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COMPENSATION LAW ATTORNEY
++CERTIFIED BY THE SUPREME
COURT OF NEW JERSEY AS A CIVIL
TRIAL ATTORNEY

OF COUNSEL
ANTHONY C. FAMULARI (RETIRED)

March 10, 2020

VIA eCOURTS and NJ LAWYERS SERVICE

Motion's Clerk
Morris County Superior Court
Chancery Division
10 Court Street, Room 227
Morristown, NJ 07960

Re: Paul Kardos -vs- Fox Hills at Rockaway Condominium Association, Inc.
Docket No.: MRS-C-000102-18
Our File No.: 20016-02739 GJK

Dear Sir/Madam:

As the Court is aware, this firm represents the Defendant, *Fox Hills at Rockaway Condominium Association, Inc.*, in regard to the above-captioned matter. Attached for filing, please find the following:

- Defendant's Notice of Motion for Summary Judgment;
- Defendant's Statement of Uncontested Facts in Support of its Motion for Summary Judgment;
- Defendant's Certification in Support of its Motion for Summary Judgment with attached Exhibits A & B;
- Defendant's Brief in Support of its Motion for Summary Judgment;
- Proposed form of Order in support of defendant's Motion for Summary Judgment; and
- Proof of Service

Thank you for your attention to this matter.

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March 10, 2020

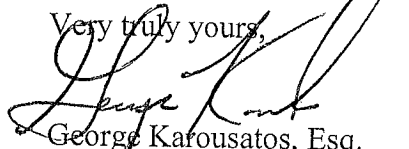
Paul Kardos -vs- Fox Hills at Rockaway Condominium Association, Inc.

Docket No.: MRS-C-000102-18

Our File No.: 20016-02739 GJK

The costs, if any, may be charged to our account number: 140458.

Very truly yours,



George Karousatos, Esq.
g.karousatos@bdlawfirm.com

GJK/dxg
Enclosure

cc: The Honorable Maritza Berdote-Byrne (courtesy copy via NJLS)
cc: Paul Kardos, Pro se (via NJLS)

George Karousatos, Esq./I.D.#027321991
BIANCAMANO & DI STEFANO, P.C.
Executive Plaza, Suite 300
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Tel: 732-549-0220
Fax: 732-549-0068
Attorneys for Defendant, *Fox Hills at
Rockaway Condominium Association, Inc.*

Our File No. 20016-02739

PAUL KARDOS

Plaintiff,

-vs-

FOX HILLS AT ROCKAWAY
CONDOMINIUM ASSOCIATION, INC. :

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION MORRIS COUNTY
GENERAL EQUITY
DOCKET NO.: MRS-C-000102-18

Civil Action

DEFENDANTS NOTICE OF MOTION FOR
SUMMARY JUDGMENT.

To: Paul Kardos, *Pro Se*
204 Cleveland Lane, Monroe Bldg.
Rockaway, NJ 07866

SIR:

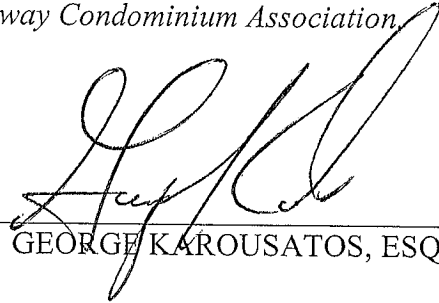
PLEASE TAKE NOTICE that on April 9, 2020 or as soon thereafter as counsel may be heard, the undersigned attorneys for Defendants, *Fox Hills at Rockaway Condominium Association*, will apply to the Court at the Morris County Superior Court, for issuance of an order granting summary judgment and dismissing the plaintiff's complaint.

PLEASE TAKE FURTHER NOTICE that *Fox Hills at Rockaway Condominium Association*, shall rely upon the annexed brief and exhibits, and certification of counsel in support of the Court's granting and signing the proposed Order submitted together with this Notice of Motion.

PLEASE TAKE FURTHER NOTICE that *oral argument is not requested.*

BIANCAMANO & DI STEFANO, P.C.
Attorneys for Defendants, *Fox Hills at*
Rockaway Condominium Association,
Inc.

By: _____

A handwritten signature in black ink, appearing to read 'George Karousatos', is written over a horizontal line. The signature is stylized with large, flowing loops.

GEORGE KAROUSATOS, ESQ.

Date: March 10, 2020

George Karousatos, Esq./I.D.#027321991
BIANCAMANO & DI STEFANO, P.C.
Executive Plaza, Suite 300
10 Parsonage Road
Edison, NJ 08837
Tel: 732-549-0220
Fax: 732-549-0068
Attorneys for Defendant, *Fox Hills at
Rockaway Condominium Association, Inc.*

Our File No. 20016-02739

PAUL KARDOS

Plaintiff,

-vs-

FOX HILLS AT ROCKAWAY
CONDOMINIUM ASSOCIATION, INC.

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION MORRIS COUNTY
GENERAL EQUITY
DOCKET NO.: MRS-C-000102-18

Civil Action

DEFENDANTS' CERTIFICATION IN
SUPPORT OF ITS MOTION FOR
SUMMARY JUDGMENT.

I, George Karousatos, Esq., of full age, hereby certify as follows:

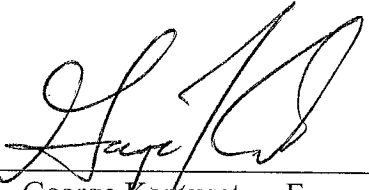
1, I am an Attorney-at-Law of the State of New Jersey and a Partner with the law firm of Biancamano & Di Stefano, P.C., attorneys for the Defendant in the above-captioned matter. I have been assigned the handling of this matter and am familiar with all facts surrounding this file.

2, This Certification is submitted in support of the Defendant's Motion for Summary Judgment.

3. Attached hereto, incorporated herein, and designated as "Exhibit A" is a true and certified copy of the Master Deed for Fox Hills Rockaway Condominium Association, Inc.

4. Attached hereto, incorporated herein, and designated as "Exhibit B" is a true and certified copy of Fox Hills' Restated Rules and Regulations.

5. I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

By: 
George Karousatos, Esq.

Dated: March 10, 2020

EXHIBIT A

RECEIVED

AUG - 6 1998

Dec 24 9 47 AM '98

Prepared by:

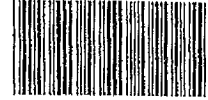
ALFONSE W. SCERBO
MORRIS CO. CLERK

ASSESSOR'S DEPT.

Ann Avram Huber, Esq.

MASTER DEED

FOX HILLS AT ROCKAWAY, A CONDOMINIUM,
Rockaway Township, New Jersey



131329

THIS MASTER DEED, made this 11th day of December, 1998, by Fox Development Co., Inc. a corporation of the State of New Jersey (hereinafter referred to as "GRANTOR").

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

WHEREAS, it is the present intention of the Grantor to construct, for finance purposes, in stages, hereinafter called "Phases", a condominium consisting ultimately of 600 residential units pursuant to the provisions of N.J.S.A. 46:8B-1 et seq. (the Condominium Act) under the name of Fox Hills at Rockaway, A Condominium; and

WHEREAS, all of the land described in Exhibit "A" is dedicated at present, the Grantor at this time intends to establish the Condominium as an two hundred and ninety four (294) unit condominium reserving the right, but not the duty, to add additional phases, buildings, and units to the condominium, now anticipated to be three (3) additional phases:

Phases	# Units	Building
I	84	5 & 8
II	210	6, 7, 4, 9, & 10
III	84	11 & 13
IV	132	2 & 3
V	90	1
VI		Assisted care living facility

Total residential units 600
and to those ends to cause this Master Deed to be amended, executed and recorded, together with all necessary exhibits thereto.

WITNESS

(1) Grantor does hereby submit, declare, and establish Fox Hills at Rockaway, a Condominium, in accordance with N.J.S.A. 46:8B-1 et seq., for that parcel of land described in Schedule "A" aforesaid, all as shown on a certain map of for Fox Hills at

1

ack
160.00

DB4898 P207

Rockaway, a Condominium, Township of Rockaway, Morris County, New Jersey", prepared by Schoor DePalma, Engineers and Design Professionals, Parsippany, New Jersey, on Dec. 4, 1997 and attached hereto as Schedule "B".

(2) The Condominium will contain an aggregate of 600 units, as shown on Exhibit "B" and certain plans entitled:

Floor Plans

as prepared by Barton Associates and attached and marked hereto as Schedule "B".

If completed according to plan, the condominium development will ultimately consist of 600 residential units contained in the buildings as shown on the aforesaid site plan, together with all improvements. The development is planned to be completed in phases I-VI. Phase I consists of 84 Units as described in Exhibit "A" and as shown on Schedule "B", which is hereby submitted to the provisions of the Condominium Act. If and when additional phases are submitted by the Sponsor to be part of the condominium development, this will be accomplished by amendments to this Master Deed ("Phase Amendments"). Each phase amendment will be recorded by the Sponsor prior to or concurrent with the sale and closing of the first unit in that phase. The Sponsor reserves the right, power and authority to execute and to record and file all phase amendments without the necessity of further vote, approval or consent by unit owners or by the Association. The within reservation of power and authority by the Sponsor to add additional phases to this condominium by recording phase amendments executed by the Sponsor shall expire on the fifth anniversary of the date of recordation of this Master Deed.

Schedule "C" annexed hereto is a schedule of the undivided interest of each of the unit types at Phase I of the development. As the common elements are expanded by the addition of each phase to the condominium development, the percentages of common interests of the units must necessarily change so that at all times the common elements will be 100% owned by the unit owners in the condominium as expanded. Schedule "C" will be amended to show the effect on the percentage interests as and when phases are added. Schedule "B" attached hereto shows the buildings, the units in each building, and the number and type of each unit contained in Phase I.

The Sponsor reserves the right as to all phases not then annexed as part of the condominium, to revise their sizes and configurations, the number of such phases which may ultimately be added and the number of buildings and/or units therein. Sponsor also reserves the right to annex additional lands, to build less than 600 Units and to change the order of Phasing. In addition, the Sponsor reserves the right, as to all units which are not sold or subject to a binding purchase agreement, to change the Unit

and/or building sizes, locations and configurations, or to change the number of buildings and/or units, provided that such changes do not affect the common interests of any units which have been sold or which are subject to a binding purchase agreement. The Sponsor shall have the right and power without necessity of any further consents, votes or approvals from unit owners to execute and record appropriate phase amendments or other amendments to reflect changes made pursuant to the rights reserved herein.

The unit owners in each newly annexed phase shall have the right to vote at the very next election or other occasion for unit owner voting which may occur after the phase amendment has been recorded.

Not later than three (3) business days following the recordation of each phase amendment, the Sponsor shall notify the Board of Directors of such fact, submitting a copy of the phase amendment. The Board of Directors shall compute a new budget for the condominium for the remainder of the then current year, and shall re-assess the common charges based upon the new budget allocated in accordance with the common interests as revised by reason of the annexation of the additional phase. If notice of a phase amendment is received by the Board prior to the 15th day of the month, common charges shall be assessed and billed at the new rate for the following month; and if notice is received after the 15th of the month, the Board shall have the option to either assess and bill common charges at the new rate for the following month or for the next month thereafter. Common charges until the effective date of the assessment shall continue at the same rate during the interim period as to units existing in the condominium prior to the phase amendment. As to the newly annexed units, common charges during the interim period shall be assessed and paid at the same rates as the nearest comparable pre-existing units.

(3) The dimensions, area, and location of the units for the Condominium as shown graphically on Schedule "B" aforesaid, and as same may be amended from time to time as herein provided, and containing all space within the area bounded by the exterior surface of the perimeter walls of each Unit and the floor and ceiling of each Unit as follows:

BOTTOM: The bottom of each Unit is an imaginary horizontal plane through the lowest point of the exterior surface of each portion of the sub-floor within the Unit, and extending in every direction to the point where it closes with the side of the Unit.

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

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

LIMITED COMMON ELEMENT: Each Unit contains as a limited common element for its own use the porch directly in front of its unit.

As a limited common element, each unit will be assigned one interior parking space. The remaining interior spaces will be sold and become appurtenant to the Units owned by the purchasers. The outdoor parking spaces will be unassigned parking spaces, but each unit will only be entitled to use no more than one of these remaining parking space on a first come, first serve basis.

Each unit also includes all appliances, fixtures, interior partitions, and other improvements located within or appurtenant to the unit described which are exclusive to such unit, although all or part thereof may not be located within the unit, and shall include, but not be limited to, the following appurtenances:

- (a) complete heating system and any air conditioning system;
- (b) so much of the plumbing system as extends from the walls or floors into the interior air space;

(c) all utility meters not owned by the public utility or agency supplying service;

(d) all electrical wires which extend from the ceilings, walls, floors into the interior air space, and all fixtures, switches, outlets and circuit breakers.

(4) All appurtenances and facilities and other items which are not part of the units or individual appurtenances are hereinbefore described in Paragraph 3 shall comprise the common elements. The common elements shall also include by way of description but not way of limitation:

(a) all lands described in Schedule "A" aforesaid, whether or not occupied by buildings containing above described units;

(b) all streets, curbs, sidewalks, parking areas subject to the easements and provisions set forth in Paragraph 6 of this Master Deed;

(c) fences, lawn areas, shrubbery, conduits, utility lines, and waterways, subject to the easements and provisions set forth in Paragraph 6 hereof;

(d) the electrical, cable and telephone wiring network throughout the Condominium not owned by the public utilities providing such services;

(e) public connections for gas, electricity, light, telephone, and water not owned by the public utility or other agencies providing such services;

(f) the foundations, main walls (including windows, doors, and chimneys therein, roofs, and floors;

(g) exterior lighting and other facilities necessary to the upkeep and safety of the buildings and grounds;

(h) any easement or other right hereafter granted for the benefit of the unit owner(s) for access to or use of recreational or other common elements not included within the lands which are part of the Condominium;

(i) all other elements of the Condominium rationally of common use or necessary to the existence, upkeep and safety thereof.

(5) The owners of a 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 to each unit, an undivided interest, which is based upon the relative square footage of the respective units, in the common elements of the Condominium at each phase of the development as set forth in Schedule "C" attached hereto and made a part hereof, subject to any amendments as herein provided. As the common elements are expanded by the addition of each phase to the condominium development, the percentages of common interests of the units must necessarily change so that at all times the common elements will be 100% owned by the unit owners in the condominium as expanded. All assessments for the common expenses of each unit in the condominium shall be allocated in accordance with the schedule attached hereto as Schedule "C". The said appurtenant undivided interest in the common elements shall not be divisible from the unit to which it appertains. Said percentage shall be used to allocate the division of proceeds, if any, resulting from any casualty loss, any eminent domain proceedings, any common surplus or from any other disposition of the Condominium property.

Anything contained in the By-Laws or Master Deed notwithstanding, there shall be no obligation of the Sponsor to pay common assessments or charges for any units while same are under construction. The budget which is attached as an Exhibit to the Public Offering Statement is the Sponsor's estimate of common expenses which would be incurred by the Association for the first full year of operations. The estimated budget is hypothetical in that it is based on the assumption of full occupancy of all units

in all phases as approved. This proposed budget was prepared based upon the operating costs of similar projects, among other things, and on today's costs. The actual expenses may turn out to be greater or lesser than those indicated; the Association may incur additional necessary expenses other than those indicated; the Board may elect to provide for additional working capital or reserves or for additional services; inflation can, and usually does affect costs, and any of the aforementioned factors may result in common expenses different than those estimates.

During the period of construction, many of the units will exist only on paper, and others will be in various stages of completion of construction. This provision in the Master Deed and By-Laws is to emphasize and provide that any such unbuilt units may not be assessed for common charges or otherwise. A unit is considered unbuilt until such time as it has been fully completed and a Certificate of Occupancy has been issued by the municipality the unit is located within. However, for as long as the Sponsor controls the Association, the unit owners will not be assessed for more than their respective shares of an estimated annual budget, and the Sponsor will be required to make-up any shortfall or operational deficits actually incurred during that period. A new estimated budget will be prepared for each subsequent year. Assessments to unit owners for such years will be calculated therefrom with the Sponsor making up the deficits until control is assumed by the unit owners.

With the addition of each phase, the cost of maintaining the expanding common elements will increase somewhat, and a new budget will be prepared by the Board. However, the number of unit owners sharing the burden of operation and maintenance costs will also expand, and the Board will compute and re-assess common charges based upon the new budget and on the increased number of unit owners.

(6) Easements

(a) Grantor, declares that every unit owner shall have a perpetual easement in, upon, through and over the land described in Schedule "A" aforesaid, to keep, use, repair, and replace his unit as it exists at this time or as it may change as a result of the elements.

(b) Grantor hereby reserves unto itself, its successors and assigns as easement in, upon, through and over the common elements for as long as the said Grantor, its successors and assigns, shall be engaged in the sales of units, which easement shall be for the maintenance and repair of existing buildings and appurtenances thereto, for ingress and egress to all units, all common elements, and other community facilities and for the use of all roadways, parking lots, existing and future model units for sales promotion and exhibition.

(c) Grantor either declares that every unit owner shall have a perpetual and exclusive easement to use and enjoy the surfaces of the main walls, windows, doors, ceilings, and floors, but not the roof, contained within his unit.

(d) Grantor reserves unto itself, its successors, assigns, and agents, an easement in, upon, through, and over the lands comprising the common elements for the purpose of installation, maintenance, repair, and replacement of all sewer, water, power and telephone, pipes, lines, mains, conduits, waters, poles, transformers, and any and all other equipment or machinery necessary or incidental to the proper functioning of any utility systems serving the Condominium.

(e) In the event that any unit shall encroach upon any of the common elements or upon any other common element or any adjoining unit shall encroach upon any unit then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(f) Grantor declares that the Township of Rockaway, New Jersey (but not the public in general), shall have a perpetual non-exclusive easement to enter upon all roadways, streams, lakes, parking areas, driveways, walkways, and sidewalks, for purposes of maintaining the safety, health, welfare, police and fire protection of the citizens of said Township, including the residents of the Condominium.

(7) By-Laws and Administration. The administration of the common elements of the Condominiums shall be made by Fox Hills Condominium Association, an incorporated, non-profit condominium association, in accordance with the provisions of the Condominium Act, this Master Deed, the By-Laws attached hereto, and made a part hereof, any other documents, amendments or supplements to the foregoing which may subsequently be required by an institutional mortgage lender, or by any governmental agency having regulatory jurisdiction over the Condominium or by any title insurance company selected by Grantor to insure title to any units. Grantor hereby reserves itself, its successors, and assigns, for a period of five (5) years from the date the first unit is conveyed, or until the last unit is sold in the normal course of business, 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 which may be so required.

