

8M

MERCER COUNTY CLERK'S OFFICE

Return To:

STEVENS & LEE ESQS  
600 COLLEGE RD E  
STE 4400  
PRINCETON NJ 08540

WAXWOOD

WAXWOOD

Index DEEDS

Book 04811 Page 0057

No. Pages 0080

Instrument MISC DEEDS

Date : 8/13/2004

Time : 3:54:27

Control # 200408130695

INST# RD 2004 045561

Employee ID RLOESCHE

RECORDING	\$	171.00
RECORDING	\$	254.00
DARM \$3	\$	237.00
NMD1PA	\$	158.00
	\$	.00
	\$	.00
	\$	.00
	\$	.00
	\$	.00
	\$	.00
Total:	\$	820.00

STATE OF NEW JERSEY  
MERCER COUNTY CLERK'S OFFICE

\*\*\*\*\*PLEASE NOTE\*\*\*\*\*  
\* DO NOT REMOVE THIS COVER SHEET - \*  
\*IT CONTAINS ALL RECORDING INFORMATION \*  
\*\*\*\*\*

Catherine DiCostanzo  
County Clerk



0048110057

VOL 48 | | PG 057

Prepared by: Christopher S. Tarr, Esq.

Christopher S. Tarr, Esq.

**MASTER DEED  
FOR  
THE WAXWOOD, A CONDOMINIUM**

**THIS MASTER DEED**, made this 12th day of August, 2004, by The Waxwood, L.L.C., a New Jersey limited liability company, having its principal office at 500 Alexander Park, CN 23, Princeton, New Jersey 08543-0023 (hereinafter referred to as "Sponsor").

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

**WHEREAS**, the Condominium shall initially include a total of thirty-four (34) individual dwelling Units, hereinafter referred to collectively as the "Units", together with parking areas, walkways and other improvements as more particularly shown on a certain condominium plan attached hereto and made a part hereof as Exhibit B, and on certain floor plan drawings which are attached hereto and made a part hereof as Exhibit C; and

**WHEREAS**, it is the intention of Sponsor to establish the form of ownership of the Property as a condominium pursuant to the provisions of the New Jersey Condominium Act, N.J.S.A. 46:88-1 et seq., under the name of "The Waxwood, A Condominium", (hereinafter referred to as the "Condominium"); and

**WHEREAS**, Sponsor is about to establish The Waxwood Condominium Association, Inc., a New Jersey non-profit corporation (hereinafter referred to as the "Association"), for the administration, operation and management of the Condominium.

**NOW, THEREFORE, WITNESSETH:**

**1. ESTABLISHMENT OF CONDOMINIUM.** Sponsor does hereby submit, declare and establish in accordance with N.J.S.A. 46:8B-1, et seq. the condominium form of ownership for the parcel of land described in Exhibit A, together with all improvements thereon, and as more particularly shown on Exhibits B and C as The Waxwood, A Condominium.

## COMMERCIAL COMMITMENT FOR TITLE INSURANCE

Your Reference: MACLEAN CORPORATION/HILLIER

Commitment No:

2702-80006

REVISED: 07/11/02

The land referred to in this Commitment is described as follows:

ALL THAT CERTAIN TRACT, PARCEL AND LOT OF LAND LYING AND BEING SITUATE IN THE BOROUGH OF PRINCETON, COUNTY OF MERCER, STATE OF NEW JERSEY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF MACLEAN STREET (40 FOOT RIGHT OF WAY AS PER TAX MAP) CORNER TO LOT 73 AND BEING DISTANT 126.29 FEET EASTERLY FROM THE INTERSECTION OF THE EASTERLY LINE OF JOHN STREET WITH THE SAID SOUTHERLY LINE OF MACLEAN STREET, AND RUNS; THENCE

1. ALONG THE SOUTHERLY LINE OF MACLEAN STREET, NORTH 72 DEGREES, 06 MINUTES, 07 SECONDS EAST, A DISTANCE OF 114.41 FEET TO AN IRON PIPE (FOUND) CORNER OF LOT 116; THENCE

2. ALONG THE WESTERLY LINE OF LOT 116, SOUTH 18 DEGREES, 42 MINUTES, 01 SECONDS EAST A DISTANCE OF 209.82 FEET TO A POINT CORNER TO SAME; THENCE

3. ALONG THE SOUTHERLY LINE OF LOT 116, NORTH 70 DEGREES, 51 MINUTES, 07 SECONDS EAST A DISTANCE OF 10.79 FEET TO AN IRON PIPE (FOUND) CORNER OF LOT 91; THENCE

4. ALONG THE WESTERLY LINE OF LOT 91, SOUTH 18 DEGREES, 16 MINUTES, 53 SECONDS EAST A DISTANCE OF 209.31 FEET TO AN IRON PIPE (FOUND) IN THE NORTHERLY LINE OF QUARRY STREET (45 FOOT RIGHT OF WAY); THENCE

5. ALONG THE NORTHERLY LINE OF QUARRY STREET, SOUTH 72 DEGREES, 02 MINUTES, 52 SECONDS WEST, A DISTANCE OF 185.14 FEET TO A POINT CORNER TO LOT 94; THENCE

6. ALONG THE EASTERLY LINE OF LOTS 94, 66, 101, 67 & 68, NORTH 18 DEGREES, 01 MINUTES, 38 SECONDS WEST, A DISTANCE OF 199.90 FEET TO A POINT IN THE SOUTHERLY LINE OF LOT 69; THENCE

7. ALONG THE SOUTHERLY LINE OF LOT 69, NORTH 71 DEGREES, 09 MINUTES, 22 SECONDS EAST, A DISTANCE OF 54.63 FEET TO POINT CORNER TO SAME; THENCE

8. ALONG THE EASTERLY LINE OF LOTS 69, 70, 96, 95, 71, 72 AND 73, NORTH 18 DEGREES, 18 MINUTES, 38 SECONDS WEST A DISTANCE OF 218.12 FEET TO THE POINT AND PLACE OF BEGINNING.

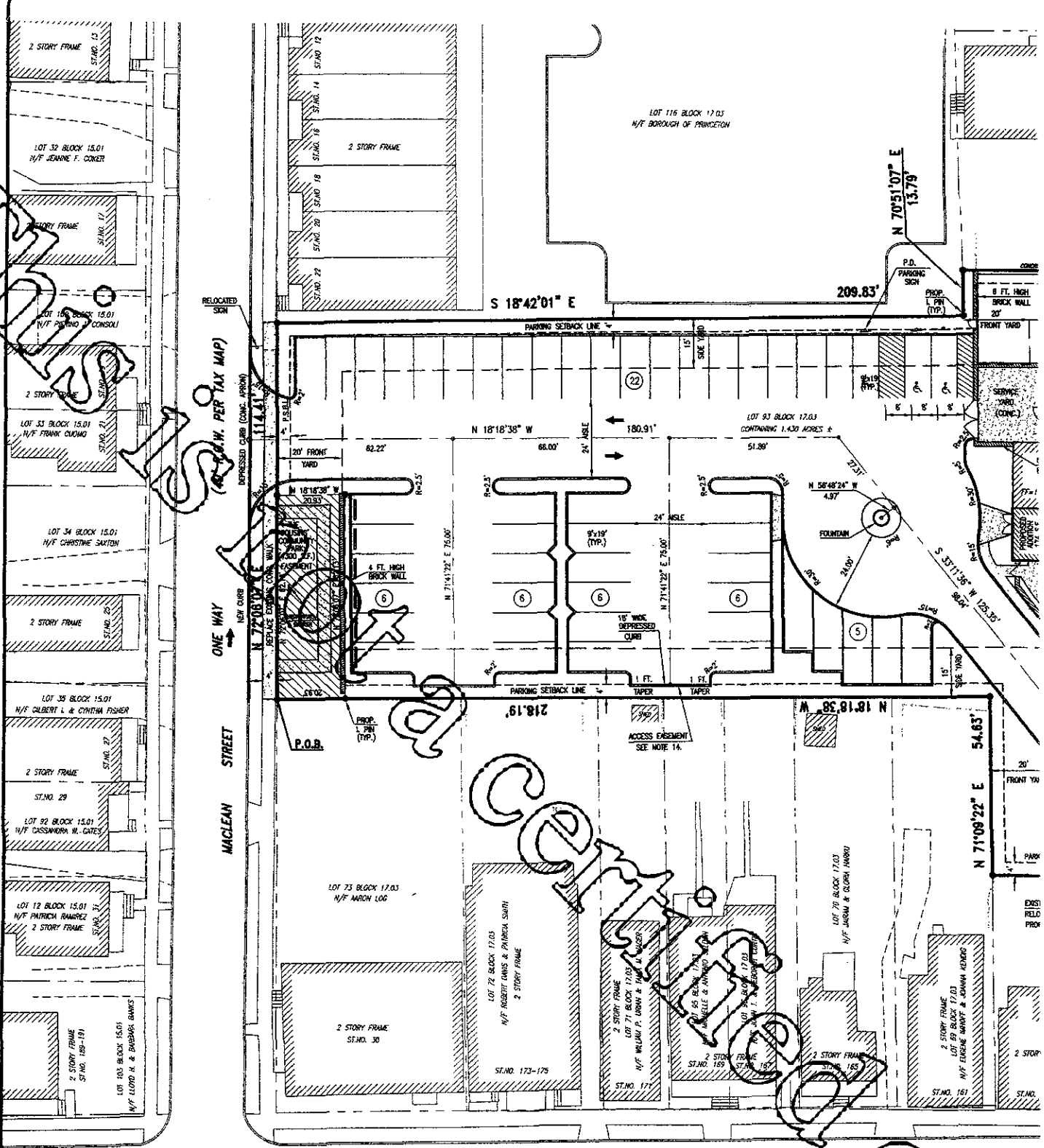
DRAWN IN ACCORDANCE WITH A SURVEY PREPARED BY HARRIS SURVEYING, INC. DATED SEPTEMBER 5, 2001.

BEING ALSO KNOWN AS (REPORTED FOR INFORMATIONAL PURPOSES ONLY):

LOT 93, BLOCK 17.03, ON THE OFFICIAL TAX MAP OF BOROUGH OF PRINCETON, MERCER COUNTY, STATE OF NEW JERSEY.

**THIS IS A PRELIMINARY MAP**

**CONFIDENTIAL**



THE CONTRACTORS SHALL CONTACT THE UTILITY ONE-CALL SERVICE AT 1-800-272-1000 TO HAVE THE EXISTING UTILITIES AND THEIR LOCATIONS VERIFIED PRIOR TO ANY DIGGING OR LAND DISTURBANCE ON SITE.

**EXHIBIT B**

**PLAN NOTATION** - These documents are specifically prepared for this project and are not intended or represented to be suitable for reuse on any other project. Modification of this project or for any other project. Shumaker & Associates, Inc. shall only certify those documents that contain an original and in green ink and signed (not stamped). Any reuse of these documents without the express written consent of Shumaker & Associates, Inc. is strictly prohibited. If used for other than the project or for other than the purpose for which they were prepared, such use shall constitute an agreement by the party using the documents and the Client to indemnify and hold Shumaker & Associates, Inc. and its subsidiaries, officers, directors, employees, agents, and independent contractors harmless from all claims, damages, losses and expenses (including reasonable attorney's fees and defense costs) arising out of such use, including any third party claims, damages, losses and expenses arising from the use of such documents or from the use of such documents.

**LEGEND:**

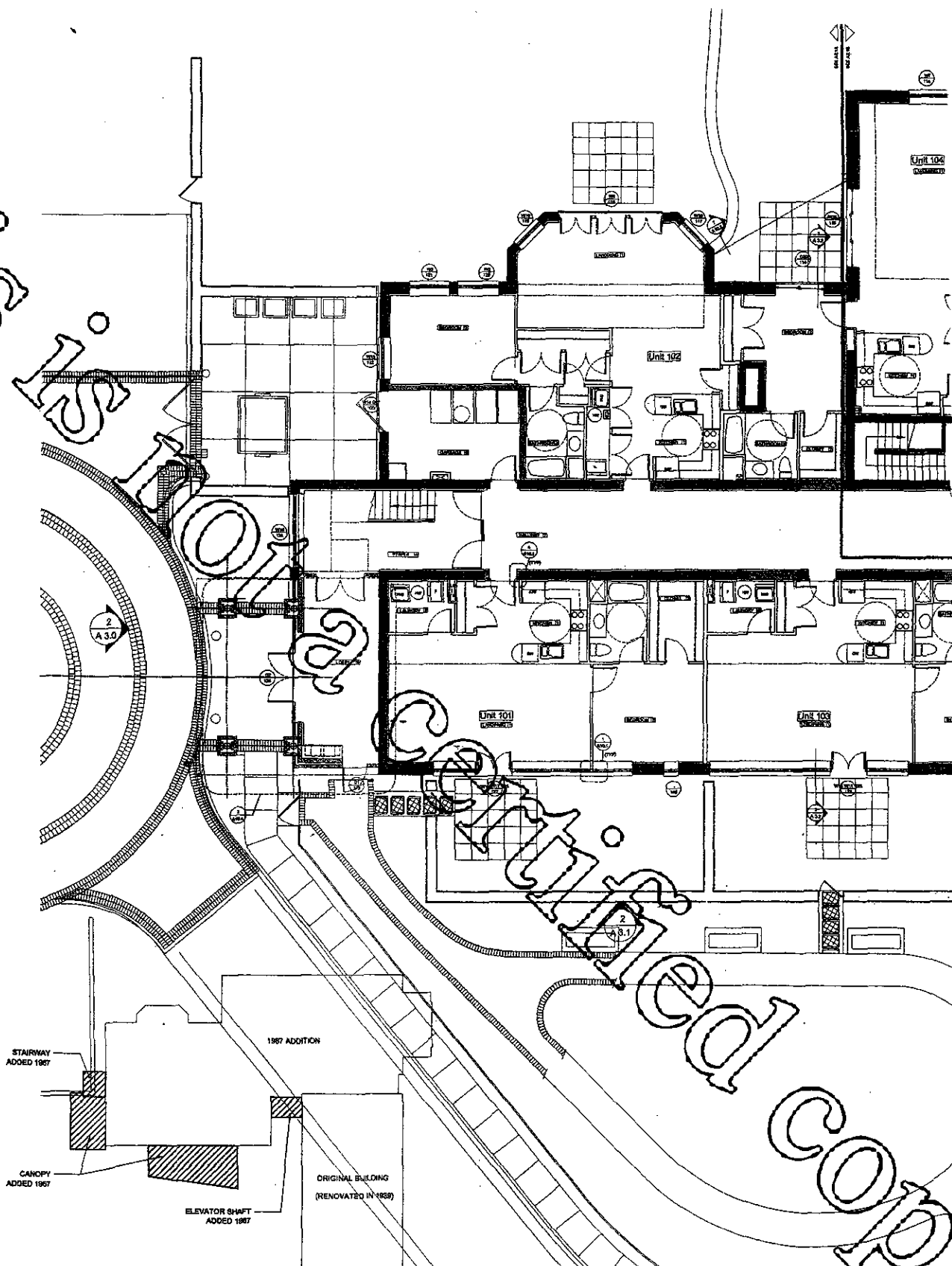
- IRON PIN (TO BE SET)
- P.D. (PARKING SETBACK LINE)
- B.E.S. (BUILDING SETBACK LINE)
- ADJACENT BOUNDARY LINE
- CENTERLINE

APPROVED BY THE ZONING BOARD OF ADJUSTMENT OF PRINCETON AS A MAJOR SITE DEVELOPMENT

*[Signature]*  
DATE: 12/19/02  
*[Signature]*  
DATE: 12/19/02  
*[Signature]*  
DATE: 12/19/02

REVISIONS	DATE	COMMENT
04-18-02		BOROUGH ENGINEER REVIEW

04 OF 13



KEY PLAN TO ADDITIONS  
NOT TO SCALE

1 FIRST FLOOR OVERALL FLOOR PLAN  
SCALE 1/8"=1'-0"

EXHIBIT C VOL 48 1116002

Versions		
No.	Date	Description
1	9.04.2008	Issued for Permit
2	7.08.2009	Revised per OCA C
3	8.28.2009	Re-issued for Perm
4	11.15.2009	

DCA 0006-03

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Fax: (609) 452-8332  
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Signature and Seal  
Professional License Number  
NJ-04585

THE WAXWOOL  
Princeton, New Jersey

Sheet No.  
FIRST FLOOR  
OVERALL PLAN

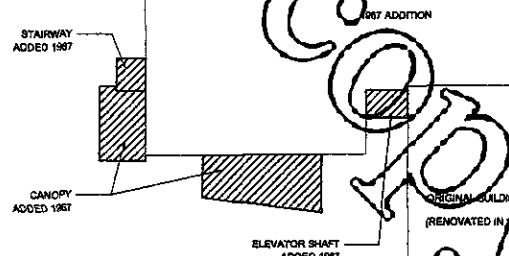
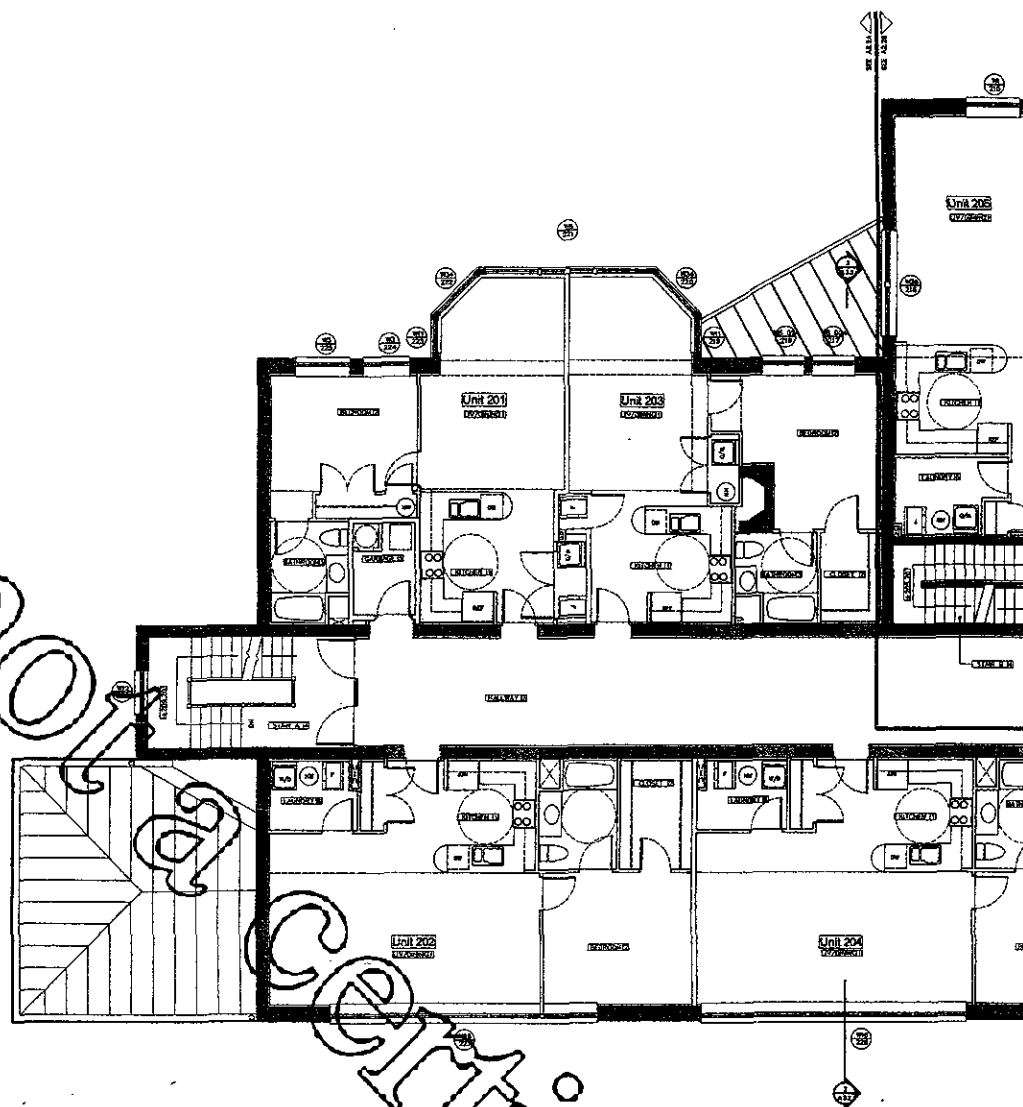
Scale  
1/8" = 1'-0"  
Sheet No.

