

EXHIBIT A
MASTER DEED

83001

April 29, 1988

Page 1 of 1

Description of Condominium Master Development Plan for Fair Acres,
Township of South Brunswick, County of Middlesex, State of New
Jersey.

Beginning at a point in the Southerly line of N.J. State Highway
Route 27 (66' Wide) said point being marked by an Iron Pipe, said
point also being in the line of division between Lot 11.031, Block 97
and Lot 11.01, Block 97 and from said point of beginning running,
thence;

1. North Sixty-eight degrees Thirty-four minutes Zero seconds East
(N 68° 34' 00" E), along the Southerly line of N.J. State
Highway Route 27, a distance of Five hundred and Zero hundredths
feet (500.00') to a point, said point being marked by an Iron
Pin said point being in the line of division between Lot 11.07,
Block 97 and Lot 11.01, Block 97, thence;
2. South Twenty-one degrees Twenty-six minutes Zero seconds East
(S 21° 26' 00" E), along said line of division, a distance of
Five hundred Fifty and Seventy-seven hundredths feet (550.77')
to a point, said point being marked by an Iron Pin, thence
3. South Sixty-eight degrees Thirty-four minutes Zero seconds West
(S 68° 34' 00" W), a distance of Five hundred and Zero
hundredths feet (500.00') to a point, thence;
4. North Twenty-one degrees Twenty-six minutes Zero seconds West
(N 21° 26' 00" W), a distance of Five hundred Fifty and
Seventy-seven hundredths feet (550.77') to a point, said point
being the Point of Beginning.

Contains 6.322 Acres

Being intended to describe lands as shown on a plat entitled
"Condominium Master Development Plan for Fair Acres, Township of
South Brunswick, Middlesex County, New Jersey", prepared by Schoor &
DePalma, Manalapan, New Jersey, dated April 21, 1988.

CG:spp
DeF70

BOOK 3702 PAGE 171

EXHIBIT B - MASTER DEED

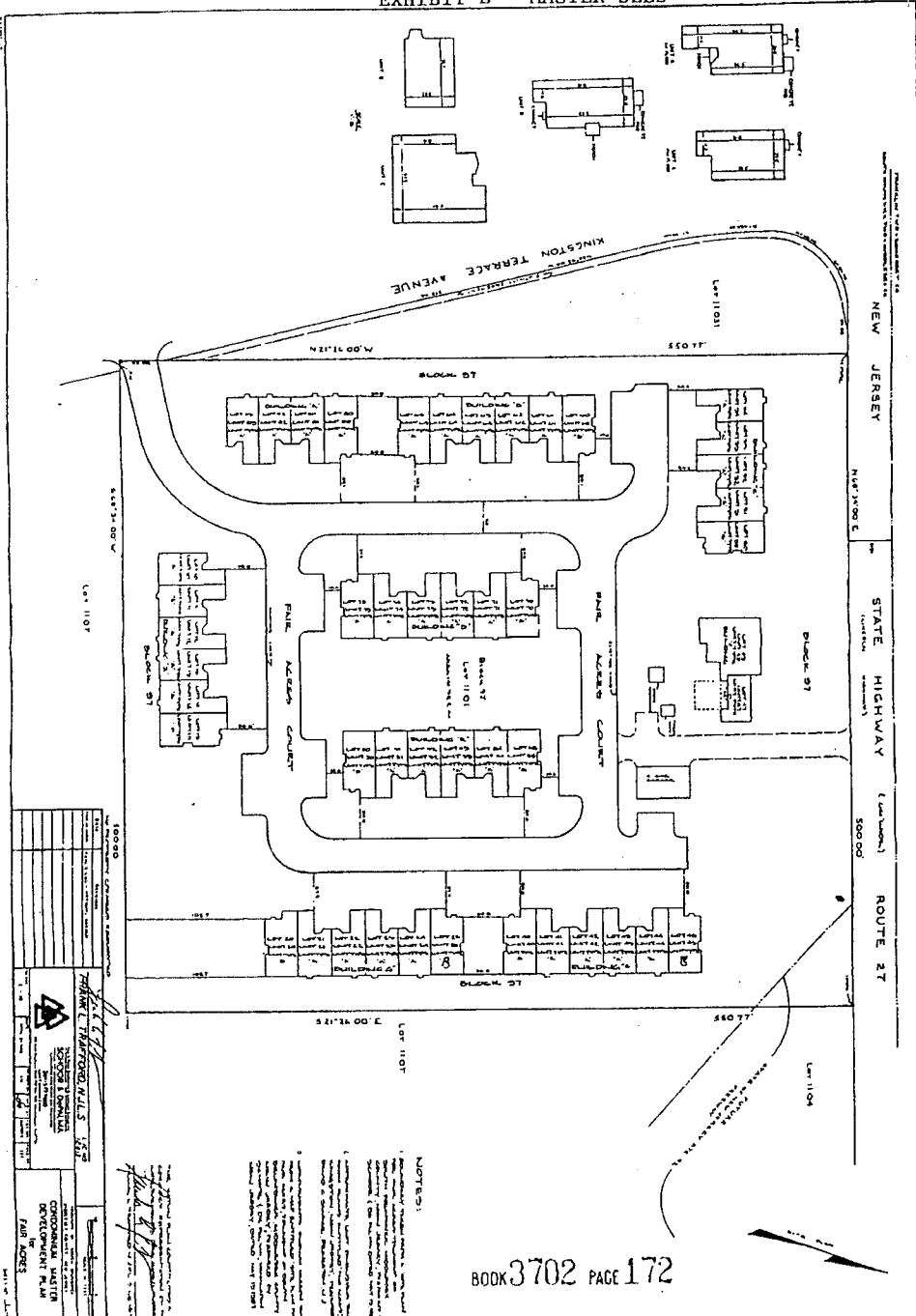
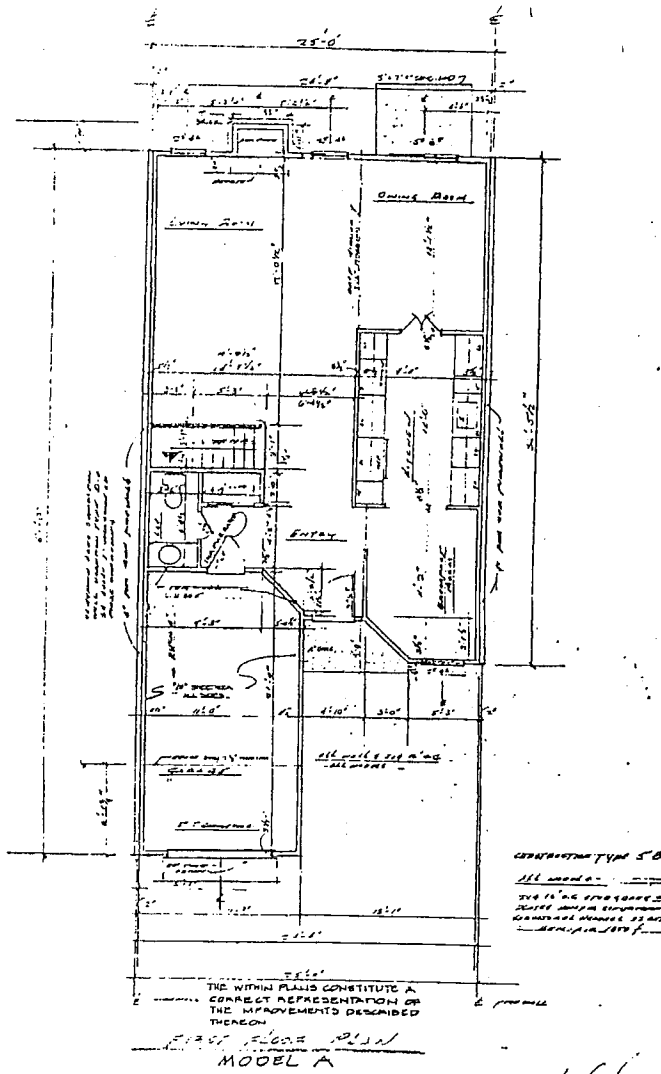
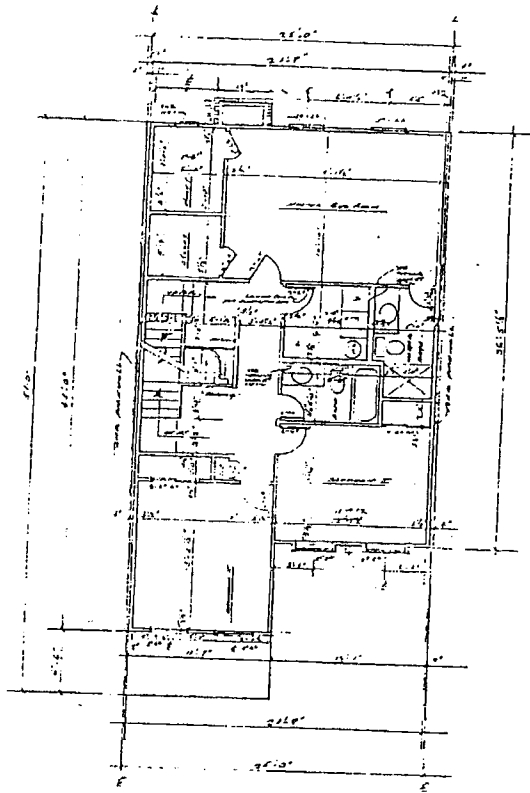


