given to each director by telephone, mail or telegram at least three (3) business days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) business days notice to each director given by mail or telegram, which notice shall state the time, place and purpose of the meeting. Any director may, at any time, waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Quorum and Adjourned Meetings. At the meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business and the votes of a majority of the directors present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board there shall be less than a quorum present, the meeting shall be adjourned to a new date. At any such adjourned meeting, provided a quorum is present, any business may be transacted which was to have been transacted at the original meeting. The vote of a majority of those present at a Board meeting, provided a quorum is present, shall be necessary for valid action by the Board.

Joinder in Meetings by Approval of Minutes. The transaction of any business at any meeting of the Board however called and notice of wherever held, shall be valid as though a meeting duly held after regular call and notice, if a quorum is present; and either before or after the meeting all the directors sign a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waiver, consent or approval, of course, shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

Non-Waiver. All the rights, duties and privileges of the Board shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

ARTICLE V - POWERS AND DUTIES OF BOARD OF DIRECTORS

General Powers and Privileges. The Board shall have the following powers, herein granted or necessarily implied:

(a) Employ, by contract or otherwise, a manager, managing agent or an independent contractor, to oversee, supervise and carry out the responsibilities of the Board. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper; and

(b) To employ professional counsel and to obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, recreation experts, architects, planners, biologists, lawyers and accountants; and

(c) To employ or contract for water and sewer, electricity and gas or other forms of utilities, television cable, painting, building, repairing, renovating, remodeling; and

(d) To employ all managerial personnel necessary or enter into a managerial contract for the efficient discharge of the duties of the Board hereunder; and

(e) To adopt and amend the rules, regulations and restrictions covering the condominium units, common elements and Property; and

(f) Maintain businesslike relations with unit owners or occupants whose service requests shall be received, considered and recorded in systematic fashion, in order to show the action taken with respect to each. As part of a continuing program, secure full performance by such unit owners or occupants of all such items and maintenance for which they are responsible; and

(g) Coordinate the plans of unit owners and occupants of units for moving their personal effects into the unit or out of it, with a view towards scheduling such movements so that there shall be a minimum of inconvenience to others; and

(h) Arrange for security protection as necessary; and

(i) Enforce obligations of the unit owners and do anything and everything else necessary and proper for the sound management of the condominium, including the right to bring lawsuits to enforce the terms, conditions and restrictions contained in the Master Deed, these By-Laws and any rules and regulations governing the condominium or unit owners; and

(j) Borrow and repay monies giving notes, mortgages or other security upon such terms as it deems necessary; and

(k) Invest and reinvest monies, sue and be sued; collect interest, dividends and capital gains; exercise rights; pay taxes; make and enter into contracts; enter into leases or concessions on behalf of the Association; make and execute any and all proper affidavits for various purposes; compromise any action without leave of court; and all other powers contained herein, and those necessary and incidental thereto; and

(l) Grant and obtain easements, licenses and other property rights with respect to contiguous lands and lands included within the community known as City of Pleasantville; and

(m) Purchase or lease or otherwise acquire in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners within the condominium, units offered for sale or lease or surrendered by their owners to the Board; and

(n) Purchase units within the condominium at foreclosure or other judicial sales in the name of the Association or its designees, corporate or otherwise, on behalf of all unit owners; and

(o) Sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise deal with units acquired by, and sublease such units leased by the Association or its designees, on behalf of all unit owners.

Duties and Responsibilities. It shall be the affirmative and perpetual obligation and duty of the Board of Directors to perform the following, all of which are hereby

irrevocably delegated to the Board of Directors of the Condominium Association, except as may otherwise be expressly provided to the contrary herein or in the Master Deed or Articles of Incorporation:

(a) Cause the common elements, both general and limited, to be maintained according to accepted standards as set forth in the Master Deed, including, but not limited to such maintenance, replacement and repair work as may be necessary.

(b) Maintain, replace, replant and relandscape the open spaces, lands, roadways and general environment in a no less aesthetically pleasing manner than was done by the Grantor.

(c) To investigate, hire, pay, supervise and discharge the personnel necessary to be employed, and provide the equipment and materials necessary, in order to properly maintain the exterior and roof of the aforesaid building and to properly maintain and operate the common elements. Compensation for the services of such employees shall be considered an operating expense of the Association.

(d) Cause to be kept a complete record of all its acts and corporate affairs and to present a report thereof to the Association members at the annual meeting or at any special meeting.

(e) Allocate common surplus or make repairs, additions, improvements to, or restoration of the common elements in accordance with the provisions of these By-Laws and the Master Deed after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(f) Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the premises maintained by the Association placed thereon by any federal, state, county or municipal authority having jurisdiction thereover, and order of the Board of Fire Underwriters or other similar bodies.

(g) To place and keep in force all insurance coverage required to be maintained by the Association. The provision for insurance and the establishment of the Board as insurance trustee shall be as set forth in detail in the Master Deed, and the Board shall administer and provide insurance coverages set forth therein.

(h) Provide for the regular maintenance of the stormwater drainage system; the catch basins, leaching pipes and dry wells.

ARTICLE VI - FISCAL MANAGEMENT

Common Receipts. The Board shall have the duty to collect from each unit owner, his, her or their heirs, administrators, successors and assigns, as "Common Receipts", a proportionate part of the common expenses assessed against such unit owner as provided in the Master Deed, the Articles of Incorporation, these By-Laws, and in accordance with applicable law.

Determination of Common Expenses. The amount of monies for common expenses deemed necessary by the Board 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.

Disbursements. The Board shall take the funds as collected and shall disburse the same for the purposes and in

the manner set forth herein and as required by the Master Deed, Articles of Incorporation, and applicable law.

Depositories. The depository of the Association shall be at such a bank or banks as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by two (2) authorized directors from the Board, or their assignees, provided that a management agreement may include among its provisions authority for the manager to sign checks on behalf of the Association for payment of the obligations of the Association, if the proper fidelity bond is furnished to the Association.

Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or to additional improvements, or to operations. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year, or may be distributed to the membership as the directors shall determine.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(c) Reserves for replacement, which shall include funds for repair or replacement of common elements or other facilities and of the Association required because of damage, depreciation or obsolescence, and which shall be allocated among each of the separate categories of replacement items.

(d) Reserves for capital improvements, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

(e) Operations, which shall include any gross revenue from the use of the common elements or from any other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account, and any surplus from any operation or otherwise shall be used to reduce the assessments for current expenses for the year during the one in which the surplus is realized, or at the discretion of the Board, in the discretion of the Board, in the year following the one in which the surplus is realized. Losses from operations or otherwise shall be met by added assessments against unit owners, which assessments may be made in advance in order to provide a working fund.

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

portion of the common expenses to be assessed against the unit owners is allocable to reserves for each separate item or repair and improvement of and to said property. The amounts thus assessed and collected for each such separate item of repair and improvement shall be kept in an interest-bearing savings account, appropriately earmarked for such category. The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, not to exceed \$2500.00 in a checking or petty cash account, for the necessary discharge of its function.

Notice. The Board shall give notice to each unit owner, in writing, and to any unit mortgagee who requires same, of the amount estimated by the Board for common expenses for the next ensuing period, directed to the unit owner at his last known address by ordinary mail, or by hand delivery. Said notice shall be conclusively presumed to have been made in the amount of the last prior year's assessment, and monthly installments on such assessment shall be due and upon each installment payment date until changed by an amended assessment. In the event the annual common expense assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, 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 which cannot be met by reserve funds earmarked for such contingency. The mortgagee shall be notified of any unit owner who is in default of maintenance or assessment payment for a period in excess of sixty (60) days.

The Association shall, upon the request of any unit owner or of any mortgagee, furnish to such unit owner or mortgagee, a certificate in writing, signed by an officer of the Association, setting forth whether common expense assessments have been paid. Such certificate shall constitute conclusive evidence of the payment of any common expense assessments therein stated to have been paid.

Acceleration of Assessment Installment Upon Default. If a unit owner shall be in default in the payment of an installment upon a common expense assessment, the Board may accelerate the remaining installments of the assessment, for the remaining term of the assessment, upon notice to the unit owner, and the then unpaid balance of the common expense assessment shall come due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the unit owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. Notice shall also be mailed to the mortgagee of record, if any.

Interest and Counsel Fees. The Board at its option shall have the right in connection with the collection of any common expense assessment, or other charge, to impose a late charge up to the legal maximum if such payment is made after the due date of the assessment. In the event the Board of Directors does not collect the unpaid common expense assessment or other assessment from the unit owner, a power of attorney will be granted to any holder of an institutional mortgage covering a condominium unit. In the event that the Board shall effectuate collection of said charges by resort to legal counsel, the Board may add to the aforesaid charge or charges reasonable attorneys' fees.

Annual Audit. The Board shall submit the books, records, and memoranda to an annual audit by an independent accountant who shall audit the same and render a certified or uncertified report therein in writing to the Board and in summary form to the unit owners and such other persons, mortgagees, firms or corporations as may be entitled to same, upon request.

Examination of Books. Each unit owner shall be permitted to examine the books of account of the Board at a reasonable time on business days; provided, however, that the Treasurer has been given at least ten (10) days prior written notice of the unit owner's desire to make such an examination.

Fidelity Bonds. Fidelity bonds shall be required by the Board from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors. The premiums on such bonds shall be paid by the Association.

ARTICLE VII - OFFICERS

Designation. The principal officers of the Association shall be a President, a Vice President, who shall be members of the Board of Directors, and a Secretary and a Treasurer. The Board may also appoint such other assistant treasurers and assistant secretaries as in their judgment may be necessary. Any two (2) offices, except that of President and Vice President, may be held by one (1) person.

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

Removal of Officers. Upon an affirmative vote of a two-thirds (2/3) majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting called for such purpose. This provision does not apply to any officer elected while Grantor maintains a majority of the Board of Directors. Those officers may be removed only by Grantor.

Duties and Responsibilities of Officers.

(a) President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all of the general powers and duties which are usually vested in the office of the President of an Association, including but not limited to the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other director to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the members of the Association; he shall have charge of such books and papers as the Board may direct; and

he shall, in general, perform all the duties incident to the office of the Secretary.

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

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

Eligibility of Directors. Nothing herein contained shall prohibit a director from being an officer.

ARTICLE VIII - COMPENSATION AND INDEMNIFICATION
OF OFFICERS AND DIRECTORS

Compensation. No compensation shall be paid to the President or the Vice President or any director for acting as such officer or director. The Secretary and/or Treasurer may be compensated for their services if the Board determines that such compensation is appropriate. Nothing herein stated shall prevent any officer or director from being reimbursed for out-of-pocket expenses or compensated for services rendered in any other capacity to or for the Association.

Indemnification. Each director and officer of the Association, and their delegates, shall be indemnified by the Association against the actual amount of net loss including counsel fees, reasonably incurred by or imposed upon him in connection with any action, suit or proceeding to

which he may be made a party by reason of his being or having been a director or officer of the Association, or delegatee, except as to matters as to which he shall be finally found in such action to be liable for gross negligence or willful misconduct. Directors appointed by Grantor shall not be exculpated from their fiduciary duty.

Exculpability. Neither the Board as a body or any director nor any officer of the Association, nor the delegees or appointees or any of them, shall be personally liable to any member in any respect for any action or lack of action arising out of the execution of the duties of his office in the absence of a showing of bad faith, and each member and unit owner shall be bound by the good faith actions of the Board and officers of the Association or the delegees or appointees, in the execution of the duties of trustees and officers. Nothing contained herein to the contrary shall service to exculpate the Board of Directors appointed by the Grantor from their fiduciary responsibilities to the unit owners.

ARTICLE IX - ENFORCEMENT

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

incurred by reason of enforcement of the Master Deed, By-laws or any rule or regulation promulgated pursuant thereto shall be charged to the breaching party. Collection of the attorneys' fees may be enforced against the unit owner(s) involved as if the attorneys' fees were a common expense owed by the particular unit owner(s).

Fines. The Association shall also have the power to levy fines against any unit owner(s) for violation(s) of any rule or regulation or use restrictions contained in the Master Deed or By-Laws except that no fine may be levied for more than \$100.00 for any one violation but for each day a violation continues after notice it shall be considered a separate violation. Collection of the fines may be enforced against the unit owner(s) involved as if the fine were a common expense owed by the particular unit owner(s).

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

ARTICLE X - GRANTOR'S PROTECTIVE PROVISIONS

After control of the Board of Directors has become vested in directors elected by unit owners other than the Grantor, and so long as the Grantor owns at least one (1) unit and holds the same for sale in the ordinary course of business, the following shall apply:

(a) Neither the Association nor its Board of Directors shall take any action that will impair or adversely affect the rights of the Grantor or cause the Grantor to suffer any financial, legal or other detriment, including but

not limited to any direct or indirect interference with Grantor's sale or lease of units.

(b) The Association and its Board of Directors shall continue the same level of maintenance, operation and services as provided immediately prior to the assumption of control of the Association and the Board of Directors by unit owners other than the Grantor.

(c) In furtherance of the foregoing provisions, the Grantor shall have the right to veto any and all actions of the Association or its Board of Directors which may have any direct or indirect detrimental impact upon the Grantor.

(d) The Grantor shall exercise its veto right within ten (10) days after its receipt of notice that a resolution or other action is proposed or has been taken by the Association or its Board of Directors. In such event, the Grantor 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 ab initio and of no further force or effect.

The aforementioned protective provisions shall be construed in accordance with and not in derogation of N.J.S.A. 46:8B-12.1 of the New Jersey Condominium Act and N.J.A.C. 5:26-8.4 of the regulations promulgated pursuant to the New Jersey Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-1, et seq.

ARTICLE XI - AMENDMENTS

These By-Laws, or any of them, may be altered or repealed where new By-Laws may be made 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 total votes entitled to be cast in person or by proxy, except that the first annual meeting may not be advanced and the first Board of Directors (including replacements in the case of vacancies) may not be removed by reason of any such amendment or repeal. Notwithstanding any provision to the contrary herein, no amendment may be made to these By-laws that will impair or adversely affect the rights of Grantor or cause the Grantor to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with Grantor's sale or lease of units.

ARTICLE XII - MISCELLANEOUS

Unit Keys. Each Association member is required to leave a key to his unit with the Association, or their appointed manager or agent, for emergency access into their apartment.

Association Membership List. The Association is required to keep an updated list of all members in the Association and a list of all mortgagees. This list will contain the names, addresses and telephone numbers of the unit owners and mortgagees in the condominium, as well as the same information for any other residences the unit owners may maintain. The purpose of this list is to allow the Association to give notice to the unit owners as required by the By-laws.

ARTICLE XIII - CONFLICT: INVALIDITY

Conflict. Anything to the contrary herein notwithstanding, if any provision of this instrument is in conflict with contradiction of the Master Deed, or with the requirements of any law, then the requirements of said Master Deed or law shall be deemed controlling.

Invalidity. The invalidity of any part of these By-laws shall not impair or affect in any manner the enforceability or affect the balance of the By-laws.

ARTICLE XIV - NOTICE

Any notice required to be sent to any unit owner under the provisions of the Master Deed or Articles of Incorporation or these By-laws shall be deemed to have been properly sent and notice hereby given, when mailed, by regular post with postage prepaid, addressed to the unit owner at the last known post office address of the person who appears as a member on the records of the Association at the time of such mailing. Notice of one of two or more co-owners of a unit shall constitute notice to all co-owners. It shall be the obligation of every unit owner to immediately notify the Secretary of the Association in writing of any change of address.

ARTICLE XV - CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words "Newtowne Square Condominium Association".