A2.1

EXHIBIT C ( CONTINUED)

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1 SECOND FLOOR OVERALL FLOOR PLAN  
SCALE: 1/8"=1'-0" | PG 064

KEY PLAN TO ADDITIONS  
NOT TO SCALE



Versions		
No.	Date	Description
1	4.04.2003	Issued for Permit
2	7.06.2003	Reviewed per DCA/C
3	8.29.2003	Re-issued for Permit
4	11.15.2003	

DCA 0006-03



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NJCA385

THE WAXWOOL  
Princeton, New Jersey

SECOND FLOOR  
OVERALL PLAN

Scale  
1/8" = 1'-0"

Drawn  
DWB

Project No.  
P70-0064

Sheet No.

A2.2

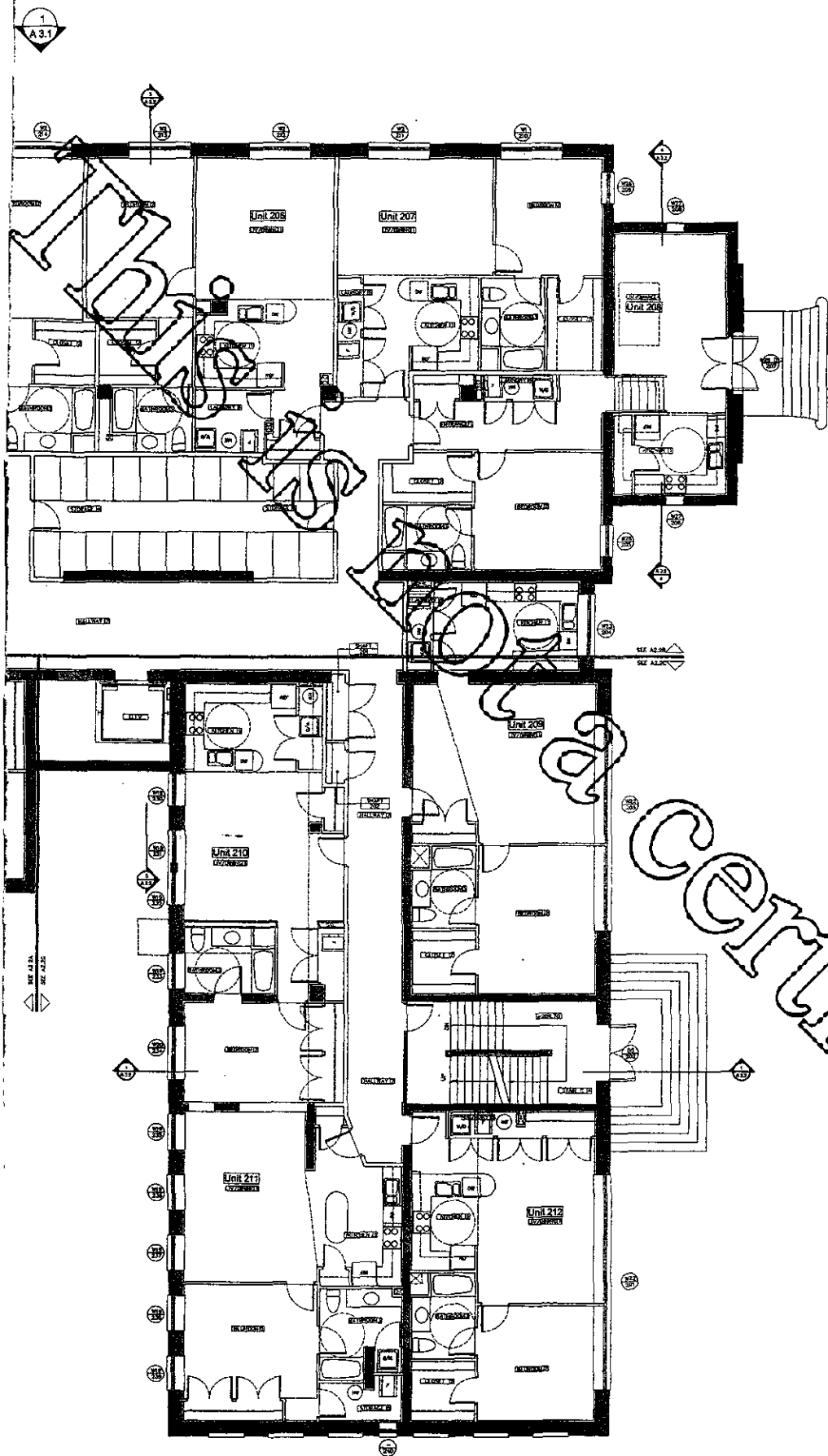
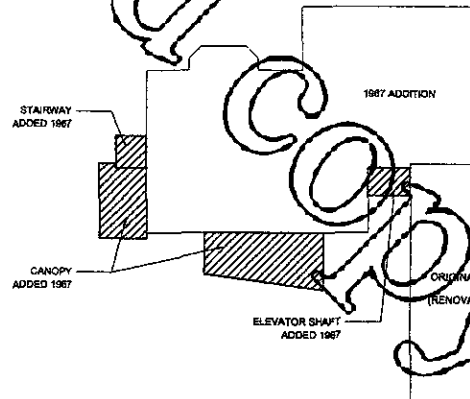


EXHIBIT C ( CONTINUED )

VOL 4 OF 11 10005



KEY PLAN TO ADDITIONS  
NOT TO SCALE

EXHIBIT C (CONTINUED)

Versions		
No.	Date	Descr.
1	5.04.2003	Issued
2	7.08.2003	Review
3	8.29.2003	Re-iss.
4	11.17.2003	DCA C
5	01.13.2004	Unit 31

DCA 0006-03

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NJ-00000000

Project

THE WAXW  
Princeton, New

THIRD FLOOR  
OVERALL PLAN

Scale  
1/8" = 1'-0"  
Sheet No.

A2.3

EXHIBIT C (CONTINUED)

VOL 0011190067

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RENOVATE EXISTING WALKWAY

NEW WOODEN HANDRAIL  
42" ABOVE DECK

BLOCK UP EXISTING  
WINDOW OPENING

ELEV. MATCHES

PROVIDE NEW LOCK AND  
CLOSER TO EXISTING DOOR

3  
A 3.2

7

CENTER DORMER ON  
CUPOLA

1  
A 3.2

7

DUCTING IN THIS SPACE TO THIRD  
DO NOT INSULATE  
THIS PARTITION

CUT

OPEN TO BELOW

MATCH LOCATION OF  
CHASE BELOW

Unit 309  
BEDROOM [2]

EXISTING WOOD TRUSS TO  
REMAIN. ALIGN FACE OF  
FRAMING TO FACE OF  
TRUSS TYP

Unit 311  
BEDROOM [2]

Unit 312  
BEDROOM [2]

METAL HANDRAIL 42" AFF

EXTEND PLATFORM  
TO TRUSS MEMBER

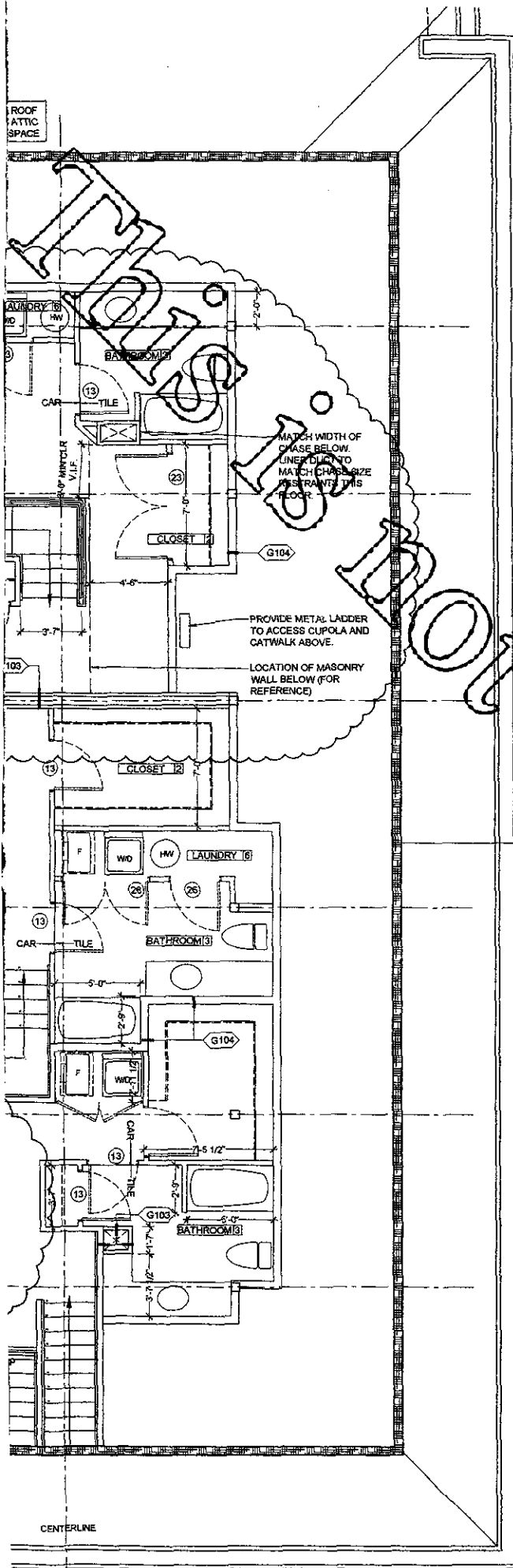
OPEN TO BELOW

BOTTOM CHORD OF  
TRUSS BELOW

METAL HANDRAIL 42" AFF  
ALIGN EDGE OF FLOOR TO  
WALL BELOW (TYP)

EXHIBIT C (CONTINUED)

1 MEZZANINE TO THIRD FLOOR PLAN SECTOR C  
SCALE 1/4"=1'-0" VOL 1 OF 1 PG 068



# GENERAL NOTES

- 1) ALL DIMENSION ARE FROM FACE OF STUD.
- 2) FINISH PLANS AND CASEWORK FOR BATHROOMS AND KITCHENS ARE ON PLAN DETAIL SHEETS, ASX SERIES.
- 3) ALL CLOSETS TO INCLUDE HANGING ROD AND SHELF.
- 4) ALL INTERIOR PARTITIONS ARE TYPE G102 UNLESS NOTED OTHERWISE.
- 5) ALL PARTITIONS TO NEW OR EXISTING MASONRY WALLS ARE TYPE G101 UNLESS NOTED OTHERWISE. ALL MASONRY SURFACES TO BE FURRED OUT WITH 1/2" GYP BD ON SUBSTRATE.
- 6) ALL INTERIOR DOORS ARE FRAMED ROUGH OPENING 4" FROM ADJACENT CORNER UNLESS DIMENSIONED OTHERWISE.
- 7) CONTRACTOR TO VERIFY THAT DOORS AS SCHEDULED CAN FIT INTO NEW FRAMED OPENINGS TO ALLOW 2 1/2" TRIM ALL SIDES BEFORE PROCEEDING WITH FRAMING.
- 8) EXISTING WALLS AND COLUMNS THAT ARE NOT AS DRAWN, AND WHICH PROHIBIT THE INTERIOR LAYOUTS BEING FRAMED AS DRAWN, SHALL BE BROUGHT TO THE ATTENTION OF THE ARCHITECT.

# LEGEND

- |     |   |
|-----|---|
| HW  | - HOT WATER HEATER                          |
| F   | - FURNACE                                   |
| REF | - REFRIGERATOR                              |
| DW  | - DISHWASHER                                |
| W   | - WASHER                                    |
| D   | - DRYER                                     |
| WD  | - STACKABLE WASHER DRYER                    |
|     | - EXISTING WALL                             |
|     | - INFILL PARTITION IN EXISTING MASONRY WALL |
|     | - NEW PARTITION                             |

Versions		
No.	Date	Description
1	12.05.2001	ZBA Submittal
2	02.04.2002	Final Site Plan Subm
3	04.04.2003	Issued for Permit
4	09.29.2003	Re-issued for Permit
5	11.17.2003	DCA Comments
6	01.13.2004	Unit 312 revised
7	03.10.2004	Unit 309 revised

DCA 0006-03

# KEY PLAN

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Princeton, NJ 08543-0023  
Phone: (609) 452-8988  
Fax: (609) 452-8332  
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10005  
PA

**THE WAXWOOL**  
Princeton, New Jersey

MEZZANINE TO  
THIRD FLOOR PLAN

Scale  
1/4" = 1'-0"  
Sheet No.  
Drawn  
MOK  
Project No.  
P70-03849

**A2.4C**

EXHIBIT C (CONTINUED)

**GENERAL NOTES**

- 1) ALL BRICK REPAIRS TO BE TOOTHED INTO ADJACENT BRICKWORK UNLESS NOTED OTHERWISE.
- 2) BRICK VENTS TO BE RECESSED AND GROUTED INTO BRICK. PROVIDE INSECT SCREEN AT INSIDE OF BRICK VENT. LOCATE BRICK VENTS AS DRAWN AND DIMENSIONED SO AS TO FIT WITHIN SOFFITS AND INTERIOR LAYOUTS ON PLANS. ALIGN TOP OF VENTS TO TOP OF WINDOW UNLESS DRAWN OTHERWISE.
- 3) DRAWINGS SHOW APPROXIMATE LOCATIONS AND NUMBER OF THROUGH ROOF VENTS. ACTUAL LOCATIONS TO BE DETERMINED ON SITE.

FURNACE EXHAUST AND GENERAL DRYER, KITCHEN AND BATHROOM EXHAUST LOCATIONS REVISED. THESE LOCATIONS SUPERSEDE THOSE ON MECHANICAL AND PLUMBING DRAWINGS. ADJUST SPACING AND HEIGHT OF FURNACE EXHAUST PIPES AS REQUIRED BY LOCAL CODES. TOP OF VENT TO BE BELOW RIDGE.

RE-POINT ANCHOR CHIMNEY AS REQUIRED

FURNACE EXHAUST VENTS (TYPICAL)  
PATCH BRICK AS REQUIRED  
LOCATE AT  
OF DEMOLISHED CANOPY (TYPICAL)

THIRD FLOOR  
EL. +26'-4"

SECOND FLOOR  
EL. +13'-2"

LOWER FIRST FLOOR  
EL. +0'-0"

REMOVE EXISTING FAN AND HOOD  
PATCH BRICK AS REQUIRED

REPLACE  
DOWNSPOUT, TYP.

REPLACE WITH  
WITH SERVICE  
RAISED FIXED  
ABOVE

2 NORTH ELEVATION  
SCALE 1/8"=1'-0"

REPLACE WITH NEW  
COPPER DOWNSPOUT (TYP.)

REPAIR FRONT ENTRY DOOR OR  
REPLACE WITH APPROVED REPLICA.  
PREP & PAINT FIXED TRANSOM  
PANEL ABOVE.

REPAIR BLUEST

1 SOUTH ELEVATION  
SCALE 1/8"=1'-0"

Versions		
No.	Date	Description
1	12.05.2001	ZBA Submit
2	02.04.2002	Final Site Plan
3	04.04.2003	Issued for Plan
4	05.28.2003	Revised for Bk
5	07.24.2003	SHPO Addendum
6	08.20.2003	Re-issued for
7	11.11.2003	Re-issued for
8	03.28.2004	Re-issued for

DCA 0006-03



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No. 0000

Project  
**THE WAXWOC**  
Princeton, New Jer

Sheet No.  
**EXTERIOR ELEVATIONS**

Scale  
AS NOTED  
Sheet No.