EXHIBIT C-1 - MASTER DEED



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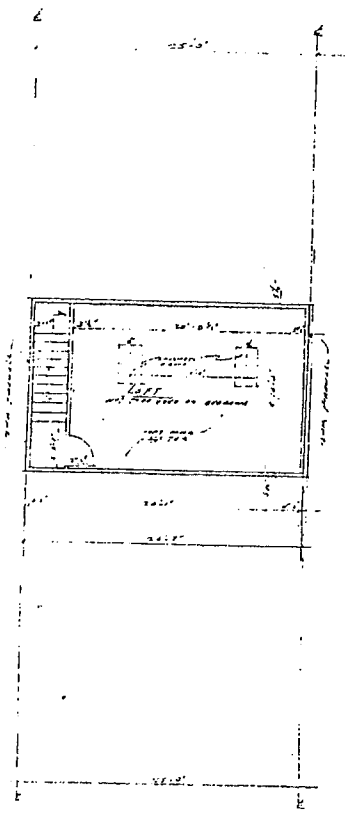
EXHIBIT C-2 - MASTER DEED



MODEL A
SECOND FLOOR PLAN
THE WITHIN PLANS CONSTITUTE A
CORRECT REPRESENTATION OF
THE IMPROVEMENTS DESCRIBED
THEREON

Handwritten signature

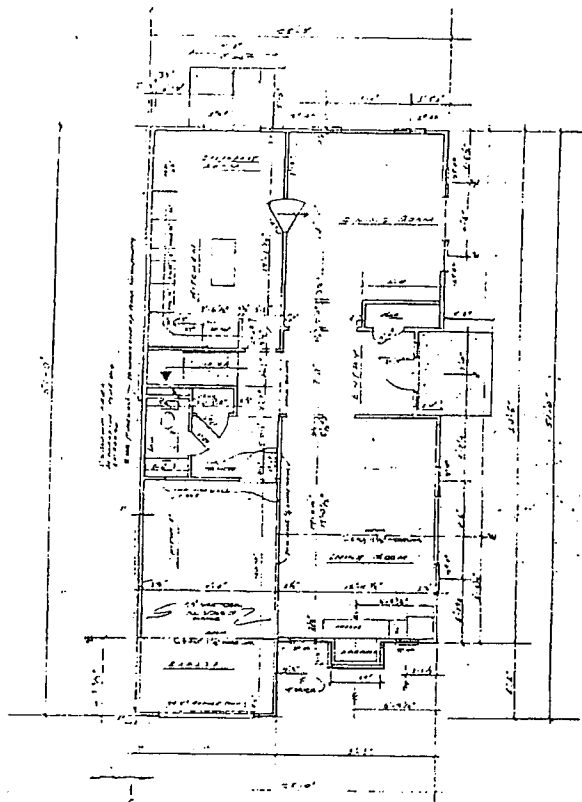
EXHIBIT C-3 - MASTER DEED



MODEL A
SITE PLAN
THE WITHIN PLANS CONSTITUTE A
CORRECT REPRESENTATION OF
THE IMPROVEMENTS DEMANDED
THEREON.

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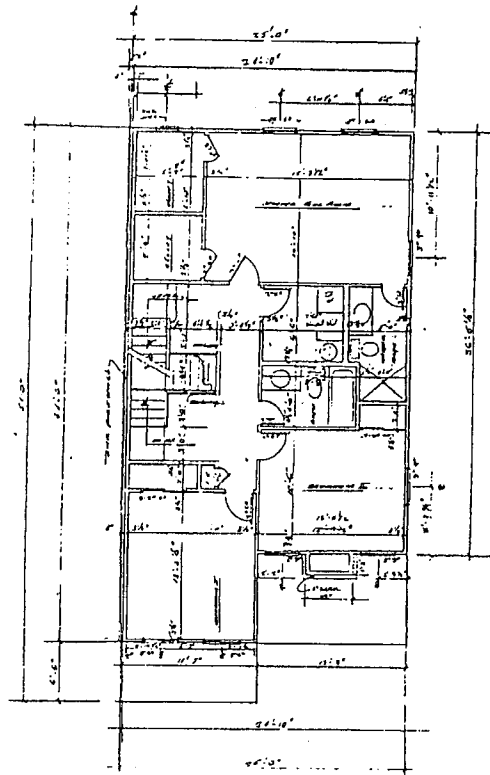
EXHIBIT C-4 - MASTER DEED



MODEL B
FIRST FLOOR PLAN
THE ABOVE PLANS CONSTITUTE A
COMPLETE REPRESENTATION OF
THE IMPROVEMENTS DESCRIBED
THEREON

David L. ...

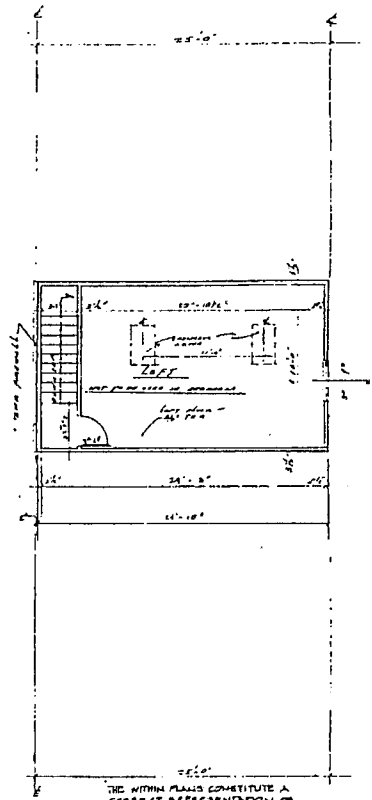
EXHIBIT C-5 - MASTER DEED



THE WITHIN PLANS CONSTITUTE A
COMPLETE REPRESENTATION OF
THE IMPROVEMENTS DESCRIBED
THEREON
SECOND FLOOR PLAN
MODEL B

David C. [Signature]

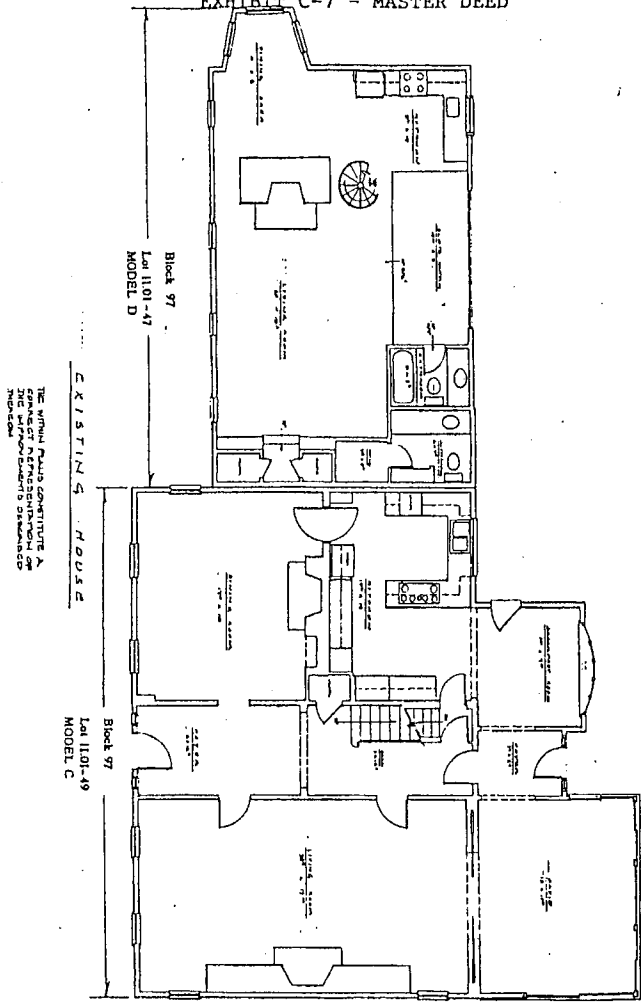
EXHIBIT C-6 - MASTER DEED



THE WITHIN PLANS CONSTITUTE A
CORRECT REPRESENTATION OF
THE IMPROVEMENTS DESCRIBED
THEREON
FLOOR PLAN
MODEL B

David C. ...