Acceptance of a deed to any unit or by the acceptance of any other legal or equitable interest in the Condominium, each and every contract purchaser, unit owner or occupant, or holder of any mortgage or other liens, does automatically and irrevocably name, constitute, appoint, and confirm Grantor, its successors and

assigns, as attorney-in-fact for the purpose of executing such amended Master Deeds, or other instruments necessary to effect the foregoing. The power of attorney aforesaid is expressly declared and acknowledged to be coupled with an interest in the subject matter thereof and the same shall run with the title to any and all Condominium Units and be binding upon the successors and assigns of any of the foregoing parties. Further, said power of attorney shall not be affected by the death or disability of any principal and is intended to deliver all right, title, and interest of the principal in and to said power. Except as herein provided, this Master Deed may not be modified or amended without the acquiescence of all unit owners. All amendments or modifications shall be evidenced by an Amendment to Master Deed, which Amendment shall be recorded in the Morris County Clerk's Office and shall not be effective until recorded.

Each unit shall have one voting right in Fox Hills Condominium Association in accordance with the By-Laws of the Association attached herein.

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

The Sponsor shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of amending the master deed, by-laws or any other document for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common elements of facilities.

(8) Restrictions. This Master Deed is subject to all covenants, restrictions, and easements of record including the following:

1. Occupancy At least one (1) permanent resident of a Unit must be at least fifty-five (55) years and older having no resident child less than 19 years of age. In no event may any Unit be occupied by more than four (4) permanent residents.
2. Alteration No structural alteration of a Unit may be made without approval of the Board of Directors pursuant to Article VI, Section 10 of the FHCA By-Laws. Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicap use.
3. Zoning Ordinances Each purchaser also takes title to his unit subject to the zoning ordinances of Rockaway Township. Alterations to a Unit will require, in addition to approval of

the Board of Directors, approval of the Rockaway Township Planning Board or the Rockaway Township Board of Adjustment, which may not be granted.

4. Use No Home, except these owned by Sponsor, or the association, and used for sales, administration, construction, maintenance or similar purposes, shall be used for any purpose other than a private residence. Further, the Common Elements shall nor be utilized for any residential or commercial purpose not expressly permitted by the Governing Documents.
5. Obstruction There shall be no obstruction of access to any of the Common Elements.
6. Building No Unit Owner or occupant shall build, plant, or maintain any matter or thing (including, without limitation, any planting, lawn ornaments, additions, alterations), upon, in, over or under the Common Elements.
7. Exterior Appearance Unit Owners shall not have any right to change the appearance of any portion of the exterior of any Unit (including, without limitation, any change to the exterior color scheme) without prior written approval of the Board of Directors.
8. Maintenance Each Unit Owner shall promptly furnish, perform and be responsible for, at his own expense, the repair, maintenance, and replacement of his Unit, provided, however, that the Association, its servants, agents and employees may effect, at its sole discretion, emergency or other necessary repairs which the Owner has failed to perform and charge the cost of same to the Owner(s) involved as a Remedial Assessment.
9. Insurance Nothing shall be done or kept in any Unit which will increase the rates of insurance beyond the rate applicable for Condominium Units, without the prior written consent of the Board. No Owner shall permit anything to be done or kept in his Unit or in or upon the Common Elements which may result in the cancellation of insurance on any of the Common Elements or the contents thereof, or which will be in violation of any law.
10. Display No clothes, sheets, blankets, laundry of any kind or any other articles shall be hung out or exposed on any part of the Common Elements nor shall anything be hung, painted or displayed on the outside of the windows or placed on the outside walls or outside surfaces of doors of any of the Condominium Units and no signs, awnings, canopies, shutters, earth stations, satellite dishes, or antennas (except those heretofore or hereinafter installed by Sponsor) shall be affixed or placed upon the exterior walls or roofs of any part

thereof, nor relocated or extended, without the prior written consent of the Board of Directors. Television or radio antennas are not permitted under any circumstances. All Units shall be pre-wired for cable. However, Sponsor or any successor Builder, shall have the right to display signs for promotional, sales, exhibit, and administrative purposes upon any portion of the Common Elements or within any Unit owned by it until the last Unit within the development has been sold. Owners shall not cause or permit any signs to be displayed on the Unit advertising the sale or lease of their Condominium Units. Signs for any other purpose are prohibited except as may otherwise be provided by the Rules and Regulations. The Sponsor or the Board shall have the right to immediately cause the removal of any sign violating this provisions and obtain, in addition to any penalties, which might otherwise be imposed by the Association, all costs incurred by such removal.

11. Animals No more than two dogs, or no more than three pets in the aggregate shall be permitted in any Unit. In no event shall outdoor pens, or runs be permitted. No dangerous animals such as lions, tigers, alligators or pitbulls shall be permitted. All Owners and their guests, invitees, agents and others who allow or permit their pets and/or animals in their charge to defecate upon any portion of the Common Elements shall immediately thereafter remove any and all excrement left by the pet or animal and dispose of it as soon as possible in a sanitary fashion. All Owners, their guests, invitees, or agents shall accompany the pet or animal in their charge at all times and shall keep the pet on a leash at all times.

The Association shall have the right to designate certain buildings as pet free prior to the initial occupancy of such buildings by filing an appropriate amendment to the Master Deed.

12. Nuisance No noxious, hazardous, 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 or which interferes with the peaceful possession and proper use of the Units or the Common Elements by the other Owners. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Development shall be observed.

13. Structural Changes Nothing shall be done to any Unit which will impair the structural integrity of any Unit or which will structurally change a Unit. No Owner (other than Sponsor) may make any structural additions, alterations, or improvements in or to his Unit, or impair any easement, without the prior written consent of the Board of Directors subject to the right of appeal to the Board and as provided in the By-Laws.

14. Commercial Vehicles No commercial vehicles may park overnight and no boats, trailers, campers, mobile homes, or trucks may be parked on any part of the Common Elements except (i) in areas specifically designated for such purpose by the Association; and (ii) for those vehicles temporarily on the Development for purposes of servicing the Development itself or one of the Condominium Units. This restriction shall not apply to Sponsor, its employees, agents, contractors or servants.
15. Waste No portion of the Property shall be used or maintained as a dumping ground for rubbish. Trash, garbage, recyclable or other waste shall be kept in sanitary containers. Any contractor, repairman or other person retained by a Unit Owner to perform work on any Unit or on the Common Elements shall clean up all rubbish at the conclusion of each work day. Trash, garbage, recyclable or other waste shall be kept in sanitary containers as approved by the Board for weekly or more frequent collection.
16. Draperies Draperies, blinds, curtains, or other window coverings must be installed and maintained by each Unit Owner on all windows of his Unit.
17. Utilities Each Unit Owner shall pay for his own telephone, cable television services and utilities, which are separately metered or billed to each user by the respective utility.
18. Rental No Unit shall be rented by the Owner(s) thereof (except by Sponsor or an Institutional Lender in possession of such Unit following a default in a first mortgage, a foreclosure proceeding, any deed or other arrangement in lieu of foreclosure) or otherwise be utilized for transient or hotel purposes, which shall be defined as "(i) rental for any period less than 180 days; or (ii) any rental if the occupants of the home are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry and linen, and bellboy service", without the prior written consent of the Association. In the event the Owner fails to fulfill the obligation, then the Board shall have the right, but not the duty, to institute and prosecute such action as attorney-in-fact for the Owner and at the Owner's sole cost and expense, including all legal fees incurred. Said costs and expenses shall be due and payable upon demand by the Association and shall be deemed to constitute a lien on the Unit, and collection thereof may be enforced by the Board in the same manner as the Board is entitled to enforce collection of Common Expense Assessments.
19. Use of Water Retention Areas Swimming, bathing, boating and other use of the water retention areas in the Development

shall be prohibited except when in accordance with Rules and Regulations prescribed by the Association.

20. Sale of Home. Each Unit Owner shall give the respective secretary of the Association 30 days' notice of his or her intention to sell the Unit. Upon closing of title, the selling Unit Owner shall immediately notify the secretary of the Association of the name and address of the new Owner.
21. Violations The Board shall have the power to promulgate such Rules and Regulations as may be necessary to carry out the intent of these restrictions and shall have the right to bring lawsuits to enforce the Rules and Regulations promulgated by it. The Board shall further have the right to levy fines for violation of such Rules and Regulations in accordance with the Bylaws and Master Deed and as permitted by N.J.S.A 46:8B-15 as the same may be amended from time to time. Any fine so levied is to be considered as a Remedial Assessment to be levied against the Unit Owner and/or his Tenant, and collection may be enforced by the Board in the same manner as other Assessments. The Unit Owner shall be responsible for payment of reasonable attorneys' fees of the Association plus interest and costs of suit.

(9) Obligations of Grantor. The Grantor covenants and agrees that for so long as it owns one or more of the Condominium Units, the Grantor shall be subject to the provisions of this Master Deed and of all exhibits attached hereto; and the Grantor covenants to take no action that will adversely affect the rights of the other owners of units and their successors in interest, as their interest may appear.

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 initially conveyed to an individual purchaser and are located in a building for which a certificate of occupancy has been issued.

(10) Partition. The undivided interest in the common elements which is appurtenant to a unit shall not be separated from it. The interest of a unit in the common elements cannot be conveyed or encumbered except together with the unit. The interest of a unit in the common elements shall remain undivided and no action for partition of the common elements shall lie.

(11) Compliance. Each unit owner or unit occupant shall be governed by and shall comply with the terms of this Master Deed and its exhibits including the By-Laws and Rules and Regulations adopted pursuant thereto, and said documents as they may be amended.

from time to time. The condominium association shall have all remedies including injunctive relief provided in these documents to enforce the Master Deed, By-Laws and Rules and Regulations and any amendments thereto.

(12) Restrictions Against Short Term Leases. No unit shall be rented by the owner thereof for transient or hotel purposes, which shall be defined as "(a) rental for any period less than one hundred and eighty (180) days; or (b) any rental if the occupants of the unit are provided customary hotel services, such as room service for food and beverages, maid service, furnishing laundry and linen, and bellboy service". Other than the foregoing obligations, the unit owners shall have the absolute right to lease same provided the said lease is in writing and made subject to the covenants and restrictions contained in this Master Deed, the By-Laws of Fox Hills, an incorporated condominium association, and other documents referred to herein, including the right of amendment reserved to Grantor herein and the minimum age requirements of the occupants.

(13) Damage, Destruction, or Condemnation. If any building improvement or common element or any part thereof is damaged, or destroyed by fire, casualty, or eminent domain, the repair, restoration, or ultimate dispositions shall be as provided in N.J.S.A. 46:8B-24 and 25, respectively.

(14) Insurance. An incorporated condominium association shall obtain and continue in effect blanket property insurance in form and amount satisfactory to mortgagees holding first mortgages on the individual units but without prejudice to the right of the owners of any such unit to obtain individual unit insurance. In addition, an incorporated condominium association shall obtain and continue such other amounts of blanket property insurance as may be required by the provisions of its By-Laws. Premiums for any such blanket insurance coverage shall be a common expense to be included in the monthly assessment for common expenses and such premium charges shall be held in a separate escrow account of the Condominium Association to be used solely for the payment of said premiums as same become due.

(15) 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.

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

(17) Ratification, Confirmation and Approval of Agreements. The fact that some or all of the officers, directors, members or

employees of the Association and the Sponsor may be identical, and the fact that the Sponsor or its nominees have heretofore or may hereafter enter into agreements with the Association or with third parties will not invalidate any such agreements and the Association and its members, from time to time, will be obligated to abide by and comply with the terms and conditions thereof. The purchase of a unit, and the acceptance of the Deed therefor by any party, shall constitute the ratification, confirmation and approval by such purchaser, his heirs, legal representatives, successors and assigns, of the propriety and, legality of said agreements or said agreement or any other agreements authorized and permitted by the New Jersey Condominium Act, this Master Deed, the Certificate of Incorporation or By-Laws.

(18) Rights Reserved to Sponsor. Anything to the contrary herein or in the Certificate of Incorporation or By-Laws of the Association notwithstanding, the Sponsor hereby reserves for itself, its successors and assigns, for so long as it owns one or more units in the condominium, the right to sell, lease, mortgage, sub-lease or otherwise dispose of any unsold units within the condominium.

(19) Protective provisions for the Benefit of Eligible Mortgage Holders. "Eligible Mortgage Holder" shall mean and refer to any Institutional Lender who is the holder of a first mortgage encumbering any Unit and who has requested notice of any proposed action by the Association which requires the consent of a specified percentage of Eligible Mortgage Holders.

General. Anything to the contrary in this Master Deed or the By-laws or Certificate of Incorporation notwithstanding, the provisions of this paragraph and its subparagraphs shall apply with respect to each Eligible Mortgage Holder.

Notice. Any Eligible Mortgage Holder shall be entitled to timely written notice of:

(a) 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 Units of the proceeds of any condemnation award or settlement in the event of condemnation or with respect to the distribution to such Units of any insurance proceeds in the event of casualty loss; and

(b) 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

(c) a lapse, cancellation or material modification of any

insurance policy or fidelity bond maintained by the Association;
and

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

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:

(a) voting rights;

(b) reserves for maintenance, repair and replacement of Common Elements;

(c) responsibility for maintenance and repairs;

(d) reallocation of interests in the General or Limited Common Elements or rights to their use;

(e) boundaries of any Unit;

(f) convertability of Units into Common Elements or vice-versa;

(g) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of land to or from the Condominium;

(h) insurance or fidelity bonds;

(i) leasing of Units;

(j) imposition of any restrictions upon a Unit Owner's right to sell or transfer his or her Unit;

(k) assessment liens or the priority of assessment liens;

(l) restoration or repair of the Condominium (after damage, destruction or condemnation) in a manner other than that specified in this Master Deed;

(m) any action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs; or

(n) any provisions that expressly benefit Eligible Mortgage Holders.

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.

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.

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.

Inspection of Records. Any Eligible Mortgage Holder shall upon request, (a) be permitted to inspect the books and records of the Association during normal business hours; and (b) 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.

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.

Liability for Common Expense Assessments. Any Eligible Mortgage Holder holding a first mortgage lien on a Unit that 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, is not liable for the share of Common Expenses or other assessments by the Association pertaining to such Unit or chargeable to the former Unit Owner which became due prior to acquisition of title. Such unpaid share of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all of the remaining Unit Owners including such acquiror, his successors and assigns.

Management Agreements. Any management agreement for the Condominium will be terminable by the Association with or without cause upon thirty (30) days' prior written notice thereof, and the term of any such agreement shall not exceed one (1) year.

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 Eligible 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.

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.

Amendment of Master Deed -- Termination. This Master Deed may be amended at any time after the date thereof by a vote of at least sixty seven (67%) percent of all Unit Owners, at any meeting of the Association duly held in accordance with the provisions of the By-Laws provided, however, that such amendments are subject to the provisions of this Paragraph and its subparagraphs, and further, provided that any amendment, deed of revocation or other document regarding termination of the condominium form of ownership shall be governed as set forth below. No amendment shall be effective until recorded in the appropriate County Clerk's Office. This paragraph is by way of supplement to and not in derogation of the powers of amendment reserved to Sponsor. 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 appropriate County Register's Office.

No amendment shall 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 Units, or the assessment of the Sponsor for capital improvements.

Notwithstanding 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.

Notwithstanding 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.

WITNESS the hand and seal of the Grantor, which has been affixed the date and year first above written.

Attested By:

FOX DEVELOPMENT CO., INC.
A New Jersey corporation

Peter Rosen By: Morton Salkind
Peter Rosen, Acting Secretary Morton Salkind, President

STATE OF NEW JERSEY, COUNTY OF MORRIS

SS:

I, Linda A. Komorowski, a Notary Public, certify that on December 11, 1998, Morton Salkind, Pres. of Fox Development Co., Inc. a New Jersey corporation, personally appeared before me whereupon he declared, after being first duly sworn, that he executed the foregoing instrument as a voluntary act and deed of the corporation by virtue of authority from its Board of Directors, and that the foregoing statements contained in the document are true to the best of his knowledge and belief.

Linda A. Komorowski

Notary Public of New Jersey

LINDA A. KOMOROWSKI
A Notary Public of New Jersey
My Commission Expires May 6, 2001

R+R

ROSEN & AUGHAND
431 ROUTE 10
RANDOLPH, NEW JERSEY

07866

DB4898 P224 12/11/98

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3. 1000 1/2 1/2 1/2

1000 1/2 1/2 1/2

SCHEDULE A

DB4898 P225



SCHOOR DEPALMA
Engineers and Design Professionals

Theodore D. Cassera
Anthony J. Cimino
Stephen P. DePalma
Richard E. Drewes
George G. McCann
Daniel C. McSweeney
Henry J. Ney
Ralph J. Orlando
L. Miguel Salinas
Howard M. Schoor

March 5, 1998

Project No. B149001

LEGAL DESCRIPTION
OF
LOT 48, BLOCK 11302
ROCKAWAY TOWNSHIP, MORRIS COUNTY, NJ

A tract of land known and designated as Lot 48, Block 11302, located in the Township of Rockaway, Morris County, New Jersey, and being more particularly described as follows:

Beginning at the point of intersection of the southerly sideline of a public right-of-way (50 feet wide) with the said right-of-way's easterly terminal line, said beginning point being distant 300.57 feet on a course of south 70 degrees 13 minutes 51 seconds east from the intersection of said southerly sideline and the easterly sideline of Mt. Hope Avenue (variable width right-of-way), as shown on a certain map entitled "New Jersey State Highway Department Plan Route 80 Section 28 From Union Turnpike to Mt. Hope-Rockaway Road, Sheet 14 of 223," also as shown on a certain map entitled "Final Subdivision Map to Amend Fleetwood 5, Filed Map No. 2782, Township of Rockaway, Morris County, New Jersey," dated August 16, 1989, prepared by Canger and Cassera Consulting and Municipal Engineers, filed in the Morris County Clerk's office on June 7, 1990, as Filed Map No. 4862, and running; thence,

1. Along said terminal lot and along the easterly line of Lots 50 and 49, Block 11302, as shown on a certain map entitled "Boundary Survey for Fox Hills, Township of Rockaway, Morris County, New Jersey," prepared by Schoor DePalma, Inc., dated July 25, 1996, last revised March 3, 1998, and also shown on a certain map entitled "ALTA/ACSM Land Title Survey, Township of Rockaway, Morris County, New Jersey, Map of Property for Lot 48, Block 11302, prepared by Canger and Cassera, dated August 15, 1990," north 20 degrees 01 minutes 25 seconds east, 891.50 feet to a point; thence,
2. North 59 degrees 17 minutes 33 seconds west, 139.66 feet to a point in the easterly sideline of said Mt. Hope Avenue (variable width right-of-way) as shown on a certain map entitled "Right Of Way Taking Map - Mount Hope Avenue for Fox Development Co., Inc., Block 113.02, Lot 48, Township of Rockaway, Morris County, New Jersey," prepared by Schoor DePalma, Inc., dated March 10, 1997, last revised October 7, 1997, and along said easterly sideline the following five courses; thence,