Drawn  
DFM

Project  
P76-05

A3.0

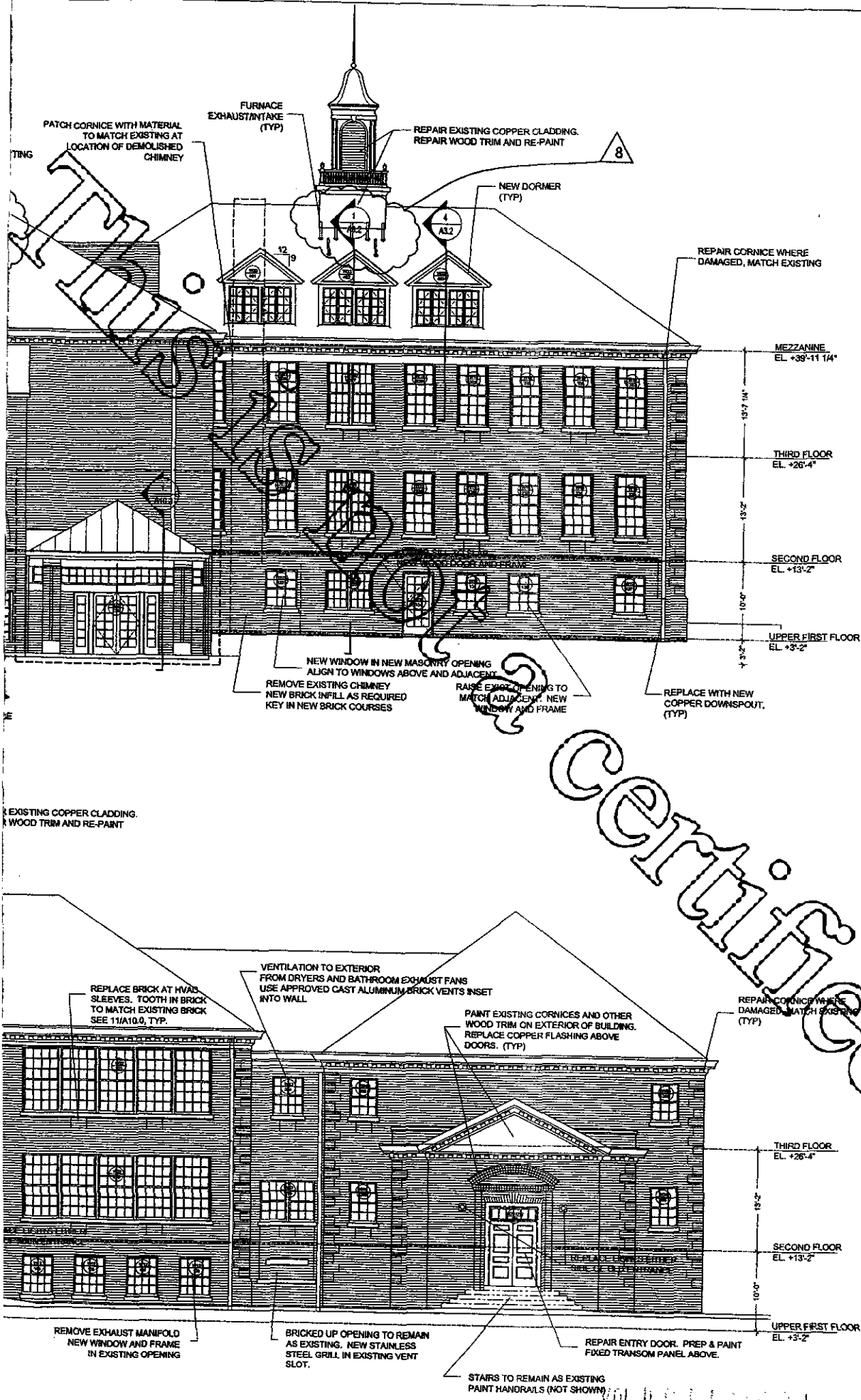
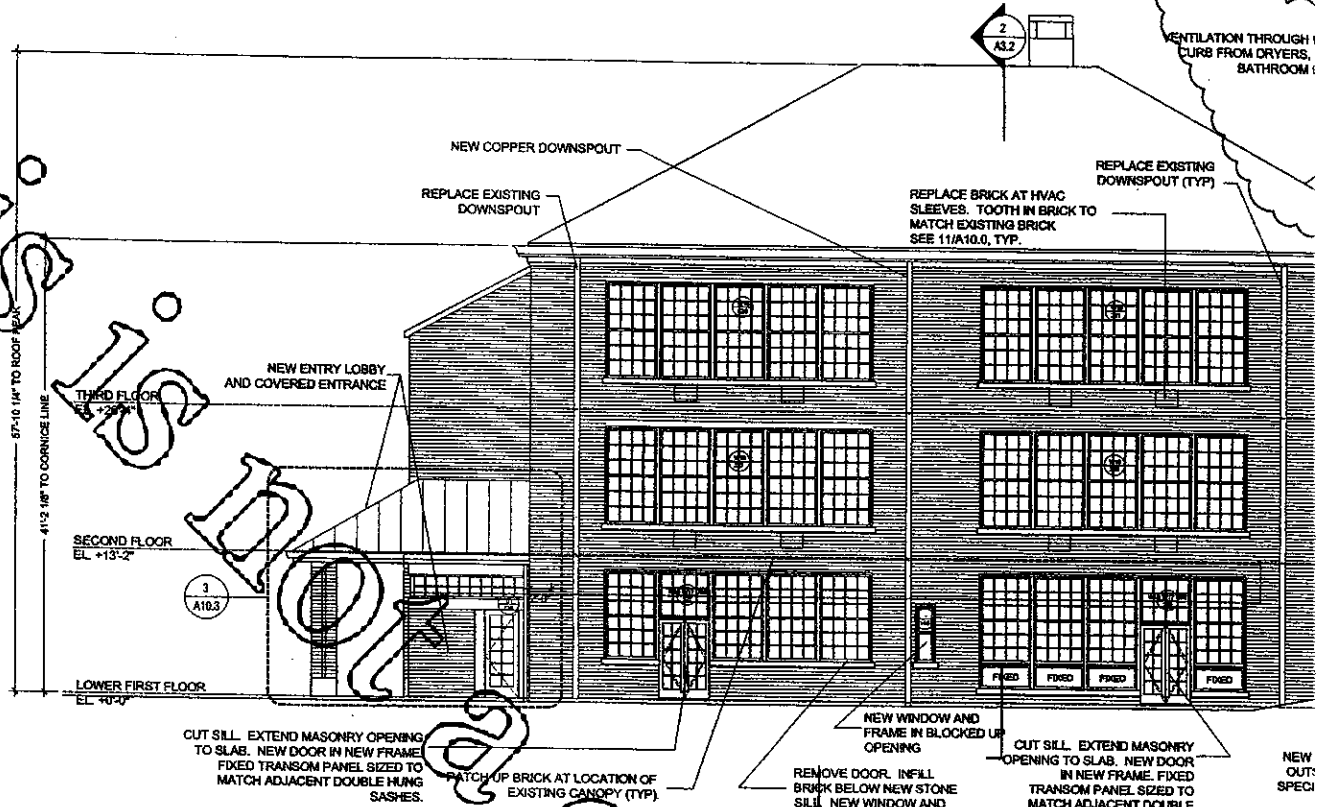


EXHIBIT C (CONTINUED)

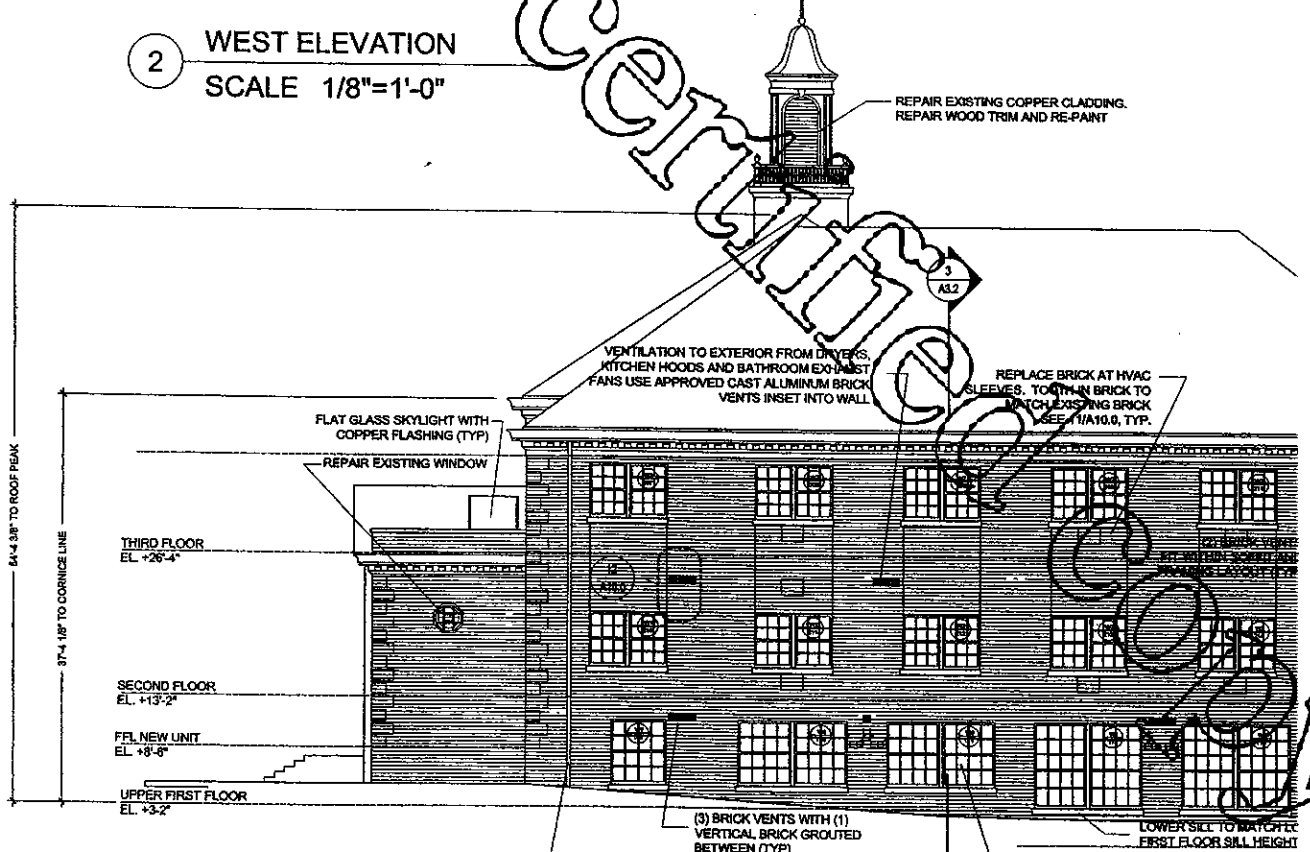
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- 2) BRICK VENTS TO RECESSED AND GROUTED INTO BRICK. PROVIDE INSECT SCREEN AT INSIDE OF BRICK VENT. LOCATE BRICK VENTS AS DRAWN AND DIMENSIONED SO AS TO FIT WITHIN SOFFITS AND INTERIOR LAYOUTS ON PLANS. ALIGN TOP OF VENTS TO TOP OF WINDOW UNLESS DRAWN OTHERWISE.
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2 WEST ELEVATION  
SCALE 1/8"=1'-0"



1 EAST ELEVATION  
SCALE 1/8"=1'-0"

VOL 4911.0012

EXHIBIT C (CONTINUED)



Versions		
No.	Date	Description
1	12.05.2001	2BA Submittal
2	02.04.2002	Final Site Plan S.
3	5.04.2003	Issued for Permit
4	6.28.2003	Revised for Bid
5	7.24.2003	SHPO Addendum
6	9.28.2003	Re-issued for Par
7	11.11.2003	Re-issued for SH
8	03.29.2004	Re-issued for SH

DCA 0006-03



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NJC-005

THE MAXWOOD  
Princeton, New Jersey

Sheet Title

EXTERIOR  
ELEVATIONS

Scale  
AS NOTED  
Drawn  
DPM  
Project No.  
P70-0554  
Sheet No.

A3.1

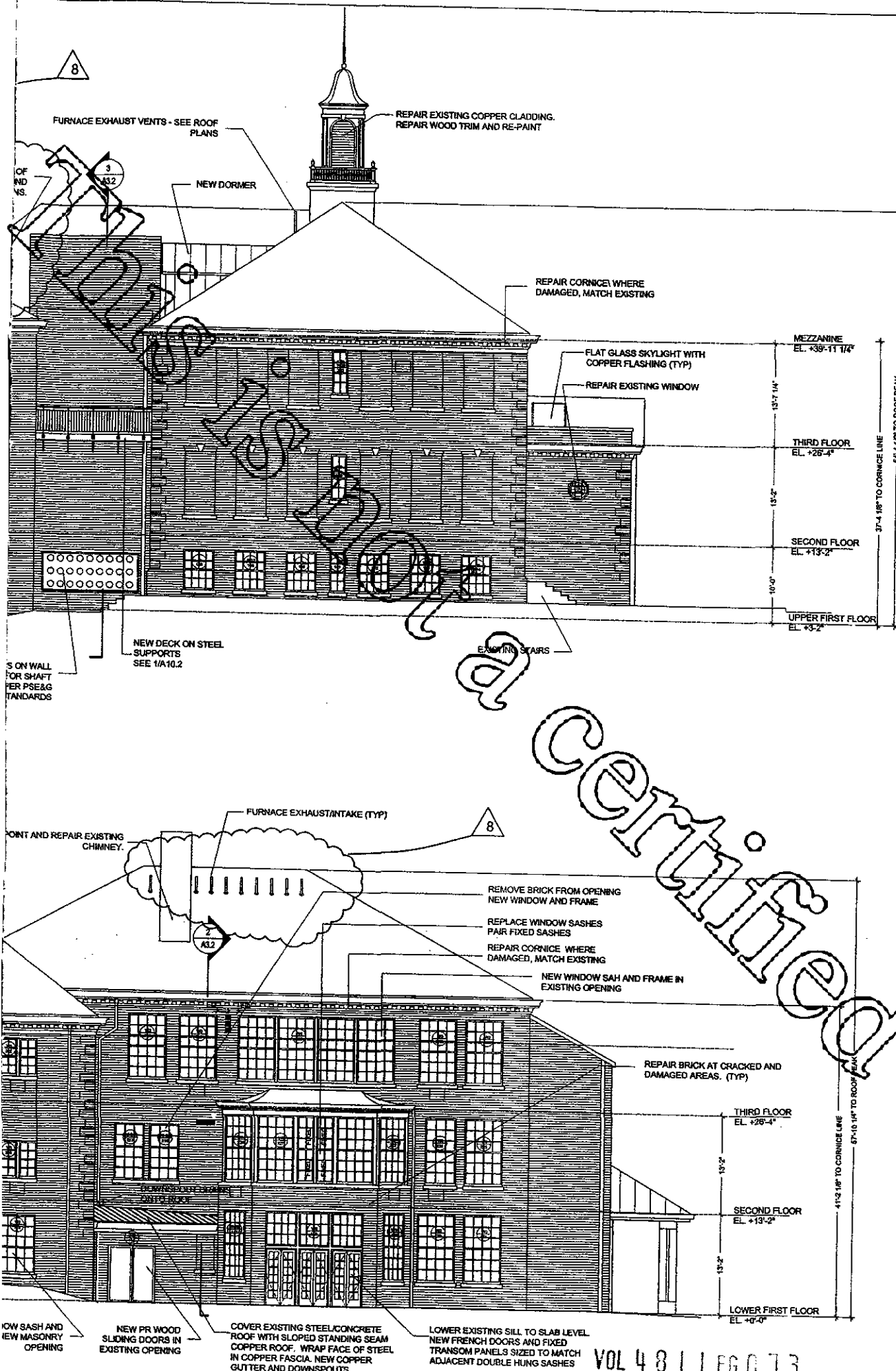


EXHIBIT C (CONTINUED)

VOL 4811FG073

# **CERTIFICATE OF INCORPORATION**

**OF**

## **THE WAXWOOD CONDOMINIUM ASSOCIATION, INC.**

In compliance with the requirements of Title 15A, of the New Jersey Statutes Annotated, the undersigned, who is of full age, has this day voluntarily agreed to act as the incorporator for the purpose of forming a corporation not for profit, and does hereby certify:

### **ARTICLE I**

#### **Name**

The name of the corporation is THE WAXWOOD CONDOMINIUM ASSOCIATION, INC., a New Jersey nonprofit corporation, hereinafter called the "Association."

### **ARTICLE II**

#### **Principal Office**

The principal office of the Association is located at 500 Alexander Park, Princeton, New Jersey and its mailing address is c/o J. Robert Hillier, 500 Alexander Park, CN 23, Princeton, New Jersey 08543-0023.

### **ARTICLE III**

#### **Registered Agent**

Christopher S. Tarr, Esquire, whose address is c/o Stevens & Lee, a Pennsylvania professional corporation, 600 College Road East, Princeton, New Jersey, 08540 is hereby appointed the initial registered agent of this Association.

### **ARTICLE IV**

#### **Purpose and Powers of the Association**

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific 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 subjected to the condominium form of ownership by a certain Master Deed for The Waxwood Condominium, and any supplements or amendments thereto, recorded in the Office of the Clerk of Mercer County, and to promote the health, safety and welfare of the residents within the above described property and for these additional purposes:

(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 the By-Laws for said Association, said By-Laws being incorporated herein as if set forth at length;

(b) To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of said 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 in connection with the affairs of the Association;

(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.

#### **ARTICLE V Membership**

Every person or entity who is a record owner of a fee interest in any Condominium 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 foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of any such Unit shall be the sole qualification for membership. Upon termination of the interest of the Unit Owner, his membership shall automatically terminate and shall be transferred and shall inure to the new Unit Owner succeeding him in interest.

#### **ARTICLE VI Board of Trustees**

The affairs of this Association shall be managed by a Board of Trustees. The initial Board of Trustees shall be composed of three (3) persons who need not be members of the Association and the method by which the Trustees shall be elected shall be set forth in the By-Laws of the Association. The number of Trustees 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 Trustees until the selection of their successors are:

J. Robert Hillier 2846 River Road New Hope, PA 18938	James Banks 45 Vandeventer Avenue Princeton, NJ 08542
Christopher S. Tarr c/o Stevens & Lee, a PA PC 600 College Road East Princeton, NJ 08540	

#### **ARTICLE VII Distribution of Assets**

Upon dissolution, the assets of the Association shall be distributed on the same basis as the respective proportionate responsibility for Common Expenses of the members is determined.

#### **ARTICLE VIII Duration**

The corporation shall exist perpetually.

#### **ARTICLE IX Amendments**

Amendment of this Certificate shall require the assent of seventy-five (75%) of the members.

#### **ARTICLE X Liability**

No Trustee or officer of the Association shall be personally liable to the Association for damages for breach of any duty owed to the Association, provided that this Article X shall not relieve a Trustee or officer from liability for any breach of duty based upon an act or omission (1) in breach of such person's duty of loyalty to the Association, (2) not in good faith or involving a knowing violation of law, or (3) resulting in receipt by such person of an improper personal benefit. The Association shall indemnify every corporate agent as defined in, and to the full extent permitted by, Section 15A:3-4 of the New Jersey Nonprofit Corporation Act, and to the full extent otherwise permitted by law.

#### **ARTICLE XI Incorporator**

The incorporator under this certificate is Christopher S. Tarr, Esq., whose address is c/o Stevens & Lee, a Pennsylvania professional corporation, 600 College Road East, Princeton, New Jersey 08540.

**IN WITNESS WHEREOF**, for the purpose of forming this non-profit corporation under the laws of the State of New Jersey, the undersigned, the incorporator of this Association, has executed this Certificate of Incorporation this \_\_\_\_ day of August, 2004.

\_\_\_\_\_  
Christopher S. Tarr, Incorporator

This is not a certified copy

**BY-LAWS  
OF  
THE WAXWOOD CONDOMINIUM ASSOCIATION, INC.**

**ARTICLE I  
NATURE OF BY-LAWS**

SECTION 1. Purpose. These By-Laws are intended to govern the administration of The Waxwood Condominium Association, Inc., a non-profit corporation organized under Title 15A of the New Jersey Statutes Annotated, (hereinafter called "Association"), and to provide for the management, administration, utilization and maintenance of the Common Elements described in the Master Deed for The Waxwood, A Condominium.

SECTION 2. Definitions. Unless the context clearly indicates otherwise, all definitions set forth in the aforesaid Master Deed or in N.J.S.A. 46:8B-3 are incorporated herein by reference.

SECTION 3. Fiscal Year. The fiscal year of the Association shall be a calendar year.

SECTION 4. Principal Office. The principal office of the Association shall initially be located do J. Robert Hillier, 500 Alexander Park, CN 23, Princeton, New Jersey 08543.

**ARTICLE II  
MEMBERSHIP AND VOTING RIGHTS**

SECTION 1. Members. Every record Owner of the fee simple title to any Unit, including the Sponsor, shall be a Member of the Association. The Sponsor has one membership in the Association for each Unit, completed or prospective, which has not been conveyed to an individual purchaser.

SECTION 2. Associate Members. Every tenant or lessee of a Unit Owner may be an Associate Member of the Association, but shall not be entitled to any vote with respect to Association matters.

SECTION 3. Change of Membership. Change of membership shall be accomplished by recording, in the Mercer County Clerk's Office, a deed or other instrument establishing a record title to a Unit. The membership of the prior Unit Owner shall be thereby terminated.

SECTION 4. Rights of Membership. Every person who is entitled to membership in the Association shall be entitled to use the General Common Elements, subject to the right of the Board to:

- (a) Promulgate rules and regulations governing such use and enjoyment; and
- (b) Suspend the use and enjoyment of the General Common Elements as provided in Section 5 of this Article II.