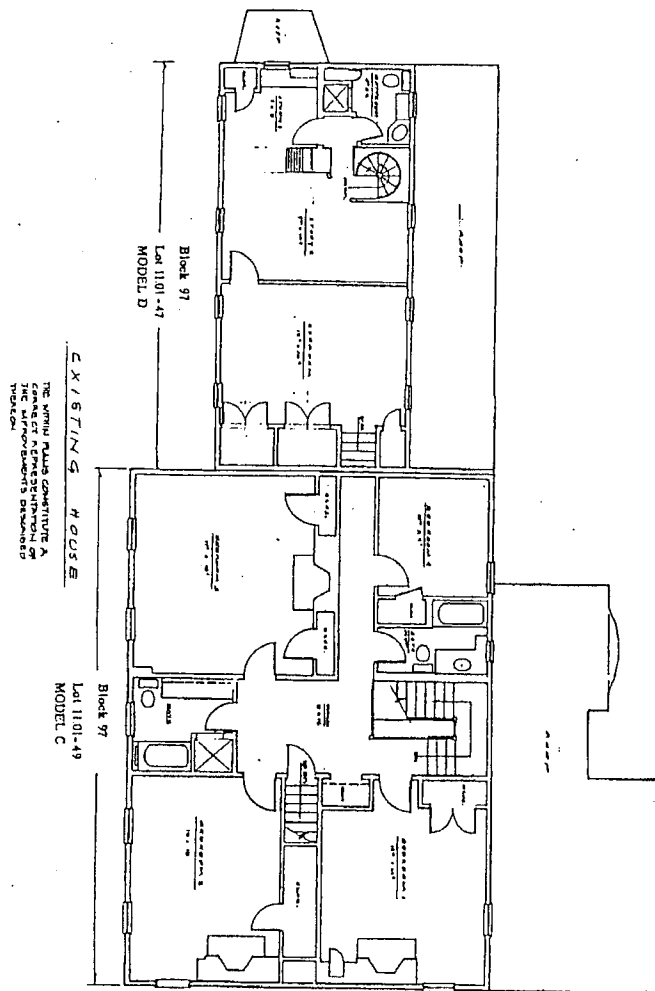
EXHIBIT C-7 - MASTER DEED



BOOK 3702 PAGE 179

SHEET 1	FAIR ACRES FARM 3300 ROUTE 27 PRINCETON NJ. 08540	FIRST FLOOR MEASURED DWG. 1/4" = 1'-0" JUNE 11, 1987
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EXHIBIT C-8 - MASTER DEED



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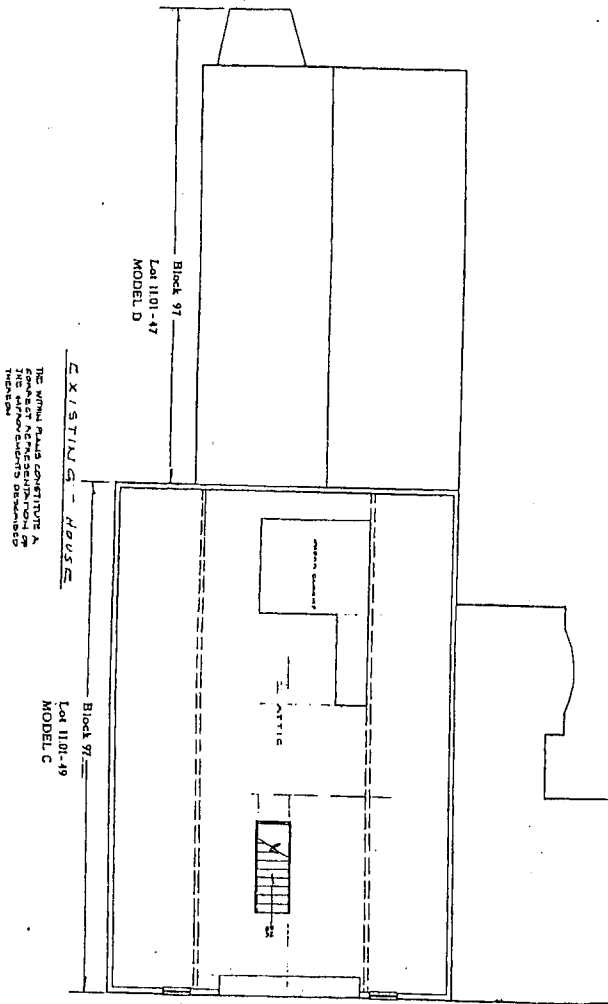
2

FAIR ACRES FARM
1300 ROUTE 27 PRINCETON NJ
08540

-120A

SECOND FLOOR
MEASURED ON 6/11/57
X 110' - 11 1/2" 11 1/2" 11 1/2"

EXHIBIT C-9 - MASTER DEED



THE ABOVE SHOWN CONTAINS A
COMPLETE SET OF PLANS
THE INFORMATION CONTAINED
HEREIN

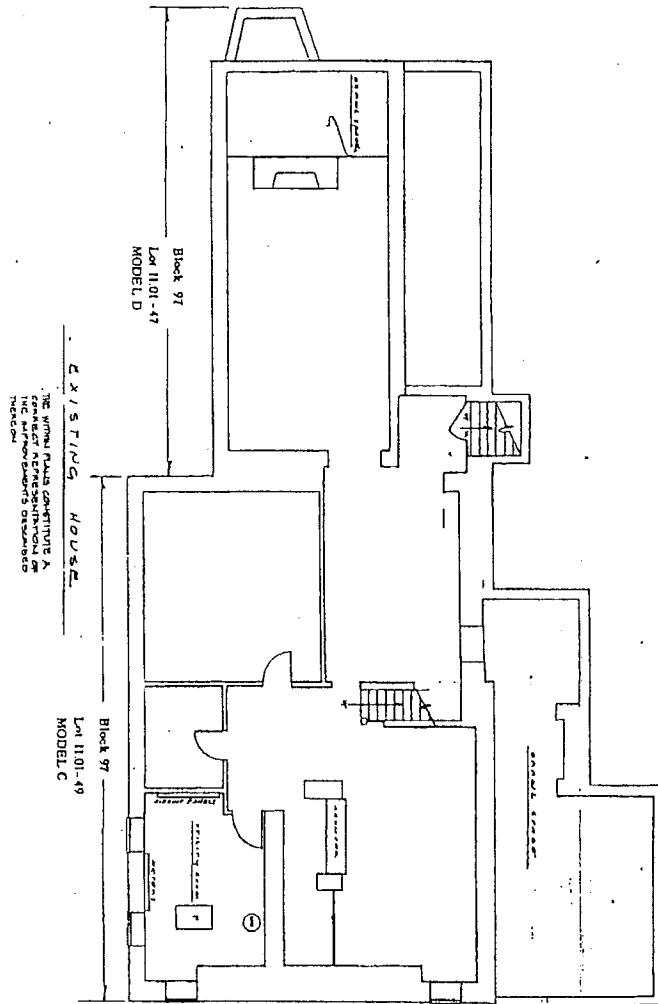
BOOK 3702 PAGE 181

3

FAIR ACRES FARM
4500 ROUTE 27 PRINCETON NJ
08540

ATTIC
MEASURED DWG
JUNE 11, 1987

EXHIBIT C-10 - MASTER DEED



EXISTING HOUSE
THE ABOVE PLANS CONSTITUTE A
COMPLETE REPRESENTATION OF
THE IMPROVEMENTS DESCRIBED
HEREIN.

Block 97
Lot 1101-47
MODEL D

Block 97
Lot 1101-49
MODEL C

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4

FAIR ACRES FARM
1500 ROUTE 27, PRINCETON, NJ
08540

-120C-

BASEMENT
MEASURED DWG.
M-140 JUNE 11, 1987

EXHIBIT D
BYLAWS
OF
FAIR ACRES CONDOMINIUM ASSOCIATION, INC.

ARTICLE 1 - NATURE OF BYLAWS

These Bylaws are intended to govern the administration of Fair Acres Condominium Association, Inc., ("Association"), a non-profit corporation organized under N.J.S.A. 15A:1-1 et seq., together with the management, administration, utilization and maintenance of the Common Elements and Facilities described in the Master Deed for Fair Acres, a Condominium, and any amendments or supplements thereto. Unless the context clearly indicates otherwise, all definitions set forth in the Master Deed are incorporated herein by reference.

ARTICLE 2 - MEMBERSHIP AND VOTING RIGHTS

SECTION 2.1 Members. All Owners of Units in the Development shall be Members of the Association provided, however, that any person, firm, association, corporation or legal entity who holds such title or interest merely as a security for the performance of an obligation (including, but not limited to, mortgagees) shall not be a Member of the Association. Membership in the Association shall lapse when any Member ceases to be the record owner of a Unit. Membership shall entitle the Member to vote for Directors as set forth in the Master Deed and these Bylaws, to participate and utilize all of the recreational facilities available to the Association and its members, and otherwise have use and benefit of the Development subject to the Master Deed, the Certificate of Incorporation, Bylaws and the Rules and Regulations of the Association, as amended from time to time.

SECTION 2.2 Change of Membership. Change of membership shall be accomplished by recording in the Middlesex County Clerk's Office a deed or other

instrument establishing a record title to a Unit, and delivery to the Secretary of the Association of a copy of such recorded instrument. The membership of the prior Unit Owner shall be thereby terminated.