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EXHIBIT "D"
Proposed Budget

	CONDO 1	CONDO 1&2	CONDO 1,2,&3	CONDO COMPLETE
INCOME:				
Assessments:				
Residential Fee Income	7,791.72	14,508.72	21,225.72	26,868.00
EXPENSES:				
Common Area Maintenance Expenses:				
Landscaping	870.00	1,620.00	2,370.00	3,000.00
Snow & Ice Removal	145.00	270.00	395.00	500.00
Exterminating	87.00	162.00	237.00	300.00
Trash Collection	870.00	1,620.00	2,370.00	3,000.00
Common Area Maintenance and Repairs	696.00	1,296.00	1,896.00	2,400.00
Common Area Electric	696.00	1,296.00	1,896.00	2,400.00
Miscellaneous	580.00	1,080.00	1,580.00	2,000.00
Water	<u>290.00</u>	<u>540.00</u>	<u>790.00</u>	<u>1,000.00</u>
Total Common Maintenance Expenses:	4,234.00	7,844.00	11,534.00	14,600.00
Administrative Expenses:				
Management	1,740.00	3,240.00	4,740.00	6,000.00
Fire & Liability Insurance	870.00	1,620.00	2,370.00	3,000.00
Audit Fees	145.00	270.00	395.00	500.00
Legal Fees	<u>217.50</u>	<u>405.00</u>	<u>592.50</u>	<u>750.00</u>
Total Administrative Expenses:	2,972.50	5,535.00	8,097.50	10,250.00
RESERVE EXPENSES:				
Capital Reserves	<u>585.22</u>	<u>1,089.72</u>	<u>1,594.22</u>	<u>2,018.00</u>
Total Reserve Expenses:	<u>585.22</u>	<u>1,089.72</u>	<u>1,594.22</u>	<u>2,018.00</u>
TOTAL EXPENSES:	7,791.72	14,508.72	21,225.72	26,868.00

Chartered
Certified Public Accountants

BERNARD W. CAPALDI, C.P.A.
ARTHUR P. SCHALICK, C.P.A.
ROBERT D. REYNOLDS, C.P.A.
NICHOLAS A. DROBONIKU, C.P.A.
BERNARD A. CAPALDI, C.P.A.
RICHARD L. EVOY, C.P.A.
MARSHALL T. DRESSMAN, C.P.A.
FRANK PELUS, C.P.A.
GEORGE A. BARRETT, C.P.A.
DONNA HART, C.P.A.

1125 Atlantic Avenue
Suite 100
Atlantic City, New Jersey 08401
Telephone 609-344-1134

737 LANDIS AVENUE
P.O. BOX NO. 669
VINELAND, NEW JERSEY 08360
TELEPHONE 609-671-3936

June 14, 1983

Mr. George T. Graves, Jr.
G & H Realty Development Co., Inc.
1500 Tilton Road
Northfield, New Jersey 08225

Re: Newtowne Square Condominium Association

Dear Mr. Graves:

Per your request I have examined the proposed first year budget for the Newtowne Square Condominium Association. The budget has been prepared by Richard L. Evoy as part of the public offering of Newtowne Square Condominium Association and will serve as the basis for the initial assessment due from the respective condominium association members.

The common area maintenance and administrative expenses were estimated by management from engineering reports and managements' best judgment of the administrative costs.

The capital reserve is based on the cost of new construction and the estimated life expectancy of each of the common area fixed assets. Based on depreciation guide lines for the common area fixed assets, it appears that the annual reserve of \$2,018.00 is adequate.

A copy of the projected first year budget is attached hereto.

Very truly yours,

CAPALDI, SCHALICK & REYNOLDS
Chartered


Nicholas A. Droboniku

NAD:JLH

Encl.



Johnson Underwriters Ltd.

P. O. Box 689, Northfield, NJ 08225 — (609) 645-8550

August 18, 1982

G & H Realty Development Co., Inc.
1500 Tilton Road
Northfield, N.J. 08225

Attn: Mr. Robert Hogg

Re: Insurance Requirements
56 Unit Project
Black Horse Pike
Pleasantville, N.J.

Dear Sir:

We have reviewed the Insurance requirements for the captioned project and we find them to be in accordance with standard practices.

Sincerely,



Michael A. McGee

Johnson Underwriters Ltd.

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EXHIBIT "E"

Master Deed

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MASTER DEED
FOR
NEWTOWNE SQUARE, A CONDOMINIUM

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FOR
NEWTOWNE SQUARE, A CONDOMINIUM

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MASTER DEED
FOR
NEWTOWNE SQUARE, A CONDOMINIUM

THIS MASTER DEED, made this ____ day of _____, 1982 by G & H REALTY DEVELOPMENT COMPANY, INC., a New Jersey corporation, having an office at 1500 Tilton Road, Northfield, New Jersey hereinafter referred to as "Grantor".

WHEREAS, Grantor is the owner of the fee simple title to those lands and premises described in Exhibit "A" attached hereto and made a part hereof, which lands and premises are hereinafter collectively referred to as the "Property"; and

WHEREAS, Grantor intends to construct or has constructed condominium units, hereinafter referred to as "Units" together with certain roads, driveways and other improvements all as more particularly shown on the survey and site plan attached hereto and made a part hereof as Exhibit "B"; and

WHEREAS, it is the intention of the Grantor to establish the form of ownership of the Property as a condominium pursuant to the provisions of R.S. 46:8B-1 et seq.; and

WHEREAS, the Grantor has established The Newtowne Square Condominium Association, hereinafter referred to as the "Association", a New Jersey non-profit corporation, for the administration, operation and management of Newtowne Square, a condominium, and other improvements intended for the common use and enjoyment of the residents of the Property.

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THEREFORE, WITNESSETH:

ESTABLISHMENT OF CONDOMINIUM. The Grantor does hereby submit, declare and establish "Newtowne Square, a Condominium" in accordance with R.S. 46:8B-1 et seq., for that parcel of land described on Exhibit "A" and shown on Exhibit "B".

GENERAL DESCRIPTION OF CONDOMINIUM. If all four phases, described below, are completed, the condominium will be comprised of 56 residential units on a site containing approximately 1.897 acres. The residential Units are contained in four (4) buildings one building of sixteen (16) units, two buildings each having fourteen (14) Units, and one building having twelve (12) units. In addition, the condominium contains a paddle-ball facility, two shuffleboard courts, parking areas and common driveways. The condominium property is more particularly described and shown on Exhibits "A" and "B", respectively. The condominium Units are more particularly described and shown on Exhibit "C", annexed hereto and made a part hereof.

CONDOMINIUM PHASES. The property will be developed in four phases.

(a) Phase One: In phase one, the Grantor will construct sixteen (16) residential condominium units on the property designated as Phase One Land as more particularly described on Exhibit "A". Phase One will include 16 parking spaces. Phase One will be completed on or before December 31, 1983.

(b) Phase Two: In phase two, the Grantor will construct an additional fourteen (14) residential condominium

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units on property designated as Phase Two Land described on Exhibit "A". Phase Two will include 16 parking spaces, a paddle-ball facility and two shuffle board courts. Phase Two will be completed, if at all, on or before December 31, 1985.

(c) Phase Three: In phase three the Grantor will construct an additional fourteen (14) residential condominium units on the property designated as Phase Three Land and described on Exhibit "A". Phase Three will include 14 parking spaces. Phase Three will be completed, if at all, on or before December 31, 1987.

(d) Phase Four: In phase four, Grantor will construct an additional twelve (12) residential condominium units on property designated as Phase Four Land and described on Exhibit "A". Phase Four will include 12 parking spaces. Phase Four will be completed, if at all, on or before December 31, 1989.

Notwithstanding any provision to the contrary, depending upon market conditions, mortgage availability, sales and other conditions and factors to be determined in Grantor's sole discretion, Grantor expressly reserves the right to withdraw, on or before December 31, 1985, the land designated as Phase Two Land and described on Exhibit "A". Grantor expressly reserves the right to withdraw, on or before December 31, 1987, the land designated as Phase Three Land and described on Exhibit "A". Grantor expressly reserves the right to withdraw on or before December 31, 1989, the land designated as Phase Four Land and described on Exhibit "A".

The land withdrawn by Grantor, if any, shall not exceed the area described as Phase Two Land, Phase Three Land and Phase Four Land on Exhibit "A". Should Grantor withdraw

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either the Phase Two, Phase Three or Phase Four Land from the Condominium, Grantor expressly reserves the right subject to this paragraph to sell, convey or use the land as Grantor may desire, in Grantor's sole discretion.

Upon the withdrawal of either Phase Two, Three, or Phase Four from the condominium regime, and as a condition of the development of the withdrawn phase, Grantor covenants and agrees that:

(a) Grantor shall obtain necessary subdivision approval such that the withdrawn phase can be developed as a separate parcel or tract of land under different ownership and be in conformance with all applicable local and state laws, regulations and ordinances; and

(b) Grantor shall not develop the withdrawn phase in such a manner as to cause any of the units or common elements constructed or to be constructed in the condominium to come into violation or non-conformity with any applicable local or state laws, regulations or ordinances.

(c) Grantor covenants and agrees that during the construction of Phase Two, Phase Three or Phase Four, it will take no action and will impose additional expense on the unit owners owning units in Phase One or Two or Three as the case may be, by reason of the construction of the additional Phases.

By acceptance of a deed to a Unit or by acceptance by any other legal or equitable interest in the condominium, each and every contract purchaser, unit owner or occupant or holder of any mortgage or a lien does automatically or irrevocably name, constitute, appoint and confirm the Grantor, its successors and assigns as its attorney in fact for the purpose of preparing and executing such amended Master Deed or other

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amended condominium documents in the event Grantor withdraws lands as provided above. The aforesaid power of attorney is expressly declared and acknowledged to be coupled with an interest in the subject matter and to run with the title to any and all units and to be binding upon the heirs, personal representatives, successors and assigns of any owners of the units.

DESCRIPTION OF UNITS.

(a) The dimensions, area, location and description of the buildings and all of the aforesaid Units within the condominium are shown graphically and described on Exhibits "B" and "C" as same may be amended from time to time as herein provided. Each Unit is intended to contain all space within the area bounded by the interior surface of the perimeter or party walls of each Unit and the floor and ceiling of each Unit.

(b) Each Unit, regardless of type, also includes all appliances, fixtures, doors, windows, interior walls and partitions, plaster, gypsum board and/or other facing material on the walls and ceilings thereof, the inner decorated and/or finish surface of the floors, (including all flooring tile, ceramic tile, finished flooring, if any), and all other improvements located within such Unit which are exclusive to such Units and shall include, but not be limited to, the following individual appurtenances:

(1) All non-bearing walls, partitions and dividers which are wholly contained within said Unit (excluding therefrom pipes, ducts, wires or conduits or other common elements contained therein as herein defined);

(2) All doors, door frames, doorways, door hinges and door cells set in the interior walls described in Paragraph (1) hereof;

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(3) All windows and sliding doors, and all window glass and sliding door glass, and all sliding door and window frames and assemblies bordering each Unit;

(4) All electrical receptacles, outlets, switches and circuit breakers located in the ceiling, walls or floors of a Unit serving only the Unit;

(5) All electrical wires which extend from the ceilings, walls or floors into the interior air space of a Unit;

(6) All electrical heating and air conditioning units, fixtures, appliances, machinery and equipment located within the boundaries of the Unit serving only the Unit;

(7) All hot water heaters, serving only the Unit;

(8) The complete heating and air conditioning systems (including compressors and ducts) serving only the Unit;

(9) All plumbing fixtures, pipes, ducts, and wiring located within the boundaries of the Unit serving only the Unit;

(10) All baseboards located within the boundaries of the Unit;

(11) All utility meters not owned by the public utility agencies supplying service to the Unit and located therein;

(12) All master antenna and cable television wiring, not owned by a private entity, located within the boundaries of the Unit serving only the Unit;

(13) The floor covering within the boundaries of the Unit.

DESCRIPTION OF COMMON ELEMENTS.

(a) All appurtenances and facilities and other items which are not part of the Units hereinbefore described shall

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comprise the common elements as graphically shown on Exhibits "B" and "C" aforesaid. The common elements shall include by way of description but not by way of limitation:

- (1) All lands described and shown on Exhibits "A" and "B" aforesaid whether improved or unimproved; and
- (2) The air space above, surrounding and within the improvements, to the extent not included within the boundaries of the Units; and
- (3) Maintenance rooms and supply rooms not located within the boundaries of a unit; and
- (4) Refuse rooms not located within the boundaries of a unit; and
- (5) Two shuffleboard courts; and
- (6) A paddle-ball court; and
- (7) All curbs, all private streets and walkways; and
- (8) Shrubbery and lawn areas; and
- (9) Utility lines, conduits, pipes, wires and ducts not expressly made part of the unit by this Master Deed; and
- (10) Public connections and meters for electricity, telephone and water not owned by the public utility or other agencies providing such services; and
- (11) Foundations, structural parts, columns, girders, beams, supports, concrete or masonry parts of all interior or exterior bearing or main walls between Units; and
- (12) Space between the floor of a Unit and the ceiling of the Unit immediately below; and
- (13) All parts of the improvements above the highest ceiling in each structure and all parts of the improvements below the lowest floor in each structure; and

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(14) Halls, corridors, lobbies, stairways, stairwells, passages, entrances and entrance halls, exits and other means of ingress and egress; and

(15) The Unit door, its hinges, frame and door cell leading to the corridor outside, except for the Unit - side surfaces thereof; and

(16) Exterior lighting and other facilities necessary to the upkeep and safety of the buildings and grounds; and

(17) Any easement or other right which may now or hereafter be granted for the benefit of the Unit owners or others for access to or use of the common elements not included within the condominium or for any other purpose; and

(18) All tangible personal property required for the operation, maintenance and administration of the condominium which may be owned by the Association.

(b) Limited Common Elements. The limited common elements are as follows:

(1) Balconies and Terraces. All Units have balconies or terraces. These balconies and terraces are hereby set aside and reserved for the exclusive use of the Unit owner whose Unit has a balcony or terrace appurtenant thereto. Ordinary repairs and maintenance for the balconies and terraces are to be performed by the Association. All cleaning and snow removal for the balconies or terraces are to be performed by the Unit owner.

ESTATE ACQUIRED: INTEREST IN COMMON ELEMENTS;
INTEREST IN COMMON SURPLUS; VOTING; COMMON EXPENSES.

(a) The owner of each Unit shall have an estate therein as may be acquired by grant, purchase or by operation

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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. With the conveyance of the First Unit in Phase Two, Phase Three or Phase Four respectively, said percentage interest shall be modified from the Phase One percentage to the Phase Two, Three or Four percentage, as the case may be, all as more particularly set forth in Exhibit "D" attached hereto and by this reference made a part hereof. Other than a modification of the percentage interest after the conveyance of the First Unit from Phase Two, Phase Three, or Phase Four, the percentage interest in the common elements appertaining to a particular unit shall remain fixed.

(b) The aforesaid percentage interest shall be used to allocate assessments for common expenses, and any common surplus of the Association. The undivided percentage interest of ownership in the common elements and liability for the common expenses is equally apportioned to each unit regardless of the Unit's square footage. The actual undivided percentage interest of ownership in the common elements and liability for the common expenses is more particularly set forth on Exhibit "D" to the Master Deed.

(c) Each unit shall have one vote. Initially there will be 56 votes in the condominium association. If the Grantor withdraws the property designated as Phase Two, Phase Three, or Phase Four from the condominium, the total number of votes in the condominium association will be reduced by the number of units in the withdrawn Phase.

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COMMON EXPENSE ASSESSMENTS.

(a) It shall be an affirmative and perpetual obligation of the Association to fix annual common expense assessments in an amount at least sufficient to maintain and operate the common elements, including routine replacement and repairs.

(b) The Association may levy, in any assessment year, an added assessment, for the purpose of defraying in whole or in part, the cost of any operating expenses, unexpected repair or replacement upon or to the common elements. No vote of the Unit members is required for an added assessment.

(c) The Association may levy a special assessment for capital improvements only upon the assent of sixty-six and two-thirds (66-2/3%) percent of all the votes eligible to be cast. Any votes held by Grantor are ineligible to be cast for or against a levy of a special assessment. The Grantor is expressly excluded from liability, payment or obligation for any special assessment levied pursuant to this subsection, except as required by any title company, mortgage company or governmental agency.

(d) Every Unit owner, by acceptance of a deed or other conveyance for a Unit, whether or not it should be so expressed in any such deed or other such conveyance, shall be deemed to covenant and agree to pay to the Association such sums, by way of annual, added or special common expense assessments as are herein or in the By-Laws of the Association more particularly described.