SECTION 5. Suspension of Rights. The membership and voting rights of any Member may be suspended by the Board if any assessment against the Unit remains unpaid.

SECTION 6. Contribution to Working Capital. The Board shall impose upon each Unit Owner, upon acquisition of title to a Unit, a non-refundable contribution to the working capital of the Association in an amount reasonably established by the Board. The payment of such fee shall be a condition precedent to a Unit Owner exercising his or her rights and privileges of membership in the Association upon the initial sale or any subsequent transfer of title to a Unit. Any unpaid working capital contribution shall be deemed a lien on the Unit in the same manner as any unpaid General and/or Specific Common Expenses attributable to such Unit.

SECTION 7. Votes. Each Unit Owner shall be entitled to one vote for each Unit to which the Owner holds title as is provided in Paragraph 7 of the Master Deed. 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 a proxy 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 a proxy or objects in a writing delivered to the Secretary of the Association before the vote is counted. If Co-Owners disagree as to the vote, the vote shall be split equally between or among the Co-Owners.

SECTION 8. Proxies. Proxy ballots shall be permitted with respect to all elections of Trustees, and all amendments to the Certificate of Incorporation, the Master Deed or these By-Laws, or any other matter which properly comes before a meeting of the membership of the Association. All proxies shall be in writing, signed by all individual Unit Owners (or in the case of joint owners by any one of them), or by the Owner(s)' duly authorized representative(s) and delivered to the Secretary of the Association prior to opening of the polls at the commencement of the meeting at which ballots are to be cast.

### ARTICLE III MEETINGS OF MEMBERS

SECTION 1. Place of Meetings. All meetings of the Members of the Association shall be held at such place convenient to the members as may be designated by the Board.

SECTION 2. First Annual Meeting and Regular Annual Meeting. All annual meetings of the Unit Owners of the Association shall be held on the date established by the Board, except that the first such annual meeting shall be held not more than sixty (60) days after Unit Owners other than the Sponsor own twenty-five percent (25%) of all Units ultimately to be constructed or on such earlier date as the Sponsor, in its sole discretion, may elect, but in no event later than two (2) years from the date hereof. At the first annual meeting and each subsequent annual meeting the election of Trustees shall take place. To the extent possible, such annual meetings shall be held in conjunction with the annual meetings of the Association as hereinafter defined.

SECTION 3. Special Meetings. After the first annual or special meeting, special meetings of Unit Owners may be called by the President, 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 percent

(25%) of all the votes entitled to be cast at such meeting. Such request shall state the purpose(s) of such meeting and the matter(s) proposed to be acted upon. Unless Unit Owners representing at least fifty percent (50%) of all votes entitled to be cast request such a meeting, 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, which determination shall be made in the sole and absolute discretion of the Board.

SECTION 4. Notice of Meeting. Except as otherwise provided by law, notice of each meeting of Unit Owners, whether annual or special, shall be mailed not less than ten (10) days nor more than sixty (60) days before the day on which the meeting is to be held to each Unit Owner at the Unit Owner's last known address, or delivered by hand or left at the residence of the members. 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. Notice of any adjourned meeting of the Unit Owners shall not be required to be given except when expressly required by law.

SECTION 5. Quorum and Adjourned Meetings. At each meeting of the Association, except meetings where the election of Trustees by the vote of Unit Owners other than the Sponsor is to take place, persons (including Sponsor or its representatives) holding twenty percent (20%) of the authorized votes present in person or by proxy, shall constitute a quorum.

SECTION 6. Organization. At each meeting of the Association, the President shall act as chairperson, and the Secretary, or in the Secretary's absence, a person whom the chairperson shall appoint, shall act as Secretary of the Meeting.

SECTION 7. Voting. Except as otherwise required by the Certificate of Incorporation, the Master Deed or any law, a quorum being present, a majority of votes present, in person or by proxy, shall be sufficient on those matters which are to be voted on by the Unit Owners. The election of Trustees shall be by ballot; the vote on any other question need not be by ballot.

The Board, in lieu of calling a meeting of Members, may submit any questions requiring the vote of the Members, including the election of Trustees, to a ballot by mail. In order to conduct a ballot by mail, the Board shall serve notice upon all Members entitled to vote which shall state with specificity in terms of motion(s) the question(s) upon which the vote is to be taken; state the date by which ballots must be received in order to be counted; provide an official ballot for the purpose of the vote; and, except in the case of election of Trustees, state the date upon which the action contemplated by the motion(s) shall be effective, which date shall be no less than ten (10) days after the date ballots must be received. Except in the case of election of Trustees, when a majority of ballots received shall control (provided that ballots are received from at least twenty percent (20%) of the Members entitled to vote), no action contemplated by a ballot by mail shall be taken unless a majority in number of all Members entitled to vote submit ballots approving such action. The Board shall appoint judges to tabulate the ballot, whose report shall be included in the minute book.

SECTION 8. Member in Good Standing. A member shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Association if, and only if, the member shall have fully paid, in cash or by check, all installments due for assessments made



or levied against the Owner's Unit prior to the opening of the polls at such meeting.

#### ARTICLE IV BOARD OF TRUSTEES

SECTION 1. Express and Implied Powers and Duties. The property, affairs and business of the Association shall be managed by the Board of Trustees, which shall have all those powers granted to it by the Certificate of Incorporation, the Master Deed, these By-Laws, and by law.

SECTION 2. Number and Qualifications. (a) Until the first annual meeting of the membership of the Association, the Board shall consist of three (3) persons designated by the Sponsor, (hereinafter referred to as Trustees A, B and C), who shall serve for a term ending not later than sixty (60) days after Unit Owners other than the Sponsor own twenty-five percent (25%) of the Units in the Condominium.

Within sixty (60) days after the Unit Owners other than Sponsor own twenty-five percent (25%) of all Units to ultimately be constructed, the President shall call and give not less than ten (10) nor more than sixty (60) days notice of the first annual meeting of the membership of the Association. At such meeting, Unit Owners other than Sponsor shall be entitled to vote for and elect Trustees A and B and Sponsor shall have the right to appoint Trustee C.

Thereafter, and within sixty (60) days after Unit Owners other than Sponsor own seventy-five percent (75%) of all the Units to ultimately be constructed, the President shall call and give not less than ten (10) nor more than sixty (60) days notice of a special meeting of the membership of the Association. At such special meeting Unit Owners other than Sponsor shall be entitled to vote for all of the Trustees not theretofore elected by them.

(b) Except with respect to any Trustee appointed by the Sponsor, all Trustees shall be Unit Owners.

SECTION 3. Election and Term of Office. At the first annual meeting of the membership that is called after Unit Owners other than the Sponsor own twenty-five percent (25%) of all Units to ultimately be constructed, Trustees A and B shall be elected by the Unit Owners other than the Sponsor, and Sponsor shall appoint Trustee C. Trustee A shall be elected for a one (1) year term and Trustee B shall be elected for a two (2) year term and Trustee C shall be appointed to serve until the successor is elected at the special meeting held after seventy-five percent (75%) of all Units ultimately to be constructed are owned by Unit Owners other than Sponsor. At said special meeting, Trustee C shall be elected to serve for an initial term which expires at the annual meeting of the membership at which Trustees A and B are not scheduled for reelection, but in no event shall such initial term be less than two (2) years nor more than three (3) years. Thereafter the term for Trustee C shall be for two (2) years; it being the purpose and intent hereof that Trustees A and B shall be elected in alternate years to Trustee C.

The Trustees shall hold office until their respective successors have been duly elected and qualified (in the same manner as in the initial election), or until removed. If applicable, candidates polling the highest votes will be considered elected for the longest period of years. Election of

Trustees at successive annual meetings shall be in accordance with this Section 3.

SECTION 4. Sponsor's Marketing Protection. After control of the Board has become vested in Trustees elected by Unit Owners other than the Sponsor, and so long as the Sponsor owns at least one (1) Unit and holds same for sale or rent in the ordinary course of business, the following shall apply:

(a) The Association shall take any action that will impair or adversely affect the rights of the Sponsor or cause the Sponsor to suffer any financial, legal or other detriment, including, but not limited to, any direct or indirect interference with the sale of the Units, or the assessment of the Sponsor or capital improvements; and

(b) The Board 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 by Unit Owners other than the Sponsor.

SECTION 5. Removal of Members of the Board. At any duly held regular or special meeting of the Unit Owners, any one or more Trustees may be removed with or without cause by two-thirds (2/3) of the Unit Owner votes present in person, and a successor may then and there be appointed by a majority of the remaining Trustees to fill the vacancy thus created. The successor shall be a Trustee for the remainder of the term of the removed Trustee. Any Trustee whose removal has been proposed shall be given an opportunity to be heard at the meeting. This Section 5 shall not apply to any Trustee appointed by the Sponsor. In the event that all of the Trustees are removed, successors shall be elected by the Unit Owners other than the Sponsor in the manner set forth in Article IV, Section 3 herein to fill the vacancies thus created.

SECTION 6. Vacancies. Vacancies on the Board caused by any reason other than the removal of all of the Trustees by vote of the Unit Owners of the Association shall be filled by a vote of a majority of the remaining Trustees, including the Sponsor's appointed, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy. Such vacancy shall be filled by a Unit Owner within the same Section as the Trustee whose seat has been vacated.

SECTION 7. Meetings of the Board; Waiver of Notice. (a) Open Meetings of the Board. All meetings of the Board of Trustees, except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all members of the Association.

(b) Restrictions to Open Meetings. Despite (a) above, the Board may exclude or restrict attendance at those meetings or portions of meetings dealing with the following:

- (i) Any matter involving individual privacy;
- (ii) Pending or anticipated litigation or contract negotiations;
- (iii) Matters falling within the attorney-client privilege, to the extent that confidentiality is required for the attorney to exercise ethical duties as a lawyer; or
- (iv) Any matter involving the employment of a specific employee or consultant of the Association.

(c) Minutes at Open Meetings. At each meeting required to be open to all Association members, minutes of the proceedings shall be taken, and copies of those minutes shall be available to all members before the next open meeting.

(d) Notice Requirements for Open Meetings. Adequate notice of any open meeting shall be given to all members of the Association. Adequate notice shall mean at least forty-eight (48) hours, giving the date, time, location and, to the extent known, the agenda of any regular, special or rescheduled meeting. The notice shall accurately state whether formal action is anticipated. The notice shall be mailed or hand delivered to each Member of the Association, and filed with the Association Secretary or managing agent responsible for administering the Association business office.

(e) Annual Notice of Open Meetings. At least once each year within seven (7) days following the annual meeting of the Association, the Board shall mail and file notice of meetings in the manner set forth above.

(f) Emergency Meetings. In the event that a Board meeting is required to deal with matters of such urgency and importance that delay, notice shall be deemed adequate if it is provided as soon as possible following the calling of the meeting.

(g) Regular and Special Meetings of the Board. The first annual meeting of the Board following each annual meeting of members of the Association shall be held as soon as practicable thereafter at such time and place as shall be fixed by a majority of the Board subject to the notice provisions set forth above. 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. Special meetings of the Board may be called by the President or shall be called by the President or the Secretary on the written request of at least two (2) Trustees. Any Trustee 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 Trustees at any meeting of the Board shall constitute a waiver of notice of the time and place thereof.

SECTION 8. Quorum and Adjourned Meetings. At all meetings of the Board, a majority of the Trustees shall constitute a quorum and the votes of a majority of the Trustees at a meeting at which a quorum is present shall constitute a valid decision.

## ARTICLE V POWERS AND DUTIES OF BOARD OF TRUSTEES

SECTION 1. General Powers and Privileges. The Board shall have all those powers granted to it by law or by the Master Deed, these By-Laws or the Certificate of Incorporation, including but not limited to the following:

(a) To employ professional counsel and to obtain advice from persons, firms or corporations such as, but not limited to, landscape architects, architects, engineers, lawyers and accountants;

(b) To adopt, amend, and publish Rules and Regulations covering the details of the operation and use of the Common Elements;

(c) To secure full performance by Unit Owners or occupants of all items of maintenance for which they are responsible;

(d) To set minimum standards for floor coverings installed by all Unit Owners in Buildings, with the exception of Sponsor;

(e) To establish and enforce Rules and Regulations for parking by, and the assignment of parking spaces to Unit Owners, subject to the provisions of the Master Deed, Certificate of Incorporation and these By-Laws; and

(f) To 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 or defend lawsuits to enforce the terms, conditions and restrictions contained in the Master Deed, these By-Laws, or any Rules and Regulations.

SECTION 2. Non-Delegated Powers. All of the following powers may be exercised by the Board:

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

(b) Sue and be sued, exercise rights; make and execute any and all proper affidavits and such other documents as may be necessary for various purposes; compromise any action without leave of court; and all other powers contained herein, and those necessary and incidental thereto;

(c) Grant and obtain easements, licenses and other property rights with respect to contiguous lands;

(d) 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 provided that the foregoing shall not be construed to constitute a right of first refusal;

(f) Sell, lease, mortgage or otherwise deal with Units acquired by the Association (but not vote the votes appurtenant to the Units), including sublease any Units leased by the Association or its designees, on behalf of all unit Owners;

(g) Bring and defend actions by or against more than one Unit Owner which are pertinent to the operation of the Condominium, the health, safety or general welfare of the Unit Owners, or any other legal action to which the Unit Owners may consent in accordance with these By-Laws; and

(h) 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 3. Delegable Powers.** All of the following powers may be delegated to one or more Trustees to accomplish, subject to the rights of termination of delegation set forth in Paragraph 3 of the Master Deed:

- (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 herein delegated. Said manager or said independent contractor shall be compensated upon such terms as the Board deems necessary and proper;
- (b) Employ any person, firm or corporation to repair, maintain or renovate the Common Elements of the Condominium; lay pipes or culverts; to buy utilities; to put up lights or poles; to erect signs and traffic and safety controls of various sorts on the Condominium Property;
- (c) Employ or contract for water and sewer, electricity and gas or other forms of utilities, cable or master antenna television;
- (d) Employ all managerial personnel necessary, or enter into a managerial contract for the efficient discharge of the duties of the Board hereunder;
- (e) Coordinate the plans of Unit Owners and occupants of Units for moving their personal effect or property into the Unit or out of it, with a view toward scheduling such movements so that there shall be a minimum of inconvenience to others;
- (f) Arrange for security protection as necessary;
- (g) Discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the Condominium; and
- (h) Provide for a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association, and between different Unit Owners, that shall be readily available as an alternative to litigation.

**SECTION 4. Duties and Responsibilities.** The Board shall perform the following duties and obligations:

- (a) Cause the General and Limited Common Elements to be maintained according to accepted standards and as set forth in the Master Deed and the Maintenance Responsibility Chart, including, but not limited to, such maintenance, painting, replacement and repair work as may be necessary, lawn maintenance and clearing of snow from roadways as the Board may deem appropriate. All repairs and replacements shall be substantially similar to the original application and installation and shall be of equal quality;
- (b) 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. Compensation for the services of such employees (as evidenced by certified payroll) shall be considered an operating expense of the Association;

(c) 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;

(d) 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;

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

(f) Place and keep in force all insurance coverages required to be maintained by the Association, applicable to its property and Members including, but not limited to:

Physical Damage Insurance. Broad form insurance against loss by fire and against loss by lightning, windstorm and other risks normally included within all risk extended coverage, including vandalism and malicious mischief, insuring all improvements existing on the Condominium Property, together with all service machinery appurtenant thereto, and covering the interest of the Association, the Board, the Sponsor, and all Unit Owners and Institutional Lenders as their respective interest may appear, in an amount equal to the full replacement value of such improvements (exclusive of foundations and footings), without deduction for depreciation. Each policy shall contain a standard mortgagee clause in favor of each Institutional Lender which shall provide that the loss, if any, thereunder, shall be payable to each Institutional Lender as its interest may appear, subject to the loss payment provisions set forth in Paragraph 18 of the Master Deed. The amount of any deductible and the responsibility for payment of same shall be determined by the Board, in its sole discretion.

Public Liability Insurance. To the extent obtainable, public liability insurance for personal injury and death from accidents occurring within the Common Elements, (and any other areas which the Board may deem advisable) and the defense of any actions brought by injury or death of a person or damage to property, occurring within such Common Elements, and not arising by reason of any act or negligence of any individual Unit Owner. Said insurance shall be in such limits as the Board may, from time to time, determine, covering each Member of the Board, any managing agent, the manager, and each Member, and shall also cover cross liability claims of one insured against another. Until the first meeting of the Board following the first annual meeting, such public liability insurance shall be in a single limit of \$1,000,000 covering all claims for personal injury or property damage arising out of any one occurrence. The Board shall review such limits once a year.

Trustees and Officers Liability Insurance. Liability insurance indemnifying the Trustees and Officers of the Association against the liability for errors and omissions occurring in connection with the performance of their duties, with any deductible amount to be in the sole discretion of the Board.

Workers Compensation Insurance. Workers compensation and New Jersey disability benefits insurance as required by law.

Flood Insurance. Flood insurance, in the event any of the Common Elements are located within a federally designated zone of greater than minimal flood hazard.

Other Insurance. Such other insurance as the Board may determine.

All policies shall (i) provide that adjustment of loss shall be made by the Board; (ii) require that the proceeds of physical damage insurance be applied to the restoration of such Common Elements and structural portions and service machinery as is required by the Master Deed and these By-Laws; (iii) to the extent obtainable, contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured; and (iv) provide that such policies may not be cancelled without at least thirty (30) days prior written notice to all of the named insureds, including all Unit Owners and Institutional Lenders.

Any insurance maintained by the Board may provide for such deductible amount as the Board may determine.

Unit Owners shall not be prohibited from carrying insurance for their own benefit provided that all such policies shall contain waivers of subrogation; and, further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

The premium for all insurance carried solely for the benefit of the Association shall be a Specific Common Expense and shall be borne by the Unit Owners in direct proportion to their respective percentage of interests.

From and after the conveyance of title to the first Unit in any building, the sole obligation and responsibility of the Sponsor under the By-Laws with regard to the operation, maintenance, renewal, replacement, insurance, care, upkeep and protection of each such building shall be to pay to the Association the applicable assessments as specified in paragraph 14 of the Master Deed.

(g) To manage the fiscal affairs of the Association as hereinafter provided in Article VI.

(h) To establish a Covenants Committee as hereinafter provided in Article IX.

## ARTICLE VI FISCAL MANAGEMENT

In accordance with the provisions of Section 3 of the Master Deed and Article V, Section 4 (g) hereof, the Board manage the fiscal affairs of the Association.

SECTION 1. 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", the proportionate part of the Common Expenses assessed against such Unit Owner as provided in the Master Deed, the Certificate of Incorporation and By-Laws of the Association, and in accordance with applicable law.

SECTION 2. 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.

For so long as the Sponsor appoints a majority of the Board, it shall not cause the Association to make any additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly assessment unless required by a governmental agency, title insurance company, Institutional Lender or in the event of an emergency.

SECTION 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 Master Deed and Certificate of Incorporation of the Condominium, and applicable law.

SECTION 4. Depositories. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board and in which the monies of the said 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 said Association for payment of the obligations of the Association, if the proper fidelity bond is furnished to the Association.