SECTION 2.3 Allocation of Votes. There shall be one vote of equal weight for each Unit ultimately constructed in the Development. When more than one person holds title, the vote for each Unit shall be exercised as the Co-Owners among themselves determine. When one or more Co-Owners signs an absentee ballot or purports to vote for his or her Co-Owners, such vote shall be counted unless one or more of the other Co-Owners is present and objects to such vote; or, if not present, submits an absentee ballot or objects in a writing delivered to the Secretary of the Association before the votes are counted. If the Co-Owners disagree as to the vote, the vote shall be split equally among the Co-Owners. There shall be 47 votes based upon the number of Units planned for the Development, all of which shall be held by the Developer who shall be deemed to be a Member of the Association. Upon conveyance of title of a Unit to another Owner by Developer, such Owner shall be entitled to one vote for each Unit conveyed, and the number of votes held by Developer shall be reduced accordingly. Developer's votes shall be cast at all Directors meetings by such person(s) as it may from time to time designate. Votes not held by Developer shall be cast in person or by absentee ballot, as otherwise provided herein. Anything to the contrary herein notwithstanding, it is understood that in the event that the number of Units ultimately built in the Development is more or less than 47, the number of votes in the Association shall be equal to the number of Units ultimately built.

SECTION 2.4 Interest in the Common Elements and Facilities. Each Owner, including Developer, shall have a membership interest in the Association and a beneficial interest in and to the Common Elements and Facilities equal to and in proportion with the percentage of interest set forth in Exhibit of the Master Deed.

Such interest shall be appurtenant to and indivisible from ownership of his Unit. Each Owner who is entitled to membership in the Association pursuant to these Bylaws shall be privileged to use and enjoy the Common Elements and Facilities subject to the right of the Association to promulgate Rules and Regulations governing such use and enjoyment, and subject further to the provisions of Section 2.5.

SECTION 2.5 Suspension of Rights. The membership rights of any Owner or Member (including, but not limited to the right to vote) may be suspended by action of the Board during the period when such Owner's or Member's assessments remain unpaid; but upon satisfactory payment of such assessments, his rights and privileges shall be automatically restored. If the Board has adopted and published Rules and Regulations governing the use of recreational facilities on the Common Elements and Facilities and the personal conduct of persons thereon, the Board may, in its discretion, suspend the rights and privileges of any such person for violation of any such Rules and Regulations for a period not to exceed thirty (30) days for any single violation, but if the violation is of a continuing nature, such rights and privileges may be suspended indefinitely until such time as the violation is abated. No such action shall be taken by the Board until the Owner or Member is given notice of such violation and afforded an opportunity for a hearing consistent with the principles of due process of law.

SECTION 2.6 Absentee Ballots. Proxy ballots shall not be permitted. Absentee ballots shall be permitted at all elections for Directors and on all amendments to the Certificate of Incorporation, the Master Deed, these Bylaws, or any other matter upon which a Member is entitled to vote. All absentee ballots shall be in writing, signed by the individual Member (or in the case of joint owners by any one of them) and shall be delivered to the Secretary of the Association, or such other person as the President may designate, at least 24 hours prior to the commencement of the meeting at which ballots are to be cast. All absentee ballots shall be

substantially in the form prescribed by the Board, and if not in such form, shall be deemed invalid, which determination shall be made in the sole and absolute discretion of the Board.

ARTICLE 3 - ELECTION AND MEETINGS OF MEMBERS

SECTION 3.1 Place of Meeting. All meetings of the Members 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.

SECTION 3.2 Annual Meetings of Members. All annual meetings of the Members shall be held on a date to be designated by the Board from year to year, except that the first annual meeting shall be held not more than sixty (60) days after Owners other than the Developer own eleven (11) Units, or on such earlier date as Developer in its sole discretion may elect. At the first annual meeting and each subsequent meeting, or at an adjournment of such meeting, the election of Directors may take place. If such election is not so held, the Board may cause the election to be held at a special meeting as soon thereafter as may be convenient. At such special meeting, the Members may elect the Directors and transact other business with the same force and effect as at an annual meeting duly called and held. This Section shall be interpreted in a manner consistent with Sections 4.2 and 4.3 infra.

All absentee ballots validly received for the originally scheduled meeting shall remain in full force and effect for any such adjourned meeting or such special meeting, and new absentee ballots may be received for any such subsequent meeting.

SECTION 3.3 Special Meetings of Members. After the first annual or special meeting, special meetings of Members may be called by the President when required by Section 4.2 of these Bylaws or whenever the President 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 (20%)

percent of all the votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matter proposed to be acted upon. The Secretary shall give notice stating the purpose or purposes of the meeting to all Members entitled to vote at such meeting. Unless upon the request of Members representing at least fifty (50%) percent of all votes entitled to be cast at such meeting, no special meeting may be called to consider any matter other than the election of Directors which is substantially the same as a matter voted upon at any meeting of the Members held during the preceding twelve months, which determination shall be made in the sole and absolute discretion of the Board. This Section shall be interpreted in a manner consistent with Sections 4.2 and 4.3 infra.

SECTION 3.4 Notice of Meeting of Members. Except as otherwise provided by law, notice of each meeting of Members, whether annual or special, shall be given not less than twenty (20) days, nor more than thirty (30) days before the day on which the meeting is to be held, to the Member at his last known address, by delivering a written or printed notice thereof to him personally, or in the manner provided for in Section 31.6 of the Master Deed. Except where expressly required by law, no publication of any notice of a meeting of Members shall be required. Every such notice shall state the time and place of the meeting and shall state briefly the purposes thereof. Notice of any meeting of Members shall not be required to be given to any Member who shall attend such meeting in person. Notice of any adjourned meeting of Members shall not be required to be given, except when expressly required by law.

SECTION 3.5 Quorum. At each meeting of the Association, Members in good standing (including Developer or its representative) who represent twenty (20%) percent of the total authorized votes entitled to be cast, in person or by absentee ballot, shall constitute a quorum for the transaction of business except where otherwise provided by law. In the absence of a quorum, the representatives present

in person or by absentee ballot and entitled to vote, by majority vote, shall adjourn the meeting to a new date until a quorum shall be present or represented. At any such adjourned Meeting, any business may be transacted which might have been transacted at the meeting as originally called.

SECTION 3.6 Organization. At each Meeting of Members, the President, or in his or her absence, the Vice President, or in the absence of both of them, a person chosen by a majority vote of the Members present in person or represented by absentee ballot and entitled to vote thereat, shall act as chairperson, and the Secretary or in his or her absence, a person whom the chairperson shall appoint, shall act as Secretary of the Meeting.

SECTION 3.7 Voting. Except as otherwise required by the Certificate of Incorporation, the Master Deed or any law,

3.7.1 A quorum being present, a majority of votes entitled to be cast by the Members in person or by absentee ballot shall be sufficient on those matters which are to be voted upon.

3.7.2 The election of the Board shall be by ballot. Unless demanded by a majority of the votes present at such meeting and entitled to be cast thereat or determined by the chairperson of the meeting to be advisable, the vote on any other question need not be by ballot.

3.7.3 If at any meeting of the Members, 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 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; but, as to the election of

Directors, the number of votes received by each candidate need not be reported. 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, and any officers 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.

SECTION 3.8 Conduct of the Annual or Special Meeting of the Members.

The order of business at the annual meeting of the Members or at any special meetings as far as practicable shall be:

- 3.8.1 Calling of the roll and certification of absentee ballots.
- 3.8.2 Proof of notice of meeting and waiver of notice.
- 3.8.3 Reading and disposal of any unapproved minutes.
- 3.8.4 Appointment of judges of election, if appropriate.
- 3.8.5 Election of Directors, if appropriate.
- 3.8.6 Receiving reports of officers.
- 3.8.7 Receiving reports of committees.
- 3.8.8 Old business.
- 3.8.9 New business.
- 3.8.10 Adjournment.

ARTICLE 4 - BOARD OF DIRECTORS

SECTION 4.1 Express and Implied Powers and Duties. The Common Elements and Facilities and the 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 Certificate of Incorporation, the Master Deed, these Bylaws and by law.

SECTION 4.2 Number and Qualifications.

4.2.1 The Board of Directors shall initially consist of the three (3) persons named in the Certificate of Incorporation of the Association or such other persons designated by Developer to fill any vacancy which may occur.

Within thirty (30) days after Owners other than Developer own eleven (11) or more Units, the President of the Association shall call and give not less than twenty (20) nor more than thirty (30) days notice of a special meeting of the Members of the Association. At such special meeting, the Owners other than Developer shall elect two members of the Board of Directors and Developer shall appoint five members of the Board of Directors. The Board shall then consist of seven (7) Directors.

Within thirty (30) days after Owners other than Developer own twenty-three (23) or more Units, the President shall call and give not less than twenty (20) nor more than thirty (30) days notice of a special meeting of the Members. At such special meeting, Owners other than Developer shall be entitled to vote for and elect three Directors, and Developer shall appoint four Directors. The Board shall then consist of seven (7) Directors.