(e) 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

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the Unit against which it was made and shall also be the personal obligation of the owner of such Unit at the time when the common expense assessment fell due, together with all such interest thereon and cost of collection thereof (including all reasonable attorney's fees). Any lien hereunder shall be subordinate to municipal taxes and any first mortgage lien encumbering a unit.

(f) Each Unit owner shall promptly furnish, perform and be responsible for, at his own expense, all of the maintenance, repairs and replacements for his own Unit, provided, however:

(1) Such maintenance, repairs and replacements as may be required for the functioning of the common elements shall be furnished by the Association; and

(2) The Association, its agents and employees may effect emergency or other necessary repairs which the Unit owner has failed to perform.

(g) If due to the negligent act or omission of or misuse by Unit owner, or a member of his family, or a guest, occupant or visitor of a member (whether authorized or unauthorized by the Unit owner), damage shall be caused to the common elements, or to a Unit owned by others, then such Unit owner shall pay for such damage and be liable for any damages, liability, cost and expense, including attorney's fees, caused by or arising out of such circumstances.

(h) While the Grantor maintains a majority of the Board of Directors, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly assessment unless said addition, alteration, improvement or purchase is

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required by a title company, mortgage lender, governmental agency or in the event of an emergency.

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

(a) A non-exclusive easement for ingress and egress through the common elements in accordance with the terms of the condominium documents.

(b) A non-exclusive easement to use the common elements and facilities subject to the right of the Association to promulgate rules and regulations and restrictions covering their use.

(c) A non-exclusive easement through the Units and common elements for maintenance, repair and replacement of the Units and common elements. Use of these easements, however, for access to the Units, shall be limited to reasonable hours, with notice, except that access may be had at any time in case of emergency.

(d) An exclusive easement for the existence and continuance of any encroachment by his Unit upon any adjoining Unit or the common elements.

The Property shall be subject to the following easements:

(a) The Association shall have a perpetual exclusive easement for the existence, continuance and maintenance of any common elements, or of any improvement owned by it which presently or may hereafter encroach upon a Unit.

(b) The Association shall have a perpetual and non-exclusive easement through the units and common elements for maintenance, repair and replacement of the units and common

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elements. The use of these easements, however, for access to the units, shall be limited to reasonable hours, with notice, except that access may be had at any time in the case of emergency.

(c) A blanket, perpetual and non-exclusive easement in, upon, through, under and across the common elements for the purpose of installation, maintenance, repair and replacement of all sewer, water, power and telephone line, pipes, mains, conduits, wires, poles, transformers 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 the same for the above purposes.

(d) A blanket, perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the common elements to the City of Pleasantville in the County of Atlantic and State of New Jersey (but not the public in general) for the purpose of maintaining the safety, health, welfare, police and fire protection of the citizens of said City, including the residents of the condominium.

(e) If Phase Two, Phase Three or Phase Four is withdrawn from the Condominium regime, Grantor hereby creates and grants perpetual and non-exclusive easements with respect to the property innuring to the benefit of the owners and occupants of Phase One, Phase Two, Phase Three and/or Phase Four, their agents, employees and invitees (hereinafter "Owners").

(i) For the right of ingress, egress and regress in and over any walkways, right of ways, walks or roads;

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(ii) The right to hook into connect to and use all pipelines and other utility equipment for facilities constructed or installed or to be constructed or installed upon the Property including but not limited to those facilities related to television, telephone, electric, gas, water, sewer and storm drainage; provided that the Grantor or Owner complies with the requirements of all governmental authorities having jurisdiction over said Property further provided that the same shall be done at the sole cost and expense of said Owner of Phase One, Phase Two, Phase Three, or Phase Four as the case may be, and said Owner shall make any and all repairs and replacements necessary in order to restore the Property to its prior condition.

All easements and rights described and mentioned herein are easements appurtenant running with the land and the condominium and shall be in full force and effect for the life of this Master Deed, as the same may be amended, and at all times shall inure to the benefit of and be binding upon the Grantor, its successors and assigns, the Association and any unit owner, purchasers, mortgagee, tenant, and any other person having an interest in the condominium and any unit or portion thereof.

ADMINISTRATION: THE ASSOCIATION.

(a) 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 Condominium Act, this Master Deed, the Articles of Incorporation, the By-Laws, and any other documents, amendments or supplements to the foregoing which may subsequently be required by a bank, mortgage banker, governmental agency or other institution making mortgage loans on the subject premises.

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(b) Upon acceptance of the deed to a Unit, each Unit owner shall automatically become a member of the Association and shall be a member so long as he shall hold legal title to his Unit subject to all the provisions of this Master Deed, the Condominium Act, the Articles of Incorporation of the Association, and the By-Laws and rules and regulations which may now or hereafter be established for or by the Association.

(c) By acceptance of a deed to a Unit or by acceptance by any other legal or equitable interest in the condominium, each and every contract purchaser, Unit owner, or occupant or holder of any mortgage or lien does automatically or irrevocably name, constitute, appoint and confirm:

(1) Grantor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deed or other instruments necessary to effect the foregoing amendments or supplements as set forth in Paragraph (a) (of administration), provided, however, that no such amendment or supplement shall affect a material physical modification of a Unit, without the prior written consent of the Unit owner and his mortgagee or adversely affect the priority or validity of a purchase money lien on a Unit sold hereunder, without the prior written consent of the mortgagee or any institutional holder of a first mortgage.

(2) The Association as an attorney-in-fact, if the Association desires, to acquire title to or to lease any Unit whose owner desires to surrender, sell or lease the Unit to the Association, and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto), or otherwise dispose of any such Unit so acquired.

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The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter and to run with the title to any and all Units and be binding upon the heirs, personal representatives, successors and assigns of any owners of the Units.

RESTRICTIONS.

(a) Each Unit, is intended to be and shall only be used as a private residence.

(b) Use of the common elements is restricted to members of the Condominium Association and their guests.

(c) Except as authorized by the Board of Directors of the Association in writing, no Unit may be used for the conduct or any commercial enterprise. No resident shall post any advertisement or posters of any kind, except as authorized by the Association.

(d) No common elements or limited common elements, other than those described and assigned to each dwelling Unit, may be used for any type of storage of any Unit owner's property, nor may the common areas or limited common areas be obstructed by any act of the Unit owner.

(e) No alterations to the exterior of the Units, balconies or terraces, fences or common element areas may be made without written approval of the Board of Directors of the Association. No enclosures, extensions, alterations or screening of the balcony or terrace area are permitted.

(f) No Unit owner shall make any modifications or alterations within his Unit affecting a "bearing wall" or other common element without the written approval of the Board of Directors of the Association and all holders of first mortgage liens.

Voting Rights. There shall be fifty-six (56) votes in the Association each Unit shall have appurtenant to it one (1) vote. Initially, all fifty-six (56) votes shall be held by the Grantor; provided, however, that upon each conveyance of title to a Unit by Grantor to another Unit owner, such Unit owner shall become entitled to vote the vote appurtenant to such Unit, and the number of votes held by Grantor shall be reduced accordingly. The total number of votes may decrease to equal the number of units in Phase One, Two and Three or Four, or any combination thereof, as the case may be, if the Grantor withdraws either or all of Phase Two, Phase Three or Phase Four Land from the condominium herein.

If a condominium unit is owned by more than one (1) person or party, then those persons or parties shall designate one (1) such person or party to vote for the unit. Such designation shall be in writing and shall be submitted to the Association. Grantor's vote shall be cast by such persons as it may from time to time designate. Votes not held by Grantor shall be cast in person or by proxy as otherwise provided herein.

Suspension of Membership Rights and Voting Rights

The membership rights and voting rights of any unit owner may be suspended by action of the Board during the period when such unit owner's common expense assessments remain unpaid; but upon payment of such assessments, his rights and privileges shall be automatically restored.

ARTICLE III - MEETINGS OF UNIT OWNERS

Place of Meeting. All meetings of the unit owners of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board.

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(g) Trash must be placed in the designated location as specified by the Board of Directors of the Association.

(h) No radio or television antenna of any type nor flood light or any other equipment or appurtenance or any wiring for any purpose may be installed on the exterior of the building or protrude through the walls, windows or roof without the written consent of the Board of Directors of the Association.

(i) The balconies and terraces shall be used only for the purposes intended and shall not be used for hanging garments or other objects, or for cleaning rugs or other household items or for storage of the Unit owner's personal property.

(j) The hanging of awnings, garments, rugs, or other personal property in the windows or from any of the facades of the building is absolutely prohibited.

(k) No dogs, cats or similar type pets are permitted, except upon written consent of the Board of Directors of the Association.

(l) No Unit owner or occupant may make or permit any disturbing noises, nor do or permit anything to be done that will interfere with the rights, comforts or convenience of other Unit owners or occupants.

(m) No Unit owner or occupant may play or allow to be played any musical instrument, phonograph, radio or television set in his Unit between the hours of 11:00 p.m. and 8:00 a.m. if the same shall disturb or annoy other Unit owners or occupants of the condominium.

(n) No Unit owner or occupant shall build, plant, or maintain any matter or thing upon, in, over or under the common

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elements without prior written consent of the Board of Directors of the Association.

(o) Unit owner shall not have any right to paint or otherwise decorate or change the appearance of any portion of the exterior of any building without prior written consent of the Board of Directors of the Association.

(p) No noxious or offensive activity shall be carried on, in or upon the common elements or in any such Unit or 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.

(q) No improper, offensive or unlawful use shall be made of any Unit; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(r) Nothing shall be done to any Unit or on or in the common elements which will impair the structural integrity of the building or which will structurally change the building. No Unit owner (other than Grantor) may make any additions, alterations or improvements in or to his Unit which will affect the common elements, without prior written approval of the Board of Directors of the Association. The Board of Directors of the Association shall have the obligation to answer any written request received by it from a Unit owner for approval of a proposed addition, alteration or improvement in such Unit owner's Unit within thirty (30) days after receipt of such request, and failure to do so within the stipulated time shall constitute a consent to the proposed addition, alteration or improvement.

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(s) No Unit owner shall engage in cooking or barbecuing or otherwise maintaining an open fire on the balconies and/or terraces.

(t) The Unit owner shall not engage in any activity or keep anything in any Unit or in or upon the common elements which will increase the rates of insurance or result in cancellation of insurance to the condominium.

(u) Each Unit owner must install and maintain draperies, blinds, curtains or other window coverings on all windows of the Unit. This provision shall not apply to the Grantor.

(v) Each Unit owner shall have the right to mortgage or encumber his Unit, provided that such mortgage or encumbrance is made to a bank, mortgage banker, trust company, insurance company, savings and loan association or other institutional lender or as a purchase money mortgage made to the Grantor (or any person or entity designated by Grantor) or to the immediate predecessor in title of the Unit.

(w) All property taxes, special or added 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.

(x) Each Unit owner shall pay for his own telephone and any other utilities, if any, which are separately metered or billed to each user by the respective utility company.

RIGHT OF ACCESS. Each Unit owner shall grant a right of access to his Unit to the Association for the purpose of making necessary inspections and repairs to any condition originating in his Unit and affecting another Unit or common element, or for the purpose of performing necessary

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installation, alterations or repairs to the condominium. Any such access and entry shall be done by request at reasonable times. In the case of an emergency, such right of entry shall be immediate whether the Unit owner is present at the time or not. To facilitate the aforementioned entry and access, each Unit owner shall leave a key to his Unit with the Association or its assignee.

PROVISIONS APPLICABLE TO AND RIGHTS RESERVED BY GRANTOR.

(a) Until the conveyance of title to the first Unit, Grantor shall be solely responsible for all common expenses for Units actually constructed and having valid certificates of occupancy issued by the City of Pleasantville. Following that first conveyance, owners of the Units to whom title shall have been conveyed shall be responsible for their proportionate share of the common expenses as set forth in Exhibit "D".

(b) Notwithstanding any other provisions herein contained, Grantor shall only be responsible and assessed for common expenses for Units that are actually constructed and have valid certificates of occupancy issued by the City of Pleasantville.

(c) Notwithstanding any other provisions herein contained, for so long as the Grantor continues to own any of the Units in the ordinary course of business, the following provisions shall be deemed to be in full force and effect.

(1) The Grantor reserves the unrestricted right to lease and/or sell any Units which it continues to own after recording or filing of the condominium documents.

(2) The Grantor reserves the unrestricted right to use any Units which it owns for model Units and sales and leasing offices.

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(3) The Grantor specifically disclaims any intent to have made any warranty or representation in connection with the condominium property or condominium documents except as specifically set forth herein or in the application for registration in any agreement of sale for a Unit or in any common promotional plan, and no person shall rely upon any warranty or representation not specifically made therein.

(4) The Grantor reserves the right to change the interior or exterior design and arrangements of all Units and to alter boundaries between Units so long as the Grantor owns the Unit so changed or altered. Grantor may increase or decrease the number of units or alter the boundaries of the common elements so long as the condominium documents are amended as herein provided. If Grantor shall make any changes to the Units, such changes shall be reflected by an amendment in the condominium documents; provided, however, that no such change shall affect another Unit owner's percentage interest in the common elements.

(d) Grantor hereby reserves unto itself, its successors and assigns, an easement upon, through and over the common elements so long as the Grantor, its successors and assigns, shall be engaged in the development and sale of the Units which easement shall be for the purpose of construction, installation, maintenance and repair of the existing building appurtenances thereto, for ingress and egress to all Units, all common elements and existing and future model Units for sale, promotion and exhibition.

(e) Grantor will not make structural alterations, additions or improvements that will require a special

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assessment or substantial increase in the Unit owner's monthly assessments.

(f) Anything to the contrary herein or in the articles of incorporation or By-Laws of the Association notwithstanding, the Grantor hereby reserves for itself, its successors and assigns, for as long as it owns one (1) or more Units in the condominium, the right to sell, lease, mortgage or sublease any unsold Units within the condominium without approval of the Board of Directors.

(g) Notwithstanding any provision to the contrary in the Master Deed, By-laws or other condominium documents, no amendment shall be made to the condominium documents that shall impair or adversely affect the rights of the Grantor or cause the Grantor to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with Grantor's sale or lease of Units.

NO PARTITION. Subject to the provisions of the Master Deed and Articles of Incorporation and By-laws of the Association and the Condominium Act, the common elements shall remain undivided and no Unit owner shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the common elements shall not be separate from any 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.

DAMAGE OR DESTRUCTION.

(a) Damage to or destruction of any improvements on the condominium property, or any part thereof, or to a common element or elements, or any part thereof, covered by insurance

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required to be maintained by the Association shall be repaired and restored by the Association using the proceeds of any such insurance. The Unit owners directly affected shall be assessed on an equitable basis for any deficiency and shall share in any excess.

(b) If the proceeds of such insurance shall be inadequate by a substantial amount to cover the estimated cost of restoration of an essential improvement or common element or if such damage shall constitute substantially total destruction of the condominium property or if seventy-five (75%) percent of the Unit owners directly affected by such damage or destruction voting in accordance with the procedures established by the By-Laws shall determine not to repair or to restore, the Association shall proceed to realize upon the salvage value of that portion of the condominium property so damaged or destroyed either by sale or such other means as the Association may deem advisable and shall collect the proceeds of any insurance. Thereupon, the net proceeds of such sale, together with the net proceeds of such insurance, shall be considered as one (1) fund to be divided among the Unit owners directly affected by such damage or destruction in proportion to their respective undivided ownership of the common elements. Any liens or encumbrances on any affected Unit shall be relegated to the interest in the fund of the Unit owners. If there is a mortgagee endorsement on the certificate of insurance, any proceeds are to be made to the Unit owners and mortgagee jointly.

EMINENT DOMAIN OR CONDEMNATION. If all or any part of the common elements shall be taken, injured or destroyed by eminent domain, each Unit owner shall be entitled to notice of

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such taking and to participate through the Association in the proceedings incident thereto. Any damages shall be for the taking, injury or destruction as a whole and shall be collected by the Association distributed by it among the Unit owners in proportion to each Unit owner's undivided interest in such common elements, except to the extent that the Association deems it necessary or appropriate to apply them the repair or restoration of any such injury or destruction.