SECTION 5. Accounts. The receipts and expenditures of the Association shall be common charges and Common Expenses respectively, and shall be credited and charged to accounts under the following classifications as the Board shall deem appropriate, all of which expenditures shall be Common Expenses:

(a) "Current expenses", which shall include expenditures within the year for which the budget is made, including reasonable allowances for contingencies and working funds. Current expenses shall not include expenditures chargeable to reserves. At the end of each year, the unexpended amount remaining in this account shall be applied to reduce the assessments for current expenses for the succeeding year, or may be distributed to the current membership in the same manner as assessed, as the Board shall determine.

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

(c) "Reserve for replacement", which shall include funds for repair or replacement of the



Common Elements and those portions of the improvements located in the Condominium which the Association is obligated to maintain or repair which is required because of damage, depreciation or obsolescence. The amounts in this account 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 or for acquisition of additional personal property that will be part of the Common Elements.

(e) "Operations", which shall include all funds 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 succeeding year, or at the discretion of the Board, distributed to the current membership in the same manner as assessed. Losses from operations or otherwise shall be met by special assessments against Unit Owners, which assessments may be made in advance in order to provide a working fund.

The Board shall not be required to physically segregate the funds held in the above accounts except for the Reserve for Replacement, which funds must be maintained in a separate account. The Board may, in its sole discretion, maintain the remaining funds in one or more consolidated accounts. As to each consolidated account, the division into the various accounts set forth above need be made only on the Association's records.

SECTION 6. Reserves. The Board shall not be obligated to expend all of the revenues collected in any accounting period, and shall maintain reasonable reserves for, among other things, repairs, replacements, emergencies, contingencies of bad weather or uncollected accounts. Despite 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 that portion of the Common Expenses which is to be assessed against the Unit Owners as a capital contribution and is allocable to reserves for each separate item of capital improvement of and to said property. The amounts assessed and collected for the reserves shall be kept in one or more interest-bearing savings accounts, or certificates of deposit and shall not be utilized for any purpose other than that which was contemplated at the time of the 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 7. Exemption from Assessments for Capital Improvements. Despite anything to the contrary herein, neither Sponsor nor any Institutional Lender for any Unit shall be required to pay any assessment for capital improvements, whether by way of regular or special assessments or otherwise, except that the Sponsor shall be required to pay an assessment for capital improvements for each Unit owned by it which are approved by the Board while the Sponsor is in control of the Board of Trustees. Further, this provision may not be amended without the written consent of the Sponsor and that of every Institutional Lender.

SECTION 8. Notice. The Board shall give notice to each Unit owner, in writing, and to any Institutional Lender who requests same, of the amount estimated by the Board for Common Expenses for the management and operation of the Condominium for the next ensuing budget

period, directed to the Unit Owner at the Member's last known address by ordinary mail, or by hand delivery. Said notice shall be conclusively presumed to have been delivered five (5) days after deposit in the United States mails. If an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior year's assessment, increased by ten (10%) percent; and monthly installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. While the Sponsor maintains a majority of the Board, it shall ensure that the annual Common Expense assessment is made, and that notice thereof is given as herein provided, for every fiscal year at the inception of which the Sponsor is in control of the Board. 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 allocated for such contingency.

SECTION 9. 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 and file a lien for such accelerated amount upon notice to the Unit Owner, and if the delinquent installment has not been theretofore paid, the then unpaid balance of the Common Expense assessment 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 the Unit Owner, or not less than ten (10) days after the mailing of such notice to the Owner by registered or certified mail, whichever shall first occur. If no such notice is given and default shall continue for a period of thirty (30) days, then the Board shall be required to accelerate the remaining installments of the assessment upon similar notice to the Unit Owner, and to file a lien for such accelerated assessment as permitted by law, if the delinquent assessment has not been theretofore paid. 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 shall foreclose the foregoing lien pursuant to law and/or commence a suit against the appropriate parties to collect said assessment.

SECTION 10. 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 of any reasonable amount and/or interest at the legal maximum rate permitted by law for the payment of delinquent real estate taxes, if such payment is made after a date certain stated in such notice. In the event the Board shall effectuate collection of said assessments or charges by resort to counsel or the filing of a lien, the Board may add to the aforesaid assessments or charges a sum, or sums of twenty percent (20%) of the gross amount due as counsel fees, plus the reasonable costs for preparation, filing and discharge of the lien, in addition to such other costs as may be allowable by law.

(a) The reasonable costs and expenses of preparation and litigation, including attorneys fees, shall be a Common Expense allocated to all owners in the Condominium.

(b) 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 by the Board in such manner as it determines.

SECTION 11. Power of Attorney to Institutional Lender. In the event the Board shall not cause the enforcement procedures provided in Section 9 above to be implemented within the time provided, any Institutional Lender for any Unit as to which there shall be such unpaid Common Expense assessments 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 12. Annual Audit. The Board shall submit the books, records, and memoranda of the Association to an annual audit by an independent certified public accountant who shall audit the same and render a report thereon in writing to the Board and in summary form to the Unit Owners and such Institutional Lenders or other persons, firms or corporations as may be entitled to same. While the Sponsor maintains a majority of the Board, it shall ensure that such annual audit be prepared by an independent accountant, a copy of which shall be available to the Unit Owners within ninety (90) days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

SECTION 13. Examination of Books. Each Unit Owner shall be permitted to examine the books of account of the Board by appointment at a reasonable time on business days; provided, however, that the Association Treasurer has been given at least ten (10) days prior written notice of the Unit Owner's desire to make such an examination.

SECTION 14. Fidelity Bonds. Fidelity Bonds shall be required from all persons handling or responsible for Association funds, the amount of such bonds shall be determined by the Board. The premiums on such bonds shall be paid by the Association.

#### ARTICLE VII OFFICERS

SECTION 1. Designation. The principal officers of the Association shall be a President, a Vice-President, both of whom shall be members of the Board of Trustees, a Secretary and a Treasurer. The Board may also appoint such other Assistant Treasurers and Assistant Secretaries as in its judgment may be necessary. Any two (2) offices, except that of President and Vice-President, may be held by one person.

SECTION 2. Election of Officers. The officers of the Association shall be elected annually by the Board at the annual meeting of the Board of Trustees which shall be held within ten (10) days after each annual meeting of the Association and such officers shall hold office at the pleasure of the Board.

SECTION 3. Removal or Resignation of Officers. Upon an affirmative vote of a majority of the full number of Trustees, any officer may be removed, either with or without cause, after opportunity for a hearing, and a successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose. Upon the resignation of any officer, the remaining members of the Board, by majority vote, shall appoint a member to fill the office so vacated, for the remainder of the unexpired term of said office.

SECTION 4. Duties and Responsibilities of Officers.

(a) The President shall be the chief executive officer of the Association, shall preside at all meetings of the Association and of the Board, and shall have all of the general powers and duties which are usually vested in the office of President of an association.

(b) The Vice-President shall take the place of the President 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 Trustee to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed by the Board.

(c) The Secretary shall keep the minutes of all meetings of the Board and the minutes of all meetings of the members of the Association; shall have charge of such books and papers as the Board may direct, and shall, in general, perform all the duties incident to the office of the Secretary.

(d) The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for monitoring all fiscal functions performed on behalf of the Association by any manager or management company to which such functions may be delegated by the Association.

SECTION 5. 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 6. Eligibility of Trustees. Nothing herein contained shall prohibit a Trustee from being an officer.

ARTICLE VIII  
COMPENSATION, INDEMNIFICATION AND  
EXCULPABILITY OF OFFICERS, TRUSTEES,  
AND COMMITTEE MEMBERS

SECTION 1. Compensation. No compensation shall be paid to the President or the Vice-President or any Trustee, or Committee Member for acting as such Officer, Trustee or Member. The Treasurer may be compensated for services if the Board determines that such compensation is appropriate. Nothing herein stated shall prevent any Officer or Trustee, 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.

SECTION 2. Indemnification. Each Trustee, Officer or Committee Member of the Condominium Association, shall be indemnified by the Association against the actual net loss, including counsel fees, reasonably incurred by or imposed upon in connection with any action, suit or proceeding to which such person may be a party by reason of being or having been a Trustee, Officer, or Committee Member of the Condominium Association, or delegee, except as to matters for which

such person 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 3. Exculpability.** Unless acting in bad faith, neither the Board as a body nor any Trustee, Officer, or Committee Member shall be personally liable to any Unit Owner in any respect for any action or lack of action arising out of the execution of office. Each Unit owner shall be bound by the good faith actions of the Board, Officers and Committee Members of the Association, in the execution of the duties of said Trustees, Officers and Committee Members. Nothing contained herein shall be construed so as to exculpate members of the Board of Trustees appointed by the Sponsor from discharging their fiduciary responsibilities.

## ARTICLE IX COVENANTS COMMITTEE

(a) **Purpose.** The Board may establish a Covenants Committee consisting of three (3) Unit Owners to serve for a renewable term of one year, in order to assure that the Condominium shall always be maintained in a manner: (1) providing for visual harmony and soundness of repair; (2) avoiding activities deleterious to the aesthetic or property values of the Condominium; (3) furthering the comfort of the Owners, their guests, invitees and lessees; and (4) promoting the general welfare and safety of the Condominium.

(b) **Powers.** The Covenants Committee shall have the power to issue a cease and desist request to any owner in the Community, the Owner's guests, invitees, or lessees whose actions are inconsistent with the provisions of the Condominium Act, the Master Deed, By-Laws, Rules and Regulations or Resolutions of the Association, upon petition of any Unit Owner or upon its own motion. The Covenants Committee shall from time to time, as required, provide interpretations of the Master Deed, Certificate of Incorporation, By-Laws and Rules and Regulations of the Association, pursuant to the intents, provisions, qualifications, and reasonable interpretation thereof when requested to do so by any 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.

(c) **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 2 of Article XII hereof. The Board may relieve the Covenants Committee of its duties, powers and authority either generally or on a case by case basis by vote of a majority of its 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. Despite the foregoing, no action may be taken by the Covenants Committee without giving the Unit Owner involved at least ten (10) days prior written notice and affording the Unit Owner the opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

ARTICLE X  
ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION

Whenever, in the judgment of the Board, the Common Elements require improvements costing in excess of \$10,000, said improvements shall not be made unless they have been approved by a majority of votes present in person or by proxy at a meeting of the Unit Owners at which a quorum is present. When said approval has been obtained, all Unit Owners benefiting from the same shall be assessed through the Governing Board for the cost thereof as a Common Expense. In the event of any emergency which could cause damage to any Building or part(s) thereof, the Governing Board may expend sums in excess of \$10,000 to protect the said Building or Part (s) and the judgment of the Board in such a case shall be final.

ARTICLE XI  
RESALE DISCLOSURE REQUIREMENTS

In addition to any restrictions imposed as a result of low and moderate income occupancy requirements, an Owner who sells his or her Unit to a new purchaser is required to provide certain information to that purchaser within five (5) days before the closing.

At the cost of the selling Unit Owner, the Board shall provide the following information within fifteen (15) days of request:

- (a) Copies of the current Master Deed, By-laws, Rules and Regulations of the Condominium Association.
- (b) A statement of the monthly assessments for that Unit and explanation of any unpaid assessments due and payable by the selling Unit Owner.
- (c) Notice of the one-time, non-refundable contribution to working capital due from the purchaser to the Association at settlement.
- (d) A description of any architectural review requests which have been approved and/or remaining architectural review violations for which the purchaser will be responsible.
- (e) An overview explanation of any insurance coverage currently being provided to all Unit Owners by the Association, and a Certificate of Insurance evidencing said coverages and naming the new purchaser and his or her lending institution if any, as additional insured with respect to the physical damage insurance on the Condominium Unit.
- (f) A copy of the most recent fiscal year audit report.

The Association shall mail or otherwise deliver this information to the selling Unit Owner,

who is obligated to provide the same to the purchaser. The selling Unit Owner is not liable to the purchaser for any erroneous information provided by the Association. The Association has the power to assess a reasonable charge for preparation of this information and to require payment prior to distribution to the selling Unit Owner.

## ARTICLE XII ENFORCEMENT

SECTION 1. Enforcement. The Board 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 Condominium Association to its original position and charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authorities; or by taking any other action before any court, summary or otherwise, as may be provided by law.

SECTION 2. Fines. The Board shall have the power to levy fines against any Unit Owner for violation(s) of any rule or regulation of the Association or for any covenants or restrictions contained in the Master Deed, or By-Laws of the Association; provided, however, that for each day a violation continues after notice it shall be considered a separate violation. Collection of fines may be enforced against any Unit Owner involved as if the fine were a Common Expense owed by the particular Unit Owner.

Despite the foregoing, before any fine is imposed by the Board, the Unit Owner involved shall be given at least ten (10) days prior written notice and afforded an opportunity to be heard, with or without counsel, with respect to the violation(s) asserted.

SECTION 3. 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 XIII AMENDMENTS

Subject to the restrictions in Section 7 of Article VI hereof these By-Laws, or any of them, may be altered or repealed, or new By-Laws may be made, at any meeting of the Association duly held for such purpose, and previous to which written notice to Unit Owners of the exact language of the amendment or of the repeal shall have been sent, a quorum being present, by an affirmative vote of two-thirds (2/3) in number and in interest of the votes entitled to be cast in person or by proxy, 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, (iii) the obligation or the proportionate responsibility for the payment of Common Expenses may not be changed by reason of any such new By-Law, amendment or repeal, (iv) the delegated powers and duties set forth in Article V hereof may not be revoked, or (v) no such new By-Law, amendment or repeal shall in any way affect the Sponsor, including any successor of the Sponsor, unless the Sponsor, or its

successor, has given its prior written consent thereto.

#### ARTICLE XIV CONFLICT; INVALIDITY

SECTION 1. Conflict. Despite anything to the contrary herein, if any provision of these By-Laws is in conflict with or in contradiction of the Master Deed, the Certificate of Incorporation or with the requirements of any law, then the requirements of said Master Deed shall be deemed controlling.

SECTION 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability of or affect the remaining provisions of the By-Laws.

#### ARTICLE XV NOTICE

Any notice required to be sent to any Unit Owner under the provisions of the Master Deed, Certificate of Incorporation or By-Laws of the Association shall be deemed to have been properly sent and notice thereby 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 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 Unit Owner to immediately notify the Secretary of the Association in writing of any change of address. Valid notice may also be given to Unit Owners by (i) personal delivery to any occupant of said Unit over 14 years of age or (ii) by affixing said notice to or sliding same under the front door of the Unit.

#### ARTICLE XVI ARBITRATION

Any arbitration provided for in these By-Laws shall be conducted before an arbitrator in Mercer County, New Jersey by the American Arbitration Association, in accordance with its rules then in force. The decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. All expenses of arbitration hereunder including the fees and expenses of counsel and experts shall be Common Expenses.

#### ARTICLE XVII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words "36 Moore Condominium Association, Inc."



## THE WAXWOOD CONDOMINIUM ASSOCIATION MAINTENANCE RESPONSIBILITY CHART

The following chart identifies the major components of the Condominium and sets forth the maintenance responsibilities as between the Association and the Unit Owner. Note that not all components are found in all Units.

"Limited Common Expense" indicates major maintenance/replacement performed by the Association and charged only to the Unit Owner or Owners who benefit. This is long-term work for certain Limited Common Elements which may not be available in all Units and the wear and tear on which is dependent upon the use and care made of or taken by each Unit Owner. Due to the nature of those expenses, there is no provision in the Budget or Assessments for these Limited Common Expenses.

### COMPONENT TYPE KEY

U = Unit - Dwelling owned by one Owner  
CE = Common Element - Owned equally by all Owners  
LCE = Limited Common Element - Technically owned by all Owners, but use, access or benefit is limited to one or less than all Owners

COMPONENT	TYPE	ASSOCIATION RESPONSIBILITY	UNIT OWNER RESPONSIBILITY
Roof & flashing	CE	Repair Replacement	None
Gutters and downspouts	CE	Repair Replacement Cleaning	None
Ducts, vents and flues for heating, cooling and drying units	CE	Cleaning	Repair
Exterior cladding, trim, soffits, shutters, pillars	CE	Repair Cleaning Replacement	None
Windows, window glass, doors and door glass	U	None	Cleaning Repair Replacement

Exterior balconies (Units #210 and 309)	LCE	Repair Replacement	Cleaning Snow clearing Ice melting
Front entrance door	U	None	Repair Replacement
Locks, hinges or other hardware on windows/doors	U	None	Repair Replacement
Enclosed patios (Units #101, 102, 103 and 104)	LCE	None	Repair Replacement Cleaning Maintenance Snow clearing Ice melting
Landscape material/turf	CE	Maintenance Replacement	None
Slab, foundation, interior structural components	CE	Repair (a)	None
Unit (as defined in the Master Deed)	U	None	Repair Maintenance Replacement (b)
Interior stairways to upper story of Units	U	None	Repair Maintenance Replacement (b)
Plumbing/electrical systems located in and serving one unit, regardless of location within that unit	U	None	Repair Maintenance Replacement (b)
Heating/air conditioning system and equipment, regardless of location	U	None	Repair Maintenance Replacement (b)
Roof decks supporting HVAC units	U	Repair Replacement	None

Irrigation system	CE	Repair Maintenance Water charges	None
Walkway from parking court to entrance door	CE	Snow clearing Repair Replacement Ice melting	None
Sidewalks along streets and parking lot	CE	Repair Replacement Snow clearing Ice melting	None
Parking lot	CE	Repair Replacement Snow clearing Ice melting	None
Area lighting at parking lot or walkways	CE	Electricity Repair Replacement	None
Open space within the Condominium	CE	Maintenance	None
Garbage/trash/recycling	U/CE	Collection from dumpsters	Proper storage, delivery to dumpster
Trash enclosures	CE	Repair Maintenance Replacement	Proper usage
Storm and sanitary sewer	CE	Maintenance Repair	None
Wire Mesh storage lockers	LCE	None	Clean, repair, replace

- (a) It is not anticipated that slabs, foundations and interior structural components will require any maintenance, repair or replacement except in the event of an insured casualty. Therefore, there is no provision in the Budget for expenses for these items.

- (b) The Association will be responsible for the replacement of these components only if they are damaged as the result of an insured casualty. Replacement required for any other reason, including, but not limited to, negligence, misuse or obsolescence, shall be the responsibility of the Unit Owner.