Within thirty (30) days after Owners other than Developer own thirty-five (35) or more Units, or three (3) years from the date that a Unit in the Development is conveyed to a Unit Owner not the Developer whichever event shall first occur, the President shall call and give not less than twenty (20) nor more than thirty (30) days notice of a special meeting of the Members of the Association. At such special meeting, Owners other than Developer shall be entitled to vote for and elect all of the Directors of the Board not previously elected by them, except that Developer shall be entitled to appoint one Director so long as Developer owns one or more Units and holds same for sale in the ordinary course of business.

The Developer, at its discretion, may surrender its right to appoint any or all Directors at a time earlier than that required above, provided that if such early surrender shall vest control of the Board in Unit Owners, the Owners by majority vote agree to assume control.

Directors appointed by the Developer do not need to be Unit Owners.

At such time as the Developer no longer owns any Units or holds same for sale in the ordinary course of business, the President of the Association shall call and give not less than twenty (20) nor more than thirty (30) days notice of a special meeting of the Members of the Association. At such meeting, the Owners other than the Developer shall elect a new Director.

The following table sets forth the foregoing in summary fashion:

Number of Directors	Elected by Owners	Appointed by Developer	Conditions Precedent
3	0	3	Incorporation
7	2	5	First special meeting held after 11 or more Units have been sold to Owners other than the Developer.
7	3	4	Second special meeting held after 23 or more Units have been sold to Owners other than the Developer.
7	7	0	Third special meeting held after 35 or more Units have been sold to Owners other than the Developer or three years from the date that a Unit in the Development is conveyed to a Unit Owner not the Developer whichever event shall first occur.

SECTION 4.3 Election and Term of Office. The term of office of the initial three (3) Directors named in the Certificate of Incorporation shall expire upon the first special meeting of the Members to be held after Owners other than the Developer own eleven (11) or more Units. The terms of the five Developer-appointed Directors at the first special meeting of the Members shall expire upon the second special meeting of the Members to be held after Owners other than the Developer own twenty-three (23) or more Units. The terms of the four Developer-appointed Directors at the second special meeting of the Members shall expire upon the special

meeting of the Members to be held after Owners other than the Developer own thirty-five (35) or more Units.

The Director elected by Owners other than the Developer at the first special meeting shall remain in office for a period of two years commencing on the date of election unless within that period of two years the second special meeting is held, at which time the Director's term shall expire. If the second special meeting has not been held within two years from the date of the Director's election, then a regular meeting may be held for the election of a Director.

The three Directors elected at the second special meeting of Members by Owners other than the Developer shall remain in office for a period of two years commencing on the date of election unless within that period of two years the third special meeting of Members is held, at which time the Directors' terms shall expire. If the third special meeting is not held within that two year period, then a regular meeting may be held for the election of three Directors.

At the Special Meeting held after Owners own at least thirty-five (35) Units, three Directors shall be elected to a three year term and four Directors shall be elected to a two year term provided, however, should Developer elect to appoint a Director, only three Directors shall be elected to a two year term. Thereafter, Directors elected by Members shall be elected for a two year term; it being the purpose and intent hereof that three Directors shall be elected every other year and four Directors be elected in the other years.

If there are not more than twice the number of nominees for the number of positions to be filled, then there shall be one ballot, with the persons receiving the most votes being elected in order to fill the vacancies on the Board. If ever applicable, candidates polling the highest votes will be considered elected for the longest period of years.

SECTION 4.4 Developer's Protective Provisions. After control of the Board has become vested in Directors elected by Owners other than Developer, and for so long as Developer owns at least one Unit and holds same for sale in the ordinary course of business, the following shall apply:

4.4.1 Neither the Association nor its Board of Directors shall take any action that will impair or adversely affect the rights of Developer nor cause Developer to suffer any financial, legal, or other detriment (including, but not limited to, any direct or indirect interference with the sale of Units, or the assessment of Developer as an Owner, or otherwise, for capital improvements).

4.4.2 The Association and its Board shall continue at least the same level of maintenance, operation and services as provided immediately prior to such assumption of control of the Board.

4.4.3 In furtherance of the foregoing provisions, Developer shall have the right to veto any and all actions of the Association or its Board which the Developer, in its sole judgment, determines to be detrimental to Developer's interest.

4.4.4 Developer shall exercise its veto right, in its sole and absolute discretion, within ten (10) days after its receipt of written notice that a resolution or other action is proposed or has been taken by the Association or its Board. In such event, Developer shall notify the Secretary of the Association of its exercise of its veto right and any such proposal or action shall be null and void and shall be determined to have no further force or effect.

The aforementioned protective provisions shall be construed in accordance with and not in derogation of the provisions of N.J.A.C. 5:26-8.4 of the regulations

promulgated pursuant to the New Jersey Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq. If there is any dispute between the Board and Developer as to any matter contemplated by this Section 4.4, the matter shall be submitted to arbitration in accordance with the rules of the American Arbitration Association, and the new policy or procedure that has been proposed by the Board shall not become effective pending the final decision of the arbitrators.

SECTION 4.5 Removal of Members of the Board. At any duly held regular or special meeting of the Members, and upon the express prior notice as provided in Section 3.4 hereof, any one or more Directors elected by Unit Owners other than Developer, may be removed with or without cause by a majority of all votes entitled to be cast, 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 notice and an opportunity to be heard at the meeting. Any Developer-appointed Director may be removed with or without cause only by the Developer.

SECTION 4.6 Filling of Vacancies. When a member of the Board who has been elected by Unit Owners other than the Developer is removed or resigns, that vacancy shall be filled by a Unit Owner other than the Developer and his election shall be by a majority of the remaining Directors, excluding the Developer's appointees. Such vacancies shall be filled at a special meeting of the Board held for that purpose promptly after the occurrence of any 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 or she is filling and until his or her successor shall be elected. This provision shall not apply to any Director appointed by Developer. Any Developer-appointed Director may be removed with or without cause by Developer and a successor may be appointed by Developer to fill the vacancy thus created.

SECTION 4.7 Meeting of the Board, Notices, and Waiver of Notice. The first meeting of the Board following each election of Directors shall be held within thirty (30) days thereafter at such time and place as shall be fixed by a majority of the Directors at the annual meeting of the Members 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 Directors, but at least two meetings shall be held each year. Notice of regular meetings of the Board shall be given to each Director by telephone, mail or telegram at least seven (7) 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, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or the Secretary in like manner and on like notice on the written request of at least a majority of Directors.

Any Director, at any time, may 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 Director 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. In the discretion of the Board, meetings of the Board, or portions thereof, may be open to Members of the Association for observation or participation in such manner and to the extent the Board may deem appropriate.

SECTION 4.8 Quorum and Adjourned Meetings. At all 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 majority of those present shall adjourn the meeting to a new date. At any such adjourned meeting at which a

quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice. The vote of a majority of those present at a Board meeting at which a quorum is present shall be necessary for valid action by the Board.

SECTION 4.9 Joinder in Meetings by Approval of Minutes. The transaction of any business at any meeting of the Board, however called and noticed or wherever held, shall be valid as though a meeting were duly held after regular call and notice if, either before or after the meeting, each Director signs 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 waivers, consents or approval, shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

SECTION 4.10 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 rights hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

SECTION 4.11 Unanimous Consent in Lieu of Meeting and Vote. Anything to the contrary in these Bylaws, the Certificate of Incorporation or the Master Deed notwithstanding, the entire Board shall have the power to take action on any matter on which it is authorized to act, without the necessity of a formal meeting and vote if all the Directors shall consent in writing to such action.

ARTICLE 5 - POWERS AND DUTIES OF BOARD OF DIRECTORS

SECTION 5.1 General Powers. 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, or necessarily implied by law or by the Certificate of Incorporation, these Bylaws or the Master Deed or other instrument which vests any

rights or obligations in the Association with respect to the Development or otherwise which it shall exercise in its sole discretion, including, but not limited to the following:

- 5.1.1 Employ, by agreement, managerial contract or otherwise, a manager, managing agent or an independent contractor, and all managerial personnel necessary, to oversee, supervise and efficiently discharge the duties and responsibilities of the Board hereunder. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper; and
- 5.1.2 Employ any person, firm or corporation to repair, maintain or renovate the Common Elements and Facilities, lay pipes or culverts; to bury utilities; to put up lights or poles; to erect signs and traffic and safety controls of various sorts on the Common Elements and Facilities; and
- 5.1.3 Employ professional counsel and obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, architects, engineers, lawyers and accountants; and
- 5.1.4 Employ or contract for water and sewer, electricity and gas or other forms of utilities, cable or master antenna television as the Board may determine are required for the Units; and
- 5.1.5 Adopt, amend, and publish Rules and Regulations covering the details of the operation and use of the Common Elements and Facilities including, but not limited to pet controls; and
- 5.1.6 Secure full performance by Members of all items of maintenance for which they are responsible; and
- 5.1.7 Enforce obligations of the Members under the Governing Documents and do anything and everything else necessary

and proper for the sound management of the Common Elements and Facilities, including the right to bring or defend lawsuits to enforce the terms, conditions and restrictions contained in the Master Deed, these Bylaws and the Rules and Regulations governing the Common Elements and Facilities or Members. The Board shall also have the power to levy fines against any Member(s) for violations of any of the foregoing. Collection of fines may be enforced against any Member(s) involved as if the fine were a Common Expense owed by the particular Member(s) and such fines shall constitute a lien upon the particular Member's Unit. Before any fine is imposed by the Board the Member so charged shall have been given notice and afforded an opportunity to be heard with respect to the alleged violation in a manner consistent with the principles of due process of law; and