March 5, 1998
Page 2

3. North 51 degrees 44 minutes 22 seconds east, 100.40 feet to a non-tangent point of curvature; thence,
4. Along the same, and along said non tangent curve to the left, having a radius of 423.54 feet, a central angle of 36 degrees 44 minutes 04 seconds, an arc length of 271.55 feet and a chord bearing north 33 degrees 22 minutes 20 seconds east, a chord distance of 266.92 feet to a point; thence,
5. North 11 degrees 13 minutes 12 seconds east, 99.32 feet to a point of curvature; thence,
6. Along a curve to the right having a radius of 800.00 feet, a central angle of 06 degrees 47 minutes 19 seconds, and an arc length of 94.79 feet to a point of compound curvature; thence,
7. Along a compound curve to the right having a radius of 2,292.00 feet, a central angle of 04 degrees 21 minutes 34 seconds, and an arc length of 174.39 feet to a point in the southerly line of Lot 46, Block 11302; thence,
8. In part, along said southerly line as shown on a certain map entitled "Minor Subdivision Plat for Fox Development Co., Inc., Block 11302, Lots 46, 47, and 48, Rockaway Township, Morris County, New Jersey, prepared by Schoor DePalma, dated July 29, 1996, last revised January 28, 1997," south 73 degrees 16 minutes 35 seconds east, 1348.64 feet to a point in the westerly line of Lot 55, Block 11301; thence,
9. Along said westerly line, south 23 degrees 16 minutes 25 seconds west, 378.00 feet to a point; thence
10. Along the southerly line of said Lot 55, south 70 degrees 55 minutes 35 seconds east, 674.54 feet to a point; thence,
11. Along the westerly line of a previous lot known as Lot 72, north 20 degrees 17 minutes 08 seconds east, 1288.17 feet to a point; thence,
12. Along the northerly line of said old Lot 72, south 72 degrees 15 minutes 35 seconds east, 638.68 feet to a point; thence,

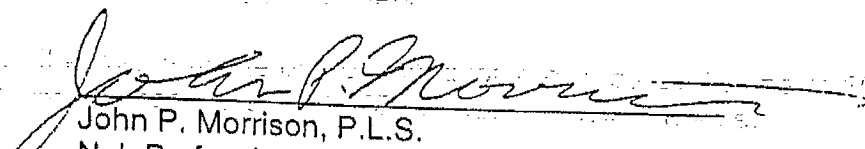


March 5, 1998
Page 3

13. Along the easterly line of said old Lot 72, south 17 degrees 38 minutes 51 seconds west, 120.45 feet to a point; thence,
14. Along the same, south 19 degrees 05 minutes 19 seconds west, 1108.77 feet to a point; thence,
15. Along the same, south 16 degrees 09 minutes 25 seconds west, 78.95 feet to a point; thence,
16. Along the westerly line of Lot 77, south 13 degrees 30 minutes 00 seconds east, 356.22 feet to a point; thence,
17. Along the same, south 01 degrees 21 minutes 15 seconds east, 60.00 feet to a point in the northerly sideline of Interstate Highway Route 80 (variable width right-of-way); thence,
18. Along said northerly sideline, south 88 degrees 38 minutes 45 seconds west, 2,421.73 feet to a point; thence,
19. Along the same, north 83 degrees 21 minutes 00 seconds west, 470.68 feet to a point; thence,
20. Leaving said northerly sideline, north 70 degrees 44 minutes 35 seconds west, 131.00 feet to a point in an easterly line of Lot 16, Block 11303; thence,
21. Along said easterly line, north 20 degrees 01 minutes 25 seconds east, 191.69 feet to the point and place of beginning.

Containing 3,815,374 SF./87.589 acres of land as described herein.

Subject to all easements of record.


John P. Morrison, P.L.S.
N.J. Professional Land Surveyor
New Jersey License No. 34869

N:\PROJECTS\14000\DESIGN\LOT48.WPD

DB4796 P1199

DB4898 P228

SCHEDULE B

1. The following information is being furnished to you for your information and is not to be used for any other purpose.
2. The information is being furnished to you for your information and is not to be used for any other purpose.
3. The information is being furnished to you for your information and is not to be used for any other purpose.
4. The information is being furnished to you for your information and is not to be used for any other purpose.
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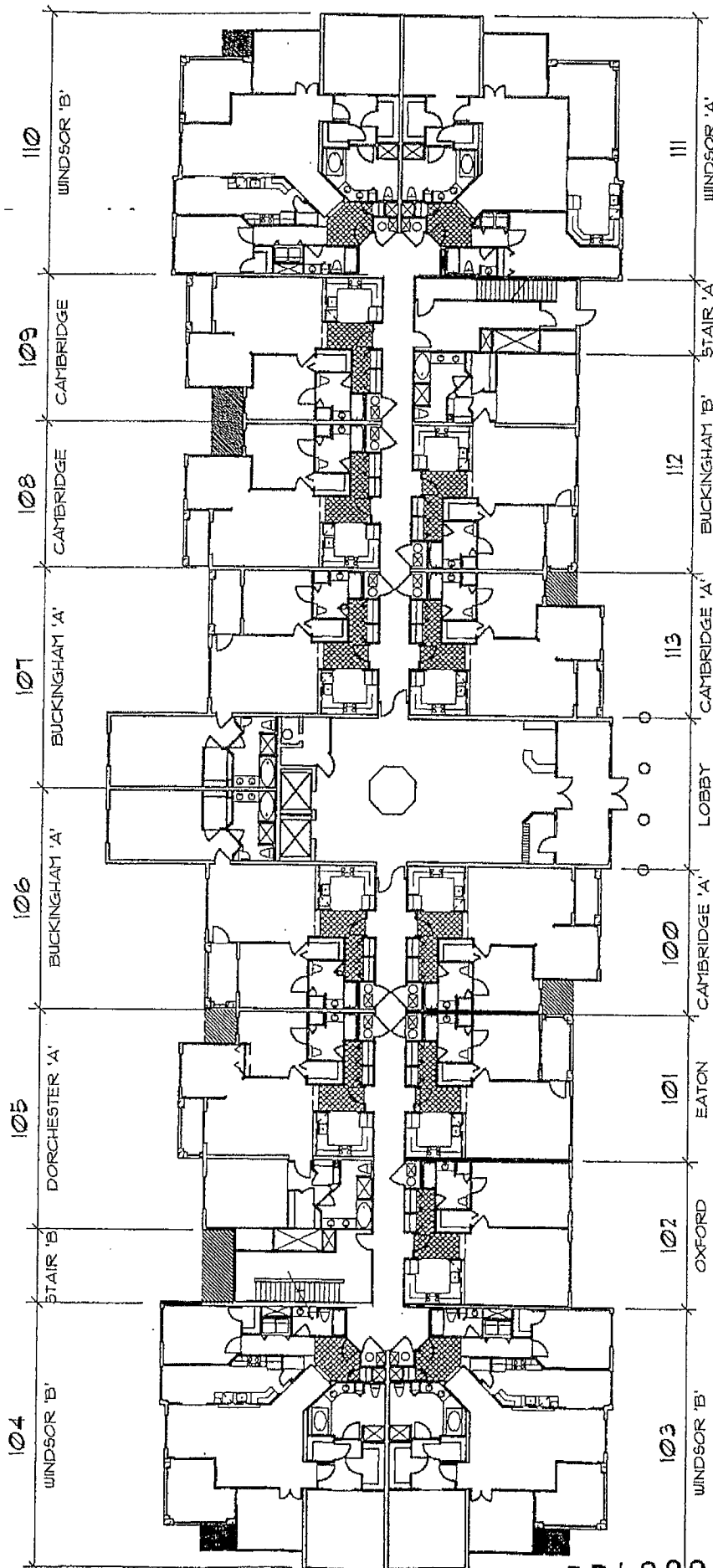
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12. The information is being furnished to you for your information and is not to be used for any other purpose.

13. The information is being furnished to you for your information and is not to be used for any other purpose.

14. The information is being furnished to you for your information and is not to be used for any other purpose.

15. The information is being furnished to you for your information and is not to be used for any other purpose.



BUILDINGS 548
FIRST FLOOR PLAN

DB4898 P232

BARTON & Associates
ARCHITECTS
PLANNERS

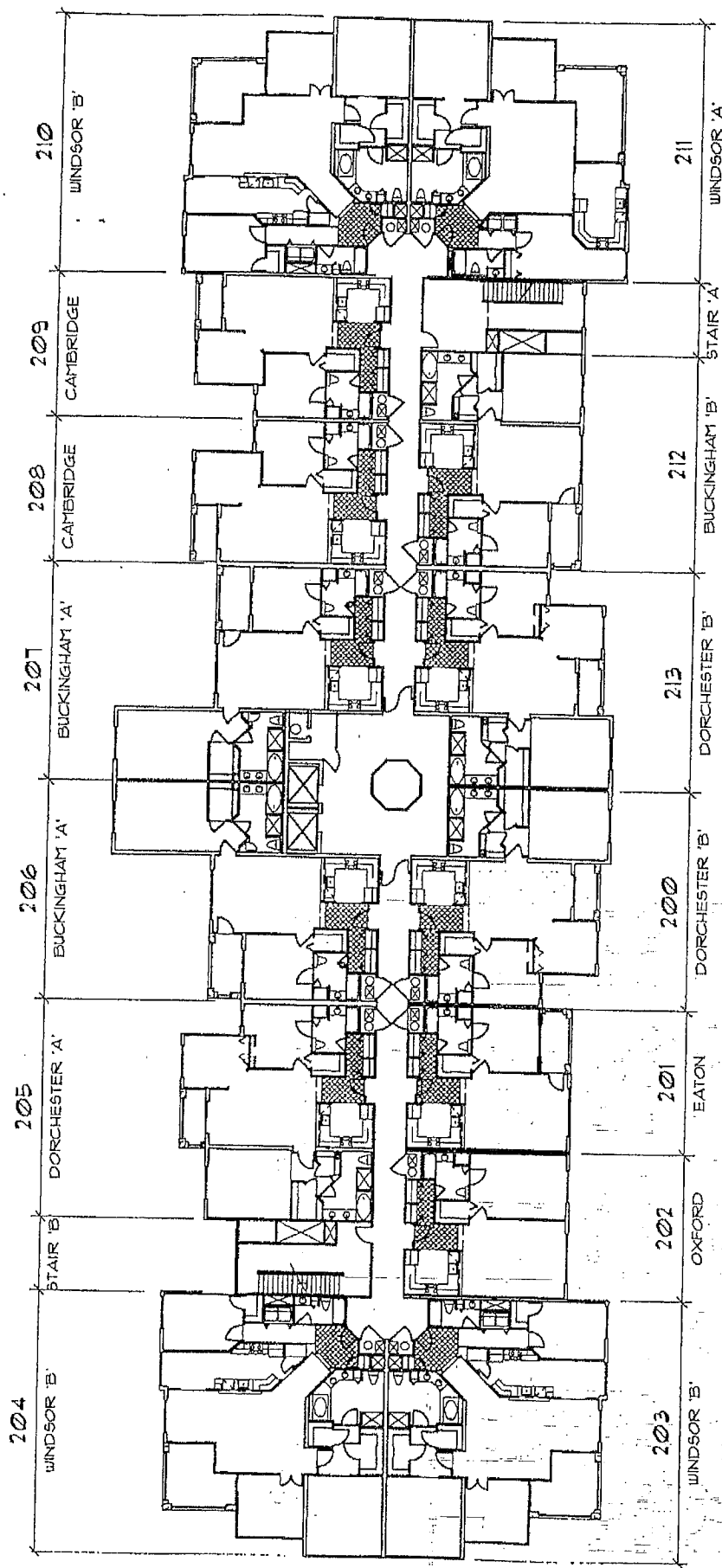
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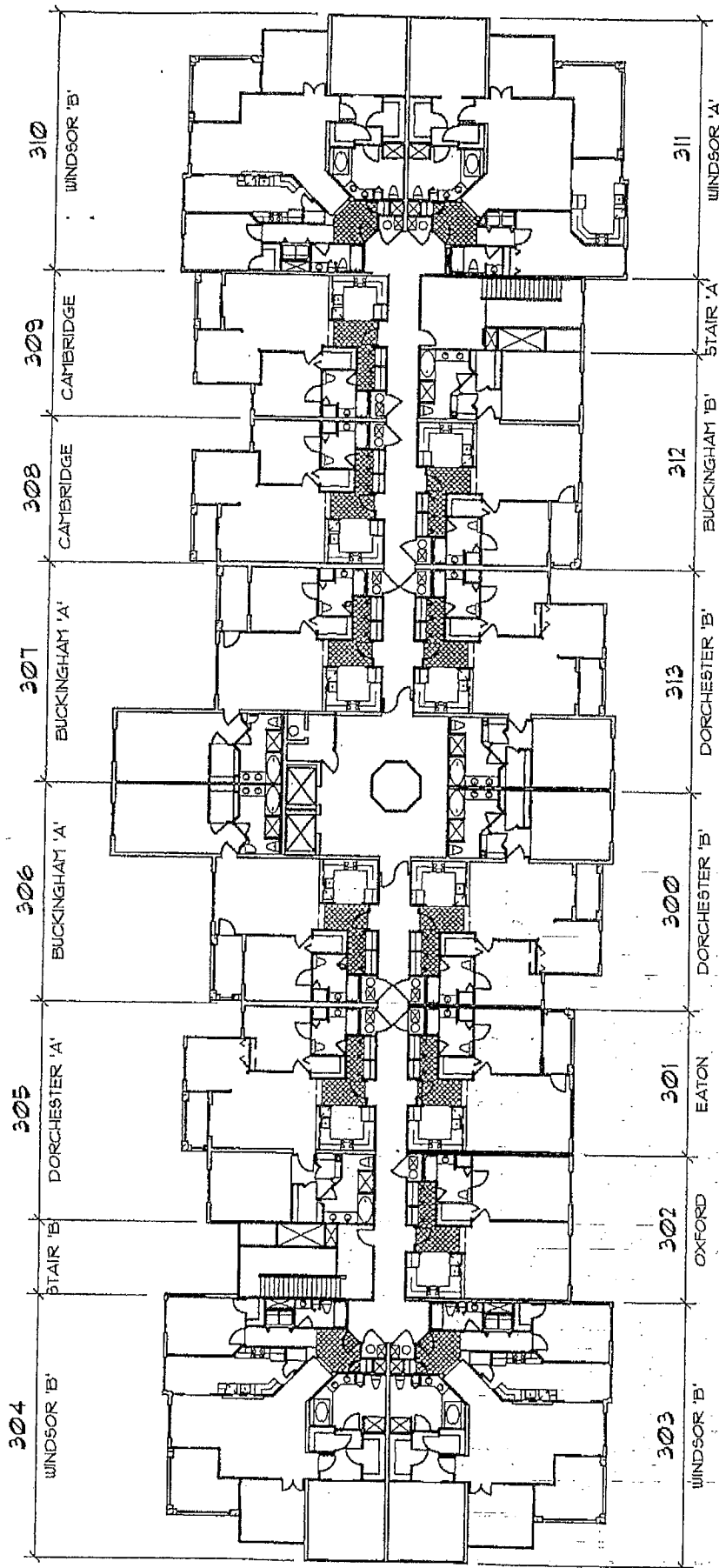


BUILDINGS 5 & 8
SECOND FLOOR PLAN

BARTON & Associates
ARCHITECTS PLANNERS

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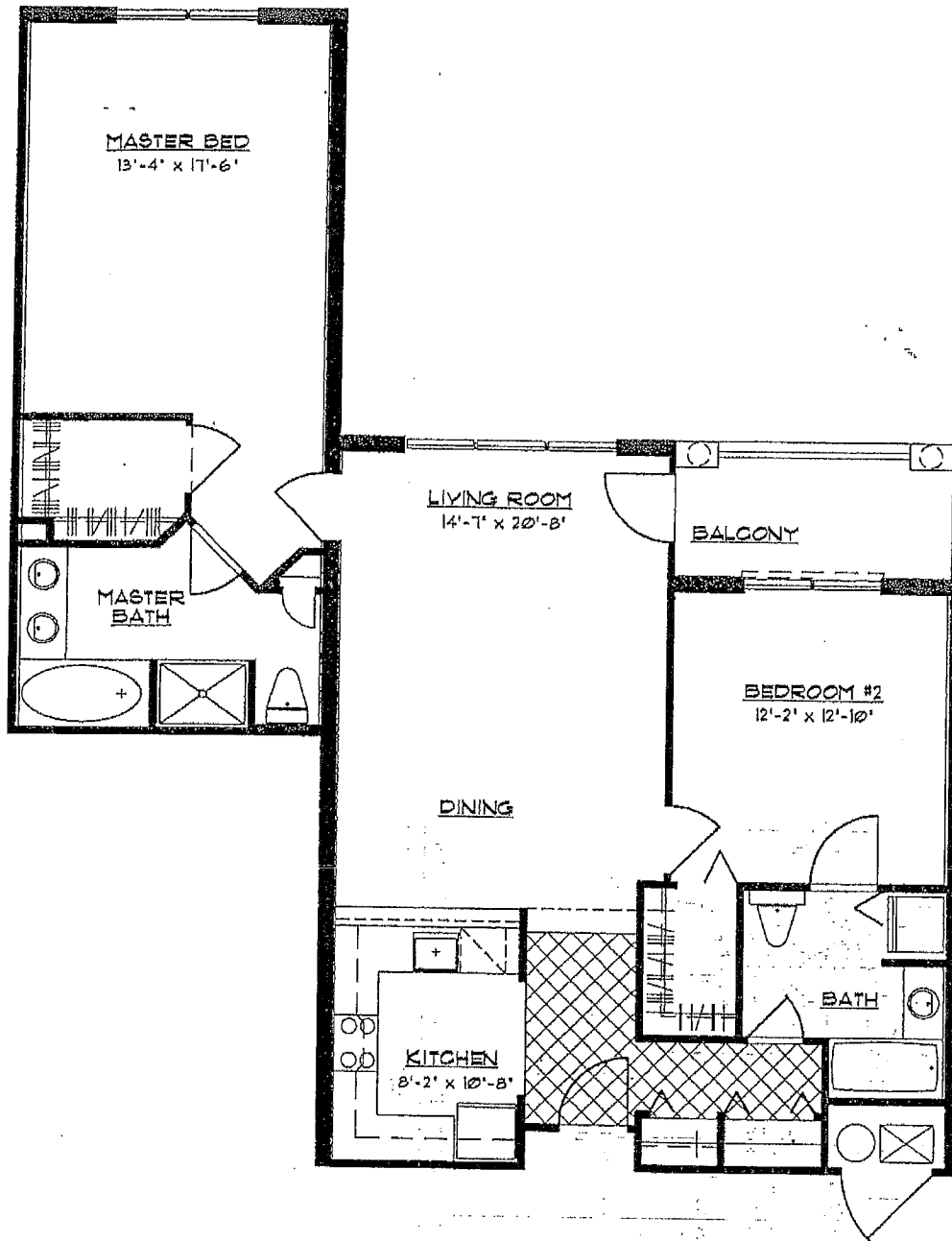


BUILDINGS 548 THIRD FLOOR PLAN

BARTON & Associates
ARCHITECTS PLANNERS

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BUCKINGHAM 'A'
2BED 2BATH AREA:
1286 S.F.