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EXHIBIT G

THE WAXWOOD, A CONDOMINIUM

UNIT #	PERCENTAGE OWNERSHIP
<b>FIRST FLOOR</b>	
101	3.107300
102	3.389800
103	3.248600
104	3.107300
105	3.107300
106	3.672300
107	1.977400
108	2.118600
109	3.672300
<b>SECOND FLOOR</b>	
201	2.542400
202	2.754200
203	2.401100
204	2.754200
205	3.107300
206	2.613000
207	2.259900
208	3.531100
209	3.107300
210	3.178000
211	3.036700
212	2.824900
<b>THIRD FLOOR</b>	
301	2.330500
302	2.754200
303	2.401100
304	2.754200
305	2.542400
306	2.542400
307	2.401100
308	2.542400
309	4.096000
310	3.389800
311	3.813600
312	3.813600
313	3.107300
	100.00

2. **DEFINITIONS.** The following words and terms, when used in this Master Deed, the Certificate of Incorporation, or the Bylaws, shall have the following meanings unless the context in which same is utilized clearly indicates otherwise:

- (a) "Affordable Unit" shall mean and refer to any of the three (3) Units in the Condominium which are reserved for sale or rent to persons who (i) qualify as a low or moderate income purchaser or renter as those terms are defined from time to time by the Borough of Princeton Affordable Housing Ordinances and the New Jersey Council on Affordable Housing within the Department of Community Affairs ("COAH"), and (ii) fulfill the residency requirements set forth in the Developer's Agreement between the Sponsor and the Borough of Princeton, dated July 1, 2003, as that Agreement may be amended from time to time.
- (b) "Association" shall mean The Waxwood Condominium Association, Inc., a New Jersey non-profit corporation, its successors and assigns.
- (c) "Board" shall mean the Board of Trustees of the Association and any reference herein or in the Certificate of Incorporation, By-Laws or Rules and Regulations to any power, duty, right of approval or any other right of the Association shall be deemed to refer to the Board and not the membership of the Association, unless the context expressly indicates to the contrary.
- (d) "Building" shall mean the enclosed structure containing Units and structural improvements appurtenant thereto which are located on the lands described in Exhibit A and shown on Exhibits B and C. Unless the context specifically indicates otherwise, "building" shall be presumed to include all such buildings.
- (e) "By-Laws" shall mean the By-Laws of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit E, together with all future amendments or supplements thereto.
- (f) "Certificate of Incorporation" shall mean the Certificate of Incorporation of the Association, a copy of which document is attached hereto and made a part hereof as Exhibit D, together with all future amendments or supplements thereto.
- (g) "Common Elements" shall mean "General Common Elements," the "Limited Common Elements" or the "Reserved Common Elements" of the Condominium, as hereinafter defined.
- (h) "Common Expenses" shall, subject to the provisions of Paragraph 6 hereof, mean all those expenses anticipated by N.J.S.A. 46:8B-3(e), in addition to all expenses including reserves, incurred or assessed by the Association, or its Board, officers, agents or employees, in the lawful performance of their respective duties or powers.

- (i) "Condominium" shall mean (i) all the lands and premises described in Exhibit A which may now or hereafter be lawfully subjected to this Master Deed; (ii) all improvements now or hereafter constructed in, upon, over or through such lands and premises, whether or not shown on any exhibit hereto; (iii) all rights, roads, waters, privileges and appurtenances thereto belonging or appertaining; and (iv) the entire entity created by the execution and recording of this Master Deed.
- (j) "Condominium Act" shall mean the provisions of N.J.S.A. 46:8B-1 et seq., and all applicable amendments and supplements thereto.
- (k) "Foundation Unit" shall mean and refer to such five (5) Units in the Condominium which are reserved for sale or rent to persons who meet the residency requirements established by the "Waxwood Foundation" ("The Foundation"). The Foundation is a New Jersey non-profit corporation established by the Sponsor to assist residents of the "John-Witherspoon Neighborhood". The John-Witherspoon Neighborhood is defined for purposes of this Master Deed as the area bounded by Witherspoon Street, Paul Robeson Place, and Route 206 in Princeton Borough and Princeton Township. In order to be eligible for a Foundation Unit the occupant must have been a resident of the John Witherspoon Neighborhood for at least 10 years, or be a direct descendant of such a resident.
- (l) "General Common Elements" shall have the same meaning as "common elements" pursuant to N.J.S.A. 46:8B(d), except as same may be modified by the provisions of Paragraph 5(a) hereof.
- (m) "Institutional Lender" shall mean Sponsor, any bank, mortgage banker, savings and loan association or other financial institution or pension fund, which is the record owner of a first mortgage loan which encumbers any Unit.
- (n) "Lease" shall mean any agreement for the leasing or rental of any Unit.
- (o) "Limited Common Elements" shall have the same meaning as "limited common elements" pursuant to N.J.S.A. 46:8B-3(j), except as same may be modified by the provisions of Paragraph 5(b) hereof.
- (p) "Maintenance Responsibility Chart" shall mean and refer to the chart annexed hereto as Exhibit F which defines the maintenance and repair obligations of the Unit Owner and the Association.
- (q) "Master Deed" shall mean this instrument together with all existing and/or future amendments or supplements hereto.

- (r) "Member" shall mean and refer to every person, firm, association, corporation or other legal entity, including Sponsor, who is a record owner or co-owner of the fee title to any Unit; 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 or trustees under deeds of trust) shall not be a Member of the Association.
- (s) "Owner" or "Unit Owner" shall mean and refer to those persons, including the Sponsor, in whom record fee simple title to any unit is vested as shown in the records of the Mercer County Clerk, unless the context expressly indicates otherwise, but shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such Unit, nor shall the term "Unit Owner" refer to any lessee or tenant.
- (t) "Permitted Mortgage" shall mean and refer to any mortgage lien encumbering a Unit held by a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency, or other Institutional Lender or which is a purchase money mortgage held by Sponsor or by the seller of a Unit. It shall also include any other mortgage lien which is expressly subordinate to any and all existing or future common expense liens imposed against the Unit by the Association.
- (u) "Rules and Regulations" shall mean the rules and regulations of the Association, together with all future amendments or supplements thereto. The Association may, but shall not be required to record either the original or any amendments or supplements to the Rules and Regulations.
- (v) "Sponsor" shall mean and refer to The Waxwood, L.L.C., a New Jersey limited liability company, its successors and assigns.
- (w) "Unit" shall mean a part of the Condominium designated and intended for independent ownership and use as a residential dwelling regardless of type, all as more specifically described in Paragraph 4 hereof and shall not be deemed to include any part of the General Common Elements, Limited Common Elements or Reserved Common Elements situated within or appurtenant to a Unit.

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

3. **DESCRIPTION OF CONDOMINIUM.** Upon the recordation of this Master Deed, the Condominium will include the lands described in Exhibit A, attached hereto and made a part hereof. The Condominium will include parking areas and other site improvements all as shown on the Condominium Plan appended to this Master Deed as Exhibit B, which depicts the



entire Condominium, and shall also include all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining.

4. **DESCRIPTION OF UNITS.** Thirty-four (34) separate parcels of real property, being the Units, hereinafter more particularly described and as shown on Exhibit B. Exhibit C describes the room layouts of the several Units at floor level.

Each Unit consists of:

(a) All the space within the area bounded by the interior surface of its perimeter walls and its lowermost floor and its uppermost ceiling as follows:

**Bottom:** The bottom is an imaginary horizontal plane through the highest point of the interior surface of each portion of the uppermost subfloor, generally concrete or concrete slab (originally installed by Sponsor), within the Unit, and extending in every direction to the point where it intersects or closes with a side of such Unit.

**Top:** The top is an imaginary horizontal or diagonal plane along and coincident with the innermost surface of the studding or truss assembly of the uppermost ceiling and along and coincident with the exterior surface of any skylights, of the Unit and extending in every direction to the point where it intersects or closes with every side of such Unit.

**Sides:** The sides of each Unit are imaginary vertical or diagonal planes along and coincident with the innermost surface of the studding of the perimeter walls (originally installed by Sponsor) or where there is no studding, the innermost surface of concrete block perimeter walls or equivalent. Where no wall exists, the side is an imaginary vertical plane along and coincident with the exterior finished surface of the windows or doors located on the perimeter of such Unit. The sides of each such Unit are bounded by the bottom and top of the Unit; and

(b) All appliances, fixtures, doors, windows, screens, skylights, interior walls and partitions, gypsum board and/or other facing material on the walls and ceilings thereof, the inner decorated and/or finished surface of the floors (including all flooring tile, ceramic tile, finished flooring, carpeting and padding) and all other improvements which are located within the boundaries of the Unit as set forth in subparagraph (A) or which are exclusively appurtenant to a Unit, although all or part of the improvement may not be located within the boundaries of the Unit as set forth in subparagraph (A). Such appurtenant improvements include the following, to the extent that they serve an individual Unit only and not any other Unit or any portion of the Common Elements, no matter where they are located:

- (1) Any and all utility lines, pipes, vents and systems, including, but not limited to, (a) electrical wires and wiring fixtures, switches, outlets and circuit breakers, (b) water pipes and hose bibs, (c) sewer pipes and cleanouts, (d) vents and ducts, (e) telephone lines and wires, (f) master antenna or cable television wiring, except where ownership of any of the

above is retained by a company, public utility, agency or otherwise providing service therefor;

- (2) Any fireplace, chimney or flue;
- (3) All utility meters not owned by the public utility agency supplying the service;
- (4) All equipment, appliances, machinery, mechanical or other systems including, but not limited to heat pumps, air conditioning units, HVAC units located on concrete pads upon the Common Elements; and
- (5) All storage areas located within or outside of the Unit, which area provides exclusive storage for a Unit.

The word "Unit" when used throughout this instrument, shall be deemed to refer to each of the aforesaid Units as herein described.

**5. DESCRIPTION OF GENERAL, LIMITED AND RESERVED COMMON ELEMENTS.**

The remaining portion of the lands and premises hereinabove described, with all improvements constructed and to be constructed thereon, including all appurtenances thereto, are not part of the Units hereinbefore described, shall be hereinafter known and referred to as "Common Elements."

**(a) General Common Elements**

More specifically, "General Common Elements" shall include, but not be limited to, the following:

- (1) The parcel of land described in Exhibit A, including the space actually occupied by the above;
- (2) The Building described above including the space within said Building not otherwise herein defined as being the Units, and including the foundations, roofs, floors, ceilings, perimeter walls, garden walls, foyer and storage area walls and roofs, load bearing interior walls and partitions, slabs, stairways, elevators, passageways, pipes, wires, conduits, air ducts and utility lines, and utility connections, including the space actually occupied by the above;
- (3) All of the roads, walkways, paths, trees, shrubs, yards, etc., located or to be located on the aforesaid parcel of land except for any of them located within the area of a Limited Common Element; and

(4) All other elements of the Building constructed on the aforesaid parcel of land, rationally of common use or necessary to their existence, upkeep and safety and, in general, all other devices or installations existing for common use, including but not limited to tangible personal property.

The General Common Elements shall not include any of the Units as hereinabove described, notwithstanding that the Building in which said Units shall be located may not have been constructed at the time of the recording of this instrument, it being the intention of the Sponsor that the interest in any General Common Elements appurtenant to each Unit, as said interest shall be hereinafter defined, shall not include any interest whatsoever in any of the other Units and the space within them, whether or not the Building within which said Units are or shall be located, are constructed or yet to be constructed at the time of the recording of this instrument.

#### **Limited Common Elements**

Portions of the Common Elements are hereby set aside and reserved for the restricted use of the respective Units to the exclusion of the other Units and such portions shall be known and referred to herein as "Limited Common Elements". Limited Common Elements restricted to the use of the respective Units shall be clearly described if and when they are established hereafter. Each Unit Owner shall be responsible for maintaining, at their individual cost and expense, all areas designated as Limited Common Elements. However, maintenance of the structural components of all Limited Common Elements shall be the responsibility of the Association. Each Unit Owner shall be responsible for any improvements or maintenance in and to patios (enclosed and unenclosed), porches, fences, decks including any glass, glass doors, screens or screen doors, or storage buildings, none of which shall be responsibility for maintenance by the Association. All Limited Common Elements, however, shall be in compliance with all governmental rules and regulations, as well as all rules and regulations of the Association, as provided for herein, or in the By-Laws.

The following are hereby designated as Limited Common Elements:

(i) Four (4) enclosed patio areas, each adjacent to Units #101, 102, 103, and 104, respectively, are to be Limited Common Elements, each as to the Unit to which it is adjacent;

(ii) Two (2) balconies, each adjacent to Units #210 and 309, respectively, are to be Limited Common Elements, each as to the Unit to which they are adjacent; and

(iii) Thirty-four (34) wire-mesh storage lockers, each located on either the first (1<sup>st</sup>), second (2<sup>nd</sup>) or third (3<sup>rd</sup>) floors of the Building, and each assigned to a specific Unit as marked on the door of each such storage locker.

#### **(c) Reserved Common Elements**

The Board shall have the power, in its discretion, to:

(i) designate from time to time certain Common Elements as "Reserved Common Elements";

(ii) grant reserved rights therein to the Association and to any or less than all of the Unit Owners; and

(iii) establish a reasonable charge to such Unit Owners for the use and maintenance thereof.

Any such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

**6. ESTATE ACQUIRED; INTEREST IN COMMON EXPENSES; INTEREST IN COMMON SURPLUS; VOTING; COMMON EXPENSES.**

The Owner of each Unit shall have such an estate therein as may be acquired by grant, by purchase or by operation of law, including an estate in fee simple; and shall acquire as an appurtenance thereto an undivided percentage interest in the Common Elements of the Condominium, which shall not be divisible from the Unit to which it appertains, as set forth in Exhibit G attached hereto and made a part hereof. Said percentage has been adjusted to permit same to be expressed as a finite number and to avoid an interminable series of digits.

The aforesaid percentage interest shall be used to (i) allocate the division of proceeds, if any, resulting from casualty loss, any eminent domain proceedings, any common surplus of the Association; or from any other disposition of the Condominium property; and (ii) apportion the assessments for the Common Expenses of each Unit within the Condominium.

Each Unit, including unbuilt Units which have not been conveyed to individual purchasers, shall be entitled to one (1) unweighted vote for the election of the Board of the Association. In all other questions each Unit shall have one vote, which shall be equal in weight to the percentage interest in the Common Elements appurtenant to the Unit for which it is cast. If a Unit is owned by more than one person, the one vote to which said Unit is entitled shall be divided by the number of co-owners of said Unit.

**7. COVENANT FOR MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENTS.** Every Unit Owner, by acceptance of a deed or other conveyance for a Unit, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association such sums, by way of annual or special Common Expense assessments contemplated herein or in the By-Laws of the Association. Upon the conveyance of title to a Unit, the portion of the then-current annual assessment payable by the new Unit Owner shall be an amount which bears the same relationship to the annual assessment as the remaining number of months in the then current annual assessment period bears to twelve.

Such first annual assessment, or portion thereof for which a new Unit Owner is liable, shall be immediately due upon the closing of title with the purchaser, together with a once-only payment of the equivalent of three (3) months worth of such annual assessment, which shall be held by the Association for maintenance and capital improvements.

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

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

All assessments by the Association shall be levied in accordance with the percentage interest of each Unit as set for the in Exhibit G.

If an annual Common Expense assessment is not made as required, an assessment shall be presumed to have been made in the amount of one hundred and ten percent (110%) of the last prior year's assessment, and any installments of such annual assessments shall be due upon each installment payment date until a new annual Common Expense assessment is made. While the Sponsor maintains a majority of the Board, it shall ensure that the annual Common Expense assessment is made, and that notice thereof is given as herein provided, for every fiscal year at the inception of which the Sponsor is in control of the Board.

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

In addition to the annual Common Expense assessments authorized, the Board may levy, in any assessment year, a special Common Expense assessment, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon or to the Common Elements, including the necessary furniture, fixtures, equipment and other personal property related thereto, or for any other lawful purpose, provided that any such special Common Expense assessment shall be authorized by the

vote in person or by proxy of two-thirds (2/3) of all the aggregate votes held by all of the Members of the Association in good standing effected at a meeting duly called for such purpose. Written notice of such meeting shall be sent to all Unit Owners at least thirty (30) days in advance, which notice shall set forth the purpose of the meeting. The due date(s) of any special assessment, or any installment(s) thereof, shall be fixed in the resolution authorizing such special assessment. Any special assessment levied pursuant to this paragraph shall be applicable only for the year in which assessed.

The Association shall, within ten (10) days of the request of any Unit Owner liable for a Common Expense assessment, or of the holder of any Permitted Mortgage for any Unit, furnish to such Unit Owner or holder of any Permitted Mortgage, a certificate in writing, signed by an officer of the Association, setting forth whether or not such annual Common Expense assessment or any special Common Expense assessment has been paid. Such certificate shall constitute conclusive evidence of the payment of any Common Expense assessments therein stated to have been paid.

No Unit Owner may waive or otherwise avoid liability for Common Expenses by non-use of the Common Elements. Each such assessment shall be a continuing lien upon the Unit against which it was made and shall also be the joint and several personal obligation of the Owner of such Unit at the time when the Common Expense assessment fell due, and of each subsequent record owner of such Unit, together with interest thereon and cost of collection thereof, including reasonable attorney's fees. Liens for unpaid Common Expense assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. Suit to recover a money judgment for unpaid Common Expense assessments may be maintained without waiving the lien securing the same.

**8. COMMON EXPENSES; RESPONSIBILITIES OF OWNERS; DAMAGE DUE TO NEGLIGENCE, OMISSION, OR MISUSE.** The Common Expense assessments levied by the Board shall be used exclusively for promoting the health, safety, pleasure and welfare of the Members of the Association, including, but without limitation: the maintenance and repair obligations set forth in the Maintenance Responsibility Chart as to the Units and Limited Common Elements; maintenance, repair and replacement of the Common Elements or any other improvements in the Condominium; payment of taxes and insurance premiums; all costs and expenses incidental to the operation and administration of the Association; and such other items as may from time to time be deemed appropriate by the Board.

The Maintenance Responsibility Chart for the Condominium, annexed hereto as Exhibit F, sets forth the maintenance obligations as between the Association and the Unit Owners. The maintenance, repair and/or replacement of certain Limited Common Elements, including concrete patios, shall be performed by the Association and charged only to the Owners who benefit. No reserve for maintenance expenses for these items are included in the Association's budget or in the Common Expense assessments for the Units.

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

Unit Owners will be responsible for such maintenance of Limited Common Elements, if any, appurtenant to their respective Units as set forth under Unit Owner Responsibilities in the Maintenance Responsibility Chart and the repair or replacement of any damage to the Limited Common Elements caused by the Unit Owner or his or her family, guests, invitees, employees or agents. The Association shall be responsible for such maintenance, repair or replacement of the Common Elements and the Limited Common Elements as set forth under its column in the Maintenance Responsibility Chart.

If, due to the negligent act or omission or misuse by a Unit Owner, or a member of his or her family or household pet, or a guest, occupant or visitor (whether authorized or unauthorized by the Unit Owner), damage shall be caused to the Common Elements, or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then the Unit Owner so responsible shall pay for such damage and be liable for any damages, liability, costs and expense, including attorney's fees, caused by or arising out of such circumstances; and such maintenance, repairs and replacements to the General or Limited Common Elements or the other Unit or Units shall be subject to the By-Laws and any Rules and Regulations that may be promulgated by the Board.

**9. EASEMENTS.** Every Unit Owner and his or her successors and assigns shall have the following perpetual easements with respect to the Common Elements:

- (a) A non-exclusive easement in, upon, over, under, across and through the Common Elements to keep, maintain, use, operate, repair and replace his or her Unit in its original position and in every subsequent position to which it changes by reason of the gradual forces of nature and the elements; and

- (b) An exclusive easement for the existence and continuance of any encroachment by his or her Unit upon any adjoining Unit or upon any Common Elements, now existing or which may come into existence hereafter as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of a Building or a Unit, or as a result of condemnation or eminent domain proceedings, so that any such encroachment may remain undisturbed so long as the Building stands; and
- (c) A non-exclusive easement for ingress and egress to his or her Unit in, upon, under, over, across and through the General Common Elements; and
- (d) An exclusive easement to use and enjoy the surfaces of the main walls, (including any windows, doors, balcony or patio therein), ceilings and floors contained within his or her Unit; and
- (e) An easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines, television, master antenna and other General Common Elements located in any of the other Units and serving his or her Unit; and
- (f) A perpetual and non-exclusive easement in, over and through the General Common Elements of the Condominium and to use the parking areas, walkways and other common facilities within the Condominium subject to the right of the Board to:
- (i) promulgate rules and regulations for the use and enjoyment thereof; and
  - (ii) suspend the voting rights of any Unit Owner for any period during which any assessment for Common Expenses remains unpaid, or for any period during which any infraction of any published Rules and Regulations continues, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Unit Owner's obligation to pay the assessment.