5.1.8 Borrow and repay monies giving notes, mortgages or other security upon such term or terms as it deems necessary provided, however, that no Common Elements and Facilities may be utilized as security for any such loan for so long as the Board is controlled by Developer; and

5.1.9 Invest and reinvest monies; sue and be sued; collect interest, dividends, and capital gains; exercise rights; pay taxes; make and enter into agreements; enter into leases or concessions; 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

- 5.1.10 Grant and obtain easements, licenses and other property rights with respect to contiguous lands; and
- 5.1.11 Purchase or lease or otherwise acquire in the name of the Association or its designees, corporate or otherwise, on behalf of all Members, Units offered for sale or lease or surrendered by their Owners to the Board; and
- 5.1.12 Purchase tax sale certificates for title to Units as foreclosure or other judicial or administrative sales in the name of the Association or its designees, corporate or otherwise, on behalf of all Members; and
- 5.1.13 Sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise deal with Units acquired by the Association, and sublease any such Units leased by the Association or its designees, on behalf of all Members; and
- 5.1.14 Bring and defend actions by or against one or more Owners pertinent to the health, safety or general welfare of the Members, or any other legal action to which the Owners may consent in accordance with these Bylaws; and
- 5.1.15 Create, appoint members to and disband such committees as shall from time to time be deemed appropriate or necessary to aid the Board in the discharge of its duties, functions and powers.

SECTION 5.2 Duties and Responsibilities. It shall be the affirmative and perpetual obligation and duty of the Board to perform the following, which shall be expenses of the Association:

- 5.2.1 Cause the Common Elements and Facilities to be maintained according to reasonable standards adopted by the Board and as set forth in the Master Deed and these Bylaws; and
- 5.2.2 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 and operate the Common Elements and Facilities as contemplated by the Master Deed and these Bylaws. Compensation for the services of such employees (as evidenced by certified payroll) shall be considered an operating expense of the Association; and
- 5.2.3 Cause to be kept a complete record of all its acts and corporate affairs and to present a summary report thereof to the Members at the annual meeting or at any special meeting when requested in writing at least twenty-one (21) days in advance by Members entitled to cast at least twenty-five (25%) percent of the total votes of the Association; and
- 5.2.4 Make repairs, additions, improvements to, or restoration of the Common Elements and Facilities in accordance with the provisions of these Bylaws and the Master Deed after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; and
- 5.2.5 Take such action as may be necessary to comply promptly with any and all orders or requirements affecting the Common Elements and Facilities 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;
and

- 5.2.6 Obtain or cause to be obtained "broad-form" comprehensive public liability and property damage insurance covering liability for loss or damage to persons or property in such amounts, against such risks and in such insurance companies as the Board of Directors shall from time to time determine, but in no event less than One Million (\$1,000,000.00) Dollars (including applicable umbrella coverage) for bodily injury, including deaths of person and property damage arising out of a single occurrence. Such insurance shall include, to the extent reasonably applicable to the Condominium, protection against water damage liability, liability for non-owned and used automobiles, liability for property of others, and such other risks that are customarily covered in projects similar to the Condominium. All liability insurance contracts shall contain severability of interest provisions and cross liability endorsements to cover liabilities of the Association or the Unit Owners as a group to a Unit Owner.
- 5.2.7 Obtain or cause to be obtained "master" or "blanket" "all-risk" hazard insurance coverage covering damage to property, insuring (i) all of the Common Elements and Facilities, including fixtures and equipment therein and thereof, and including all personal property owned by the Association and (ii) the Units (including such fixtures, equipment or other property within the Units which are originally provided by Developer in the Unit), exclusive of improvements and

betterments installed in the Units by Unit Owners (the "Insurable Property"). The Insurable Property shall be insured in and for the interest of the Association or the Board of Directors, all Unit Owners and their mortgagees, as their interests may appear, in a company or companies acceptable to the standards set by the Board of Directors in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors, with an "agreed amount endorsement" or its equivalent, and, if available, an "Inflation Guard Endorsement" (if these two endorsements are commonly required by prudent institutional mortgage investors in the area in which the Condominium is located.) All policies shall be purchased by the Association, Board of Directors, all Unit Owners, and their mortgagees, as their interests may appear; however, the Association shall be named insured and it shall not be necessary to name the Board of Directors or the Unit Owners -- however, mortgagee endorsements may be issued upon request. The Association shall maintain the appropriate insurance coverage as is required under applicable law and under the guidelines and regulations promulgated by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Department of Housing and Urban Development, Veterans' Administration or their successors. The company or companies with whom the Board of Directors shall place its insurance coverage, as provided in this Master Deed, must be qualified and reputable companies, authorized to do business in the State of New

Jersey and rated as Excellent by A.M. Best Company, Inc. in its Key Rating Guide: Property Casualty or a comparable rating if Best shall no longer be in existence. Premiums for such coverage and other expenses related to insurance shall be paid by the Board of Directors and charged as a Common Expense. All policies shall provide that they may not be cancelled or substantially modified, by any party, without at least twenty (20) days' prior written notice to the Association and to each first mortgagee listed in the insurance policies. In addition, policies shall provide for the following: recognition of any Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Owners collectively; and the policy is primary in the event the Unit Owner has other insurance covering the same loss (all of which are generally provided by insurer in the form of a "Special Condominium Endorsement" or its equivalent). Policies shall be deposited with the Board of Directors. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Association and in the event of substantial damage to or destruction of a Unit, timely written notice shall be given to the eligible mortgage holder for that Unit of any such damage or destruction. The duty of the Board of Directors, or any Insurance Trustee, shall be to receive such proceeds as are paid and hold the same for the purposes elsewhere stated herein, and for the benefit of the

Association, the Unit Owners and their respective mortgagees as their interests may appear.

5.2.8 Obtain fidelity bonds for all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board and as may be provided for in the Master Deed of the Condominium. The premiums on such bonds shall be paid by the Association.

ARTICLE 6 - FISCAL MANAGEMENT

SECTION 6.1 Association Fees. The Board shall have the duty to collect from each Owner, his, her, or their heirs, administrators, successors and assigns, as "Association Fees", the proportionate part of any assessments as provided in the Governing Documents and in accordance with applicable law.

SECTION 6.2 Determination of Association Fees. The amount of monies for Association Fees 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.

SECTION 6.3 Disbursements. The Board shall take and hold the funds as collected and shall disburse the same for the purposes and in the manner set forth herein and as required by the Governing Documents and applicable law.

SECTION 6.4 Depositories. The depository of the Association shall be such insured bank or savings and loan institution 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 such parties as are authorized by the Board, 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.

SECTION 6.5 Reserves. The Board shall not be obligated to expend all of the revenues collected under this Article 6 in any accounting period and must maintain reasonable reserves. Notwithstanding anything herein to the contrary, the Board in its determination of the Association Fees and the preparation of a budget may specifically designate and identify that portion of the Association Fees which is to be assessed against the Members as a capital contribution and is allocable to reserves for capital improvement of and to the Common Elements and Facilities. The amounts assessed and collected for the reserves shall be kept in one or more interest-bearing federally insured accounts or certificates of deposit and shall not be utilized for any purpose other than that which was contemplated at the time of assessment. The foregoing shall not be construed to mean that the Board shall not be permitted to keep additional cash on hand, in a checking or petty cash account, for the necessary discharge of its functions.

SECTION 6.6 Exemption from Payment of Capital Improvements. Anything to the contrary herein notwithstanding, neither Developer, successor Developer nor any Institutional Lender shall be required to contribute or pay any sums for capital improvements including reserves for the Common Elements and Facilities whether by way of regular or special assessments or otherwise. This provision may not be amended without the written consent of Developer or successor Developer and every Institutional Lender who would otherwise not be exempt from the payment of Association Fees for such purpose.

SECTION 6.7 Notice. The Board shall give at least ten (10) days advance notice to each Member, in writing, and to any Institutional Lender who requires same, of the amount estimated by the Board for Association Fees for the management and operation of the Association for the next ensuing period directed to the Unit Owner at

the last known address by ordinary mail or hand delivery. Said notice shall be conclusively presumed to have been delivered three (3) days after deposit in the United States mails.

SECTION 6.8 Annual Assessment. If an annual assessment of Association Fees is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment increased by ten (10%) percent, and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the Association Fees prove 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.