TERMINATION OF CONDOMINIUM. Prior to the conveyance of any Units, this condominium may be terminated by the filing of a deed of revocation executed by Grantor without approval or consent or joinder of any mortgagees. After the conveyance by Grantor of any Units, the condominium may be terminated only by the filing of a deed of revocation executed by all Units owners, including the Grantor if Grantor owns any Units, and the holders of all mortgages or other liens affecting each Unit and recorded in the same office as the Master Deed.

INSURANCE.

(a) The Association shall obtain a master policy of insurance which shall provide the loss thereunder shall be paid to the Association as insurance trustee under this Master Deed. Under the said Master Policy, a certificate of insurance shall be issued which indicates on its face that is a part of such master policy of insurance covering the common elements and the Unit's respective percentage in the common elements. A certificate of insurance with the proper mortgagee endorsements shall be issued to the Unit owner and the original thereof shall be delivered to the mortgagee, if there be one, or retained by the Unit owner if there is no mortgagee. The certificate of insurance shall show the relative amount of

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insurance covering the Unit's interest in the common elements of the condominium property and shall provide that improvements to a Unit or Units which may be made by the Unit owner or owner shall not affect the valuation, for the purposes of this insurance, of the building and other improvements upon the land.

The original master policy of insurance shall be deposited with the Association as insurance trustee and a memorandum thereof shall be deposited with any first mortgagee who may require same. The Association must acknowledge that the insurance policies and any proceeds thereof will be held in accordance with the terms hereof.

(b) The condominium property, including the common elements and recreational facilities, and the like, shall be covered by:

MULTI-PERIL INSURANCE which affords protection against the following:

Loss or damage by fire, lightning, extended coverage and other perils, also with coverage for the payment of common expenses with respect to damaged Units during the period of reconstruction. This is an all-risk form of policy, insuring against vandalism, malicious mischief, windstorm and other perils.

The Association will maintain full replacement value insurance on the common elements provided that the policy may contain an eighty (80%) percent co-insurance endorsement.

PUBLIC LIABILITY INSURANCE against claims for bodily injury, death or property damage, such insurance to afford minimum protection in respect of bodily injury or death of not less than \$500,000.00 for any one person, and not less than \$1,000,000.00 for any one occurrence.

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PROPERTY DAMAGE INSURANCE of not less than \$500,000.00.

WORKMEN'S COMPENSATION INSURANCE to meet the requirements of law.

CONTENTS INSURANCE to cover contents of the common elements shall be insured in an amount equal to 80% of replacement costs.

FIDELITY INSURANCE covering those officers and employees of the Association and those agents and employees hired by the Association who handle condominium funds, in amounts as determined by the Association.

ERRORS AND OMISSION INSURANCE at the option of the Association.

INDIVIDUAL UNIT OWNER'S POLICY may be obtained at Unit owner's sole expense covering his personal property and for his personal liability.

(c) All policies of casualty or physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to all insureds, including all mortgagees of the Units, and all holders of certificates of such insurance, and shall provide for a waiver of subrogation against the Association or other unit owners.

(d) Each Unit owner may obtain physical damage insurance at his own expense upon his Unit, but such insurance shall provide that it shall be without contribution as against the casualty insurance purchased by the Association or shall be written by the same carrier. If a casualty loss is sustained, and there is a reduction in the amount of the proceeds which would otherwise be payable on the insurance purchased by the

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Unit owner under this Paragraph (d), the Unit owner agrees to assign the proceeds of this latter insurance to the extent of the amount of such reduction, to the Association to be distributed as herein provided.

(e) Premiums upon insurance policies purchased by the Association shall be paid by it and charged as common expenses.

(f) All proceeds payable as a result of casualty losses sustained which are covered by insurance purchased by the Association as hereinabove set forth, shall be paid to it. The Association shall act as the insurance trustee. The sole duty of the insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit owners and their respective mortgagees.

(g) Each Unit owner shall be deemed to have delegated to the Association his right to adjust with the insurance company all losses under policies purchased by the Association.

(h) In no event shall any distribution of proceeds be made by the Association directly to a Unit owner where there is a mortgagee endorsement on the certificate of insurance. In such event, any remittances shall be to the Unit owner and his mortgagee jointly. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by him.

PROVISIONS FOR THE BENEFIT OF INSTITUTIONAL MORTGAGEES. Notwithstanding anything to the contrary in the Master Deed, the By-laws or the Articles of Incorporation, the following provisions shall apply to each institutional holder of a first mortgage on any condominium Unit:

(a) Any institutional holder of a first mortgage on a Unit in the condominium may upon request:

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(1) Inspect the books and records of the condominium during normal business hours;

(2) Receive an annual financial statement of the condominium; and

(3) Receive written notice of all meetings of the Association and be permitted to designate a representative to attend the meetings.

(b) The institutional holder of any first mortgage on a Unit, in the event of substantial damage to or destruction of any Unit or any part of the common elements, is entitled to timely written notice of any such damage or destruction. No Unit owner or other party shall have priority over such institutional holder with respect to the distribution to such Unit of any insurance proceeds.

(c) The institutional holder of any first mortgage on a Unit, in the event any Unit or the common elements is the subject matter of any condemnation or eminent domain proceedings, is entitled to timely written notice of any such proceeding. No Unit owner or other party shall have priority over such institutional holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

(d) If an institutional holder of a first mortgage on a Unit obtains title to the Unit as a result of foreclosure of the first mortgage, then the first mortgage holder, his successors and assigns, is not liable for the part of common expenses or other assessments by the Association pertaining to such Unit prior to the acquisition of title as a result of the foreclosure. Such unpaid part of common expenses or other assessments shall be deemed to be common expenses collectible from all of the remaining Unit owners including such acquirer, its successors and assigns.

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(e) Without prior written consent of each institutional holder of a first mortgage on any Unit, no Unit owner shall have the right to bring any action for partition, nor shall any Unit owner (except Grantor) have the right to subdivide or combine any Unit; provided, however, that no subdivision or combination shall change any other Unit owner's percentage interest in the common elements.

(f) Without prior written consent of each institutional holder of a first mortgage on any Unit, no Unit owner may change the percentage interest in the common elements (other than Grantor in the event Grantor subdivides or combines a Unit).

AMENDMENT OF MASTER DEED. Prior to the conveyance of the first Unit in the condominium, Grantor may freely amend, from time to time, this Master Deed. After the conveyance of the first Unit in the condominium, this Master Deed may be amended by a vote of at least seventy-five (75%) percent of all votes entitled to be cast. An amendment can take place at any meeting of the Association duly held in accordance with the provisions of the By-laws of the Association. Notwithstanding any provision to the contrary, no amendment to the Master Deed may be made that shall impair or adversely affect the rights of Grantor or cause the Grantor to suffer any financial, legal or other detriment, including but not limited to direct or indirect interference with Grantor's sale or lease of Units.

The Grantor shall not be permitted to cast any votes held by it for unsold lots, parcels, units or interest for the purpose of amending the Master Deed, By-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

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A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the public registry of Atlantic County, New Jersey. No amendment shall be effective until so recorded. Copies of each amendment shall be sent to each unit owner and each holder of a first mortgage lien on a unit by regular mail or personal delivery, but the mailing or delivery thereof shall not constitute a condition precedent to the effectiveness of such amendment.

CAPTIONS. Captions used in the Master Deed are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the condominium documents.

COVENANTS RUNNING WITH LAND. All provisions of the Master Deed, By-laws and Articles of Incorporation shall be construed to be covenants running with the land and with every part thereof and interest therein including but not limited to every Unit and appurtenances and common elements thereto. Every Unit owner and claimant of Property or any part thereof or interest therein and his heirs, executors, administrators, successors and assigns shall be bound by all the provisions of the Master Deed, By-laws and Articles of Incorporation.

RATIFICATION, CONFIRMATION AND APPROVAL BY UNIT OWNERS. The fact that some or all of the officers, directors, members or employees of the Association and the Grantor may be identical, and the fact that the Grantor 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

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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 Condominium Act, the Master Deed, the Articles of Incorporation, the By-Laws or the other condominium constituent documents.

UNIT DEEDS. Any transfer of a Unit shall include all appurtenances thereto whether or not specifically described.

CAPITAL ACCOUNT. In addition to any and all payments required by the provisions of the Master Deed, By-laws, Articles of Incorporation or other condominium documents, a new Unit owner acquiring a Unit from Grantor, its successors or assigns is required to pay a non-refundable payment to the Association equalling two (2) months estimated common expense maintenance to be used for the working capital of the Condominium Association.

INVALIDITY. The invalidity of any provisions 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 of the remainder of this Master Deed or said By-laws shall continue in full force and as if such invalid provision had never been included therein.

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

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(e) Without prior written consent of each institutional holder of a first mortgage on any Unit, no Unit owner shall have the right to bring any action for partition, nor shall any Unit owner (except Grantor) have the right to subdivide or combine any Unit; provided, however, that no subdivision or combination shall change any other Unit owner's percentage interest in the common elements.

(f) Without prior written consent of each institutional holder of a first mortgage on any Unit, no Unit owner may change the percentage interest in the common elements (other than Grantor in the event Grantor subdivides or combines a Unit).

AMENDMENT OF MASTER DEED. Prior to the conveyance of the first Unit in the condominium, Grantor may freely amend, from time to time, this Master Deed. After the conveyance of the first Unit in the condominium, this Master Deed may be amended by a vote of at least seventy-five (75%) percent of all votes entitled to be cast. An amendment can take place at any meeting of the Association duly held in accordance with the provisions of the By-laws of the Association. Notwithstanding any provision to the contrary, no amendment to the Master Deed may be made that shall impair or adversely affect the rights of Grantor or cause the Grantor to suffer any financial, legal or other detriment, including but not limited to direct or indirect interference with Grantor's sale or lease of Units.

The Grantor shall not be permitted to cast any votes held by it for unsold lots, parcels, units or interest for the purpose of amending the Master Deed, By-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements or facilities.

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A copy of each amendment or amended instrument shall be certified as having been duly accepted and approved by the President and Secretary of the Association and it shall be effective when duly recorded in the public registry of Atlantic County, New Jersey. No amendment shall be effective until so recorded. Copies of each amendment shall be sent to each unit owner and each holder of a first mortgage lien on a unit by regular mail or personal delivery, but the mailing or delivery thereof shall not constitute a condition precedent to the effectiveness of such amendment.

CAPTIONS. Captions used in the Master Deed are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the condominium documents.

COVENANTS RUNNING WITH LAND. All provisions of the Master Deed, By-laws and Articles of Incorporation shall be construed to be covenants running with the land and with every part thereof and interest therein including but not limited to every Unit and appurtenances and common elements thereto. Every Unit owner and claimant of Property or any part thereof or interest therein and his heirs, executors, administrators, successors and assigns shall be bound by all the provisions of the Master Deed, By-laws and Articles of Incorporation.

RATIFICATION, CONFIRMATION AND APPROVAL BY UNIT OWNERS. The fact that some or all of the officers, directors, members or employees of the Association and the Grantor may be identical, and the fact that the Grantor 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

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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 Condominium Act, the Master Deed, the Articles of Incorporation, the By-Laws or the other condominium constituent documents.

UNIT DEEDS. Any transfer of a Unit shall include all appurtenances thereto whether or not specifically described.

CAPITAL ACCOUNT. In addition to any and all payments required by the provisions of the Master Deed, By-laws, Articles of Incorporation or other condominium documents, a new Unit owner acquiring a Unit from Grantor, its successors or assigns is required to pay a non-refundable payment to the Association equalling two (2) months estimated common expense maintenance to be used for the working capital of the Condominium Association.

INVALIDITY. The invalidity of any provisions 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 of the remainder of this Master Deed or said By-laws shall continue in full force and as if such invalid provision had never been included therein.

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

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CONFLICT. Anything to the contrary herein notwithstanding, if any provision of this instrument is in conflict with or in contradiction of the plans of the property or description of the Units and typical floor plans of the building, then the requirements of said Master Deed shall be deemed controlling.

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.

RULE AGAINST PERPETUITIES. If any provision of this Master Deed, or the By-laws attached hereto as Exhibit "E", or Articles of Incorporation attached hereto as Exhibit "F", 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.

BINDING EFFECT. This Master Deed shall bind and inure to the benefit of the Grantor, its successors or assigns.

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

- (a) Exhibit "A" - Metes and bounds description of the property.
- (b) Exhibit "B" - Survey and site plan of property.
- (c) Exhibit "C" - Description of Units and typical floor plans of buildings.
- (d) Exhibit "D" - Percentage interest in common elements.

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- (e) Exhibit "E" - By-laws of Newtowne Square Condominium Association.
- (f) Exhibit "F" - Articles of Incorporation of Newtown Square Condominium Association.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed the day and year first above written.

ATTEST:

G & H REALTY DEVELOPMENT
COMPANY, INC.

BY: _____ (SEAL)
George T. Graves, Jr., President

Robert R. Hogg,
Secretary
(Corporate Seal)

STATE OF NEW JERSEY :
: ss
COUNTY OF ATLANTIC:

BE IT REMEMBERED, That on this day of _____ in the year of our Lord one thousand nine hundred and eighty-two before me, the subscriber, personally appeared George T. Graves, Jr. who I am satisfied is the person who signed the within instrument as President of G & H Realty Development Company, Inc., the corporation named therein, and he acknowledged that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made by virtue of a Resolution of its Board of Directors.

Prepared by:
Jack Plackter, Esquire
HORN, KAPLAN, GOLDBERG & GORNY
A Professional Corporation
1300 Atlantic Avenue
Suite 500
Atlantic City, New Jersey 08401
(609) 348 4515

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EXHIBIT "A" OF MASTER DEED
Metes and Bounds Description of the Property

ARTHUR W. PONZIO CO. & ASSOCIATES, INC.

SURVEYORS, PLANNERS, ENGINEERS
400 N. DOVER AVENUE
(IN CHELSEA HEIGHTS)
ATLANTIC CITY, NEW JERSEY 08401
TELEPHONE: 609/344-8194

April 28, 1983

METES AND BOUNDS DESCRIPTIONS COVERING EACH OF
FOUR SECTIONS FOR PHASES OF CONSTRUCTION IN CONNECTION
WITH THE DEVELOPMENT OF THE NEWTOWNE SQUARE CONDOMINIUMS,
PLEASANTVILLE, NEW JERSEY.

SECTION I

ALL that certain lot, tract, or parcel of land and
premises situate, lying, and being in the City of Pleasantville,
County of Atlantic, and State of New Jersey, bounded and described
as follows:

BEGINNING at a point in the southwesterly line of the Black Horse
Pike (100' wide), at the easterly corner of the lot 6 in block 429
as shown on the current official tax map for the City of Pleasantville,
and extending thence

- (1) Southeastwardly, in and along the said southwesterly line of
the Black Horse Pike, a distance of 230.35' to a point; thence
- (2) Southwestwardly, in and along the division line between the
Newtowne Square property and Sherry's Motor Lodge property,
a distance of 145.00' to a point; thence
- (3) Northwestwardly, a distance of 183.00' to the southerly corner
of parking stall number 23, as shown on hereinafter described
plan; thence
- (4) Northeastwardly, a distance of 27.00' to the northerly line of
parking stall number 21 hereinafter mentioned plan; thence
- (5) Northwestwardly, a distance of 5.00' to the southerly corner
of parking stall number 20, said plan; thence
- (6) Northeastwardly, a distance of 36.00' to the northerly line of
parking stall number 1, said plan; thence

- (7) Northwestwardly, a distance of 75.00' to the aforesaid easterly line of lot 6 in block 429; thence
- (8) Northeastwardly, in and along said line, a distance of 20.00' to the point and place of BEGINNING.

BEING Section 1, Newtowne Square Condominium, as shown on staging plan prepared by Arthur W. Ponzio Company and Associates, Inc., dated March 31st, 1983.

CONTAINING an area of 23,660 square feet

ARTHUR W. PONZIO CO. & ASSOCIATES, INC.