DB4898 P240



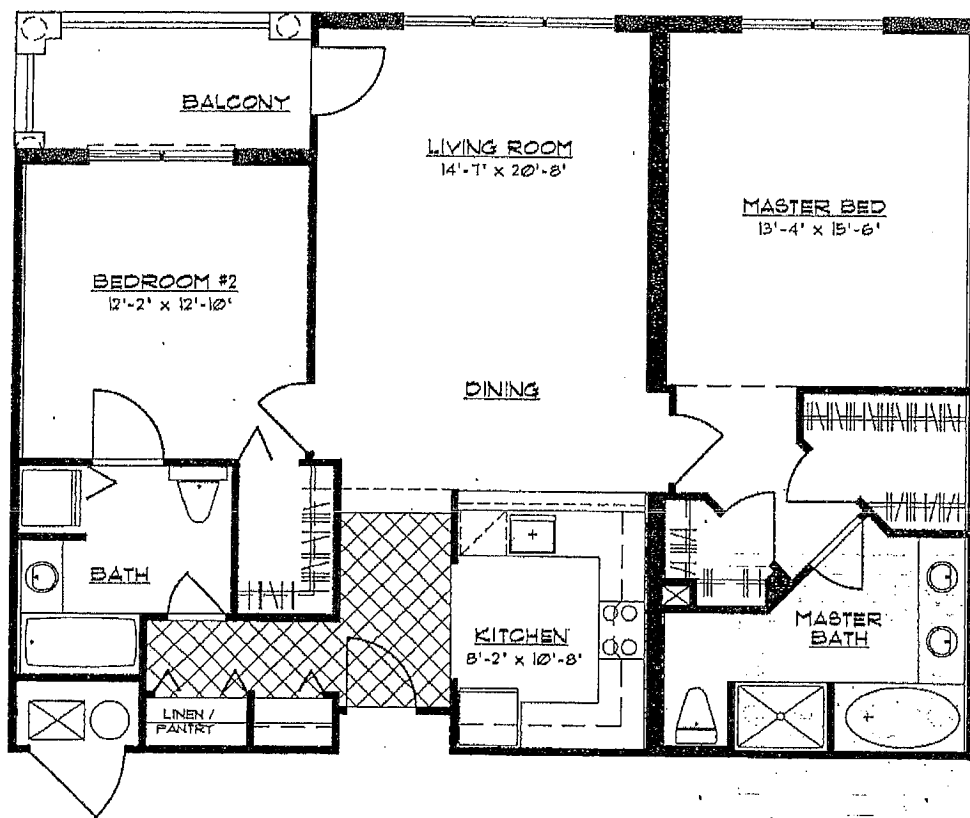
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BUCKINGHAM 'B'
2BED 2BATH
AREA: 1273 S.F.

DB4898 P241

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ARCHITECTS PLANNERS

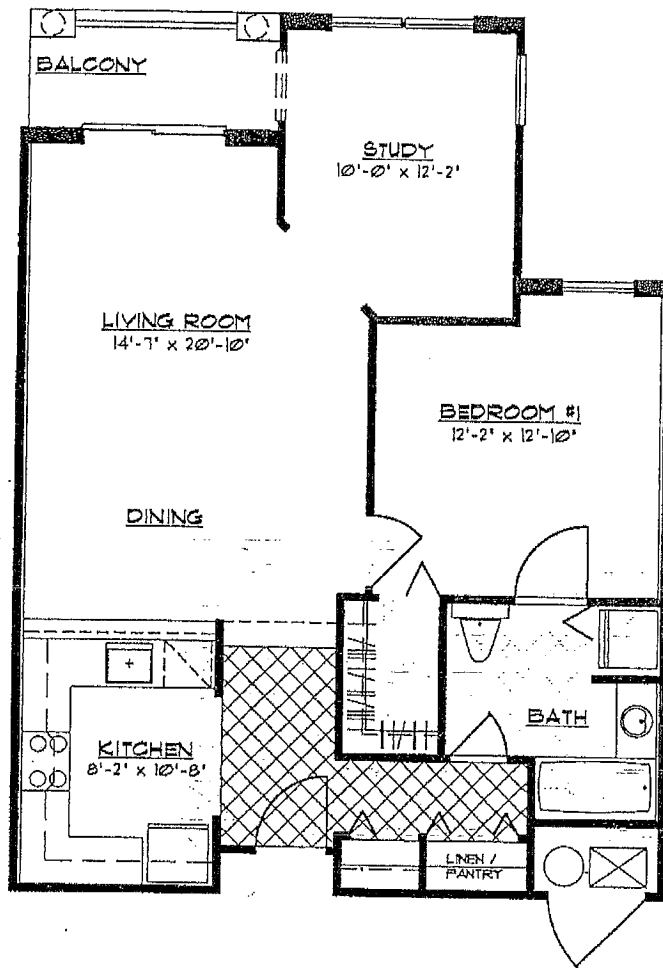
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CAMBRIDGE 'A'
1BED 1BATH W/ STUDY
AREA: 915 S.F.

DB4898 P242

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ARCHITECTS PLANNERS

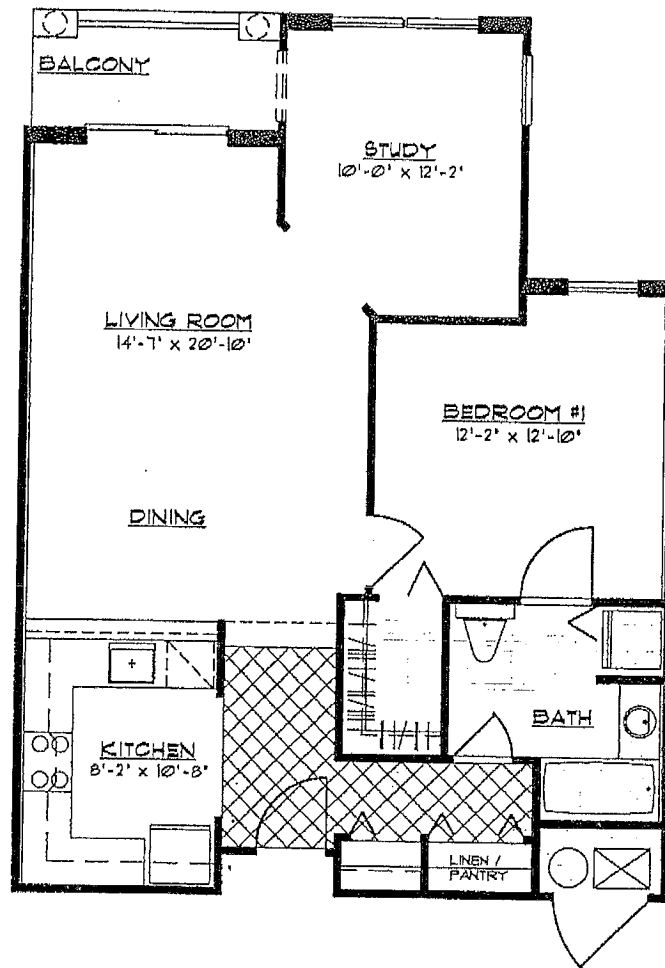
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CAMBRIDGE 'B'
1BED 1BATH W/ STUDY
AREA: 915 S.F.

DB4898 P243

BARTON & Associates
ARCHITECTS PLANNERS

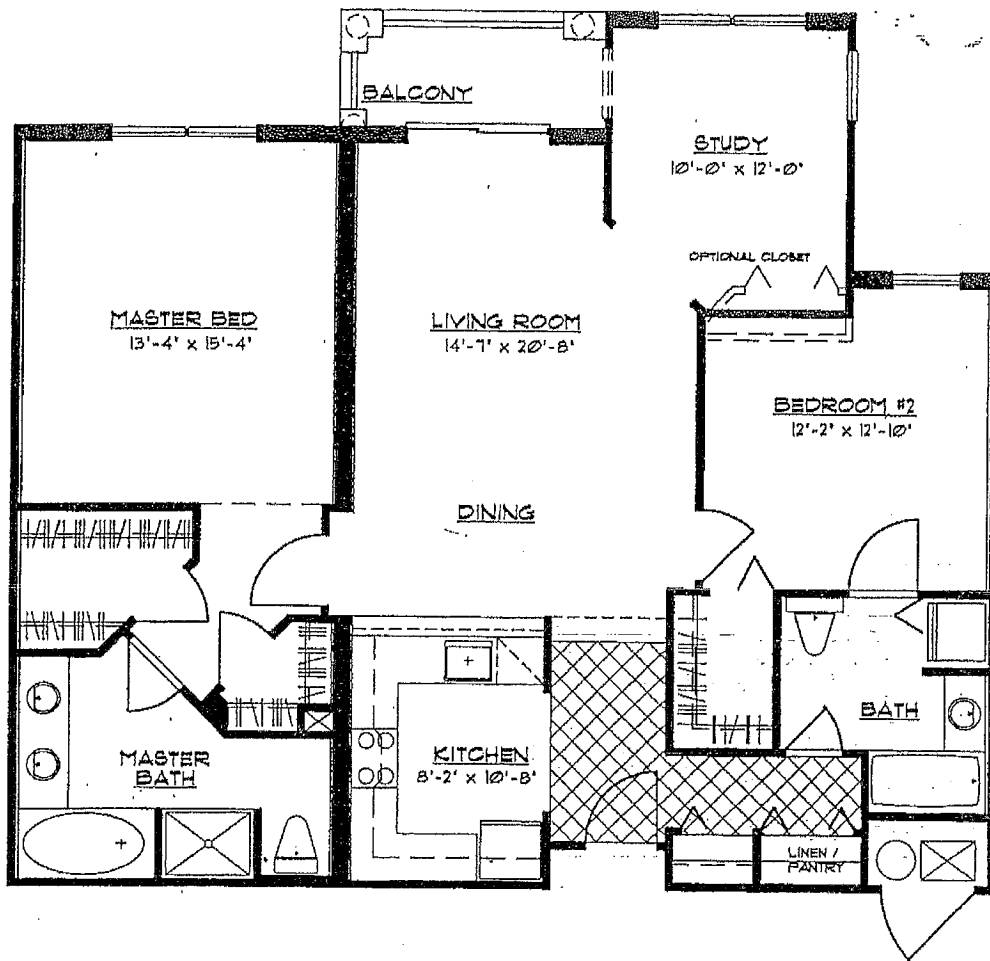
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DORCHESTER 'A'
 2BED 2BATH W/ STUDY
 AREA: 1364 S.F.

DB4898 P244

BARTON & Associates
 ARCHITECTS PLANNERS

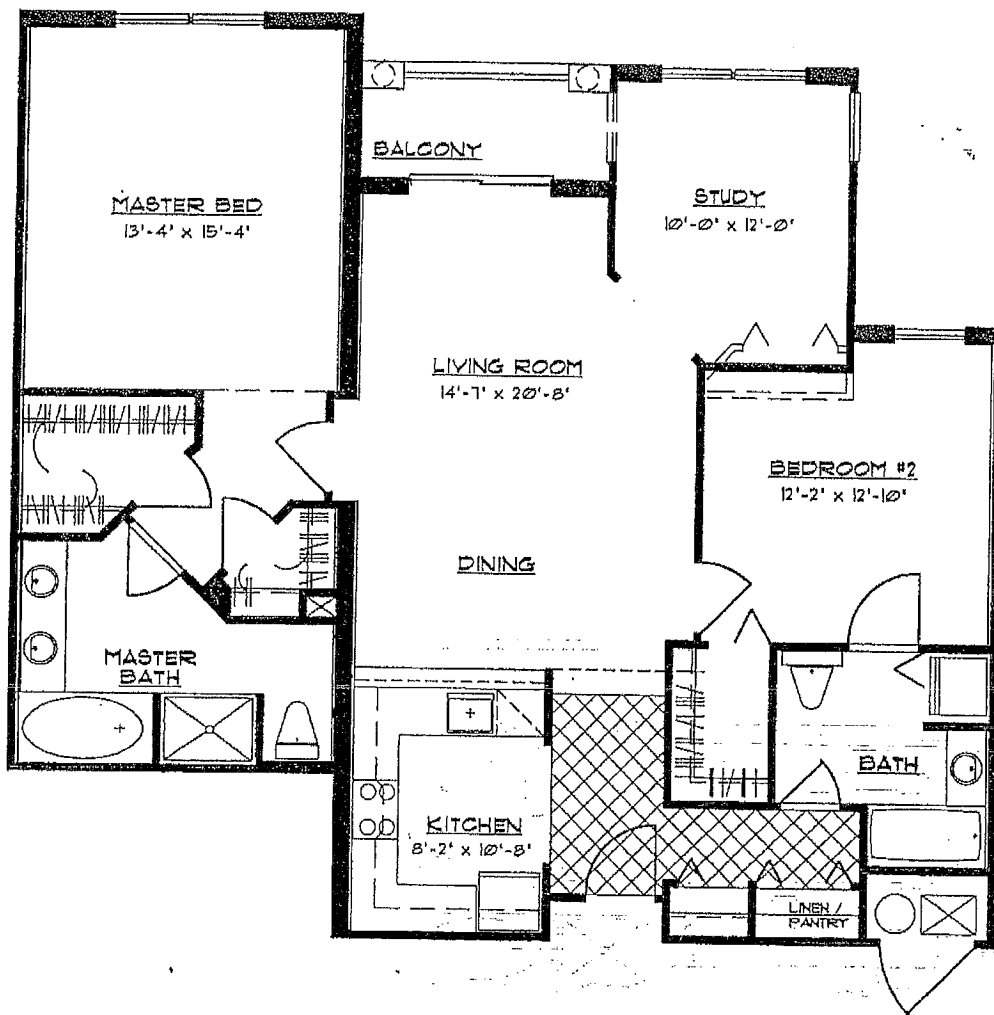
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DORCHESTER 'B'
2BED 2BATH W/ STUDY
AREA: 1369 S.F.

NR4898 P245

BARTON & Associates
ARCHITECTS PLANNERS

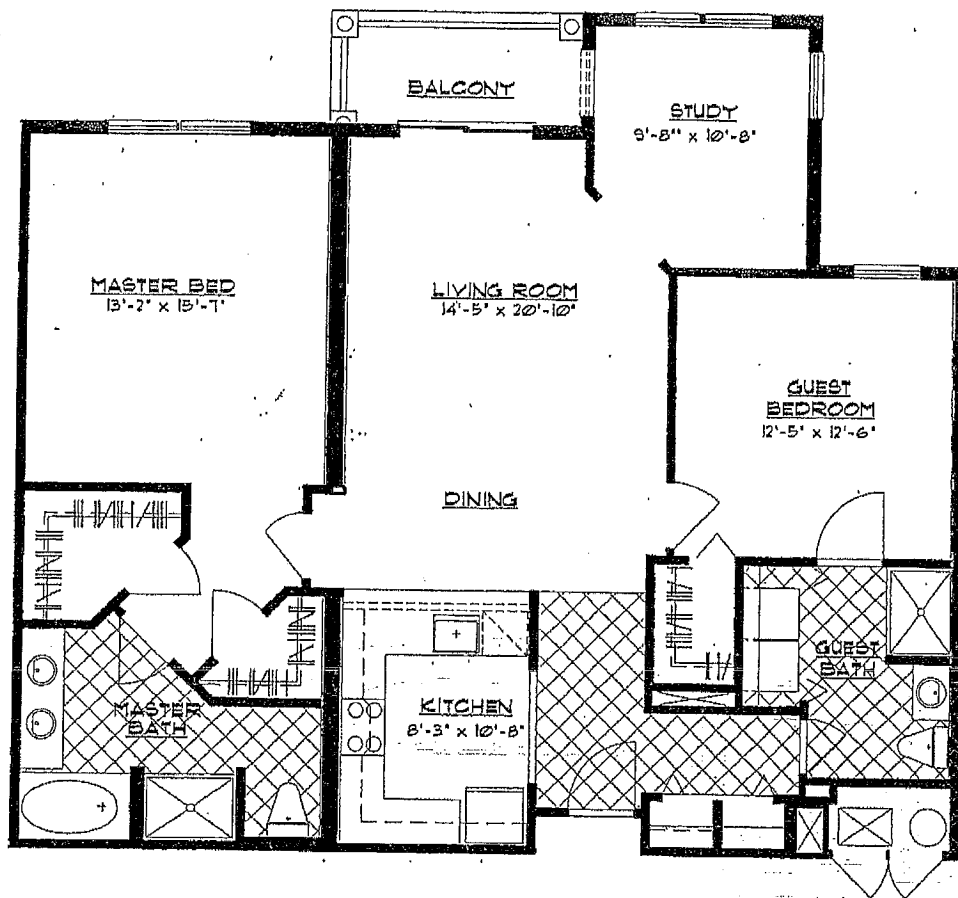
Chicago
847.885.4211

Philadelphia
610.940.5825

Tampa
813.968.2898

Baltimore/Washington
410.992.4417

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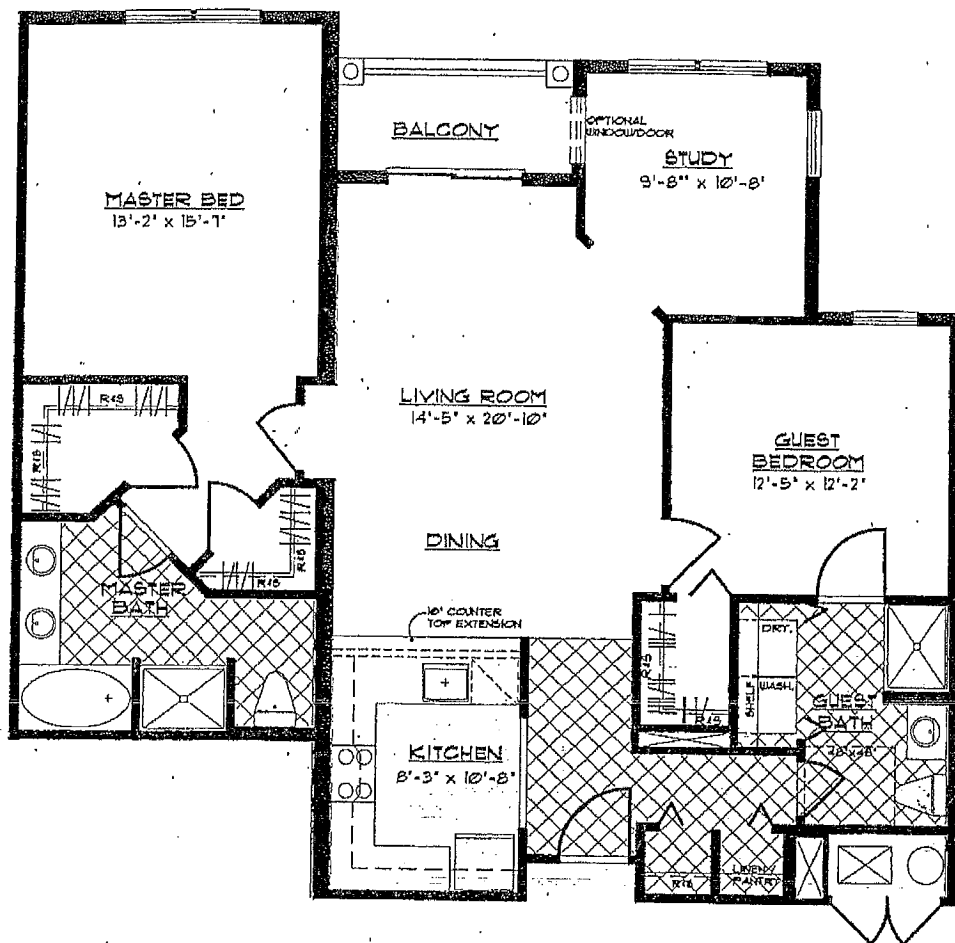
DORCHESTER 'A' w/ 'C' BATH
B-3C
AREA: 1364 SF. DATE: 7/06/01