SECTION 6.9 Acceleration of Assessment Installment Upon Default. If an Owner shall be in default in the payment of an installment upon the Association Fees, the Board may accelerate the remaining installments of the assessment and file a lien for such accelerated amount upon notice to the Owner. If the delinquent installment has not been paid, the then unpaid balance of the Association Fees shall become due upon the date stated in the notice, which date shall not be less than five (5) days after delivery of the notice to Member, or not less than ten (10) days after the mailing of such notice to Member by registered or certified mail, whichever shall first occur. If such notice is given and default shall continue for a period of thirty (30) days thereafter, then the Board may, at the Board's sole option, accelerate the remaining installments of the assessment upon similar notice to the Owner and may file a lien for such accelerated assessment as permitted by law. In such latter event the Board may also notify any Institutional Lender holding a mortgage which encumbers the Unit affected by such default or publish appropriate notice of such delinquency to the membership of the Association. If said default continues for a period of ninety (90)

days then the Board may foreclose the foregoing lien pursuant to law and/or commence a suit against the appropriate parties to collect the assessment.

SECTION 6.10 Interest and Counsel Fees. The Board at its option shall have the right in connection with the collection of Association Fees, or other charge, to impose a late charge of any reasonable amount and/or interest not to exceed the maximum rate permitted by law. In the event that the Board shall effectuate collection of said assessments or charges by resort to counsel, and/or the filing of a lien, the Board may add to the aforesaid assessments or charges a sum or sums of twenty (20%) percent of the gross amount due as counsel fees, plus the reasonable costs for the preparation, filing and discharge of the lien, in addition to such other costs as may be allowable by law.

6.10.1 In case of any action or proceeding brought or defended by the Association or the Board pursuant to the provisions of these Bylaws, the reasonable costs and expenses of preparation and litigation, including attorneys fees, shall be assessed as part of the Association Fees.

6.10.2 Money judgments recovered by the Association in any action or proceeding brought hereunder, including costs, penalties or damages shall be deemed a special fund to be applied to (1) the payment of unpaid litigation expenses; (2) refunding to the Unit Owners the cost and expenses of litigation advanced by them; (3) Association Fees, if the recovery thereof was the purpose of the litigation; (4) repair or reconstruction of the Common Elements and Facilities if recovery of damages to same was the motivation for the litigation; and (5) any amount not applied to (1), (2), (3) and (4) above shall be, at the discretion of the Board, treated either as (i) a common surplus

which shall be allocated and distributed pursuant to the Master Deed or (ii) a set off against the Association Fees.

6.10.3 All Association Fees received and to be received by the Board, for the purpose of paying any judgment obtained against the Association or the Board and the right to receive such funds, shall constitute trust funds and the same shall be expended first for such purpose before expending any part of the same for any other purpose.

SECTION 6.11 Power of Attorney to Institutional Lender. In the event the Board shall not cause the enforcement procedures provided above to be implemented within the time provided, any Institutional Lender for any Unit as to which there shall be such unpaid Association Fees is hereby irrevocably granted a power of attorney to commence such actions and to invoke such other remedies, all in the name of the Association. This power of attorney is expressly stipulated to be coupled with an interest in the subject matter.

SECTION 6.12 Annual Audit. While the Developer maintains a majority of the Board, it shall submit the books, records, operating budget, reserve accounts, and memoranda of the Association to an annual audit by an independent public accountant who shall audit the same and render a report thereon in writing to the Board. A copy of the annual audit shall be delivered to each Unit Owner within ninety (90) days of the expiration of the Association's fiscal year. The audit shall cover the operating budget and reserve accounts.

SECTION 6.13 Examination of Books. Each Member shall be permitted to examine the books of account of the Board at a reasonable time on business days; provided, however, that the Treasurer or Secretary has been given at least ten (10) days prior written notice of the Member's desire to make such an examination.

ARTICLE 7 - OFFICERS

SECTION 7.1 Designation. The principal officers of the Association shall be a President, a Vice-President, both of whom shall be a member of the Board, 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 offices, except that of President and Vice-President may be held by one person. All officers must be members of the Association, except those appointed by Developer during that period that the Board is under control of Directors appointed by Developer.

SECTION 7.2 Election of Officers. The officers of the Association shall be elected annually at such organizational meeting described in Section 4.7.

SECTION 7.3 Removal of Officers. Any officer of the Association 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 of the Board of Directors called for such purpose by the affirmative vote of a two-thirds majority of the Board when the membership of the Board is three; and by the affirmative vote of a five-sevenths majority of the Board when the membership of the Board is seven.

SECTION 7.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members and of the Board. He shall have all of the general powers and duties which are usually vested to the office of President of the 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.

SECTION 7.5 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 Member to so do 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.

SECTION 7.6 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 all books and papers as the Board may direct; and he shall in general, perform all the duties incident to the office of the Secretary.

SECTION 7.7 Treasurer. The Treasurer shall have the responsibility of all 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 name, and to the credit of the Association in such depositories as may from time to time be authorized by Board.

SECTION 7.8 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.

SECTION 7.9 Eligibility of Directors. Nothing herein contained shall prohibit a Director from being an officer.

**ARTICLE 8 - COMPENSATION, INDEMNIFICATION AND
EXCULPABILITY OF OFFICERS, DIRECTORS AND
COMMITTEE MEMBERS**

SECTION 8.1 Compensation. No compensation shall be paid to the President or the Vice-President or any Director or committee member for acting as such officer, Director or committee member. 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, Director or committee member from being reimbursed for out-of-pocket expenses or compensated for

services rendered in any other capacity to or for the Association, provided, however, that any such expenses incurred or services rendered shall have been authorized in advance by the Board, and that no representative of the Developer shall be entitled to compensation for services while the Board is under Developer's control.

SECTION 8.2 Indemnification. Each Director, officer or committee member of the Association, 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 a party by reason of his being or having been a Director, officer or committee member of the Association, or delegee, except as to matters as to which he shall be ultimately found in such action to be liable for gross negligence or willful misconduct. In the event of a settlement of any such case, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct.

SECTION 8.3 Exculpability. Unless acting in bad faith neither the Board as a body nor any Director, officer or committee member of the Association, shall be personally liable to any Member in any respect for any action or lack of action arising out of the execution of his office. Each Owner shall be bound by the good faith actions of the Board, officers and committee members. Nothing contained herein to the contrary shall serve to exculpate members of the Board of Directors appointed by Developer from their fiduciary responsibilities.

ARTICLE 9 - COVENANTS COMMITTEE

SECTION 9.1 Purpose. The Board shall establish a Covenants Committee, consisting of at least five (5) members appointed by the Board, each to serve for

terms to be determined by the Board of Directors, in order to assure that the Development shall always be maintained in a manner:

- 9.1.1 providing for visual harmony and soundness of repair;
- 9.1.2 avoiding activities deleterious to the aesthetic or property values of the Development;
- 9.1.3 furthering the comfort of the Unit Owners, their guests, invitees and lessees; and
- 9.1.4 promoting the general welfare and safety of the Members.

SECTION 9.2 Powers. The Covenants Committee shall regulate the external design, appearance, use and maintenance of the Development in accordance with standards and guidelines contained in the Master Deed, these Bylaws or Rules and Regulations as otherwise adopted by the Board.

The Covenants Committee shall have the power to request the Board to issue a cease and desist request to an Owner, his guests, invitees, or lessees whose actions are inconsistent with the provisions of the Master Deed, these Bylaws, the Rules and Regulations or Resolutions of the Board (upon petition of any Owner or upon its own motion). The Covenants Committee shall from time to time, as required, and if necessary, with the advice of legal counsel, provide interpretations of the Master Deed, Certificate of Incorporation and Bylaws, Rules and Regulations and Resolutions pursuant to the intent, provisions and qualifications thereof when requested to do so by an Owner or the Board. Any action, ruling or decision of the Covenants Committee may be appealed to the Board by any party deemed by the Board to have standing as an aggrieved party and a vote of a majority of the full authorized membership of the Board may modify or reverse any such action, ruling or decision.

No Owner (other than Developer) may make any structural additions, alterations or improvements in or to the Unit without the prior written approval of the Covenants Committee or impair any easement without the prior written consent of the Covenants

Committee subject to a right of appeal to the Board. No such approvals may be granted without properly completed application having first been made to the Covenants Committee.

SECTION 9.3 Authority. The Covenants Committee shall have such additional duties, power and authority as the Board may from time to time provide by resolution including the right to impose fines pursuant to Section 5.1.7 hereof. The Board may relieve the Covenants Committee of any of its duties, powers and authority either generally or on a case by case basis by vote of a majority of the Board's full authorized membership. The Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by resolution of the Board. Notwithstanding the foregoing, no action may be taken by the Covenants Committee without giving the Owner(s) involved at least ten (10) days prior written notice and affording the Owner the opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

Further, any Unit Owner who is aggrieved by any decision of the Covenants Committee shall have the right to appeal such decision to the Board, which appeal shall be in writing sent by certified mail, return receipt requested, to the Secretary of the Association within ten (10) days after the Covenants Committee has sent written notice by certified mail, return receipt requested, of its decision to the aggrieved Unit Owner. Such Unit Owner shall be afforded any opportunity to be heard by the Board upon at least ten (10) days prior written notice, and shall have the right to be represented by counsel, all in accordance with any policies or procedures established by the Board. All decisions of the Board shall be final and in order to reserve or modify any decision of the Covenants Committee there must be a vote of a majority of the full membership of the Board. In the case of any failure to appeal to the Board in strict accordance with the foregoing procedure, the decision of the Covenants Committee shall be final.