SURVEYORS, PLANNERS, ENGINEERS
400 N. DOVER AVENUE
(IN CHELSEA HEIGHTS)
ATLANTIC CITY, NEW JERSEY 08401
TELEPHONE: 609/344-8194

April 27, 1983

SECTION II

ALL that certain lot, tract, or parcel of land and premises situate, lying, and being in the City of Pleasantville, County of Atlantic, and State of New Jersey, bounded and described as follows:

BEGINNING at a point in the easterly line of lot 6 in block 429 as shown on the current official tax map for the City of Pleasantville, distant 20.00' southwestwardly from the southwesterly line of the Black Horse Pike (100' wide), and extending thence

- (1) Southeastwardly, a distance of 75.00' to the northerly line of parking stall number 1, as shown on staging plan prepared by Arthur W. Ponzio Company and Associates, Inc., dated March 31st, 1983; thence
- (2) Southwestwardly, a distance of 36.00' to the southerly line of parking stall number 20, said plan; thence
- (3) Southeastwardly, a distance of 5.00' to the northerly line of parking stall number 21, said plan; thence
- (4) Southwestwardly, a distance of 27.00' to the southerly line of parking stall number 23, said plan; thence
- (5) Southeastwardly, a distance of 183.00' to a point lying 145.00' west of the southwesterly line of the Black Horse Pike, said point being in the division line between the Newtowne Square property and the Sherry's Motor Lodge property; thence
- (6) Southwestwardly, in and along said division line, a distance of 49.18' to a point; thence
- (7) Continuing Southwestwardly, in and along said division line, a distance of 27.68' to a point lying 100.00' northeast of the northeasterly line of Noah's Road (33' wide); thence
- (8) Northwestwardly, a distance of 168.00' to the northerly corner of parking stall numbers 30 and 31, aforesaid plan; thence

- (9) Southwestwardly, a distance of 28.00'; thence
- (10) Northwestwardly, a distance of 54.00' to a point lying 45.00' northeast of the northeasterly line of said Noah's Road; thence
- (11) Northeastwardly, a distance of 20.00' to a point in the easterly line of said lot 6 in block 429 (if extended); thence
- (12) Northeastwardly, in and along said line, a distance of 162.00' to the point and place of BEGINNING.

BEING Section II, Newtowne Square Condominium, as shown on staging plan prepared by Arthur W. Ponzio Company and Associates, Inc., dated March 31st, 1983.

CONTAINING an area of 26,910 square feet

ARTHUR W. PONZIO CO. & ASSOCIATES, INC.

SURVEYORS, PLANNERS, ENGINEERS
400 N. DOVER AVENUE
(IN CHELSEA HEIGHTS)
ATLANTIC CITY, NEW JERSEY 08401
TELEPHONE: 609/344-8104
April 27, 1983

SECTION III

ALL that certain lot, tract, or parcel of land and premises situate, lying, and being in the City of Pleasantville, County of Atlantic, and State of New Jersey, bounded and described as follows:

BEGINNING at a point in the division line between the Newtowne Square property and the Sherry's Motor Lodge property, distant 100.00' northeast of the northeasterly line of Noah's Road (33' wide), and extending thence

- (1) Southwestwardly, in and along said division line, a distance of 100.00' to the northeasterly line of Noah's Road; thence
- (2) Northwestwardly, in and along said northeasterly line, a distance of 220.00' to a point; thence
- (3) Northeastwardly, a distance of 45.00' to a point; thence
- (4) Southeastwardly, a distance of 54.00' to a point; thence
- (5) Northeastwardly, a distance of 28.00' to the northerly corner of parking, stall numbers 30 and 31, as shown on aforementioned plan; thence
- (6) Southeastwardly, a distance of 168.00' to the point and place of BEGINNING.

BEING Section III, Newtowne Square Condominium, as shown on staging plan prepared by Arthur W. Ponzio Company and Associates, Inc., dated March 31st, 1983.

CONTAINING an area of 16,800 square feet

ARTHUR W. PONZIO CO. & ASSOCIATES, INC.

SURVEYORS, PLANNERS, ENGINEERS
400 N. DOVER AVENUE
(IN CHELSEA HEIGHTS)
ATLANTIC CITY, NEW JERSEY 08401
TELEPHONE: 609/344-8194

April 27, 1983

SECTION IV

ALL that certain lot, tract, or parcel of land and premises situate, lying, and being in the City of Pleasantville, County of Atlantic, and State of New Jersey, bounded and described as follows:

BEGINNING at the southeasterly corner of lot 6 in block 429 as shown on the current official tax map for the City of Pleasantville, and extending thence

- (1) Southwestwardly, in and along the easterly line of said lot 6 (if extended), a distance of 82.00' to a point distant 65.00' northeast of the northeasterly line of Noah's Road (33' wide); thence
- (2) Southwestwardly, a distance of 65.00' to the said line of Noah's Road; thence
- (3) Northwestwardly, in and along the said line of Noah's Road, a distance of 165.00' to the easterly line of lot 5 in block 429; thence
- (4) Northeastwardly, in and along said easterly line of lot 5, a distance of 79.30' to the southwesterly corner of aforesaid lot 6; thence
- (5) Southeastwardly, in and along the southerly line of said lot 6, a distance of 175.00' to the point and place of BEGINNING.

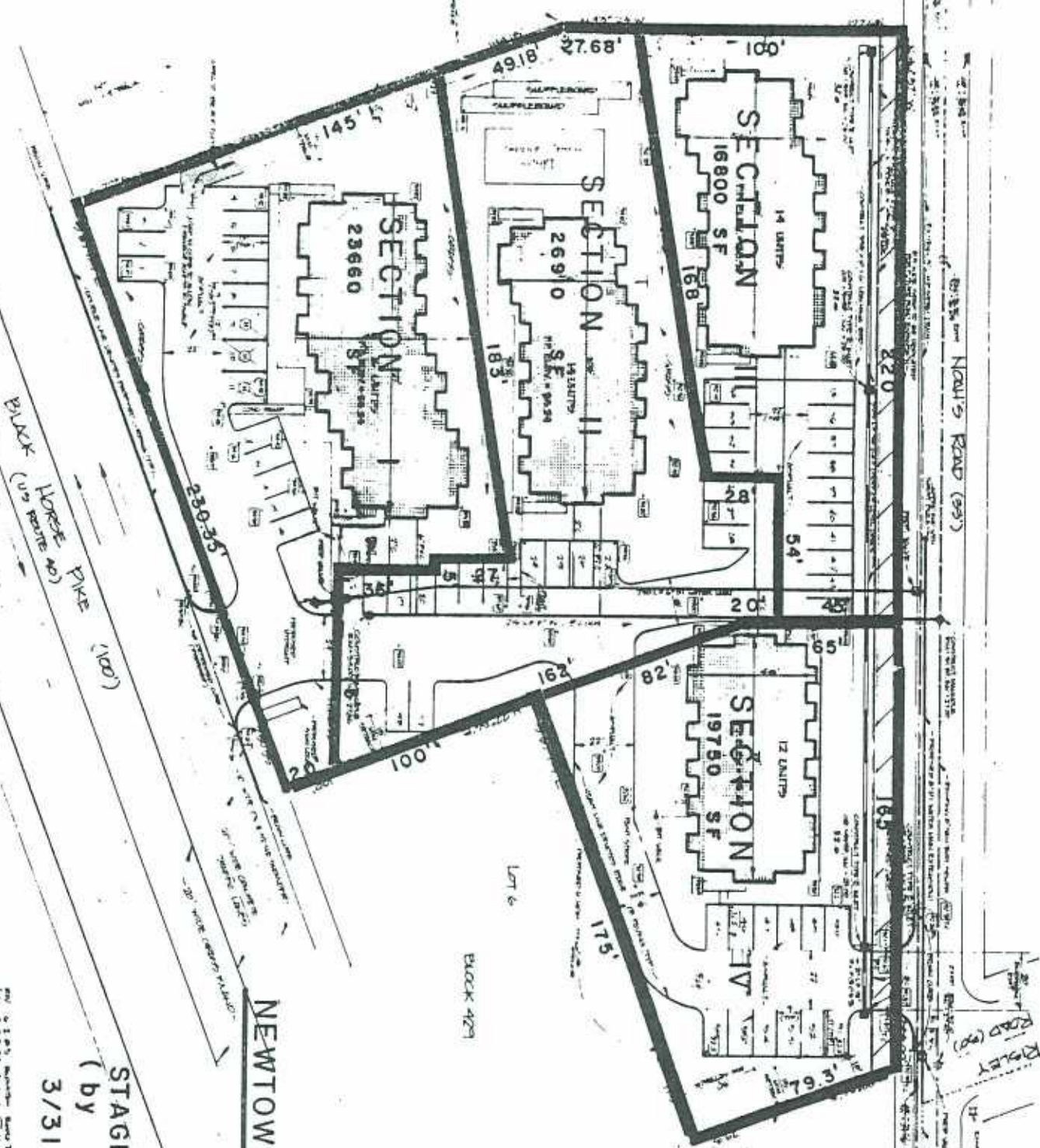
BEING Section IV Newtowne Square Condominium, as shown on staging plan prepared by Arthur W. Ponzio Company and Associates, Inc., dated March 31st, 1983.

CONTAINING an area of 19,750 square feet

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EXHIBIT "B" OF MASTER DEED
Survey and Site Plan of Property

SHERRA'S MOTOR
LABOR

resorts lodge
development plan

~~NEWTOWNE~~ SQUARE

STAGING PLAN
(by section)

3/31/83

DATE 7-15-71

RALPH J CAPOZZOLI
PROFESSIONAL ENGINEER

PARABOLIC SWINE DETAIL

Ad. H. GILLMAN and J. M. MATT
1987, under review. *Journal of*

REMOVED SOME PLAN

SHIRLEY'S MOTEL DEVELOPMENT
CITY OF MASSACHUSETTS, ATLANTIC COUNTY, NEW JERSEY
ARTHUR W. PONZIO CO. & ASSOCIATES

SURVIVORS, PLANNERS, ENGINEER
400 NORTH DOVER AVENUE
ATLANTIC CITY, N.J. 08401

ARTHUR W. PONZIO

PROFESSIONAL REGULATION NO 2095
PROFESSIONAL LAND SURVEYOR NO 5147

DATE 6-19-51

SHEET OF

NOAH'S

ROAD

RISLEY
ROAD
150'

33'

85' WIDE TRIP OF LAND DEDICATED TO THE CITY OF PLEASANTVILLE FOR ROAD WIDENING PURPOSES

388 17'

N 46°-37'-00" W

NORTH LINE

S 43°-23'-00" W

119 18'

PROPOSED
UNIT
BLDG

BLOCK

429

PROPOSED
UNIT
BLDG

LOT 5

LOT 7 01

1.83 acres

79488.41

PROPOSED
UNIT
BLDG

NOTE: AREA COMPUTED TO RE-LOCATED
LINE OF NOAH'S ROAD

LOT 7 02

PROPOSED
UNIT
BLDG

1.8

BLDG

BEGINNING POINT
SECTION 373 FROM
DEED OF 1877 BETWEEN
W. S. B. & W. P. B. & W. P. B.
ALSO OF LATE BETWEEN
BENTON M. H. B. & L. A. N.

LOT 6

S 67°-04'-00" E

1175 00'

S 70°-23'-00" W

356.00'



CERTIFIED TO
FIRST NATL STATE BANK OF N.J.
HERITAGE TRUST FINANCE CO.
FILE 20 OF JERSEY

SOUTH LINE

BLACK

HORSE

PIKE

US ROUTE 40

(also known as)

55480

ISLAND

S 67°-04'-00" E

230 35'

PROPERTY	SURF.
BLDG 429	LOT 5
PLEASANTVILLE NEW JERSEY	
ADJACENT TO ROUTE 40 & ASSET 273	
ADJACENT TO ROUTE 40 & ASSET 273	

EXHIBIT "C" OF MASTER DEED

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EXHIBIT "C" OF MASTER DEED

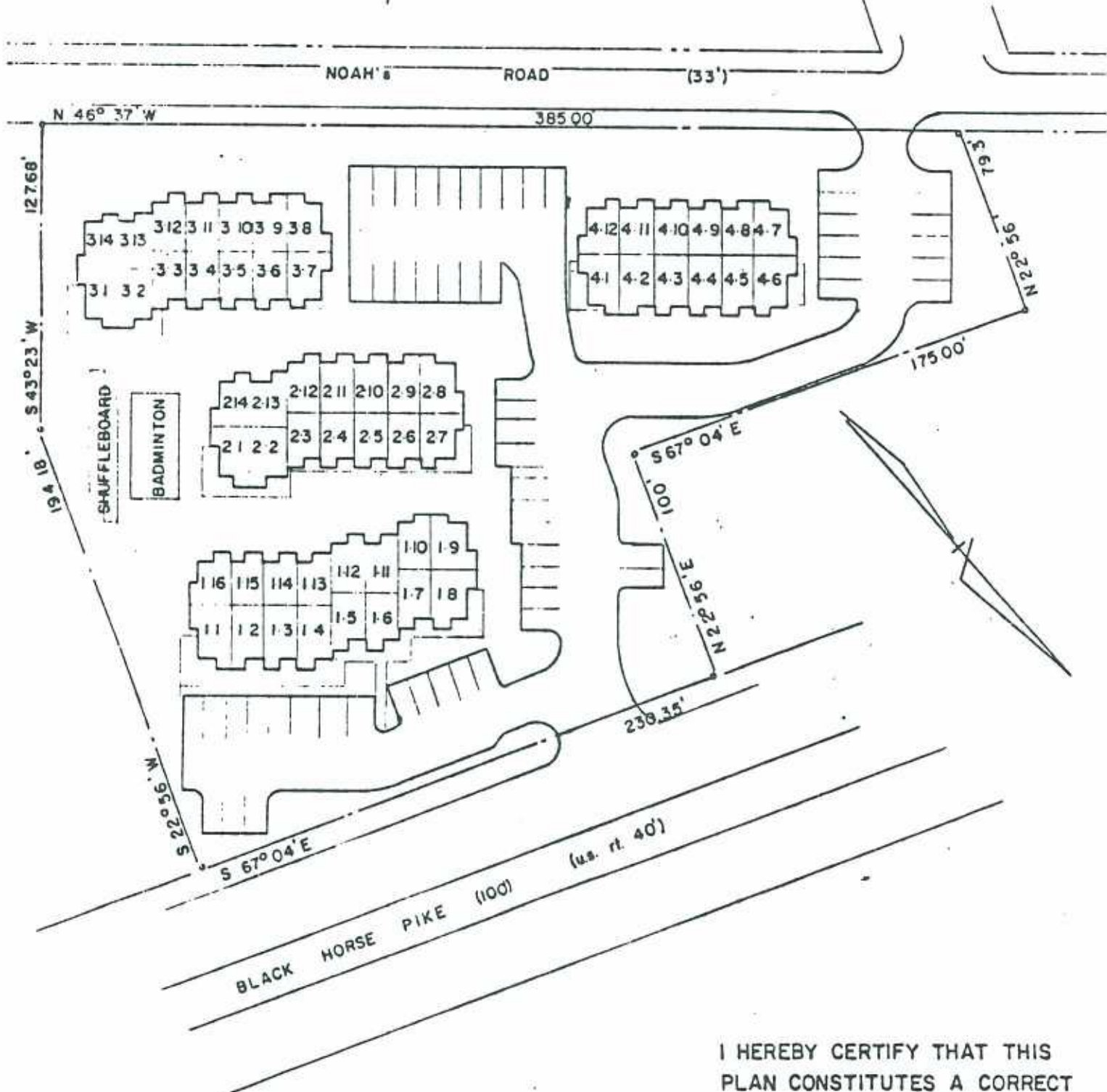
Description of Units and
Typical Floor Plans of Buildings

One Bedroom Interior Unit - Each one bedroom interior Unit consists of two levels. The first level contains an entrance way, foyer, living room and kitchen. The second level contains a bedroom and bath. The Unit contains four closets and has approximately 672 square feet.

One Bedroom End Unit - Each one bedroom end Unit consists of two levels. The first level contains an entrance way, foyer, living room and kitchen. The second level contains a bedroom and bath. The Unit contains four closets and has approximately 743 square feet.