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DORCHESTER 'B' w/ 'C' BATH

B-3D

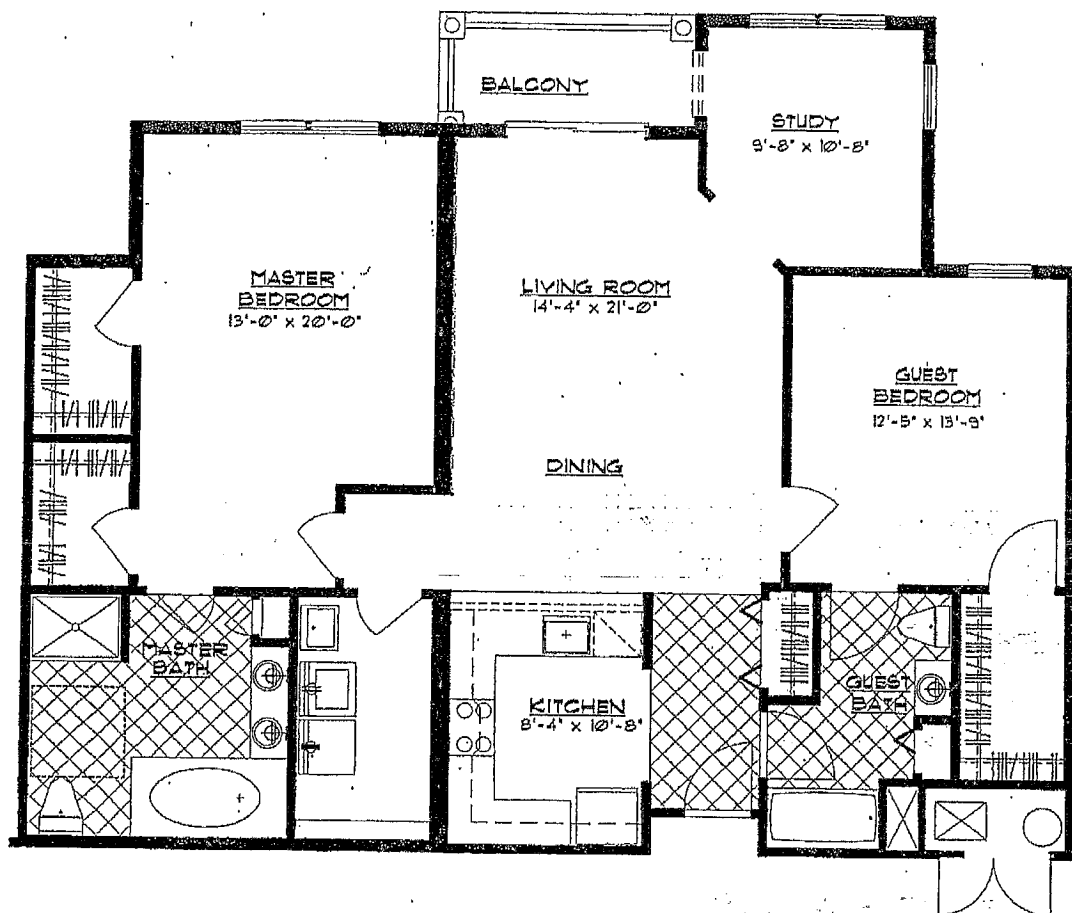
AREA: 1369 S.F. 7/06/01

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DORCHESTER 'E'
B3-E

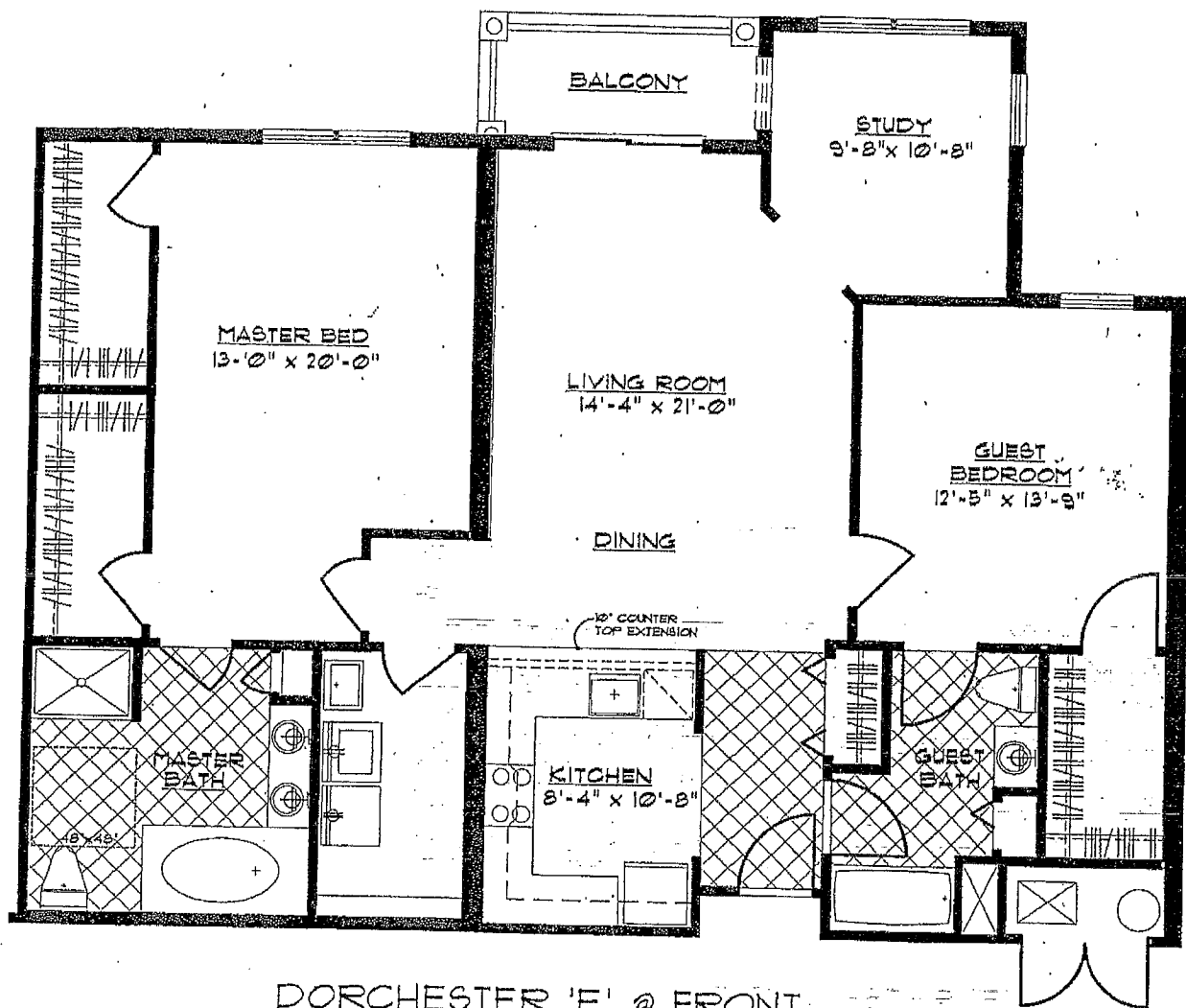
AREA: 1481 S.F. DATE: 7/06/01

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DORCHESTER 'E' @ FRONT

B-3F

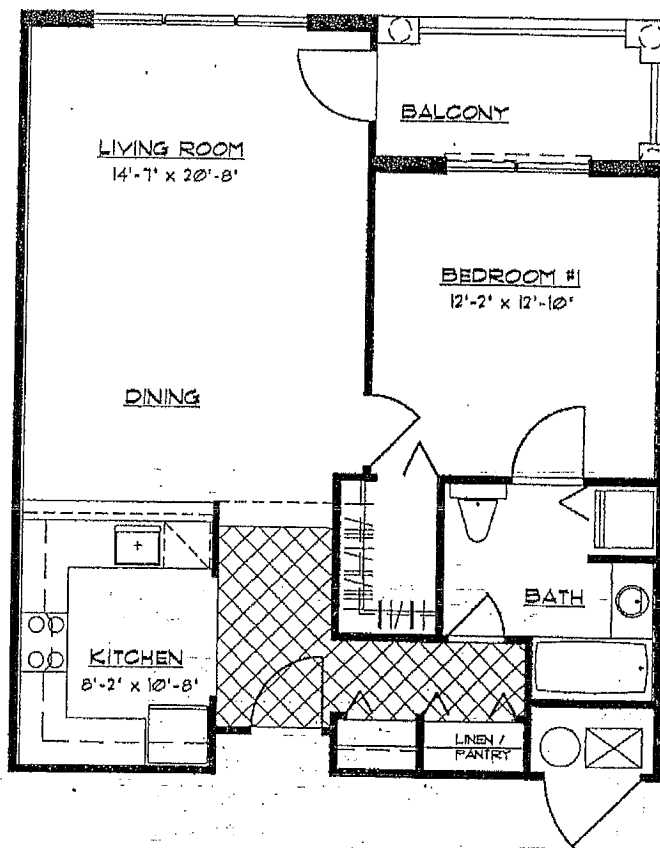
AREA: 1507 S.F. DATE: 7/06/01

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EATON
1BED 1BATH
AREA: 820 S.F.

DB4898 P246

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ARCHITECTS PLANNERS

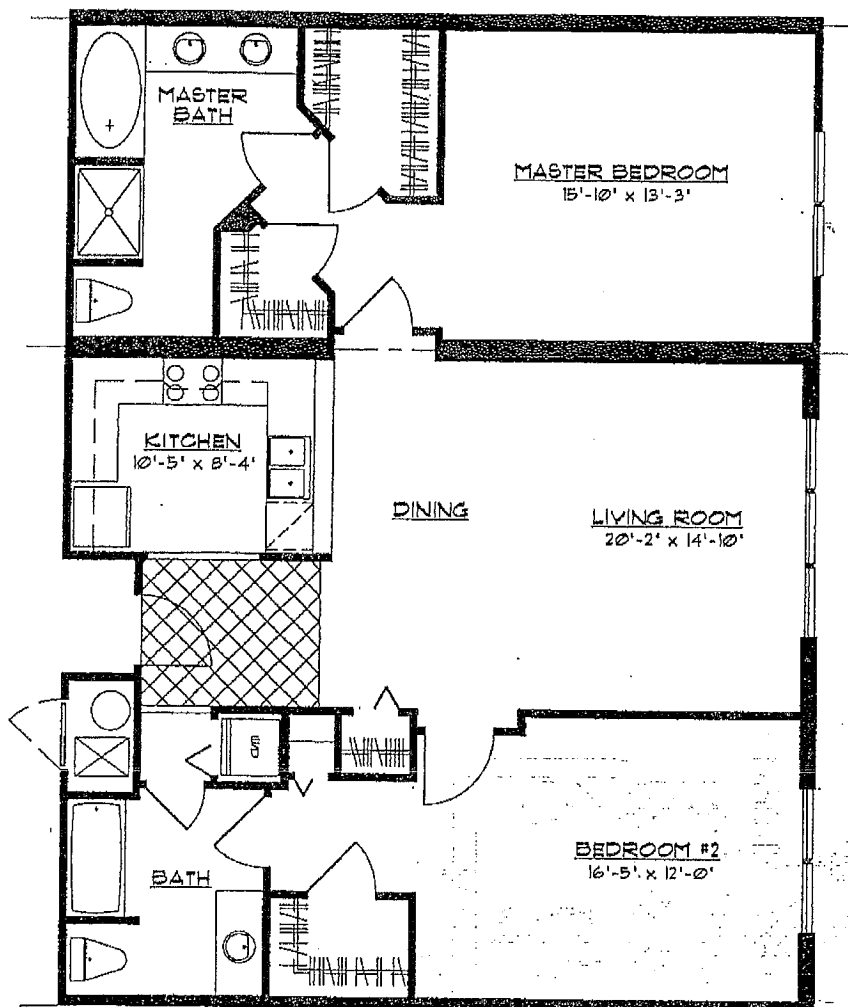
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KENNSINGTON
2BED 2BATH AREA:
1327 S.F.

DB4898 P247

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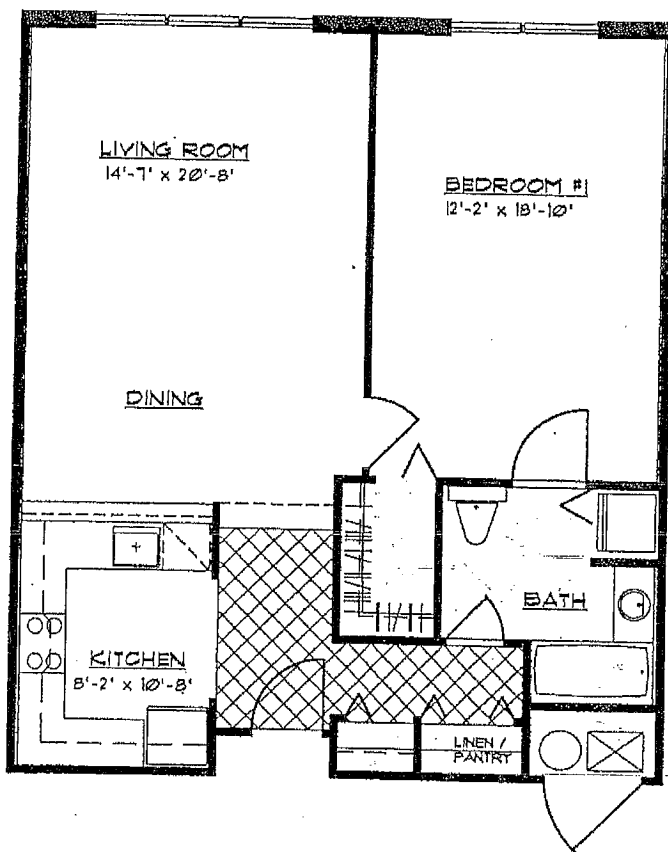
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OXFORD
1BED 1BATH
AREA: 896 S.F.

DB4898 P248

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ARCHITECTS PLANNERS

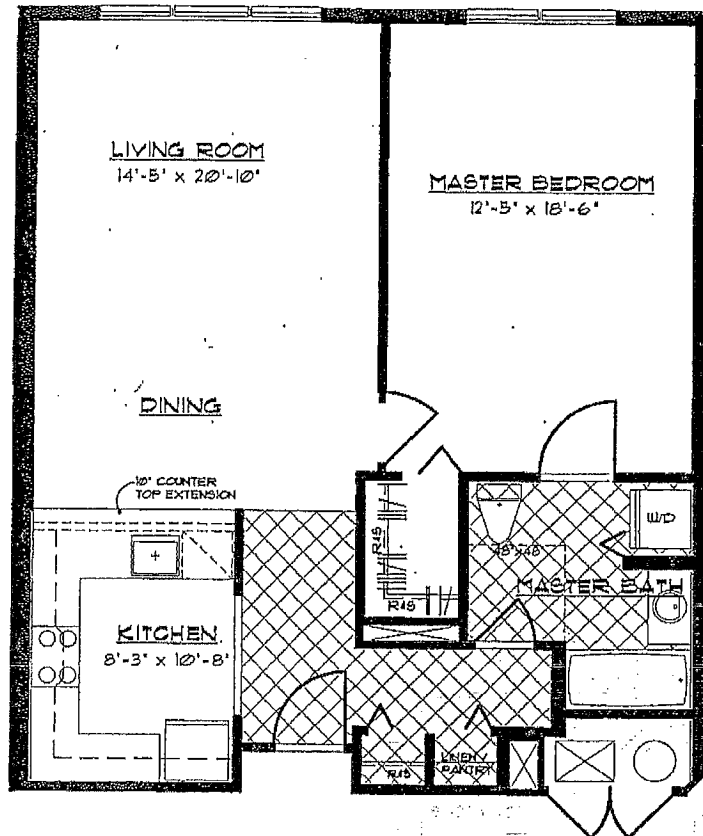
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OXFORD 'A'

C-2A

AREA: 895 S.F. DATE: 7/06/01

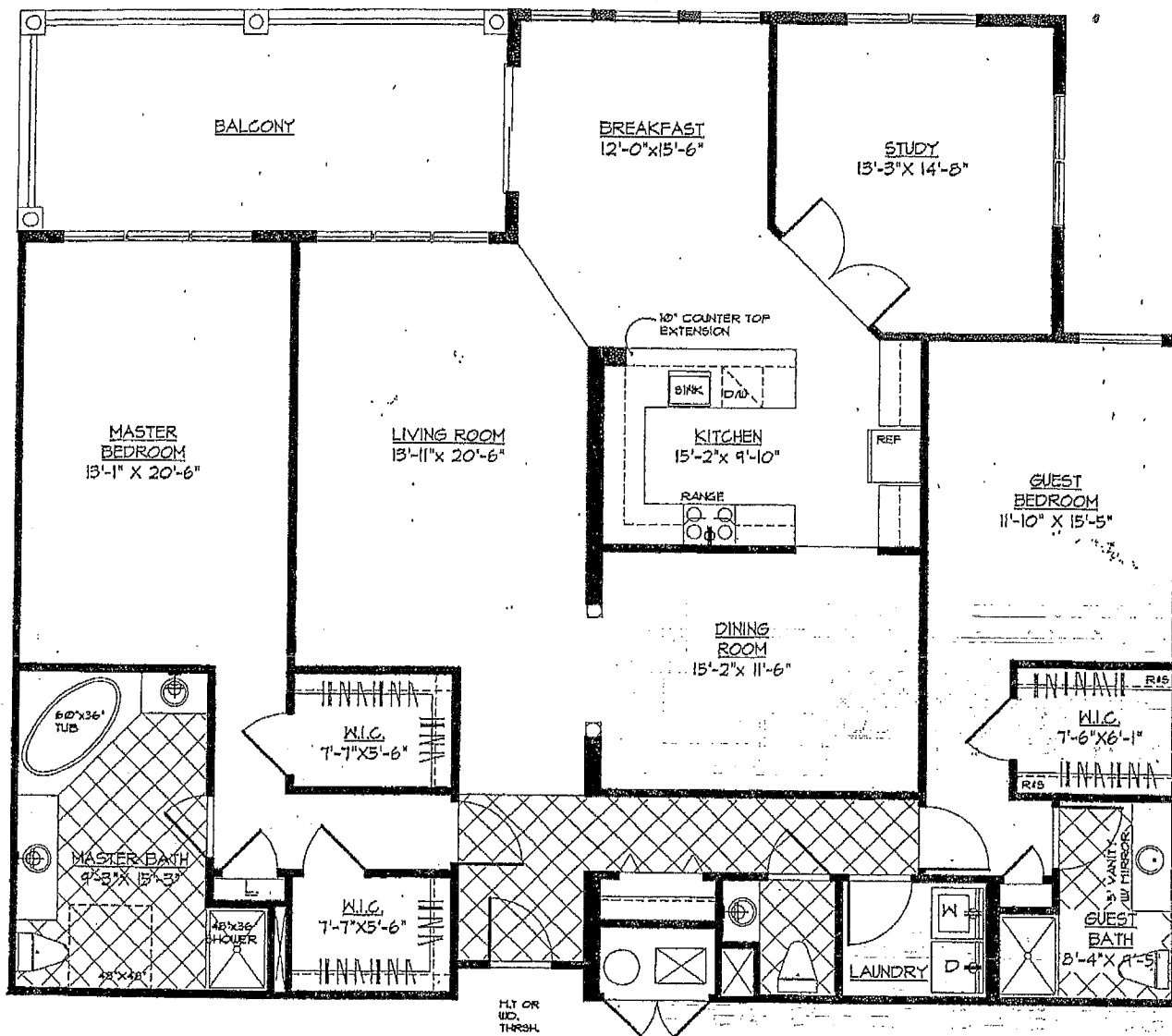
BARTON & Associates
ARCHITECTS & PLANNERS