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

- (a) A blanket and non-exclusive easement in, upon, through, under and across the Common Elements for the purpose of construction, installation, maintenance and repair of any improvements to the Units or the Common Elements, for ingress and egress for the use of all driveways, parking areas, and for the utilization of existing and future model Units for sales



promotion and exhibition, until the expiration of one (1) year from the date the last Unit is sold and conveyed in the normal course of business, but in no event more than ten (10) years from the date of recording this Master Deed. In addition, Sponsor hereby reserves the irrevocable right to enter into, upon, over or under any Unit for such purposes as may be reasonably necessary for the Sponsor or its agents to service such Unit or any part of the Building provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not; and

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

The Property shall also be subject to the following easements:

- (a) The Association shall have a perpetual exclusive easement for the maintenance of any Common Elements, which presently or may hereafter encroach upon a Unit, and
- (b) The Association, through the Board or any manager, or managing agent, or their respective agents or employees shall have the perpetual and non-exclusive right of access to each Unit (i) to inspect same (ii) to remedy any violations of the provisions of this Master Deed, the By-Laws or any Rules and Regulations of the Association, and (iii) to perform any operations required in connection with the maintenance, repair or replacements of or to the Common Elements, or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements; provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, without the necessity of notice, whether the Unit Owner is present at the time or not, and
- (c) Any holder of a Permitted Mortgage, including any Institutional Lender, its officers, agents and employees, shall have a blanket, perpetual and non-exclusive easement to enter the Condominium or any part thereof to inspect the condition and repair of the Common Elements, or any Units so encumbered by a first mortgage owned by it. This right shall be exercised only during reasonable daylight hours, and then whenever practicable,

only after advance notice to and with the permission of the Board and the Unit Owner; and

- (d) A blanket, perpetual and non-exclusive easement in, upon, over, across and through the Common Elements for the purpose of the installation, maintenance, repair, service and replacement of all sewer, water, power and telephone pipes, lines, mains, conduits, poles, transformers, master television antennas and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the Condominium, which easement shall be for the benefit of any governmental agency, or utility company or other entity which requires same for the purpose of furnishing one or more of the foregoing services; and

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

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

**(a) By-Laws and Administration.**

The responsibility for administration of the Common Elements of the Condominium and other common facilities shall be by, and exclusively vested in the Board and shall be in accordance with the provisions of the Condominium Act, this Master Deed, the Certificate of Incorporation and the By-Laws of the Association, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently be required by any Institutional Lender, designated by the Sponsor or by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Sponsor to insure title to any Units.

**(b) Changes in Documents.**

Sponsor hereby reserves for itself, its successors and assigns, for a period of (5) years from the date the first Unit is conveyed to an individual purchaser, or until Sponsor conveys title to the last Unit, whichever occurs first, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Condominium, any such agreements, documents, amendments or supplements to the above described documents which may be so required by any such Institutional Lender, governmental agency or title insurance company; provided, however, that no such agreement, document, amendment or supplement which adversely affects the value or substantially alters the floor plan of any Unit, or the percentage of the undivided interest in the Common Elements or increases the financial obligations of the Unit Owner or reserves any additional or special privileges shall be made without the prior written consent of the affected Unit Owners and all owners of any mortgages encumbering same; or if such agreement, document, amendment or supplement adversely affects the priority or validity of any mortgage which encumbers any Unit, without the prior written consent of the owners of all such mortgages.

**(c) Power of Attorney.**

By acceptance of a deed to any Unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every such contract purchaser, Unit Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Condominium does automatically and irrevocably name, constitute, appoint and confirm (i) Sponsor, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deeds and other instruments necessary to effect the foregoing rights reserved to the Sponsor, subject to the limitations set forth above in the preceding paragraphs, and (ii) the Association as attorney-in-fact to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise, dispose of any such Units so acquired or to sublease any Units so leased by the Association.

The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Units and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said powers of attorney shall not be affected by the death or disability of any principal and are intended to deliver all right, title and interest of the principal in and to said powers. Said powers of attorney shall be vested in Sponsor, its successors and assigns until same effectuate the initial conveyance of all Units. Thereafter, said powers of attorney shall automatically vest in the Association to be exercised through its Board.

Despite the foregoing, the Sponsor shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, the By-Laws or any other document for the purpose of changing the permitted use of a Unit or the purpose of reducing the Common Elements or facilities except as provided above.

11. **RESTRICTIONS.** The Condominium shall be subject to all covenants, restrictions and easements contained in this Master Deed or otherwise of record and to the following restrictions:

- (a) No Unit, except those Units used by Sponsor as sales offices, administrative offices, construction offices or models, shall be used for any purpose other than as a private residence. Each one (1) bedroom Unit shall be occupied by no more than two (2) residents and each two (2) bedroom Unit shall be occupied by no more than four (4) residents. For purposes of this provision, a "resident" shall be defined as one who occupies a Unit for more than one (1) month in any calendar year. No business, trade or profession shall be conducted in any Unit. No social gathering of more than eight (8) people shall take place in any Unit or on any part of the Common Elements between the hours of 10:00 PM and 10:00 AM.
- (b) There shall be no obstruction of the Common Elements nor shall anything be stored in or upon the Common Elements without the prior written consent of the Board. The use of any designated Limited Common Element for storage by a Unit Owner shall be governed by the Rules and Regulations.
- (c) No bird, reptile, dog or other animal of any kind shall be raised, bred, or kept in any Unit or anywhere else in the Condominium, except that one (1) cat and a reasonable number of fish are permitted, provided that they are not kept, bred or maintained for any commercial purpose, are housed within the Unit and are otherwise kept in accordance with all applicable Rules and Regulations and municipal ordinances. No outside animal pens, runs or yards shall be permitted. Pets shall not be taken or allowed outside of the Unit unleashed or left outside of the Unit unattended at any time. Pets shall not be permitted to soil the Common Elements. Subject to additional Rules and Regulations that may be promulgated by the Board in the future, pet owners may walk their pets only within paved streets and must immediately clean up after their pets. All pets shall be registered with the Association.
- (d) Parking in the Condominium shall be limited to passenger cars or minivans. No vehicles larger than a standard minivan and no inoperable vehicle, mobile home, camper, recreation vehicle, boat, boat trailer, vehicle bearing any commercial sign or lettering, snowmobile, all terrain vehicle or the like shall be parked on any part of the Condominium (except those vehicles temporarily in the Condominium for the purpose of servicing the Condominium itself or one of the Units). This restriction shall not apply to Sponsor, its employees, agents, contractors and servants.

The parking area of the Condominium shall be a General Common Element. Nevertheless, the Board may assign one (1) particular parking space to each Unit and is empowered to issue decals or other proof of entitlement and may impose appropriate sanctions on Unit Owners and others for violating those assignments. Visitors shall not be permitted to park in the General Common Element, but must park on the public street. The parking area of the Condominium may not be used for car repairs, oil changing, car washing or similar activities.

- (e) No portion of the Common Elements or Limited Common Elements, including foyers or patios, shall be used or maintained for the dumping of garbage, trash or debris, except within the dumpster disposal containers maintained by the Association. No garbage, trash or debris shall be placed on the ground within the enclosures housing the dumpsters, but shall only be placed in the dumpster disposal containers in anticipation of regular collection.
- (f) No exterior loudspeakers shall be permitted, nor shall floodlights be installed in any exterior area of any Unit or any patio or foyer appurtenant thereto without the written permission of the Board. No radio, television or other receiving antenna, dish, tower or similar device shall be erected by any Unit Owner. The Association may choose to install one or more common antennas or dishes as Restricted Common Elements. No radio, television, stereo or other sound-making device shall be played so loudly inside a Unit as to be audible in an adjacent Unit.
- (g) No owner of any Unit shall cause or permit any clothes, sheets, blankets, or laundry of any kind or other articles to be hung or displayed on the outside of windows or placed on the outside windowsills, walls or patios of the Building, parking areas or other Common Element; and no signs (other than those of Sponsor in connection with the initial sale or rental of the Units), awnings, grills, patio enclosure, fence, canopies or shutters shall be erected or installed in or upon the Common Elements or any part thereof. Unit Owners shall not have the right to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building.
- (h) In order to provide an orderly procedure in the case of title transfers, and to assist in the maintenance of a current roster of Unit Owners and occupants, each Unit Owner shall give the Association Secretary timely notice of his or her intent to list his or her Unit for sale or lease, and upon closing of title, or execution of the lease, as the case may be, shall forthwith notify such Secretary of the names, telephone numbers and

home addresses of the purchasers or lessees and shall furnish a copy of any lease to the Board.

- (i) No Unit Owner or occupant shall build, plant, or maintain any object or thing upon, in, over or under the Common Elements without the prior written consent of the Board unless permitted by any Rules and Regulations.
- (j) Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows and for all components thereof to the extent shown in the Maintenance Responsibility Chart under Unit Owner's Responsibility. In particular, all windows shall be installed with blinds of a similar style, which shall not be removed from the windows. During the warranty period for such blinds, Sponsor shall be responsible for their maintenance and repair. Thereafter, it shall be the responsibility of the Unit Owner to maintain those blinds in working order. If replacements shall be come necessary, they shall be of the same manufacture, color and specification as the original blinds.
- (k) No Unit Owner or occupant shall burn, chop or cut anything on, over or above the Common Elements.
- (l) To the extent that equipment, facilities and fixtures within any Unit shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to this Master Deed, the By-Laws and any Rules and Regulations of the Association.
- (m) Nothing shall be done or kept in any Unit or in or upon the Common Elements which will increase the rates of insurance of the Building or the contents thereof beyond the ordinary rates applicable for Units, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in or upon the Common Elements which will result in the cancellation of insurance on the Building or the contents thereof, or which will be in violation of any law or ordinance.
- (n) No noxious or offensive activities shall be carried on, in or upon the Common Elements or in any Unit nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other residents in or surrounding the Condominium.

- This is a copy
- (o) No immoral, improper, offensive or unlawful use shall be made of any Unit; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.
  - (p) 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. Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for handicapped use. No Unit Owner (other than Sponsor) may make any structural additions, alterations or improvements in or to his or her Unit or in or to the Common Elements, or impair any easement without the prior written consent of the Board. Despite the foregoing, while the Sponsor maintains a majority on the Board, it shall make no additions, alterations, improvements or purchases which would necessitate a special assessment or a substantial increase in the monthly common expense assessment unless required by a governmental agency, title insurance company, institutional mortgage lender or in the event of an emergency. The Board shall have the obligation to answer any written request received by it from a Unit Owner for approval of a proposed structural addition, alteration or improvement to his or her Unit within sixty (60) days after the receipt of such request, and failure to do so within the stipulated time shall constitute a denial of the proposal. Any application to any municipal authority for a permit to make an addition, alteration or improvement in or to any Unit must first be reviewed by the Board and, if approved, shall be executed by the Board and may then be submitted by the Unit Owner. Such approval, however, shall not incur any liability on the part of the Association to any contractor, subcontractor, or material supplier on account of such addition, alteration, or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The Unit Owner shall furnish the Board with a copy of any such permit which he or she has procured. The provisions of this subparagraph shall not apply to Units owned by the Sponsor until such Units have been initially sold and conveyed by the Sponsor.
  - (q) The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably intended and suited and which are incident to the use and occupancy of the Units.
  - (r) No Unit shall be leased by the Owners thereof (except a lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding or by any deed or other arrangement in lieu of foreclosure) or otherwise utilized for transient or hotel purposes, which shall be defined as (i) rental for any time period less than six (6) months, or (ii) any rental if the occupants of the Unit are provided customary hotel

services, such as service of food, mail service, furnishing laundry and service, provided however, that any Unit Owner, including Sponsor, may rent a Unit for a period of less than six (6) months to a contract purchaser. No Unit Owner may lease less than an entire Unit nor permit more than two (2) persons to occupy any one (1) bedroom Unit nor more than four (4) persons to occupy any two (2) bedroom Unit pursuant to any lease.

Other than the foregoing restrictions, the Unit Owners shall have the right to lease same provided that said lease is in writing and is subject to all provisions of this Master Deed, the By-Laws, the Declaration and By-Laws of the Association and other documents referred to herein including the right of amendment reserved to Sponsor herein, and provided further that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the Lease.

A Unit Owner who leases his or her Unit shall provide a copy of the written lease to the Board. In the event a tenant of a Unit fails to comply with the provisions of this Master Deed and the By-Laws, or any Rules and Regulations then, in addition to all other remedies which it may have, the Board shall notify the Unit Owner of such violation(s) and demand that the same be remedied through the Unit Owner's efforts within thirty (30) days after such notice or more promptly if the circumstances warrant. If such violation(s) is not remedied within said period, then the Unit Owner shall immediately thereafter, at his or her own cost and expense, institute and diligently prosecute an eviction action against any tenant on account of such violation(s). Such action shall not be compromised or settled without the prior written consent of the Board. In the event the Unit Owner fails to fulfill the foregoing obligation, then the Board shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Unit Owner and at the Unit Owner's sole cost and expense, including all legal fees incurred. Said cost and expenses shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Board in the same manner as the said Board is entitled to enforce collection of Common Expenses. By acceptance of a deed to any Unit, each and every Unit Owner does thereby automatically and irrevocably name, constitute, appoint and confirm the Board as his or her attorney-in-fact for the purposes described in this subparagraph (r).

- (s) No Unit Owner shall have the right to mortgage or encumber his or her Unit, unless such mortgage or encumbrance is a Permitted Mortgage. Further, any Permitted Mortgage which is not a first lien shall expressly



and automatically be subordinate to the Common Expense lien of the Association.

- (t) All property taxes, special assessments and other charges imposed by any taxing authority are to be separately assessed against and collected on each Unit as a single parcel, as provided by the Condominium Act. In the event that for any year such taxes are not separately taxed to each Unit, but are taxed on the Condominium as a whole, then each Unit Owner shall pay his or her proportionate share thereof in accordance with his or her proportionate undivided percentage interest in the General Common Elements.
- (u) Each Unit Owner shall pay for his or her own telephone, and other utilities, which are separately metered or billed to each user. Utilities which are not separately metered or billed or which serve the Common Elements shall be treated as Common Expenses.
- (v) Every Unit Owner shall be responsible for any and all damage to the Condominium that shall be caused by the Owner, his or her family members, employees, servants, agents, tenants, visitors or licensees. Each Unit Owner shall promptly report to the Board any defect within any Unit or on the Common Elements which is in need of repair, but the repair or replacement of such items shall be subject to the discretion of the Board.
- (w) All Units must be heated to the extent necessary to prevent damage from freezing temperatures during the months of October through April, inclusive, regardless of whether or not occupied. Any Unit Owner failing to so heat his or her Unit shall be obligated to pay a Remedial Assessment for the cost of any damage caused to any portion of the Condominium due to his or her negligence or, if such damage is insured by the Association, then for any deductible or other amount not paid to the Association from the proceeds of insurance.

The Board shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of these use restrictions, and shall have the right to bring lawsuits to enforce the Rules and Regulations so promulgated. The Board shall further have the right to levy fines for violations of these regulations. Each day that a violation continues after receipt of notice by the Unit Owner may be considered as a separate violation. Any fine so levied shall be considered as a Common Charge to be levied against the particular Unit Owner involved, and collection may be enforced by the Governing Board in the same manner as the Board is entitled to enforce collection of Common Charges, including, but not limited to, the filing of a Notice of Lien.

**12. PROVISIONS AND RESTRICTIONS APPLICABLE TO THE FOUNDATION AND AFFORDABLE UNITS.** The Condominium is initially comprised of thirty-four (34) Units, five (5) of which are designated as Foundation Units and three (3) of which are designated as Affordable Units. The provisions and restrictions applicable to each of those Unit types are set forth below.

(a) The Foundation Units

Five (5) Units, which shall not be designated as such but which may change from time to time as units are sold, shall be offered for rental or sale as a primary residence to persons who meet the eligibility requirements as set forth in Paragraph 2 (k), above, subject to the following restrictions:

(1) The decision as to whether to initially rent or sell each such Unit shall be made by Sponsor from time to time in its sole discretion. However, once a Unit has been sold by Sponsor, it shall thereafter be resold and not rented.

(2) If a Unit is rented by Sponsor, the rent shall be ninety (90%) percent of the market rent which would have been charged for that Unit. Foundation Units may not be rented, leased, subleased or otherwise occupied by other than the resident or residents who rented or bought such Foundation Units. For purposes of this provision, "resident" shall have the same meaning as in Paragraph 11 (a), above.

(3) If a Unit is sold by Sponsor, the Foundation will assume the responsibility to pay Sponsor the twenty (20%) down payment required for that Unit.

(4) The Foundation's participation in the purchase of each Foundation Unit shall, in the discretion of the Foundation, be evidenced either by (i) a deeded interest of a percentage of the Unit, or (ii) a mortgage or similar instrument.

(5) When a Foundation Unit is sold by anyone other than Sponsor, the Foundation shall be entitled, in its sole discretion, to either (i) a right of first refusal to buy the Unit at the fair market value, or (ii) a right of approval so as to cause the Unit to be sold to another person who meets the Foundation's eligibility requirements.

(6) Whether the Foundation buys the Unit or approves its sale to others, the Foundation shall be entitled to receive at the closing a return of its twenty (20%) percent investment in the Unit.

(7) In addition to the return of its initial twenty (20%) percent investment, the Foundation shall be entitled to receive twenty (20%) percent of any appreciation in the value of the Unit, which appreciation shall be calculated by subtracting from the gross sales price at the time of sale the gross sales price paid at the time of the purchase of the Unit, and multiplying the resulting amount by twenty (20%) percent.

(8) Interest on the Foundation's initial principal investment shall accrue from the date of purchase of each Foundation Unit until the sale of that Unit at which time it shall be payable to the Foundation. That interest is to be compounded annually, using either the anniversary date of the initial closing or at a different, but fixed date each year, as the Foundation in its sole discretion shall choose. Interest shall be charged at a rate which is equal to the prime rate of interest charged by PNC Bank or any successor to that bank.

(9) Should the difference between the gross sales price paid at the time of the sale and the gross sales price paid at the time of the purchase of the Unit not be sufficient to repay the Foundation the interest which accrued on the Foundation's principal investment, the Foundation shall waive the payment of that interest.