RESORTS LODGE CONDOMINIUM

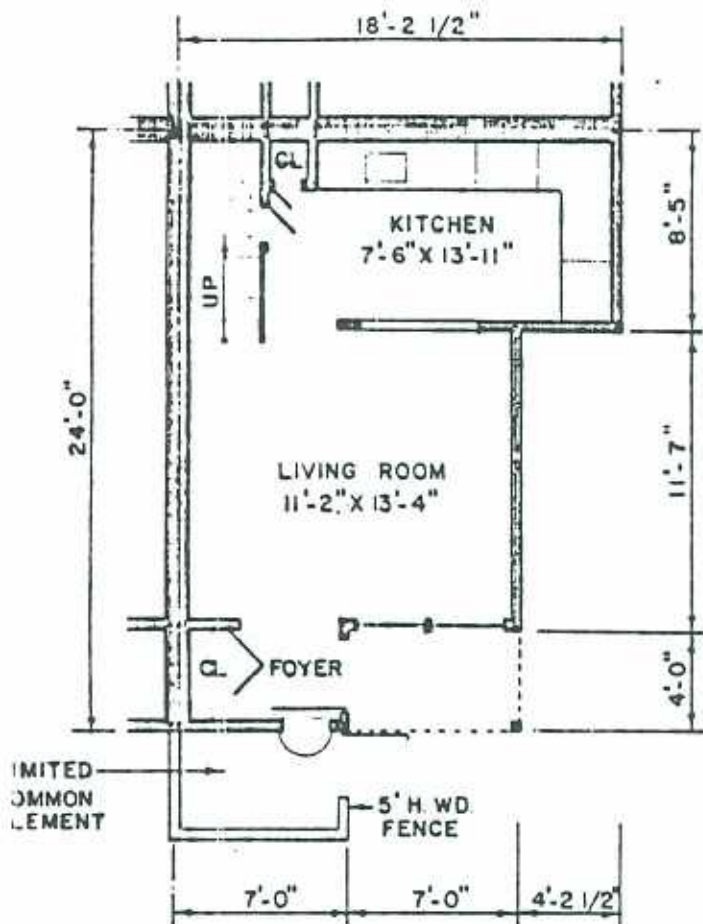


I HEREBY CERTIFY THAT THIS PLAN CONSTITUTES A CORRECT REPRESENTATION OF THE IMPROVEMENTS ERECTED OR TO BE ERECTED.

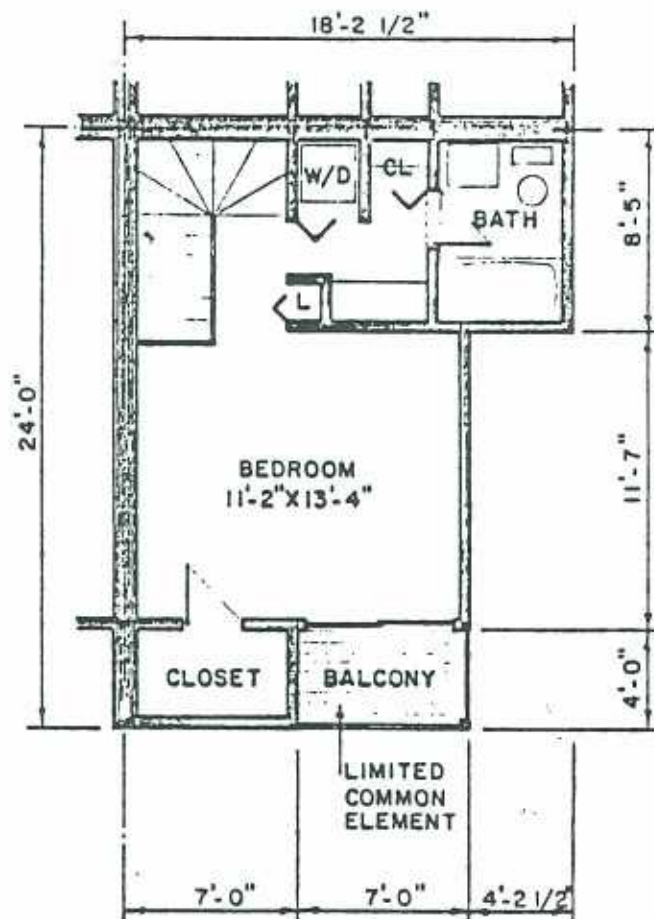
Arthur W. Ponzio
 NO. LS 9343
 ARTHUR W. PONZIO L.S.

1. UNIT NUMBERS ARE SHOWN THUSLY 1-1, 1-2, ETC.
2. ALL AREAS OTHER THAN UNITS ARE COMMON ELEMENTS OR LIMITED COMMON ELEMENTS.

NEWTOWNE SQUARE CONDOMINIUM SITE PLAN EXHIBIT C1



FIRST FLOOR PLAN



SECOND FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE
AND ARE SUBJECT TO CONSTRUCTION
VARIATION.

THIS PLAN DESCRIBES THE FOLLOWING UNITS
LOCATED AS SHOWN ON EXHIBIT C1

1-1	2-1	3-1	4-1
1-8	2-7	3-7	4-6
1-9	2-8	3-8	4-7
1-16	2-14	3-14	4-12

TURNBERRY

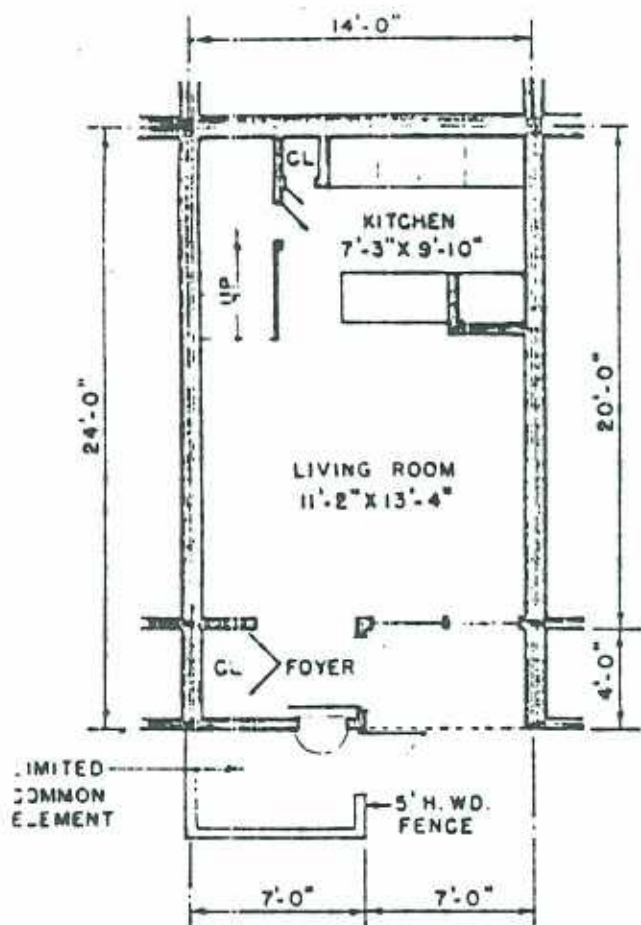
I HEREBY CERTIFY THAT THIS
PLAN CONSTITUTES A CORRECT
REPRESENTATION OF THE
IMPROVEMENTS ERECTED OR TO
BE ERECTED

Arthur W. Ponzio
NJ LS 9343
ARTHUR W. PONZIO L.S.

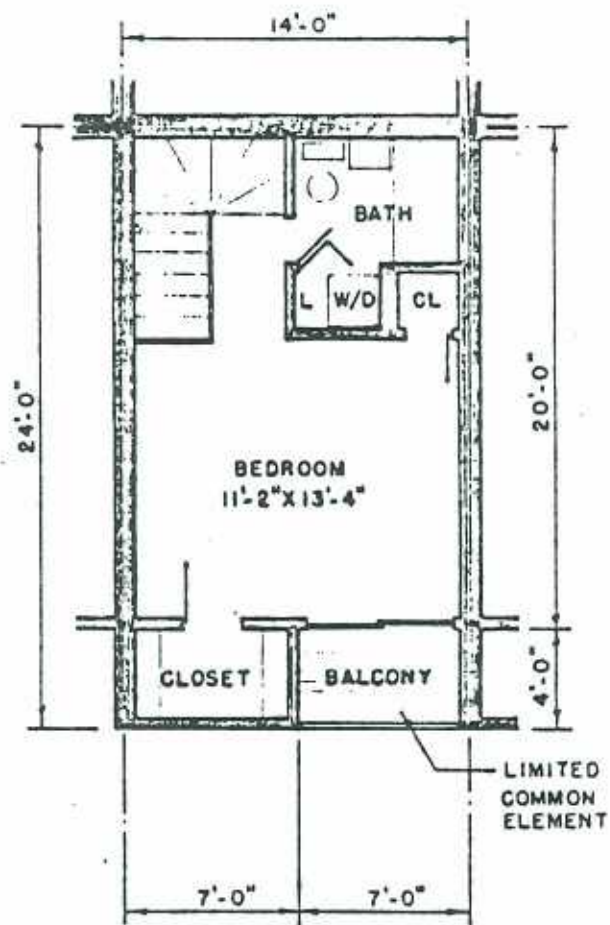
NEWTOWNE SQUARE CONDOMINIUM

ONE BEDROOM END UNIT

EXHIBIT C2



FIRST FLOOR PLAN



SECOND FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE
AND ARE SUBJECT TO CONSTRUCTION
VARIATION.

GREENBRIAR

THIS PLAN DESCRIBES THE FOLLOWING UNITS
LOCATED AS SHOWN ON EXHIBIT C1

1-2	2-2	3-2	4-2
1-3	2-3	3-3	4-3
1-4	2-4	3-4	4-4
1-5	2-5	3-5	4-5
1-6	2-6	3-6	4-8
1-7	2-9	3-9	4-9
1-10	2-10	3-10	4-10
1-11	2-11	3-11	4-11
1-12	2-12	3-12	
1-13	2-13	3-13	
1-14			
1-15			

I HEREBY CERTIFY THAT THIS
PLAN CONSTITUTES A CORRECT
REPRESENTATION OF THE
IMPROVEMENTS ERECTED OR TO
BE ERECTED.

Arthur W. Ponzio
NJ LS 9343

ARTHUR W. PONZIO L.S.

NEWTOWNE SQUARE CONDOMINIUM

ONE BEDROOM INTERIOR UNIT

EXHIBIT C3

EXHIBIT "D" OF MASTER DEED

EXHIBIT "D" OF MASTER DEED
Percentage Interest in Common Elements

<u>Bldg-Unit</u>	<u>Phase One % Interest In Common Elements</u>	<u>Phase Two % Interest In Common Elements</u>	<u>Phase Three % Interest In Common Elements</u>	<u>Phase Four % Interest In Common Elements</u>
1 - 1	6.25%	3.3334%	2.2729%	1.7858%
1 - 2	6.25%	3.3334%	2.2729%	1.7858%
1 - 3	6.25%	3.3334%	2.2729%	1.7858%
1 - 4	6.25%	3.3334%	2.2729%	1.7858%
1 - 5	6.25%	3.3334%	2.2729%	1.7858%
1 - 6	6.25%	3.3334%	2.2729%	1.7858%
1 - 7	6.25%	3.3334%	2.2729%	1.7858%
1 - 8	6.25%	3.3334%	2.2729%	1.7858%
1 - 9	6.25%	3.3334%	2.2729%	1.7858%
1 - 10	6.25%	3.3334%	2.2729%	1.7858%
1 - 11	6.25%	3.3334%	2.2729%	1.7858%
1 - 12	6.25%	3.3334%	2.2729%	1.7858%
1 - 13	6.25%	3.3334%	2.2729%	1.7858%
1 - 14	6.25%	3.3334%	2.2729%	1.7858%
1 - 15	6.25%	3.3334%	2.2729%	1.7858%
1 - 16	<u>6.25%</u> 100%	3.3334%	2.2729%	1.7858%
2 - 1		3.334%	2.2729%	1.7858%
2 - 2		3.334%	2.2729%	1.7858%
2 - 3		3.334%	2.2729%	1.7858%
2 - 4		3.334%	2.2729%	1.7858%

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<u>Bldg-Unit</u>	<u>Phase One</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Two</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Three</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Four</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>
2 - 5		3.334%	2.2729%	1.7858%
2 - 6		3.334%	2.2729%	1.7858%
2 - 7		3.334%	2.2729%	1.7858%
2 - 8		3.334%	2.2729%	1.7858%
2 - 9		3.334%	2.2729%	1.7858%
2 - 10		3.334%	2.2729%	1.7858%
2 - 11		3.334%	2.2729%	1.7858%
2 - 12		3.334%	2.2729%	1.7858%
2 - 13		3.334%	2.2729%	1.7858%
2 - 14		<u>3.334%</u> 100%	2.2729%	1.7858%
3 - 1			2.2729%	1.7858%
3 - 2			2.2729%	1.7858%
3 - 3			2.2729%	1.7858%
3 - 4			2.2729%	1.7858%
3 - 5			2.2729%	1.7858%
3 - 6			2.2729%	1.7858%
3 - 7			2.2729%	1.7858%
3 - 8			2.2729%	1.7858%
3 - 9			2.2729%	1.7858%
3 - 10			2.2729%	1.7858%
3 - 11			2.2729%	1.7858%
3 - 12			2.2729%	1.7858%
3 - 13			2.2729%	1.7858%
3 - 14			<u>2.2729%</u> 100%	1.7858%
4 - 1				1.7858%
4 - 2				1.7858%
4 - 3				1.7858%

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4/26/83

<u>Bldg-Unit</u>	<u>Phase One</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Two</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Three</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>	<u>Phase Four</u> <u>% Interest</u> <u>In Common</u> <u>Elements</u>
4 - 4				1.7858%
4 - 5				1.7858%
4 - 6				1.7858%
4 - 7				1.7858%
4 - 8				1.7858%
4 - 9				1.7858%
4 - 10				1.7858%
4 - 11				1.7858%
4 - 12				<u>1.7858%</u> 100%

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EXHIBIT "E" OF MASTER DEED
By-Laws of Newtowne Square Condominium Association

See Exhibit "B"
Public Offering Statement

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4/26/83

EXHIBIT "F" OF MASTER DEED

Articles of Incorporation of
Newtowne Square Condominium Association

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JP/ds
8/31/82

ARTICLES OF INCORPORATION
OF
NEWTOWNE SQUARE CONDOMINIUM ASSOCIATION

0094X
JP/ds
8/31/82

ARTICLES OF INCORPORATION
OF
NEWTOWNE SQUARE CONDOMINIUM ASSOCIATION

In compliance with the requirements of Title 15, 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 purpose of forming a corporation not for profit, and do hereby certify:

ARTICLE I

The name of the corporation is NEWTOWNE SQUARE CONDOMINIUM ASSOCIATION, hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at the management office of Newtowne Square, Pleasantville, New Jersey.

ARTICLE III

Jack Plackter, whose address is 1300 Atlantic Avenue, Atlantic City, New Jersey, is hereby appointed the initial registered agent of the Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and control of the common elements within that certain tract of property described in Exhibits "A" and "B" of a certain Master Deed entitled Newtowne Square, a condominium, recorded or intended to be recorded in the Office of the Clerk of Atlantic County, and to promote the health, safety and welfare of the residents within the above described property and for these purposes:

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JP/ds
8/31/82

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Master Deed, as same are applicable to the property described therein in Schedules "A" and "B" affixed thereto, or to additional property which may now or hereafter be acquired by the Association, its successors and assigns, and as that certain Master Deed may be amended from time to time as therein provided, said Master Deed being incorporated herein as if set forth at length;

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

(c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

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

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

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JP/ds
8/31/82

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee interest in any dwelling unit which is subject to the Master Deed aforesaid is subject to assessment by the Association, and qualifies in accordance with the By-Laws, shall be a member of the Association. The Grantor shall be a member of the Association for so long as he owns any units in the condominium. Control and voting rights in the Association are set forth in the By-Laws. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors. The initial Board of Directors shall be composed of five (5) persons who need not be members of the Association. The number of directors may be changed pursuant to the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Addresses</u>
George T. Graves, Jr.	1500 Tilton Road Northfield, NJ
Robert R. Hogg	1500 Tilton Road Northfield, NJ 08401
Mike Ridge	1500 Tilton Road Northfield, NJ 08401
Erma Glass	1500 Tilton Road Northfield, NJ 08401
Christine Parr	1500 Tilton Road Northfield, NJ 08401

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8/31/82

ARTICLE VII

DURATION

The corporation shall exist perpetually.