Chicago
847.885.4211

Philadelphia
610.940.5825

Baltimore/Washington
410.992.4417

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STERLING

D-2A

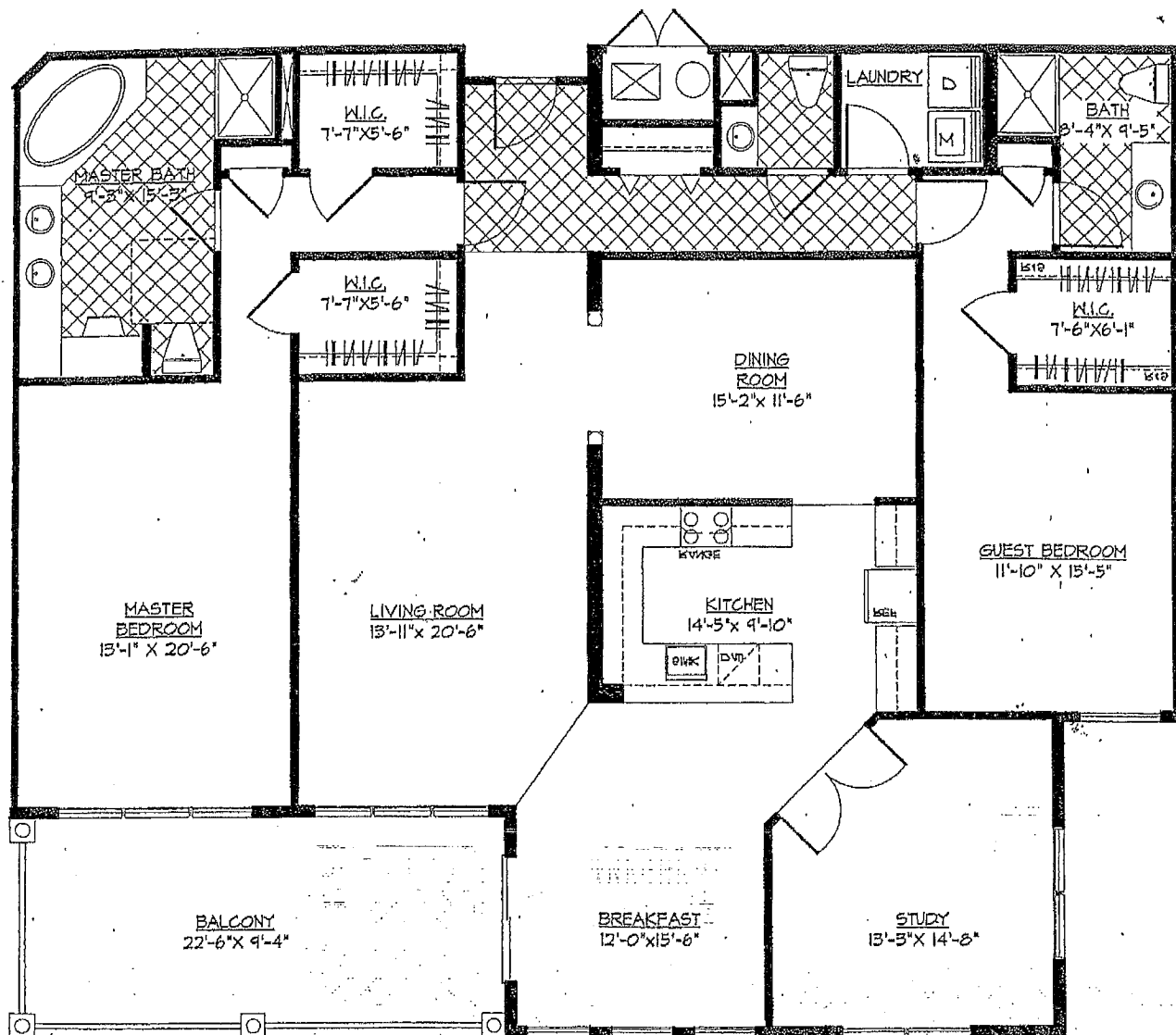
AREA: 2309 S.F. DATE: 7/06/01

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ARCHITECTS & PLANNERS

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STERLING 'A'

D-2B

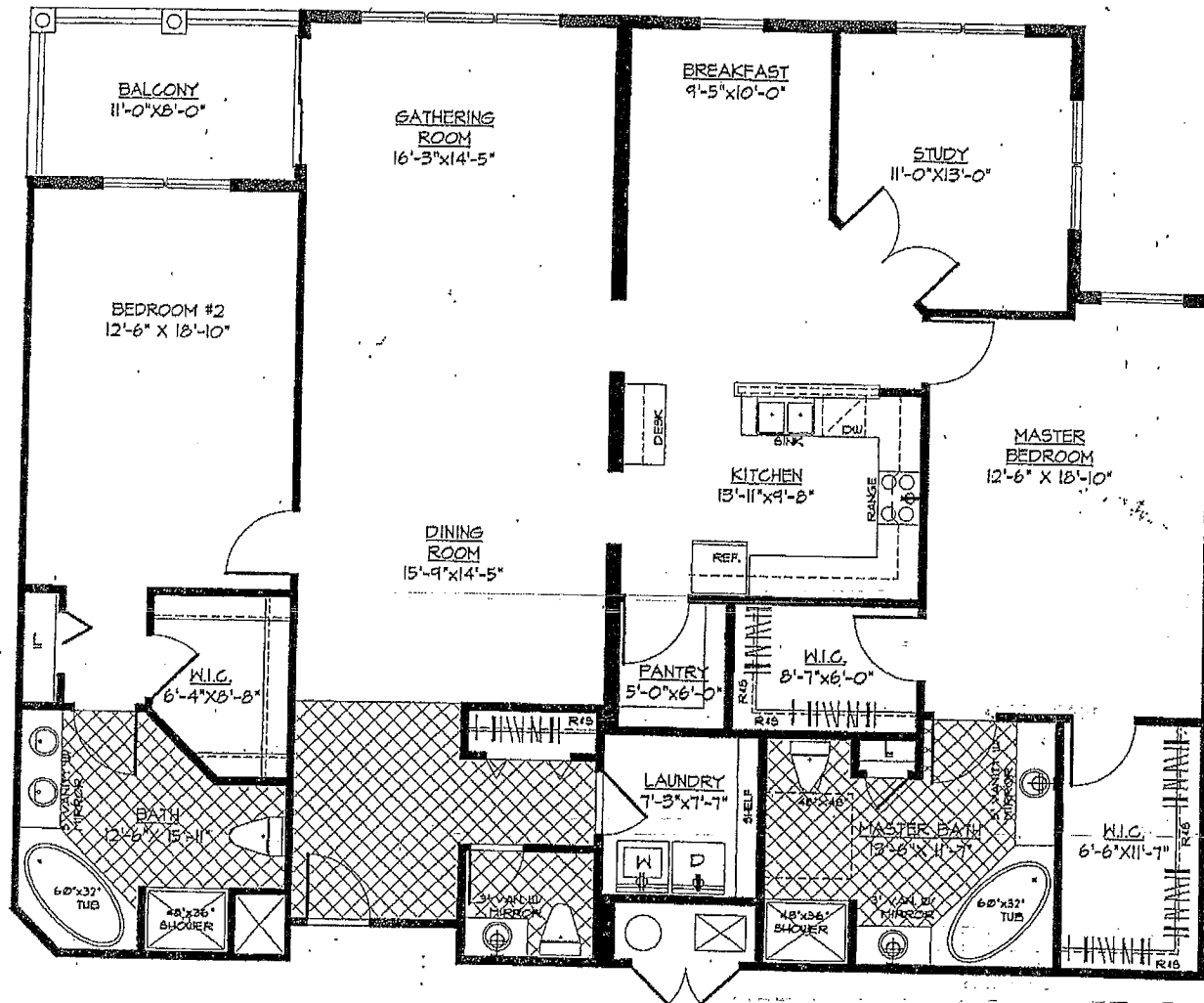
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ARCHITECTS & PLANNERS

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WARWICK 'A'

D-3B

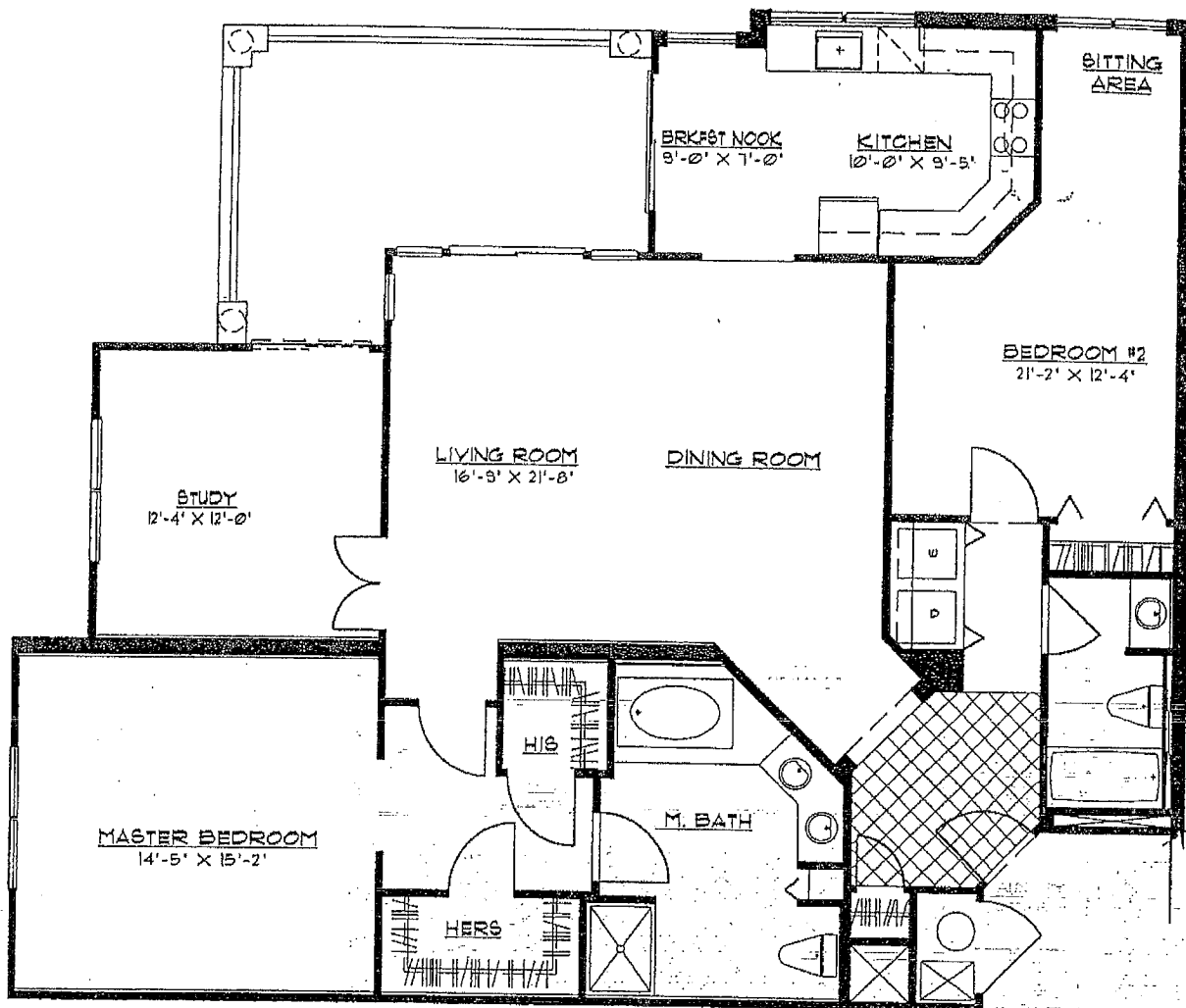
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Baltimore/Washington
410.992.4417

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WINDSOR 'A'
2BED 2BATH W/ STUDY
AREA: 1726 S.F.

ARTON & Associates
ARCHITECTS PLANNERS

Chicago
847.885.4211

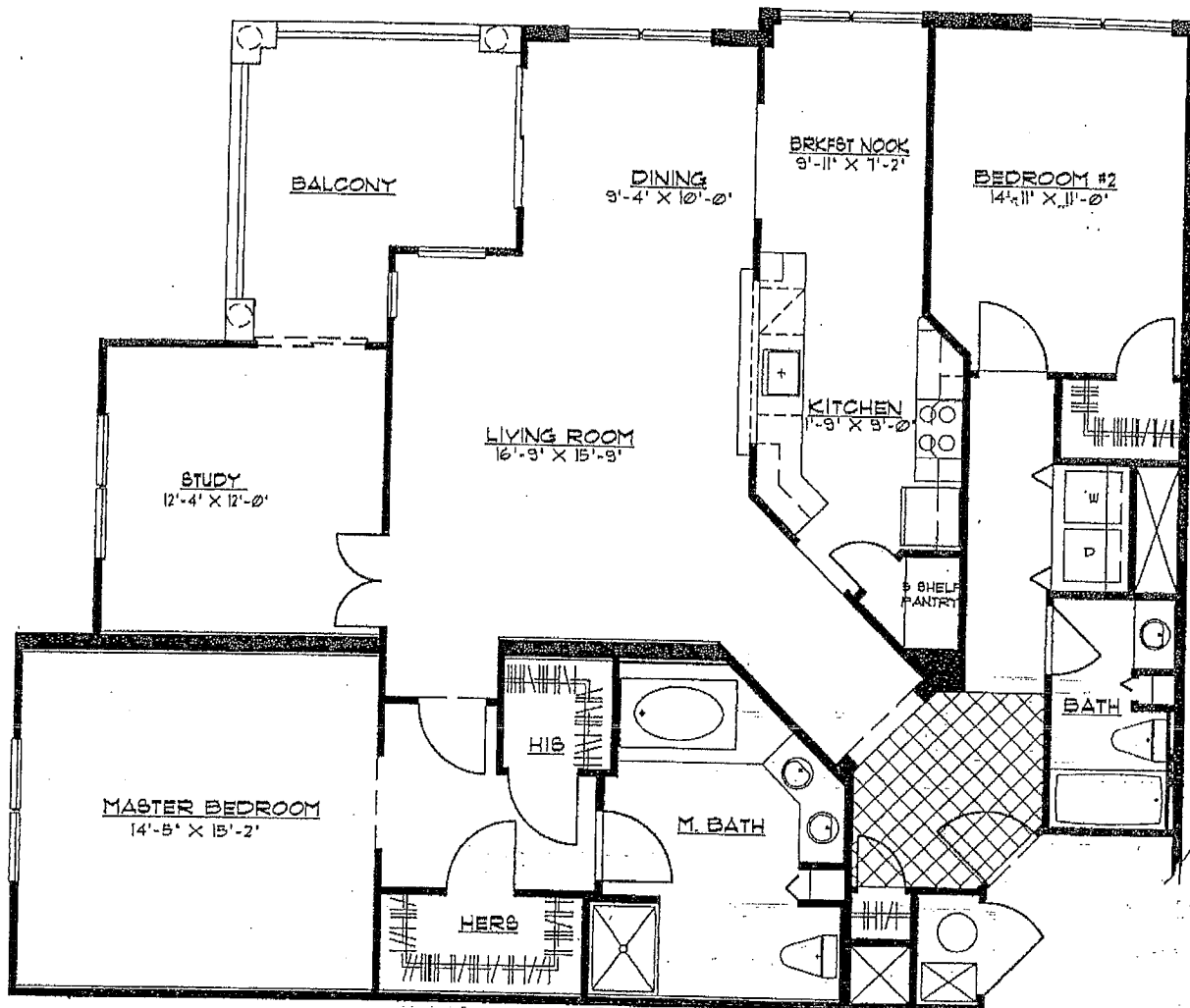
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DB 4898 P235



WINDSOR 'B'
2BED 2BATH W/ STUDY
AREA: 1782 SF.

BARTON & Associates
ARCHITECTS PLANNERS

Chicago
847.885.4211

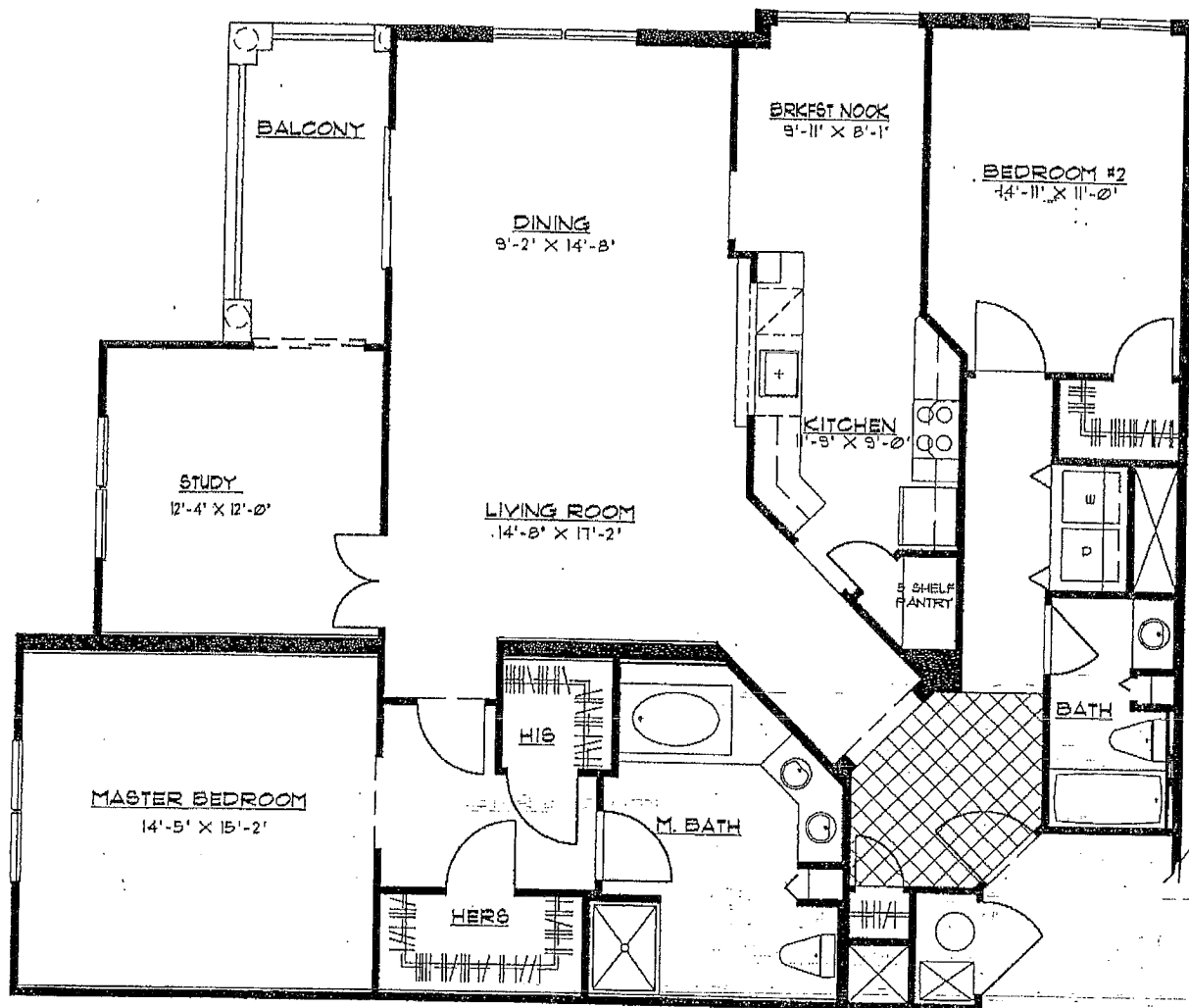
Baltimore/Washington
410.992.4417

Philadelphia
610.940.5825

Tampa
813.968.2898

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084698 P 235



WINDSOR 'C'
2BED 2BATH W/ STUDY
AREA: 1873 SF.