ARTICLE 10 - FISCAL YEAR

The fiscal year of the Association shall be on a calendar year basis or upon such basis as the Board shall deem advisable.

ARTICLE 11 - DAMAGE OR DESTRUCTION TO THE PROPERTY

SECTION 11.1 If the Common Elements and Facilities or any part thereof is damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with this Article 11. The Board shall contract with a qualified contractor or contractors to rebuild or repair such damage or destroyed portions of the Common Elements and Facilities in conformance with the original plans and specifications, or if adherence to such original plans and specifications is impracticable in the Board's opinion, then in conformance with revised plans and specifications provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

SECTION 11.2 The Board shall enter into an agreement with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the Board. Disbursements to the contractor shall be made subject to the prior presentation of a certificate by an architect or other professional as deemed qualified by the Board containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board.

SECTION 11.3 The Board shall employ a licensed architect or other professional as deemed qualified by the Board to supervise the repair and rebuilding to insure that such work, services and supplies are of proper quality and that construction is contemplated in a workmanlike manner and according to plans and specifications.

SECTION 11.4 If the amount of available insurance proceeds should exceed the cost of any such reconstruction or repair, the excess shall be retained by the Association and applied by it to reduce the Association Fees.

ARTICLE 12 - SPECIAL ASSESSMENTS FOR ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION

Whenever, in the judgment of the Board, the Common Elements and Facilities requires improvements (not funded by existing reserve funds which are expressly earmarked for such improvements) costing in excess of \$50,000.00, said improvements shall not be made unless they have been approved by a majority of votes at a meeting of the Members at which a quorum is present. When said approval has been obtained, all Owners shall be assessed for the cost thereof as part of the Association Fees. In the event of any emergency which could cause damage to any portion of the Common Elements and Facilities, the Board may expend sums in excess of \$50,000.00 to protect the Common Elements and Facilities and the judgment of the Board shall be final. While the Developer maintains a majority of the Board, Developer shall make no additions, alterations, improvements or purchases not contemplated in the Public Offering Statement which would necessitate a special assessment or substantial increase in the Association Fees, unless required by a government authority, title insurance company, Institutional Lender or in the event of an emergency.

ARTICLE 13 - ASSOCIATION FEES PAYABLE BY DEVELOPER

Until the initial assessment for Association Fees is levied by the Board, Developer shall be solely responsible for payment of all Association Fees. Following such initial assessment, the Owners of Units and Developer shall be responsible for the payment of Association Fees as contemplated by the Master Deed.

ARTICLE 14 - MISCELLANEOUS

SECTION 14.1 Examination of Books. Each Owner and each Institutional Lender of a Unit shall be permitted to examine the books of account of the Board at a reasonable time on business days with at least ten (10) days' prior written notice.

SECTION 14.2 Notices to Association. All notices hereunder to the Association shall be in writing and forwarded to it at its principal office by certified mail, return receipt requested.

SECTION 14.3 Waiver. No restriction, condition, obligation or covenant contained in these Bylaws 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.

SECTION 14.4 Amendments. These Bylaws, or any of them, may be altered or repealed, or new Bylaws may be made, at any meeting of the Members duly constituted for such purpose, and previous to which written notice to Members of the exact language of the amendment or of the repeal shall have been sent, by an affirmative vote of 51% of all the votes entitled to be cast in person or by absentee ballot, except that: (i) the first annual meeting may not be advanced; (ii) the first Board (including replacements in case of vacancies) may not be enlarged or removed; and (iii) the obligation or the proportionate responsibility for the payment of Association Fees with respect to Units or the Common Elements and Facilities may not be changed by reason of any such amendment or repeal. No such new Bylaw amendment or repeal shall in any way adversely affect the Developer (with Developer to be the sole judge of what is an adverse effect) unless the Developer has given its prior written consent thereto. No amendment, repeal or new Bylaw need be recorded with the Middlesex County Clerk's office as long as Developer is not in control of the Board. Copies of the amendment must be provided to all current Members.

SECTION 14.5 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; by sending notice to the offending party to cause certain things to be done or undone; by restoring the Association to its original position and charging the breaching party with the entire cost or any part thereof; by taking any other action before any court, summary or otherwise, as may be provided by law; or by complaint to the duly constituted authorities.

SECTION 14.6 Notice to Members. Any notice required to be sent to any Member under the provisions of the Master Deed or the Certificate of Incorporation or these Bylaws shall be deemed to have been properly sent, and notice thereby given, delivered personally or when mailed, by regular post, with postage prepaid, addressed to the Member or Owner at the last known post office address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a Unit shall constitute notice to all co-owners. It shall be the obligation of every Member and Institutional Lender to immediately notify the Secretary of the Association in writing of the correct mailing address or any address change.

SECTION 14.7 Conflict. Anything to the contrary herein notwithstanding, if any provision of these Bylaws is in conflict with or contradiction of the Master Deed, or with the requirements of any law, then the requirements of the Master Deed or law shall be deemed controlling.

SECTION 14.8 Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the enforceability of or affect the balance of these Bylaws.

SECTION 14.9 Corporate Seal. The Association shall have a seal in circular form having within its circumference the words "Fair Acres Condominium Association, Inc."

SECTION 14.10 Arbitration. Any arbitration provided for in these Bylaws shall be conducted before one arbitrator in Middlesex County, New Jersey by the American Arbitration Association in accordance with its rules then applying and a decision rendered in such arbitration shall be binding upon the parties and may be entered into any court having jurisdiction. All expenses of arbitration hereunder including the fees and expenses of counsel and experts shall be part of Association Fees.

SECTION 14.11 Other Owner's Rights. For the period that the Developer maintains control of the Board, the Developer shall take no action which adversely affects an Owner's rights under N.J.A.C. 5:25-5.5. Claims relative to defects in Common Elements and Facilities shall be processed in accordance with N.J.A.C. 5:25-5.5.

SECTION 14.12 Powers and Duties. Subject to the Master Deed or other instruments of creation of the Association, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization.

EXHIBIT E

<u>BUILDING</u>	<u>UNIT</u>	<u>MODEL TYPE</u>	<u>ADDRESS</u>	<u>PERCENTAGE INTEREST IN COMMON ELEMENTS</u>
A	80	B	80 Fair Acres Court	2.30
A	81	A	81 Fair Acres Court	2.00
A	82	A	82 Fair Acres Court	2.00
A	83	A	83 Fair Acres Court	2.00
B	60	B	60 Fair Acres Court	2.30
B	61	A	61 Fair Acres Court	2.00
B	62	A	62 Fair Acres Court	2.00
B	63	A	63 Fair Acres Court	2.00
B	64	A	64 Fair Acres Court	2.00
B	65	B	65 Fair Acres Court	2.30
C	50	B	50 Fair Acres Court	2.30
C	51	A	51 Fair Acres Court	2.00
C	52	A	52 Fair Acres Court	2.00
C	53	A	53 Fair Acres Court	2.00
C	54	A	54 Fair Acres Court	2.00
D	70	B	70 Fair Acres Court	2.30
D	71	A	71 Fair Acres Court	2.00
D	72	A	72 Fair Acres Court	2.00
D	73	A	73 Fair Acres Court	2.00
D	74	A	74 Fair Acres Court	2.00
D	75	B	75 Fair Acres Court	2.30
E	30	B	30 Fair Acres Court	2.30
E	31	A	31 Fair Acres Court	2.00
E	32	A	32 Fair Acres Court	2.00
E	33	A	33 Fair Acres Court	2.00
E	34	A	34 Fair Acres Court	2.00
E	35	B	35 Fair Acres Court	2.30
F	40	B	40 Fair Acres Court	2.30
F	41	A	41 Fair Acres Court	2.00
F	42	A	42 Fair Acres Court	2.00
F	43	A	43 Fair Acres Court	2.00
F	44	A	44 Fair Acres Court	2.00
F	45	B	45 Fair Acres Court	2.30
G	20	B	20 Fair Acres Court	2.30
G	21	A	21 Fair Acres Court	2.00
G	22	A	22 Fair Acres Court	2.00
G	23	A	23 Fair Acres Court	2.00
G	24	A	24 Fair Acres Court	2.00
G	25	B	25 Fair Acres Court	2.30
I	10	A	10 Fair Acres Court	2.00
I	11	A	11 Fair Acres Court	2.00
I	12	A	12 Fair Acres Court	2.00
I	13	A	13 Fair Acres Court	2.00
I	14	A	14 Fair Acres Court	2.00
I	15	B	15 Fair Acres Court	2.30
H	49	C	4300 Route 27	3.60
H	47	D	4300 Route 27	2.50
			TOTAL	100.00

FAIR ACRES, A CONDOMINIUM


MASTER DEED

(47 Units)

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INDEXED
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COUNTY CLERK

APR 26

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007172

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