ARTICLE VIII

ANNEXATION OF ADDITIONAL PROPERTIES

Additional properties may be annexed to the property subject to the terms and conditions of the Master Deed, By-Laws of this Association and rules and regulations promulgated thereunder, and all such additional properties shall be governed hereby.

ARTICLE IX

AMENDMENT

Amendment of these Articles of Incorporation shall require the assent of seventy-five (75%) percent of the members.

IN WITNESS WHEREOF, for the purpose of forming this non-profit corporation under the laws of the State of New Jersey, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this day of , 1982.

Jack Plackter

Debbie Stem

Charlotte Gallagher

Karen Wosnack

Witness:

Terry Neville

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4/26/83

EXHIBIT "F"
Agreement of Sale

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4/26/83

NEWTOWNE SQUARE, A CONDOMINIUM
AGREEMENT OF SALE

NEWTOWNE SQUARE, A CONDOMINIUM

AGREEMENT OF SALE

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NEWTOWNE SQUARE, A CONDOMINIUM
AGREEMENT OF SALE

THIS AGREEMENT made this day of
1982 by and between G & H REALTY DEVELOPMENT COMPANY, INC., a
New Jersey corporation, having offices at 1500 Tilton Road,
Northfield, New Jersey, hereinafter referred to as "Seller"
and , residing at
hereinafter referred to as "Buyer".

BACKGROUND

(a) Seller has constructed or will construct a
condominium development on a certain lot, tract or parcel of
land situate in the City of Pleasantville, County of Atlantic
and State of New Jersey (the "Property").

(b) Seller has submitted or will submit such Property
to the condominium form of ownership pursuant to the New Jersey
Condominium Act, R.S. 46:8B-1, et seq.; and

(c) Seller desires to sell each condominium unit
("Unit") and its proportionate interest in the common elements;
and

(d) Seller has exhibited and delivered to Buyer
copies of the following documents:

(i) The Master Deed of Newtowne Square
Condominium Association.

(ii) Articles of Incorporation of Newtowne
Square Condominium Association.

(iii) By-Laws of Newtowne Square Condominium
Association.

(iv) Public Offering Statement.

(e) Buyer desires to purchase a condominium unit with
its proportionate interest in the common elements:

NOW, THEREFORE, in consideration of recitals (a) through (e) and of the mutual covenants and agreements herein contained, the parties hereto intending to be legally bound hereby, agree as follows:

1. Purchase and Sale. Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and take from Seller, on and subject to the terms and conditions of this Agreement, condominium unit number ____ in Newtowne Square together with an undivided percentage interest of ____% for Phase No. 1, ____% for Phase No. 2, ____% for Phase No. 3, ____% for Phase No. 4. In the common elements as set forth in the Master Deed of Newtowne Square, a condominium.

2. Basic Agreement.

Purchase price \$ _____

(a) Down payment of ____
____ percent of purchase
price at signing of
contract

\$ _____

(b) Proceeds of
mortgage, if any,

\$ _____

(c) Balance due at
settlement in cash or
certified check

\$ _____

3. Deposits. All deposits or money paid under this Agreement shall be held in escrow, subject to the terms of this agreement, in the First National State Bank of New Jersey, located at 550 Broad Street, Newark, New Jersey 07102. The deposits shall held in the Newtowne Square escrow account with

William M. Culver, Vice-President of the First National State Bank, acting as escrow agent, until the earlier of:

- (a) The date of settlement;
- (b) Such time as this Agreement is cancelled or terminated;
- (c) Until a bond or guarantee is provided that is acceptable to the New Jersey Department of Community Affairs Bureau of Housing.

Notwithstanding the foregoing, this escrow will continue for at least a seven (7) day rescission period provided for below. All deposits will be held at the passbook rate of interest. Said interest accruing to the benefit of Buyer.

4. Settlement. Settlement shall be held at the management office of the Condominium, The Title Company of Jersey, or at such place as designated by the Seller on the day of , 198 , time being of the essence.

At settlement Seller shall pay for the drawing of the unit deed and the New Jersey Realty Transfer fee, but all other charges for searches, title insurance, recording fees, title insurance company room charges, mortgage company costs, including preparation of documents, conveyancing and application fees, if any, Buyer's mortgage fees and expenses, if any, and other expenses are to be paid for by the Buyer. In addition, Buyer hereby agrees to pay for the cost of the new home warranty plan which is issued in accordance with the New Home Warranty Program and Builder Registration Act of the State of New Jersey.

5. Adjustments. Condominium Association dues and assessments, real estate taxes for the current year, all other

current charges which are payable directly by unit owners, and any other charges customarily apportioned between Buyer and Seller shall be apportioned at and/or prorated to time of settlement.

6. Title. Good and marketable title, insurable by Safeco Title Insurance Company, at regular rates, will be conveyed by special warranty deed at time of settlement. Nothing herein obligates Buyer to purchase title insurance from Safeco Title Insurance Company. Said title shall be free and clear of all liens, restrictions, easements and encumbrances except the following:

- (a) Ordinances and regulations of local municipal and other governmental authority;
- (b) Customary utility easements;
- (c) Covenants, conditions and restrictions which do not prohibit the use of the property for residential purposes;
- (d) Covenants, conditions, restrictions and easements contained in the Master Deed, By-Laws, Articles of Incorporation and condominium constituent documents;
- (e) Such state of facts as an accurate survey would reveal;
- (f) Any other exceptions set forth in the specimen title report attached hereto and made a part hereof.

If at time of settlement, Seller is unable to deliver title in accordance with the above paragraph, then Seller will have the right to postpone the date of settlement for a period of not more than twenty (20) days in order to cure any title defects. If Seller fails to cure a title defect during this twenty (20) day period, Buyer will have the option to accept such title as Seller can make, without a reduction in purchase

price, or all payments made by Buyer hereunder shall be returned to Buyer, together with reasonable expenses of examining title and making survey, and, the parties shall thereafter have no further rights against each other.

7. Selections. Buyer hereby agrees to make any and all selections required within ten (10) days after notice thereof being given by Seller to Buyer. Seller is given the option in Seller's discretion, to make substitutions of material of like quality or structural strength whenever Seller shall find it necessary or expedient to do so. It is understood that no changes ordered by Buyer will be made unless authorized in writing by the Buyer and approved by the Seller at a cost agreed upon and approved by the Seller in writing. The cost of any such changes requested by the Buyer prior to settlement shall be added to the total purchase price and will be paid in cash by the Buyer prior to the commencement of such changes. Seller may, at Seller's option, require additional deposit money to be paid under this Agreement in the event that Seller agrees to any such changes in construction requested by Buyer.

8. Inspection of Unit. Upon three (3) days written notice being given to Buyer, Buyer and Seller shall inspect said premises and in writing agree to the items necessary to complete said premises. In the event the Buyer does not inspect said premises as aforesaid, then it is agreed that the said premises are satisfactorily completed.

9. Warranties. It is understood and agreed that the unit to be erected by Seller will be completed substantially in accordance with the plans and specifications produced by Seller which plans and specifications to Buyer hereby acknowledges

having reviewed and agreed upon in their entirety. Seller warrants that the unit is fit for its intended use as a residential dwelling unit. Seller hereby warrants to supply to Buyer, at Buyer's sole cost and expense, a New Home Warranty Plan in accordance with the New Home Warranty Program and Builder Registration Act of the State of New Jersey. Seller warrants the construction of the common facilities for a period of two (2) years from the date of completion of the common facilities. Seller warrants that the common facilities are fit for their intended use. Seller shall repair or correct any defect in the construction, material or workmanship in the common facilities within a reasonable time after notification of the defect within the two (2) year warranty period. Seller warrants that all outbuildings, driveways, walkways, patios, retaining walls, and fences to be free from defect due to material workmanship for a period of one (1) year from the date of completion. Seller further warrants that all drainage is proper and adequate and that all off-site improvements are free from defects for a period of one (1) year from date of completion. Buyer expressly understands and agrees that other than the warranties that are contained in this paragraph, Seller makes no other warranties either express or implied.

The Public Offering Statement, Application for Registration and Common Promotional Plan are expressly incorporated by reference in this Agreement. This Agreement (including all attached Exhibits, all addenda and all documents expressly incorporated in this agreement) is the entire Agreement between Buyer and Seller as to the Unit, and there are no collateral understandings, representations or Agreements on those subjects that are not contained or incorporated in

this Agreement. No salesman, employee or agent of Seller has the authority to modify the terms of this Agreement, or has any authority whatsoever to make any reference, representations or agreement not contained in this Agreement, and only those contained in this Agreement will be binding upon Seller or will grant any rights to Buyer or will in any way affect the validity of this Agreement or form any part of this Agreement. Buyer acknowledges that other than as expressly stated in this Agreement, no representations, undertakings or promises (whether written, oral or implied) have been made by Seller, Seller's agents or employees in order to induce Buyer to enter into this Agreement. Buyer also acknowledges that any information received by Buyer from Seller or its agents or employees relating to carrying costs, tax benefits of ownership or otherwise as offered and accepted as an estimate only and Buyer declares that Buyer did not rely on that information in entering into this Agreement. No representation, claim, statement, advertising, promotional activity, brochure or plan of any kind made by Seller or its agents or employees will be binding upon Seller unless it is fully set forth in this Agreement or expressly incorporated in this Agreement. No amendments, supplements, addenda or riders to this Agreement, if any, and no other representations, undertakings or promises, whether oral, implied or otherwise, that hereafter are made either by Buyer or Seller to the other party and that relate to this Agreement shall be binding unless they are in writing and are signed by all persons to be bound thereby. The provisions of this Paragraph shall continue in effect after settlement.

10. Increased Costs and Expenses. This agreement is conditioned upon the ability of Seller to complete the

above-described property at present prices for materials and on the existing scale of wages for labor. If Seller is, at any time or for any reason, unable to complete the above-described premises at the present prices for material or on the existing scale of wages for labor, or if Seller is unable to procure promptly as and when needed, labor and material required for construction as aforesaid, then and in such event, Seller will give Buyer notice of such increased prices or costs. Said notice will be given to Buyer no later than sixty (60) days prior to the date of settlement hereunder. Buyer is given the option of paying such increased cost or prices or is permitted to rescind this Agreement within ten (10) calendar days after said notice is received, in which event the full deposit money shall be returned to Buyer within interest and this Agreement cancelled. Failure of Buyer to give Seller notice of rescission, will constitute acceptance of the increased prices or costs and this Agreement shall continue in full force and effect.

11. Strikes and Other Casualties. Seller shall not be held responsible for and is hereby released from all loss, liability or expense by reason of any delay in completion of unit due to inclement weather, fire, storm or other casualty, strikes, walk-outs or other labor disputes effecting either Seller or any of Seller's suppliers of material or labor, delay in issuance of permits, acts of war, emergency proclamation, governmental regulations, whether said delay be caused by Seller or by any other person, and irrespective of the cause, time and extent of such delay. In the event completion is so delayed, the settlement date shall be extended until the unit is completed. Notwithstanding the foregoing, if any delay

shall extend three (3) months beyond the settlement date hereunder, Buyer shall have the option to cancel this Agreement in which event the full deposit money shall be returned to Buyer with interest and this Agreement cancelled.

12. Working Capital Account. At settlement, in addition to the other charges and fees to be paid by Buyer, Buyer agrees to pay capital in an amount equaling two (2) months estimated maintenance, which is non-refundable, and will be contributed by the Buyer to the Condominium Association for working capital.

13. Administration. The administration and management of the condominium shall be in accordance with the provisions of the New Jersey Condominium Act (N.J.S.A. 46:8B-1, et.seq.) and of the Master Deed and any association By-Laws and other documents legally adopted pursuant thereto. Buyer subscribes to the Master Deed and association By-Laws, and all other condominium constituent documents which are incorporated herein by reference.

This Paragraph 13 will continue in effect after settlement.

14. Right of Entry. Buyer authorizes and grants to Seller the irrevocable right to enter into, upon, over or under the unit to be conveyed for a period of one (1) year after the date of settlement of the unit for such purpose and at such time as may be reasonably necessary for the Seller or its agents to service any of its units. Said entry will be with prior written notice to Buyer at reasonable hours. Should an emergency occur, no notice is required for entry into the unit.

This Paragraph 14 will continue in effect after settlement.

15. Buyer's Default. If Buyer fails to perform this Agreement or repudiates or otherwise prevents the performance thereof, then upon the failure of Buyer to cure the default within ten (10) days after written notice to Buyer at the address hereinabove, Seller shall have the option of cancelling this Agreement and without further notice, selling the unit to any other person. Buyer shall forfeit any and all monies paid on account of the purchase price, not to exceed ten (10%) percent of the total purchase price, plus the purchase price of additions and improvements actually installed, as liquidated damages, and upon payment of said liquidated damages, neither party shall have any further rights or obligations against the other.

16. Loss or Damage. Risk of loss of the Property from the date hereof until the date of settlement is to be the responsibility of Seller. Loss or damage to the unit by fire, storm or other casualty between the date of this contract and settlement shall not void or impair this contract, but in such event Seller shall have the option to repair all damage at its own cost, within one hundred and twenty (120) days, or cancel this contract and refund all deposit monies and the cost to Buyer of any title search or survey. Seller shall give notice to Buyer within thirty (30) days of the loss or damage of Seller's election to either repair the damage or cancel the contract as set forth above.

17. Merger. The acceptance by the Buyer of deed shall be deemed to be a full performance and discharge of every agreement and obligation on the part of Seller to be performed pursuant to the provisions of this contract except for the paragraphs and provisions that are expressly stated to survive settlement.

18. Invalidity and Notices. The invalidity of any one or more provisions of this contract will not legally effect the remainder. All notices to Seller shall be in writing and delivered in person or by certified or registered mail to Seller care of Horn, Kaplan, Goldberg and Gorny, P.A., Fifth Floor, 1300 Atlantic Avenue, Atlantic City, New Jersey. All notices to Buyer shall be in writing and sent by certified or registered mail to Buyer at _____.

19. Seller's Acceptance of this Offer. This contract shall be effective as of the date accepted by Seller or its duly authorized agent. This agreement when executed by Buyer and delivered to Seller constitutes an irrevocable offer subject to the limitations set forth in Paragraph 21 below, to purchase a unit for a period of seven (7) days after the date Buyer signs this agreement. If Seller signs this Agreement and delivers a copy to Buyer within this seven (7) day period, then Buyer's offer will be deemed accepted by Seller and the contract will have been made.

20. Recordation and Assignment. This contract shall not be recorded by Buyer. Buyer expressly agrees and covenants not to assign this contract without written consent of Seller first obtained which consent must be set forth on Buyer's copy of this agreement. Any assignment, permitted by Seller, shall bind upon or innure to the benefit of the parties, their heirs, executors, administrators, successors or assigns.

21. References and Captions.

(a) Any reference in this Agreement to the masculine gender will be deemed to include the feminine wherever that may be appropriate and the singular number will be deemed to include the plural whenever that may be appropriate.

(b) The captions contained in this Agreement are for convenience only, are not to be considered within the interpretation of this Agreement and are not intended in any way to limit or enlarge the terms and provisions of this agreement.

(c) This agreement may be signed in counterparts, each of which, when it is signed will be considered an original.

22. Buyer's Right to Cancel Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, BUYER HAS THE RIGHT TO CANCEL THIS CONTRACT OR AGREEMENT BY SENDING OR DELIVERING WRITTEN NOTICE OF CANCELLATION TO THE SELLER BY MIDNIGHT OF THE SEVENTH (7TH) CALENDAR DAY FROM THE DATE ON WHICH THE AGREEMENT IS EXECUTED. SUCH CANCELLATION IS WITHOUT PENALTY AND ALL MONIES PAID SHALL BE PROMPTLY REFUNDED.

23. Insulation Disclosure. The roofs and floors of the Units have an R-value of _____. The exterior walls of the Units have an R-value of _____.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

Both husband and wife must sign and all partners must sign and shall be individually and jointly bound. All partners and corporate signatories warrant and represent that they have the authority to bind the partnership, partners and corporation as the case may be.