Chicago
847.885.4211

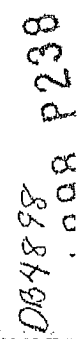
Philadelphia
610.940.5825

Tampa
813.968.2898

Baltimore/Washington
410.992.4417

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DB4898 P237

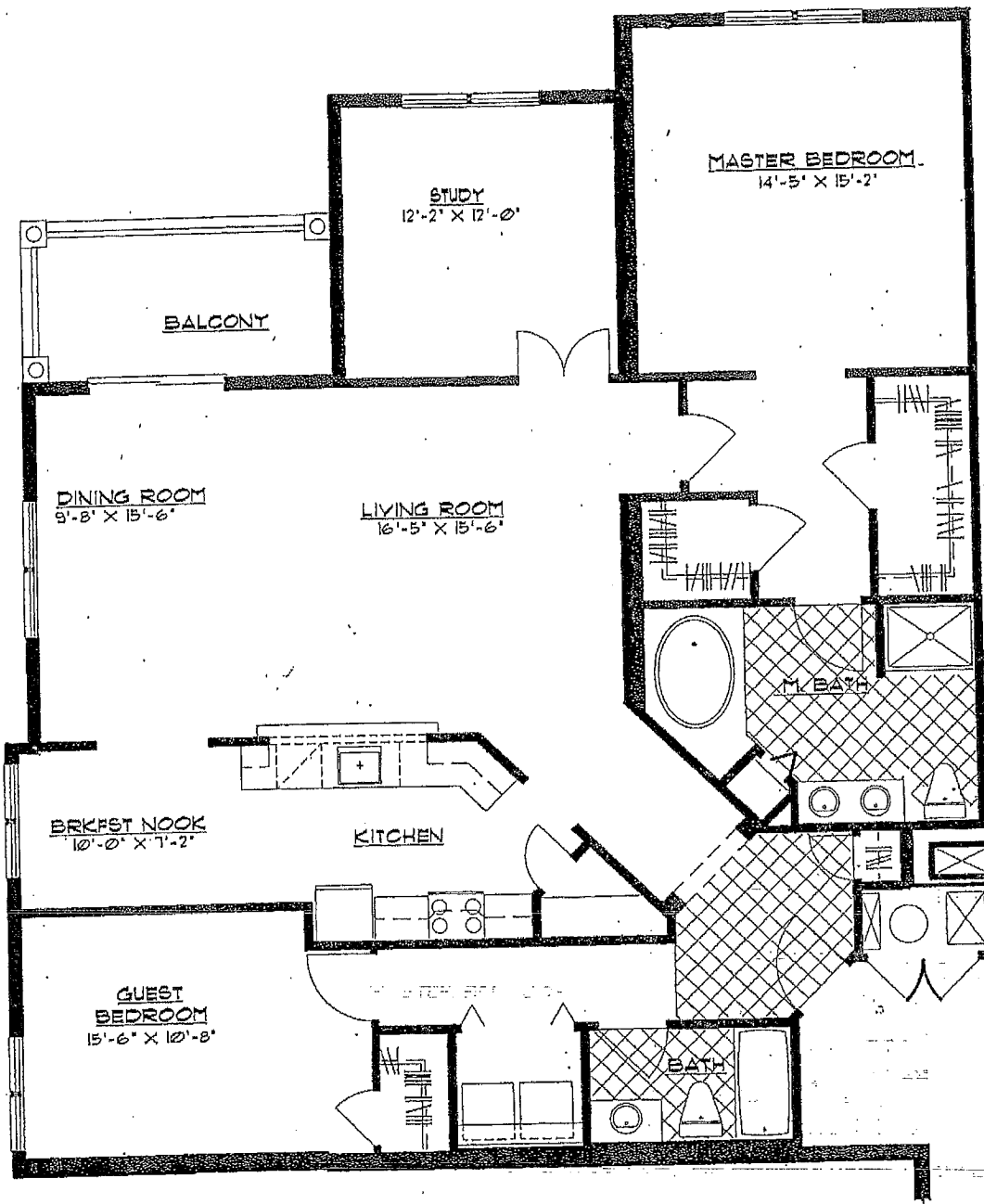


$\frac{d}{dt} \left(\frac{\partial L}{\partial \dot{x}} \right) = \frac{\partial L}{\partial x}$

-Philadelphia
610.940.5825

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ARCHITECTS & PLANNERS

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WINDSOR 'E'

A-2E

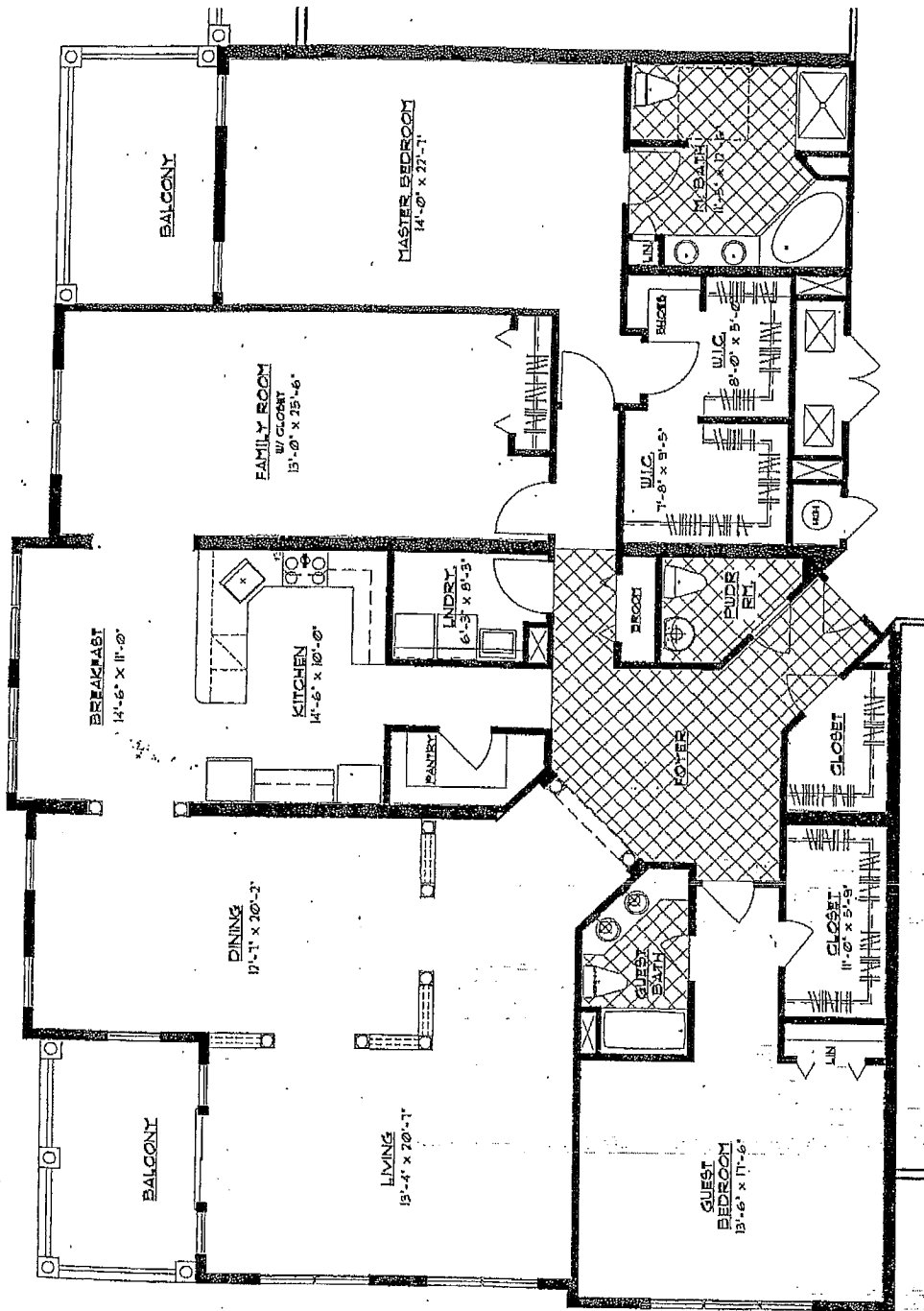
AREA: 1837 S.F. DATE: 7/06/01

Baltimore/Washington
410.992.4417


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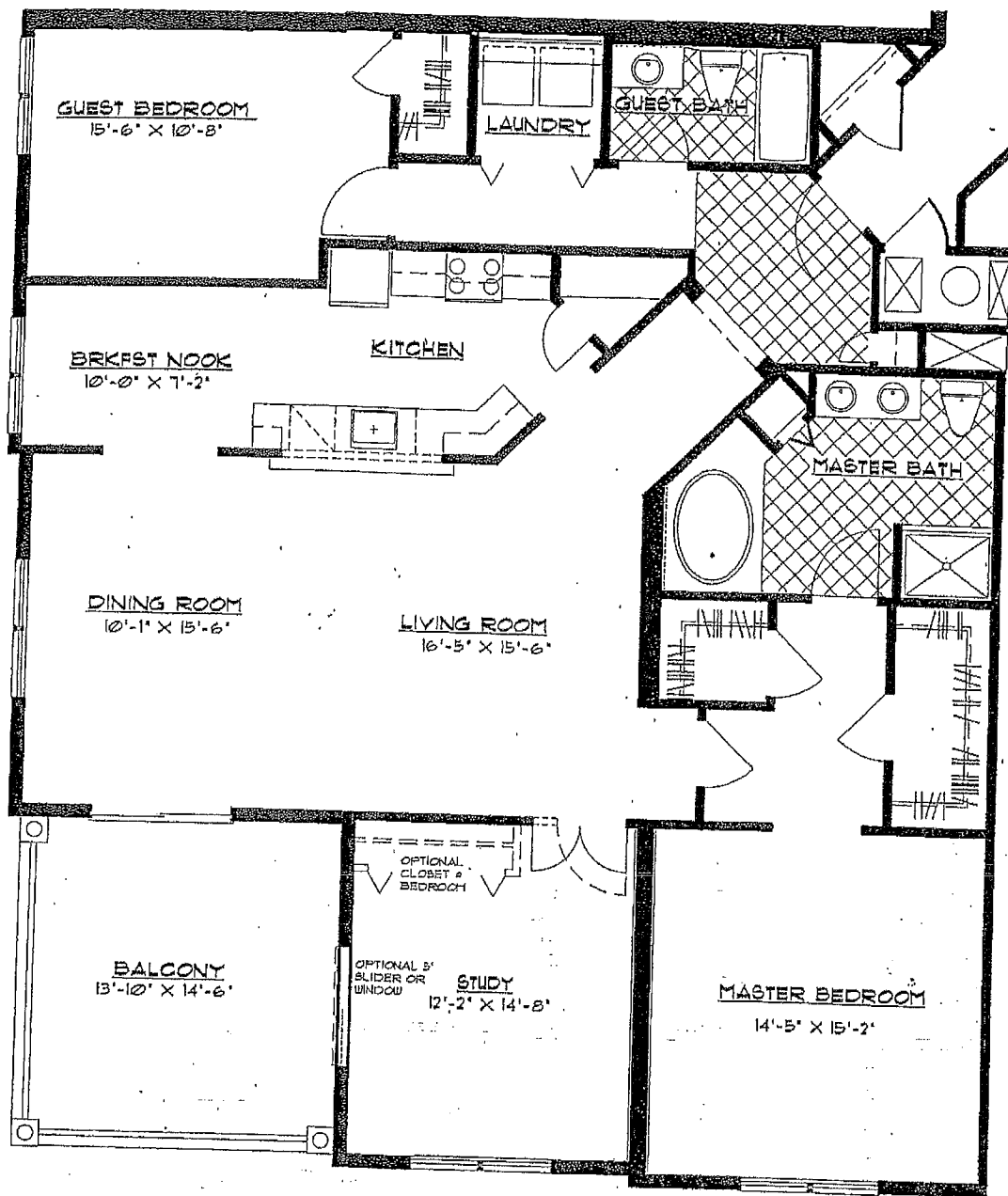


WINDSOR REGENCY - I
E-1A
AREA: 3108 SF. DATE: 7/03/01


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 Philadelphia
 610.940.5825

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 410.992.4417



WINDSOR 'G'

A-2G

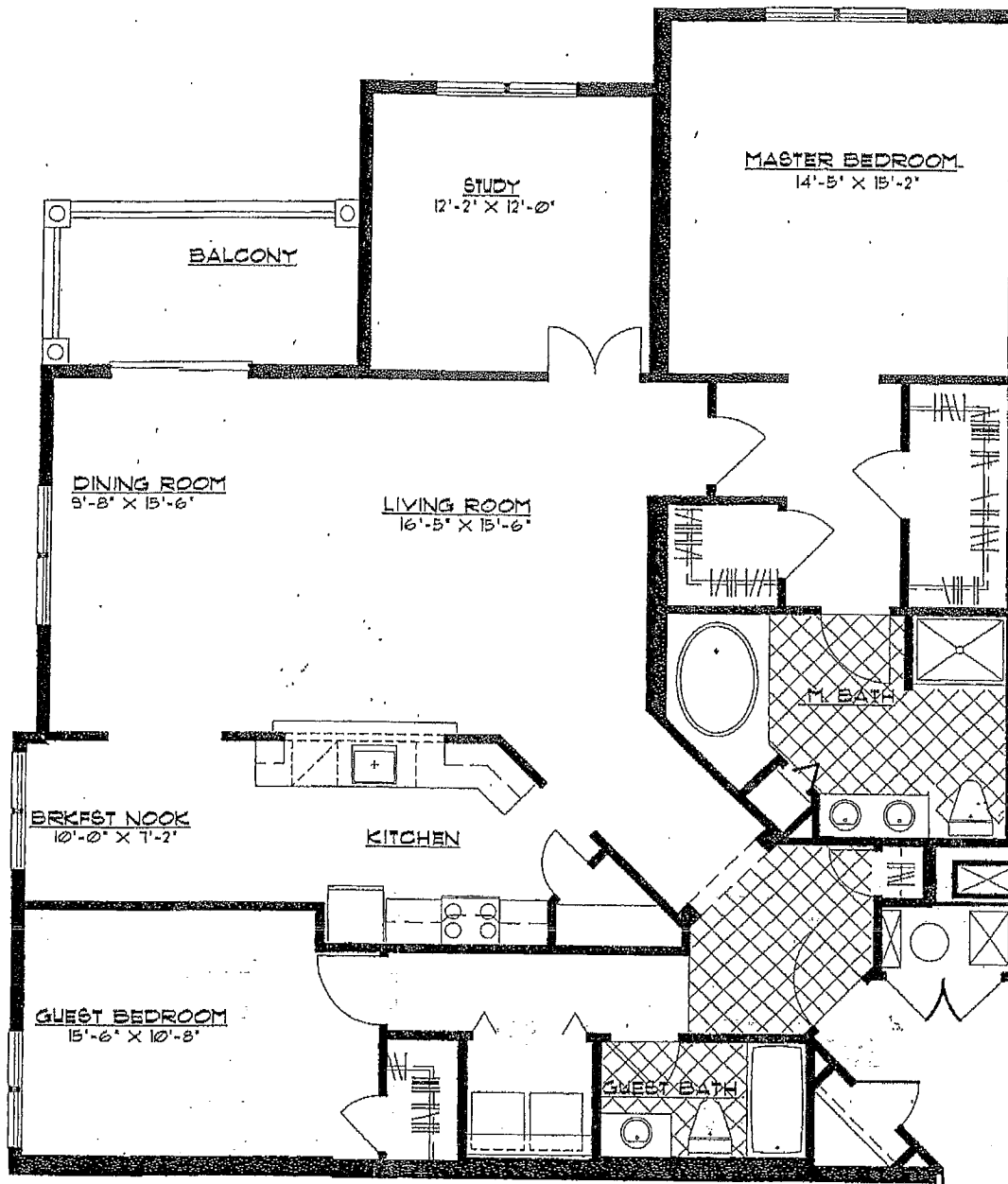
AREA: 1888 S.F. DATE: 7/06/01

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Baltimore/Washington
410.992.4417

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WINDSOR 'H'