(b) The Affordable Units

One of the Affordable Units (Unit #107) is designated as a "low-income Unit", and two (Units #108 and #207) are designated as "moderate-income Units". The Affordable Units shall be offered for sale or rent as a primary residence to persons who meet the eligibility requirements as established by The Council on Affordable Housing (COAH), and who meet the residency requirements described in Paragraph 2 (a). Because of the requirement that the low- or moderate-income status of each such Affordable Unit remain in effect, such Affordable Unit shall be subject to the following restrictions:

(1) The Owners of the Affordable Units may not sell those Units for a purchase price greater than the original purchase price as reflected in their deed plus an amount equal to the percentage increase in regional median income, as that permitted increase is set forth in the Borough of Princeton's Affordable Housing Ordinances;

(2) The Owners of the Affordable Units may not sell those Units or rent the Units at any time to a person other than one qualifying as a low-income person as to the low-income Unit or as a moderate-income person as to either moderate-income Unit, and in compliance with all rules, regulations and requirements duly promulgated in the Borough of Princeton's Affordable Housing Ordinances. It is the intent and purpose of this Master Deed that said Units be and remain affordable to persons of low- and moderate-income, respectively, in accordance with the provisions of the Borough of Princeton's Affordable Housing Ordinances and all other applicable state and federal laws and regulations;

(3) The rental or resale of such Affordable Units shall be subject to the Borough of Princeton's Affordable Housing Ordinances and the rules and regulations promulgated from time to time by COAH. The Borough of Princeton shall monitor and approve rentals and resales of said Unit to assure that the purchaser or renter of each such Affordable Unit shall be a person of low- or moderate-income, as the case may be, and as defined by the income criteria in effect at the time of the proposed rental or resale. The Borough of Princeton, however, shall approve any such rental or resale of such Units so long as the

purchase price as required in the lease or contract of sale and the deed conveying title to the new buyers are not greater than the maximum price permitted, based on the regional increase in median income, as defined by HUD, or such other standard then adopted by COAH. The price of an Affordable Unit may increase annually based upon the percentage increase in median income for Mercer County as determined from the uncapped Section 8 income limits published by HUD, or such other recognized standard then adopted by COAH;

(4) The Owners of such Affordable Units may add amenities or improvements to such Units, as permitted by this Master Deed and the rules promulgated by the Board. However, the effect of those improvements may not increase the resale price of the Unit beyond levels which are affordable to a person of low- or moderate-income. In the event that such amenities or improvements are installed, however, the rental or resale price of the Units shall nevertheless be restricted in accordance with the foregoing standards;

(5) The Owners or renters of such Affordable Units shall maintain them in accordance with the standards established herein and in the By-Laws. Upon notice of an intent to sell any such Unit, the Borough of Princeton shall cause an inspection of that Unit to be made. In the event that, as a result of the inspection, the Borough of Princeton determines that such Affordable Unit is in need of substantial repairs the Borough of Princeton shall submit in writing to the Owner a list of violations and/or necessary repairs. The estimated cost of any required repair or improvement not completed by the Owner prior to the date of closing shall be deducted from the resale price and the cost to complete these repairs shall be then placed in an escrow account to cover the cost of the repairs;

(6) The Owners of such Affordable Units shall not convey title to or lease or otherwise deliver possession thereof other than in accordance with this Master Deed and the Princeton Borough Affordable Housing Ordinances. The Association shall have no responsibility whatsoever for implementing, enforcing or supervising the terms of this Paragraph 12 of the Master Deed. The fair market value of the Unit shall be determined in accordance with the provisions of this Master Deed;

(7) The terms, restrictions, provisions and covenants of this Master Deed referring to and incorporating restrictions related to low- or moderate-income occupancy shall exist for twenty (20) years from the original occupancy of such Affordable Unit or until the termination of the Condominium, whichever shall first occur;

(8) Neither the Sponsor, nor any Owner, nor the Association shall amend or alter the provisions of this Paragraph 12 without first obtaining the approval of the Borough of Princeton. Any such approved amendments or modifications shall be in writing and shall contain proof of municipal approval and shall not be effective unless and until recorded with the Mercer County Clerk; and

(9) Any Owner, including the Sponsor for so long as it owns any such Affordable Unit, is bound by all applicable laws of the State of New Jersey, the rules of the COAH, the ordinances of the Borough of Princeton, as the same may be amended from time to time; provided, however, that any amendment to said laws, ordinance, rules or regulations shall not apply to the Owner if the enforcement thereof would deprive the Owner of the economic rights to which he or she is entitled under this Master Deed or unreasonably interfere with those provisions upon which the Owner relied when purchasing the Unit.

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

While the Sponsor maintains control of the Board, it shall take no action which adversely affects any Unit Owner's rights under N.J.A.C. 5:25-5. Claims relative to defects in Common Elements shall be processed in accordance with N.J.A.C. 5:25-5.5.

**14. NO PARTITION.** Subject to the provisions of this Master Deed, the Certificate 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 separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

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

**16. COMPLIANCE BY OWNERS.** Each Owner or occupant of a Unit shall comply with, and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having jurisdiction over the Condominium, the provisions of this Master Deed, the Certificate of Incorporation and By-Laws of the Association, the Rules and Regulations, and any other documents, amendments or supplements to the foregoing as described in Paragraph 10 hereof. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both, by the Sponsor, the Association, or any Unit Owner, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate

or circumvent any of the aforesaid, and against any Unit Owner to enforce any lien created by this Master Deed or any covenant contained therein. Failure by the Sponsor, the Association, or any Unit Owner to enforce any covenant therein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

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

(a) If the insurance proceeds derived from such loss amount to \$25,000 or less, then the Board shall contract with any licensed contractor or contractors to rebuild or repair such damaged or destroyed portions of the Condominium in conformance with the original plans and specifications, or if adherence to such original plans and specifications is impracticable in said Board's opinion, then in conformance with revised plans and specifications, provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction. The Board shall accept bids only in specific amounts and shall not enter into any cost-plus or other sliding scale arrangement for compensation to the contractor.

(b) If the insurance proceeds derived from such loss exceed \$25,000, all such insurance proceeds shall be paid directly to an Insurance Trustee as may be designated by the Board, as trustee for all Institutional Lenders holding first mortgages on the Units in the Condominium, and all Unit Owners as their interests may then appear. Disbursement of such funds shall be made only upon the signatures of a majority of the members of the Board.

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

(2) The Board shall enter into said contract with a licensed contractor or contractors which shall have provisions for periodic disbursements of funds by the Trustee. Disbursements to the contractor shall be made subject to the prior presentation of an architect's certificate containing such provisions as may be appropriate in the circumstances and deemed suitable by the Board.

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

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

(d) If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against all Owners whose Units were damaged or destroyed, in sufficient amounts to provide funds for the payment of such costs. Despite anything to the contrary in this Master Deed or By-Laws, such assessments shall be in the manner provided in Paragraph 7, above. The foregoing provisions of this subparagraph are applicable to the repairs and reconstruction to be undertaken by the Board and do not cover damages to those portions of the Unit for which the responsibility of maintenance and repair is that of the Unit Owner for which the costs and expenses must be borne by each Owner; provided, however, any portion of the insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an individual Unit Owner shall be paid to said Unit Owner, or if there is a mortgage endorsement as to such Unit, then to the Unit Owner and mortgagee, jointly.

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

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

**18. EMINENT DOMAIN.** If the Building, improvement or Common Element or any part thereof shall be taken, injured or destroyed by eminent domain, each Unit Owner affected shall be entitled to notice of such taking and to participate through the Association in the proceeding incident thereto. Any awards made in connection with such proceedings shall be collected by the Association and applied or distributed by it in accordance with the following, unless the award or decree provides to the contrary:

(a) If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant which may not be practical or may not be lawfully used for any purpose permitted by this Master

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

(b) If part of a Unit is acquired by eminent domain, other than under the circumstances contemplated by subparagraph (a), this subparagraph (b) will control. Upon acquisition by the condemning authority, (1) each affected percentage interest, and its Common Expense liability shall be reduced in proportion to the reduction in square footage of each such Unit, and (2) the portion of its percentage interest, and Common Expense liability divested from the partially acquired unit shall be automatically reallocated to each such Unit and the remaining Units in proportion to their respective percentage interests and the liabilities of such remaining Units before the taking, with the partially acquired Unit or Units participating in the reallocation on the basis of their reduced percentage interest and liabilities.

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

(d) In no event shall the aggregate amount distributed to the affected Unit Owners exceed the total amount of any award paid with respect to any taking by eminent domain. This provision shall be deemed to be supplemental to and not in derogation of the provisions of N.J.S.A. 46:8B-25.

19. **INSURANCE.** The Board shall cause to be obtained and continued in effect blanket property insurance on the Common Elements in an amount equal to replacement value and in form satisfactory to any Institutional Lender holding first mortgages on a majority of the Units, but without prejudice to the right of the Owner of any Unit to obtain individual Unit insurance at his or her own cost. In addition, the Board shall cause to be obtained and continued in effect such other types and amounts of insurance as may be required by the provisions of the



By-Laws. Premiums for all such insurance coverage except for individual Unit coverage shall be a Common Expense to be included in the monthly assessment for Common Expenses.

**20. AMENDMENT OF MASTER DEED, TERMINATION.** This Master Deed may be amended at any time after the date hereof by a vote of at least two-thirds (2/3) of the total votes of all members of the Association at any meeting of the Condominium duly held in accordance with the provisions of the By-Laws provided, however, that any such amendment is subject to the provisions of Paragraph 10 hereof and its subparagraphs. No amendment shall be effective until recorded in the Office of the Clerk of Mercer County, New Jersey. This paragraph is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor pursuant to Paragraph 10 hereof. In the alternative, an amendment may be made by an agreement, signed and acknowledged by all of the Unit Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Clerk of Mercer County, New Jersey.

No amendment shall impair or adversely affect the rights of Sponsor or cause Sponsor 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 Sponsor for capital improvements.

Despite the foregoing, Sponsor shall not be permitted to cast any votes held by it for unsold Units for the purpose of amending this Master Deed, the By-Laws or any other document for the purpose of changing the permitted use of a Unit or the purpose of reducing the Common Elements or facilities.

Despite anything to the contrary herein, an amendment, deed of revocation, or other document shall be effective to terminate the Condominium form of ownership upon the written approval of eighty (80%) percent in interest of all non-Sponsor Unit Owners, and the written approval of the Sponsor for so long as it holds one (1) Unit for sale in the ordinary course of business; provided, however, that any such termination of the condominium form of ownership shall not waive or otherwise affect the terms of this Master Deed which relate to the Affordable Units.

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

**22. MUNICIPAL MAINTENANCE.** In the event that the Association shall at any time after the establishment of the Condominium fail to maintain the Common Elements, including the undedicated driveways, in reasonable order and condition in accordance with the

plans approved by the Borough of Princeton's Zoning Board of Adjustment, the governing body of the Borough of Princeton may serve written notice upon the Association or upon the residents and Owners of the Condominium, setting forth the manner in which the Association has failed to maintain the Common Elements in reasonable condition, and the notice shall include a demand that the deficiencies of maintenance be cured within thirty-five (35) days thereof, and shall state the date and place of the hearing thereon which shall be held fifteen (15) days from the date of the notice. At that hearing, the governing body of the Borough of Princeton may modify the terms of the original notice as to the deficiencies and may give an extension of time not to exceed sixty-five (65) days within which such deficiencies shall be cured. If the deficiencies set forth in the original notice or in the modifications shall not be cured within thirty-five (35) days or any extension, the governing body of the Borough of Princeton, in order to prevent the Common Elements from becoming a public nuisance, may enter upon the Common Elements and maintain them for a period of one (1) year. Entry and maintenance by the Borough of Princeton shall not vest in the public any rights to use any Common Elements except when it is voluntarily dedicated to the public by the Condominium. Before the expiration of the one (1) year period, the governing body of the Borough of Princeton shall, upon its initiative or upon the request of the Association, order a public hearing within fifteen (15) days notice by the Zoning Board of the Borough of Princeton. At that bearing, the Association shall show cause why maintenance by the Borough of Princeton shall not, at the election of the Borough, continue for the succeeding year. If the Zoning Board shall determine that the Association is not ready and able to maintain the Common Elements in a reasonable condition, the Borough of Princeton may, in its discretion, continue to maintain the Common Elements during the next succeeding year and, subject to a similar hearing and determination, each year thereafter. The decision of the governing body in such case shall constitute a final administrative decision subject to judicial review. The cost of maintenance by the Borough of Princeton shall be assessed ratably against the Units within the Condominium having the right of enjoyment of the Common Elements, and shall become a tax lien on those Units and be added to and be a part of the taxes to be levied and assessed thereon, and enforced and collected with interest by the same officers and in the same manner as other taxes. The Borough of Princeton at the time of entering upon the Common Elements for the purpose of maintenance, shall file a notice of the tax lien in the office of the Mercer County Clerk upon the Units affected by the tax lien within the Condominium.

**23. 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.

**24. 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.

**25. RATIFICATION, CONFIRMATION AND APPROVAL OF AGREEMENTS.** The fact that some or all of the officers, trustees, directors, members or employees of the Association and Sponsor may be identical, and the fact that the Sponsor or its nominees, may have heretofore entered or may hereafter enter into agreements with the Association or with third

parties, will not invalidate any such agreements and the Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a Unit, and the acceptance of the deed therefor by any party, shall constitute the ratification, confirmation and approval by such purchaser, his or her heirs, legal representatives, successors and assigns, of the propriety and legality of said agreement or agreements, or any other agreements authorized and permitted by the Condominium Act, this Master Deed, the Certificate of Incorporation or the By-Laws.

**26. PROTECTIVE-PROVISIONS FOR THE BENEFIT OF ELIGIBLE MORTGAGE HOLDERS.**

(a) **General.** Anything to the contrary in this Master Deed or the By-Laws or Certificate of Incorporation notwithstanding, the provisions of this Paragraph 26 and its subparagraphs shall apply with respect to each Eligible Mortgage Holder.

(b) **Notice.** Any Eligible Mortgage Holder shall be entitled to timely written notice of:

(1) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Eligible Mortgage Holder's mortgage; and no Unit Owner or other party shall have priority over such Eligible Mortgage Holder with respect to the distribution to such Unit(s) of the proceeds of any condemnation award or settlement in the event of condemnation or with respect to the distribution to such Unit(s) of any insurance proceeds in the event of casualty loss; and

(2) any sixty (60) day delinquency in the payment of Common Expense assessment installments or other assessments or charges owed to the Association by a Unit Owner of any Unit upon which the Eligible Mortgage Holder holds a mortgage; and

(3) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(4) any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

(c) **Amendments Requiring Approval of 51% of Eligible Mortgage Holders.**

The prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders is required for any material amendment to this Master Deed or to the By-Laws or Certificate of Incorporation including, but not limited to, any amendment which would change any provision relating to:

- (1) voting rights;
- (2) reserves for maintenance, repair and replacement of Common Elements.

- (3) responsibility for maintenance and repairs;
- (4) re-allocation of interests in the General or Limited Common Elements or rights to their use;
- (5) boundaries of any Unit;
- (6) convertibility of Units into Common Elements or vice-versa;
- (7) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of land to or from the Condominium;
- (8) insurance or fidelity bonds;
- (9) leasing of Units;
- (10) imposition of any restrictions upon a Unit Owner's right to sell or transfer his or her Unit;
- (11) assessment liens or the priority of assessment liens;
- (12) restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;
- (13) any action to terminate the legal status of the condominium as a Condominium after substantial damage or condemnation occurs; or
- (14) any provisions that expressly benefit Eligible Mortgage Holders.

(d) **Amendments Requiring Approval of 67% of Eligible Mortgage Holders.**

The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders is required before the effectuation of any decision by the Unit Owners to terminate the legal status of the Condominium as a Condominium for reasons other than substantial destruction or condemnation of the Property.

(e) **No Partition.** No Unit in the Condominium may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such Unit.

(f) **Common Expense Lien Subordinate.** Any lien the Association may have on any Unit in the Condominium for the payment of Common Expense assessments attributable to each Unit is subordinate to the lien or equivalent security interest of any first mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.

(g) **Inspection of Records.** Any Eligible Mortgage Holder shall upon request, (1) be permitted to inspect the books and records of the Association during normal business hours; and (2) receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association. The Association shall maintain current copies of the Master Deed, Certificate of Incorporation, By-Laws and Rules and Regulations, and any respective amendments thereto.

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

(i) **Liability for Common Expense Assessments.** Any Permitted Mortgage Holder holding a first mortgage lien on a Unit which obtains title to a Unit as a result of foreclosure of the first mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser in a foreclosure sale, or their respective successors and assigns, shall not be liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which share became due prior to its acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquirer, his or its successors and assigns.

(j) **Management Agreements.** Any management agreement for the Condominium must be terminable by the Association with or without cause upon ninety (90) days' prior written notice thereof, and the term of any such agreement shall not exceed one (1) year.

(k) **Common Expense Default.** Notwithstanding the absence of any express provision to such effect in the mortgage instrument, in the event that there is any default in the payment of any installment of a Common Expense assessment with respect to any Unit, either regular or special, the Permitted Mortgage Holder of such Unit shall be entitled to declare such mortgage in default in the same manner that is permitted by such mortgage with respect to any default in the payment of real estate taxes.

(l) **Implied Approval.** Approval of any action requiring consent hereunder will be implied when an Eligible Mortgage Holder fails to submit a response to any written proposal within thirty (30) days after it receives proper notice of the proposal provided that notice was delivered by certified or registered mail, with a return receipt requested.

27. **RULE AGAINST PERPETUITIES.** If any provision of this Master Deed, or the By-Laws shall be interpreted to constitute a potential violation of the rule against perpetuities, then such provision shall be interpreted and applied in accordance with N.J.S.A. 46:2F-3.

28. **SPECIAL SPONSOR'S RIGHTS.**

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

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

(i) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon the transferor.

Lack of privity does not deprive any Unit Owner of standing to bring an action to enforce any obligation of the transferor.

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

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

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

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

(i) Sponsor ceases to have any such Special Sponsor Rights, and

(ii) The period of Sponsor control terminates unless the judgment or instrument conveying title provides for transfer of all such Special Sponsor Rights to a successor or Sponsor.

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

(i) A successor to all such Special Sponsor Rights who is an affiliate of Sponsor is subject to all obligations and liabilities imposed on any Sponsor by law or by the Master Deed.

(ii) A successor to all such Special Sponsor Rights, other than a successor described in paragraphs (iii) or (iv) hereof who is not an affiliate of Sponsor, is subject to all obligations and liabilities imposed upon Sponsor by law or the Master Deed, but he is not subject to liability for misrepresentations or warranty obligations on improvements made by any

previous Sponsor or made before the Condominium was created, or for a breach of fiduciary obligation by any previous Sponsor.

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


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

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

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

**IN WITNESS WHEREOF,** Sponsor has caused this instrument to be signed, sealed and delivered by its proper corporate manager and its corporate seal to be affixed as of the date first above written.

Attest:

  
Christopher S. Tarr

The Waxwood, L.L.C.

By:   
James Banks, Authorized Manager

STATE OF NEW JERSEY :

SS.

COUNTY OF MIDDLESEX :

I CERTIFY that on August 12, 2004, James Banks came before me in person and stated to my satisfaction that he:

(a) made this Master Deed ; and

(b) was authorized and did execute this Master Deed on behalf of and as Authorized Manager of The Waxwood, L.L.C., the entity named in this Master Deed; and

(c) signed this instrument as the act of the entity.



MAUREEN DIRIENZO  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES JUNE 7, 2005

Record and return to:

Christopher S. Tarr, Esquire  
Stevens & Lee, a PA Professional Corporation  
600 College Road East  
Princeton, New Jersey 08540

END OF DOCUMENT