WITNESS:

Buyer

Buyer

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ACCEPTED BY SELLER THIS _____ DAY OF _____, 19__.

Witness:

By: _____

You hereby acknowledge that prior to your execution of this agreement, you have received a copy of the Public Offering Statement required to be registered with the New Jersey Division of Housing of the State Department of Community Affairs under the Planned Real Estate Development Full Disclosure Act.

Witness:

Buyer

Witness:

Buyer

ADDENDUM TO AGREEMENT OF SALE FOR
MORTGAGE CONTINGENCY

THIS ADDENDUM TO THE AGREEMENT OF SALE, made
this _____ day of _____, 19____, by and
between _____, residing
at _____, hereinafter referred to as
"Buyer" and G & H REALTY DEVELOPMENT COMPANY, INC., a New
Jersey corporation, having offices at 1500 Tilton Road,
Northfield, New Jersey, hereinafter referred to as "Seller".

BACKGROUND

(a) Buyer has requested that a certain Agreement of
Sale, bearing even date herewith, be contingent upon Buyer's
obtaining a mortgage commitment as hereinafter set forth;

(b) Seller agrees to permit Buyer to seek mortgage
financing;

NOW, THEREFORE, the parties hereto, intending to be
legally bound hereby, agree as follows:

1. Mortgage Contingency. The obligations of
Seller and Buyer under a certain Agreement of Sale bearing
even date herewith are contingent upon Seller's obtaining for
Buyer a commitment for a first mortgage loan to be secured by
the premises in the amount of \$_____ with Buyer
paying a placement fee of ____ points said mortgage shall be
for a term of ____ years amortizmallly on a direct reduction
basis payable monthly at the rate of ____% per annum. Buyer
agrees to immediately submit through Seller an application
for the above mentioned mortgage, on a form supplied by
Seller to a Mortgagee designated by Seller, including all
information, documents and exhibits as are necessary in the
opinion of Seller, and Buyer further agrees to do all things
necessary for the placing and execution of said mortgage.

2. Inability to Obtain Mortgage. In the event Seller is unable to obtain a mortgage commitment for Buyer as aforesaid, at least thirty (30) days prior to the time of settlement as set forth in the Agreement of Sale, then, and in such event, either party shall have the option of terminating this Agreement by written notice and certified mail to the other party at least fifteen (15) days prior to the time of settlement therein contained. In the event of such termination, Buyer shall be repaid all funds deposited thereunder, together with interest thereon.

3. Buyer's Default. In the event Buyer elects to make application for a mortgage through Seller, the failure of Buyer to complete the application, in all respects, shall be deemed a default of the Agreement of Sale, and the Seller may, after fifteen (15) days written notice given by certified mail to the Buyer, cancel the agreement as liquidated damages an amount equal to ten (10%) percent of the purchase price plus the actual cost of any improvements installed in the unit for the purchaser and the liability of either party to the other shall be terminated.

4. Waiver of Contingency. Buyer agrees that, in the event he does not elect to make a mortgage application through Seller, the agreement shall not be contingent upon the obtaining of a mortgage by or for Buyer and Buyer shall be required to complete settlement as required therein.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

Both husband and wife must sign and all partners must sign and shall be individually and jointly bound. All

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partners and corporate signatories warrant and represent that they have the authority to bind the partnership, partners and corporation as the case may be.

WITNESS:

Buyer

Buyer

ACCEPTED BY SELLER THIS _____ DAY OF _____, 19__.

Witness:

_____ By: _____

You hereby acknowledge that prior to your execution of this agreement, you have received a copy of the Public Offering Statement required to be registered with the New Jersey Division of Housing of the State Department of Community Affairs under the Planned Real Estate Development Full Disclosure Act.

Witness:

Buyer

Witness:

Buyer

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EXHIBIT "G"

Unit Deed

C.

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NEWTOWNE SQUARE,
A CONDOMINIUM

THIS INDENTURE, made this day of

in the year of our Lord nineteen hundred and eighty- (19),

by and between G & H REALTY DEVELOPMENT CORPORATION, INC. a New Jersey corporation, hereinafter referred to as "Grantor",

having an address at 1500 Tilton Road, City of Northfield, State of New Jersey, party of the first part,

and , having an address at , hereinafter referred to as "Grantee(s)", party of the second part.

WITNESS:

That the said Grantor for and in consideration of the sum of \$
lawful money of the United States of America, to them well and truly paid by the said Grantee(s) at or before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, aliened, enfeoffed, released and confirmed, and by these presents does grant, bargain and sell, alien, enfeoff, release and confirm to the said Grantee(s) their heirs and assigns, pursuant to R.S. 46:8B-10:

ALL that certain premises in and about Newtowne Square situate in the City of Pleasantville, County of Atlantic and State of New Jersey known as Block 429, Lots 7.01, 7.02 and a portion of 7.03 on the Tax Map of the City of Pleasantville.

BEING Condominium Unit No. _____, in Newtowne Square; said unit being more specifically defined in the Master Deed of Newtowne Square, a Condominium recorded in the Office of the Clerk of Atlantic County in Deed Book _____, page _____ which unit is herewith conveyed in conformity with the provisions of the Condominium Act of New Jersey, and includes the fee in an undivided percentage interest of _____%

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for Phase One, ____% for Phase Two, ____% for Phase Three, ____% for Phase Four in the Common Elements of Newtowne Square, a condominium.

UNDER AND SUBJECT to the covenants, restrictions, easements, terms, rights, agreements, conditions and exceptions as contained and set forth in said Master Deed, By-Laws and Articles of Incorporation and any amendments thereto.

SUBJECT, FURTHER, to all easements, covenants, conditions, restrictions, zoning requirements and other restrictions of record, if any.

TOGETHER with all singular, the buildings, improvements, ways, rights, liberties, privileges, hereditaments and appurtenances, to the same belonging or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and the profits thereof, and of every part and parcel thereof; And Also, all the estate, right, title, interest, property, possession, claim and demand whatsoever, both in law and equity, of the said party of the first part, of, in and to the said premises, with the appurtenances.

GRANTOR covenants that it will forever warrant and defend the said property to the grantee, his heirs, personal representatives and assigns against the claims and demands of the Grantor and all persons claiming or to claim by, through or under it.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be properly executed the day and year first above mentioned.

ATTEST:

G & H REALTY DEVELOPMENT
COMPANY, INC.

BY: _____ (SEAL)

WITNESS:

(SEAL)
Buyer

(SEAL)
Buyer

BE IT REMEMBERED, that on this _____ day of _____, 19____, before me _____ personally appeared _____ of G & H REALTY DEVELOPMENT COMPANY, INC., who I am satisfied is the person who executed the within instrument as such officer and I having first made known to him the contents thereof, he did sign, seal with the corporate seal and deliver the same as the voluntary act and deed of said corporation for the uses and purposes therein contained. The full and actual consideration paid or to be paid for the transfer of title to realty evidenced by the within deed, as such consideration is defined in P.L. 1968, c 49, Sec. 1(C) is \$ _____.

NOTARY PUBLIC

STATE OF NEW JERSEY)
SS:
COUNTY OF ATLANTIC)

Be It Remembered, that on this _____ day of _____, 19____, before me, _____ the subscriber, personally appeared _____ who, I am satisfied is the person named in and who executed the within Instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed.

STATE OF NEW JERSEY)
SS:
COUNTY OF ATLANTIC)

Be It Remembered, that on this _____ day of _____, 19____, before me, _____ the subscriber, personally appeared _____ who, I am satisfied is the person named in and who executed the within

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Instrument, and thereupon he acknowledged that he signed, sealed and delivered the same as his act and deed, for the uses and purposes therein expressed.

Prepared by: _____

Jack Plackter, Esquire
HORN, KAPLAN, GOLDBERG & GORNY
1300 Atlantic Avenue, Suite 500
Atlantic City, New Jersey, 08401

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EXHIBIT "H"
Title Report



POLICY OF TITLE INSURANCE

SAFECO TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERE-OF, SAFECO TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. Any defect in or lien or encumbrance on such title;
3. Lack of a right of access to and from the land; or
4. Unmarketability of such title.

In Witness Whereof, SAFECO Title Insurance Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

SPECIMEN


Secretary




President


An Authorized Signature

ALTA OWNER'S POLICY FORM B - 1970 (Amended 10-17-70)

SCHEDULE A

Agents File No. Specimen

Amount of Insurance: \$ 000000

Date of Policy: August 23, 1982

1. Name of Insured: John Doe and Mary Doe, husband and wife
 2. The estate or interest in the land described herein and which is covered by this policy is: Fee simple
 3. The estate or interest referred to herein is at Date of Policy vested in: John Doe and Mary Doe, husband and wife, by deed from G & H Realty Development Company, Inc., dated recorded , in the Office of the Clerk of Atlantic County in Deed Book , Page .
 4. The land referred to in this policy is described as follows: Situate in the City of Pleasantville, County of Atlantic, State of New Jersey more particularly described as follows: BEING Unit No. 00 of Newtowne Square, a Condominium, and being more specifically defined in the Master Deed of Newtowne Square, a Condominium, dated , recorded in the Office of the Clerk of Atlantic County in Deed Book , Page , which Unit is conveyed in conformity with the provisions of the Condominium Act of New Jersey N.J.S.A. 46:8B-1 et seq., together with an undivided fee interest of .0000 percent in the Common Elements as set forth in the above referred Master Deed.
- It is hereby insured that Newtowne Square, a Condominium, is a valid Condominium established pursuant to N.J.S.A. 46:8B-1 et seq.

SPECIMEN

SCHEDULE B

Policy No.

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

1. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
2. Mortgage made by John Doe and Mary Doe, husband and wife, to the Blank Mortgage Company, dated , recorded in the Office of the Clerk of Atlantic County in Mortgage Book , Page , to secure the sum of \$000,000.
3. Subject to the provisions of the Condominium Act of New Jersey, N.J.S.A. 46:8B-1 et seq.
4. Subject to the covenants, conditions, restrictions, reservations, easements and provisions of the Master Deed of Newtowne Square, a Condominium, dated , recorded , in Deed Book , Page .
5. Subject to the rules and regulations of the By-Laws of Newtowne Square Condominium Association, which includes the right to make assessments and the right of access to all units for necessary repairs, replacement and improvements to common elements and to prevent damage to common elements or another unit.
6. Rights of adjoining owners and tenants in the common elements of the condominium.

SPECIMEN

SCHEDULE OF EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy:

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

CONDITIONS AND STIPULATIONS

Definition of Terms

The following terms when used in this policy mean:

(a) "Insured": the insured named in Schedule A, and, subject to any rights or defenses the Company may have against the named insured, those who succeed to the interest of such insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(d) "land": the land described, specifically by reference in Schedule A, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, first deed, or other security instrument.

(f) "public records": those records which by law impart constructive notice of matters relating to said land.

Continuation of Insurance after Conveyance of Title

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured

so long as such insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

3. Defense and Prosecution of Actions - Notice of Claim to be given by an Insured Claimant

(a) The Company, at its own cost and without undue delay, shall provide for the defense of an insured in all litigation consisting of actions or proceedings commenced against such insured, or a defense interposed against an insured in an action to enforce a contract for a sale of the estate or interest in said land, to the extent that such litigation is founded upon an alleged defect, lien, encumbrance or other matter insured against by this policy.

(b) The insured shall notify the Company promptly in writing (i) in case any action or proceeding is begun or defense is interposed as set forth in (a) above; (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice

the rights of any such insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Company shall have the right at its own cost to institute and without undue delay prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as insured, and the Company may take any appropriate action under the terms of this policy, whether or not it shall be liable thereunder, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for such purpose. Whenever requested by the Company, such insured shall give the Company all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and the Company shall reimburse such insured for any expense so incurred.

4. Notice of Loss - Limitation of Action

In addition to the notices required under

(Conditions and Stipulations Continued and Concluded on Last Page of this Policy)

Paragraph 2(b) of these Conditions and, in addition, a statement in writing of any loss or damage for which it is claimed the Company is liable under this policy shall be furnished to the Company within 90 days after such loss or damage shall have been determined and no right of action shall accrue to an insured claimant until 30 days after such statement shall have been furnished. Failure to furnish such statement of loss or damage shall terminate any liability of the Company under this policy to such loss or damage.

Options to Pay or Otherwise Settle Claims

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against or terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment, by the insured claimant and authorized by the Company.

Determination and Payment of Loss

(a) The liability of the Company under this policy shall in no case exceed the least of:

(i) the actual loss of the insured claimant; or

(ii) the amount of insurance stated in Schedule A.

(b) The Company will pay, in addition to any loss insured against by this policy, all costs incurred upon an insured in litigation carried on by the Company for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Company.

(c) When liability has been definitely fixed in accordance with the conditions of this policy, loss or damage shall be payable within 30 days thereafter.

Limitation of Liability

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise, removes such defect, lien or encumbrance or establishes the title, as insured, within a reasonable time after receipt of such notice; (b) in the event of litigation until there has been a final determination by a court

of competent jurisdiction, and disposition of any appeal therefrom, adverse to the title, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily assumed by an insured in settling any claim or suit without prior written consent of the Company.

8. Reduction of Liability

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

9. Liability Noncumulative

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring either (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy, or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy. The Company shall have the option to apply to the payment of any such mortgages any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

10. Apportionment

If the land described in Schedule A consists of two or more parcels which are not used as a single unit, and a loss is established affecting one or more of said parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each such parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement herein or by an endorsement attached hereto.

11. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and if requested by the Company such insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation and shall permit the Company to use the name of such insured claimant in any transaction or litigation involving such rights or remedies. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

12. Liability Limited to this Policy

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

13. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at the office which issued this policy or to:

SAFECO Title Insurance Company
Home Office Legal Department
13640 Roscoe Boulevard
Panorama City, California 91409

SAFECO TITLE
INSURANCE COMPANY

**POLICY OF
TITLE
INSURANCE**



SAFECO TITLE
INSURANCE COMPANY

HOME OFFICE

13640 ROSCOE BOULEVARD

PANORAMA CITY, CALIFORNIA 91409

SAFECO TITLE
INSURANCE COMPANY

EXHIBIT "I"
Estimated Settlement Costs

0166X
JP/lmb
4/26/83

EXHIBIT "I"

Estimated Settlement Costs
(to be paid by purchaser)

Title Insurance	\$ _____
(includes search, recording of deed, notary, mortgagee insurance)	\$ _____
Deed Preparation	\$ _____
Processing fee for mortgage loan	\$ _____
Legal Fee (Mortgage Company attorney)	\$ _____
Pro-rated real estate taxes	\$ _____
Pro-rated interest on mortgage	\$ _____
Pro-rated rent	\$ _____
WORKING CAPITAL ASSESSMENT - non-refundable (Equal to Two Months Estimated Common Area Maintenance Charges)	\$ _____
Other Charges - please explain and itemize:	\$ _____
Cost for New Home Warranty Plan	\$ _____
	\$ _____
ESTIMATED TOTAL SETTLEMENT COSTS	\$ _____

Should the purchaser secure a mortgage, the processing fee, legal fees and prorated interest will vary according to the mortgage lender.

0166X
JP/lmb
4/26/83

EXHIBIT "J"
Business Resume of Grantor

0091X
JP/ds
8/31/82

RESUME OF DEVELOPER

G & H Realty Development Company, Inc. is a New Jersey corporation made up of two (2) shareholders each holding a fifty (50%) percent interest in the corporation.

George T. Graves, Jr. is the President and Treasurer of G & H Realty Development Company, Inc. For the past five (5) years Mr. Graves has been the chief operating officer of the insurance brokerage firm of Steelman, Graves and Waters. In addition in 1978 Mr. Graves together with Mr. Hogg formed Resorts, Ltd., Inc. a real estate brokerage firm involved in all facets of real estate including residential, commercial and land acquisition.

Robert R. Hogg is the Vice-President and Secretary of G & H Realty Development Company, Inc. For the past five (5) years Mr. Hogg has been associated with Mr. Graves in both Steelman, Graves and Waters, Inc. and Resorts, Ltd., Inc.