A-2H

AREA: 1845 S.F. DATE: 7/06/01

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Baltimore/Washington
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Building #5		Monroe		42 Units	
Unit Number	Unit Type	Unit Name	Square Footage	Percent Interest	
First Floor					
100	C-3	Cambridge	915	0.008309	
101	C-1	Eaton	820	0.007446	
102	C-2	Oxford	896	0.008137	
103	A-2b	Windsor 'B'	1782	0.016182	
104	A-2b	Windsor 'B'	1782	0.016182	
105	B-3a	Dorchester 'A'	1364	0.012386	
106	B-1a	Buckingham 'A'	1286	0.011678	
107	B-1a	Buckingham 'A'	1286	0.011678	
108	C-3	Cambridge	915	0.008309	
109	C-3	Cambridge	915	0.008309	
110	A-2b	Windsor 'B'	1782	0.016182	
111	A-2a	Windsor 'A'	1726	0.015674	
112	B-3a	Dorchester 'A'	1364	0.012386	
113	C-3	Cambridge	915	0.008309	
Sub Totals			17,748.00	0.161170	
Second Floor					
200	B-3b	Dorchester 'B'	1369	0.012432	
201	C-1	Eaton	820	0.007446	
202	C-2	Oxford	896	0.008137	
203	A-2b	Windsor 'B'	1782	0.016182	
204	A-2b	Windsor 'B'	1782	0.016182	
205	B-3a	Dorchester 'A'	1364	0.012386	
206	B-1a	Buckingham 'A'	1286	0.011678	
207	B-1a	Buckingham 'A'	1286	0.011678	
208	C-3	Cambridge	915	0.008309	
209	C-3	Cambridge	915	0.008309	
210	A-2b	Windsor 'B'	1782	0.016182	
211	A-2a	Windsor 'A'	1726	0.015674	
212	B-3a	Dorchester 'A'	1364	0.012386	
213	B-3b	Dorchester 'B'	1369	0.012432	
Sub Totals			18,656.00	0.169415	
Third Floor					
300	B-3b	Dorchester 'B'	1369	0.012432	
301	C-1	Eaton	820	0.007446	
302	C-2	Oxford	896	0.008137	
303	A-2b	Windsor 'B'	1782	0.016182	
304	A-2b	Windsor 'B'	1782	0.016182	
305	B-3a	Dorchester 'A'	1364	0.012386	
306	B-1a	Buckingham 'A'	1286	0.011678	
307	B-1a	Buckingham 'A'	1286	0.011678	
308	C-3	Cambridge	915	0.008309	
309	C-3	Cambridge	915	0.008309	
310	A-2b	Windsor 'B'	1782	0.016182	
311	A-2a	Windsor 'A'	1726	0.015674	
312	B-3a	Dorchester 'A'	1364	0.012386	
313	B-3b	Dorchester 'B'	1369	0.012432	
Sub Totals			18,656.00	0.169415	
Building #5 Total			55,060.00	0.50	

DB4898-P250

Building #8		Lincoln		42 Units
Unit Number	Unit Type	Unit Name	Square Footage	Percent Interest
First Floor				
100	C-3	Cambridge	915	0.008309
101	C-1	Eaton	820	0.007446
102	C-2	Oxford	896	0.008137
103	A-2b	Windsor 'B'	1782	0.016182
104	A-2b	Windsor 'B'	1782	0.016182
105	B-3a	Dorchester 'A'	1364	0.012386
106	B-1a	Buckingham 'A'	1286	0.011678
107	B-1a	Buckingham 'A'	1286	0.011678
108	C-3	Cambridge	915	0.008309
109	C-3	Cambridge	915	0.008309
110	A-2b	Windsor 'B'	1782	0.016182
111	A-2a	Windsor 'A'	1726	0.015674
112	B-3a	Dorchester 'A'	1364	0.012386
113	C-3	Cambridge	915	0.008309
Sub Totals			17,748.00	0.161170
Second Floor				
200	B-3b	Dorchester 'B'	1369	0.012432
201	C-1	Eaton	820	0.007446
202	C-2	Oxford	896	0.008137
203	A-2b	Windsor 'B'	1782	0.016182
204	A-2b	Windsor 'B'	1782	0.016182
205	B-3a	Dorchester 'A'	1364	0.012386
206	B-1a	Buckingham 'A'	1286	0.011678
207	B-1a	Buckingham 'A'	1286	0.011678
208	C-3	Cambridge	915	0.008309
209	C-3	Cambridge	915	0.008309
210	A-2b	Windsor 'B'	1782	0.016182
211	A-2a	Windsor 'A'	1726	0.015674
212	B-3a	Dorchester 'A'	1364	0.012386
213	B-3b	Dorchester 'B'	1369	0.012432
Sub Totals			18,656.00	0.169415
Third Floor				
300	B-3b	Dorchester 'B'	1369	0.012432
301	C-1	Eaton	820	0.007446
302	C-2	Oxford	896	0.008137
303	A-2b	Windsor 'B'	1782	0.016182
304	A-2b	Windsor 'B'	1782	0.016182
305	B-3a	Dorchester 'A'	1364	0.012386
306	B-1a	Buckingham 'A'	1286	0.011678
307	B-1a	Buckingham 'A'	1286	0.011678
308	C-3	Cambridge	915	0.008309
309	C-3	Cambridge	915	0.008309
310	A-2b	Windsor 'B'	1782	0.016182
311	A-2a	Windsor 'A'	1726	0.015674
312	B-3a	Dorchester 'A'	1364	0.012386
313	B-3b	Dorchester 'B'	1369	0.012432
Sub Totals			18,656.00	0.169415
Building #8 Total			55,060.00	0.50

DB4898 P251

SCHEDULE D

FILED

ARTICLES OF INCORPORATION

DEC 2 1998

FOX HILLS AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.

a New Jersey non-profit corporation

James A. DiEugenio, Jr.
State Treasurer

This is to certify that, there is hereby organized a corporation by virtue of the laws of the State of New Jersey and specifically N.J.S.A. 15A:1-1 et seq.

- 1) The name of the corporation is:

Fox Hills at Rockaway Condominium Association, Inc.

- 2) The registered agent and office are:

Peter Rosen, Esq.
Rosen & Avigliano, Esqs.
431 Route 10,
Randolph, New Jersey 07869

- 3) Purposes:

To operate and maintain the condominium units and common elements of the Fox Hills at Rockaway, a Condominium, pursuant to the provisions of the New Jersey Condominium Act N.J.S.A.46: 8B-1 et seq.

To uphold and adopt bylaws for the management of the property and the regulation of its property and the regulation of its affairs; to contract and be contracted with; to take and hold by lease, gift, purchase, grant, devise or bequest, any property real or personal, necessary and desirable for the attainment of the objectives and the carrying into effect the purposes of the corporation; to transfer and convey real or personal property; to exercise any corporate powers necessary or incidental to exercise of the powers herein enumerated.

To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors or officers.

- 4) Non profit:

The Association shall be conducted as a non-profit corporation for the benefit of its members.

- 5) Members:

The Corporation shall have members as set forth in the bylaws.

- 6) Management:

DB4898 P253

0100764829
2000-2-13

The Corporation shall be managed by a Board of Directors, who shall number five and who shall be elected in accordance with the bylaws.

7. Incorporators:

The initial Board of Directors shall be made up of three Directors who shall hold office until their successors are elected as follows:

Name	Address
1. Morton Salkind	801 Harmon Coves Towers Secaucus, NJ 07094
2. Carole Salkind	801 Harmon Coves Towers Secaucus, NJ 07094
3. Steven Salkind	7 Magnolia Drive Mt. Arlington, NJ 07856

8. Term:


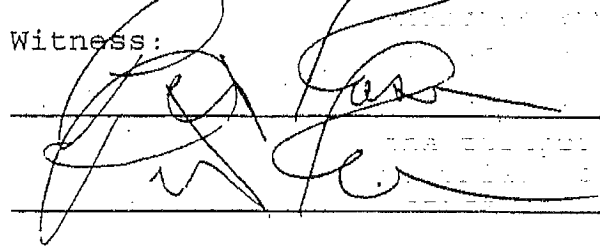
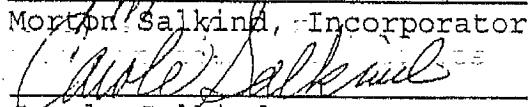
The corporation shall have a perpetual existence.

9. Dissolution:

In the event of dissolution, all remaining assets and property of the corporation, after necessary expenses, shall be distributed to such organizations as shall qualify under 26 U.C.S.A. 501(c) 3.

In witness whereof, the undersigned have executed this Certificate of Incorporation this 30 day of Nov, 1998

Witness:


Morton Salkind, Incorporator

Carole Salkind, Incorporator

SCHEDULE E

On this day, I, the undersigned, being duly sworn, depose and say that the foregoing is a true and correct copy of the original as the same appears in the files of the Department of the Interior, Bureau of Land Management, at Washington, D.C.

[Signature]
Special Agent in Charge

[Signature]
Special Agent in Charge

BY-LAWS
OF
FOX HILLS CONDOMINIUM ASSOCIATION

ARTICLE I

Name, Office and Purpose

Section 1. Name and Principal Office. These are the By-Laws of Fox Hills Condominium Association (hereinafter called the "Association"). The principal office of the Association and of the Board of Directors shall be located at [insert address].

Section 2. Purpose. The Association is formed to serve as a means through which the condominium Unit Owners ("Unit Owners") may take action with regard to the administration, management, maintenance, repair and operation of the Property (the "Condominium") to be constructed by Fox Development Co., Inc., (the "Sponsor") on a parcel of land located at Mt. Hope Avenue, Township of Rockaway, Morris County, New Jersey, in accordance with the provisions of a Master Deed (the "Master Deed") about to be recorded in the office of the Clerk of Morris County to which these By-Laws are appended as an Exhibit.

Each purchaser of a condominium ("Condominium Unit") in the Condominium will, by virtue of his ownership, become a member of the Association. Title to Condominium Units may be taken in the name of an individual, in the names of two or more persons, as tenants in common, joint tenants or as tenants by the entirety, in the name of a corporation or partnership, or in the name of a fiduciary, subject, however, to the provisions of Article VI, Section 9(a) of these By-Laws which set forth certain restrictions on the occupancy of Condominium Units.

The statute concerning condominiums in effect in the State of New Jersey, pursuant to which the Condominium will be organized and governed, is N.J.S.A. 46:8B-1 et seq. (the "Condominium Act"). The Association is intended to be the entity responsible for the administration of the Condominium as defined in the Condominium Act.

ARTICLE II

Plan of Condominium Unit Ownership

Section 1. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the building ("Building") and all other improvements thereon (including the Condominium Units and the Common Elements), owned in fee simple absolute, and all easements,

rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, as set forth in the Master Deed, all of which property is intended to be submitted to the provisions of the Condominium Act.

Section 2. Application. All present and future owners, mortgagees, lessees and occupants of Condominium Units and their agents and employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Master Deed, and the Rules and Regulations of the Association.

The acceptance of a deed or conveyance or the entering into of a lease or occupancy of a Condominium Unit shall constitute an agreement that these By-Laws, the provisions of the Master Deed, and the Rules and Regulations of the Association as they may be amended from time to time, are accepted, ratified and will be complied with.

ARTICLE III

Meetings of Unit Owners

Section 1. Place of Meetings. All meetings of the association that are required by law to be open to all unit owners shall be held at a location within the development or, if there is no suitable meeting room within the development, at a suitable meeting room either elsewhere in the municipality in which the development is located or in an adjoining municipality.

A meeting room shall not be deemed to be suitable if it is not large enough to accommodate a reasonable number of unit owners who might wish to attend an open meeting.

Section 2. Annual Meetings. The first annual meeting of the Unit Owners shall be held at 8 o'clock P.M. on the first Monday of the twelfth month following the recordation of the Master Deed. Thereafter, the annual meeting of the Unit Owners shall be held on the first Monday of said month, or in the event that day is a holiday, on the first day thereafter which is not a legal holiday in each succeeding year. At the annual meeting, the Unit Owners shall elect a Board of Directors of the Association (subject, however, to the sole and absolute right of the Sponsor to designate certain members of the Board of Directors as provided in Article IV, Section 1 hereof) and may transact such other business as may properly come before the meeting.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Directors or upon a petition of 25% or more of the Unit Owners. The notice of the meeting shall state the purpose or purposes of the proposed meeting. No business

shall be transacted at a special meeting except for the purposes stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least 10 but not more than 45 days prior to such meeting. Notice of meetings of the Unit Owners shall be in writing and shall state the purpose thereof as well as the time and place where it is to be held. Notice of meetings shall be mailed to each Unit Owner of record at the Building or at such other address as the Unit Owner shall have designated by notice in writing to the Secretary. Notice of special meetings shall state whether the meeting is being called by resolution of the Board of Directors or upon a petition as provided in Section 3 above. If the purpose of any meeting shall be to act upon a proposed amendment to the Master Deed or to these By-Laws, the notice of meeting shall be mailed at least 30 days prior to such meeting and shall have appended to it the text of the proposed amendment. Notice of all meetings at which disposition is to be made of assets or at which rights or easements in the Property are to be granted must also be given to the holders of a first mortgage on any Condominium Units.

Section 5. Quorum. The presence in person or by proxy of Unit Owners holding at least 33% or more ownership interest in the Common Elements shall constitute a quorum at a meeting of the Unit Owners.

Section 6. Majority Vote. The vote of a majority of Unit Owners present (based upon their interest in the Common Elements as stated below in Section 7 of this Article III) cast by Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where the Master Deed, these By-Laws or the provisions of New Jersey law require a higher percentage vote for passage.

Section 7. Voting. Each Unit shall be entitled to cast one vote. A fiduciary shall be entitled to vote with respect to any Condominium Unit owned in a fiduciary capacity. If a Condominium Unit is owned by more than one Unit Owner the votes allocable to such Condominium Unit may be divided in any manner the Owners owning the same shall determine. A Condominium Unit which has been acquired by the Association in its own name or in the name of its agents, designee or nominee, on behalf of all of the Unit Owners shall not be entitled to a vote so long as it continues to be so held. Votes may be cast by each Unit Owner in person or by proxy filed with the Secretary of the Association. The designation of any such proxy shall be made in writing and filed with the Secretary of the Association before the appointed time of the meeting. A proxy is valid only for the particular meeting designated therein. A proxy shall be revocable by the Unit Owner at any time by written notice to the Secretary.

Section 8. Good Standing. A Unit Owner shall be deemed in "good standing" and shall be entitled to vote as herein provided at any meeting of Unit Owners, if said Unit Owner shall have fully paid all then due assessments and charges levied against his Condominium Unit and the Unit Owner. In the event any interest, penalties, costs, fees and the like have been levied against said Unit Owner and his Unit, such interest, penalties, costs, fees and the like shall likewise be fully paid prior to entitlement to vote shall accrue.

Section 9. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, the meeting shall be adjourned to a time not less than 48 hours from the time set for the original meeting.

Section 10. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll Call
- (b) Proof of Notice of Meeting
- (c) Reading of Minutes of Preceding Meeting
- (d) Reports of Officers
- (e) Report of Board of Directors
- (f) Reports of Committees (if any)
- (g) Appointment of Inspectors of Election (when so required)
- (h) Election of Members of the Board of Directors (when so required)
- (i) Unfinished Business from Prior Meetings
- (j) New Business
- (k) Adjournment

By majority vote the order of business may be changed at any meeting.

ARTICLE IV.

Board of Directors

Section 1: Number and Qualification. The affairs of the Association shall be governed by a Board of Directors consisting of five members, all of whom shall be owners or spouses of owners of Condominium Units, or, in the case of partnership owners, shall be members or employees of such partnership, or, in the case of corporate owners (including the Sponsor, during such time as Sponsor shall be eligible to vote, fiduciaries or officers or employees of such fiduciaries, provided that at least one of the members of the Board of Directors shall be a resident of the State of New Jersey. Until the Master Deed shall have been recorded by the Sponsor, the Board of Directors of the Association shall consist of such persons as shall be designated by the Sponsor who shall serve as such until the first annual meeting or special meeting of the Unit Owners as provided in Article III, Section 2, hereof.

Sixty days after conveyance of 25% of the lots, parcels, units or interests, not less than 25% of the members of the executive board shall be elected by owners. Sixty days after conveyance of 50% of the lots, parcels, units, or interest, not less than 40% of the members of the executive board shall be elected by the owners. Sixty days after conveyance of 75% of the lots, parcels, units or interest, the Developer's control of the executive board shall terminate at which time the owners shall elect the entire executive board. Notwithstanding the above, (1), the Sponsor may retain one (1) member of the executive board so long as there are any units remaining unsold in the regular course of business; and (2), the developer's control shall terminate no later than two (2) years from the date the first lot, parcel, unit or interest is conveyed, providing the owners wish to assume said control, or until the last unit is sold in the normal course of business, whichever comes first.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary or appropriate for the administration of the affairs of the Association and may do all such acts and things except such powers and duties as by law, by the Master Deed, or by these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include but shall not be limited to the following:

(a) Operation, care, upkeep, maintenance, repair and replacement of the Property and the Common Elements, services and personal property of the Association, if any, together with the right to use all funds collected by the Association to effectuate the foregoing.

(b) Determine the Common Expenses required for the affairs and duties of the Association, including, without limitation, the operation and maintenance of the Property, and the establishment of reasonable reserves, if required, for depreciation, retirement and renewals.

(c) Collection of the Common Expenses and assessments from the Unit Owners, together with any costs and expenses of collection thereof.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Property and the Common Elements.

(e) Adoption and amendment of rules and regulations covering the operation and use of the Property and Common Elements.

(f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing, leasing or otherwise arranging for such services, machinery, tools, supplies and the like as in the opinion of the Board of Directors may from time to time, be necessary for the proper operation and maintenance of the Property and Common Elements and the facilities and general business of the Association.

(h) Employing of legal counsel, engineers, and accountants (and setting their compensation) whenever such services may be deemed necessary by the Board of Directors.

(i) Maintaining detailed books of account of the receipts and expenditures of the Association. The books of account shall be audited when requested by the Board of Directors, but not less than annually by a certified public accountant and a statement reflecting the financial condition and transactions of the Association shall be furnished to each Unit Owner on an annual basis. The books of account and any supporting vouchers shall be made available for examination by a Unit Owner at convenient hours on working days that shall be established by the Board of Directors.

(j) Maintaining adequate fidelity bonds for all directors, officers, agents and employees handling or responsible for Association funds and records, for such terms and in such amounts as the Board of Directors may deem necessary. The premiums on such bonds shall be paid by the Association and shall constitute a Common Expense.

(k) Paying all taxes, assessments, utility charges and the like assessed against any property of the Association, or assessed against any Common Element, exclusive of any taxes or assessments properly levied against any Unit Owner.

(l) Purchasing or leasing or otherwise acquiring in the name of the Association or its designee, corporate or otherwise, on behalf of all Unit Owners, Condominium Units offered for sale or lease or surrendered by their Unit Owners to the Association or to the Board of Directors.

(m) Purchasing of Condominium Units at foreclosure or other judicial sale in the name of the Association, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(n) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of the Board of Directors), or otherwise dealing with Condominium Units acquired or leased by the Association, or its designees, corporate or otherwise, on behalf of all Unit Owners.

(o) Organizing corporations to act as designees of the

Association in acquiring title to or leasing Condominium Units on behalf of all Unit Owners.

(p) Making repairs, additions and improvements to or alterations of the Property and making of repairs to and restoration of the Property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

(q) Obtaining of insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.

(r) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least 66 2/3% in common interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$50,000 (on a cumulative basis) and (ii) no lien to secure repayment of any sum borrowed may be created on any Condominium Unit or its appurtenant interest in the Common Elements without the consent of the Unit Owner. If any sum borrowed by the Board of Directors on behalf of the Association pursuant to the authority contained in this paragraph (r) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Apartment Unit.

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

The Association shall discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the community.

The Association shall provide 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.

So long as the Sponsor or its designee shall continue to own Units representing 25% or more in common interest, the Board of Directors may not, without the Sponsor's prior written consent:

(a) Enter into agreements providing for wages and payroll costs in excess of those provided for under the prevailing wages in

effect at the time in question.

(b) Make an expenditure for any single item of repair or capital improvement costing in excess of \$5,000 or on a cumulative basis, in excess of \$50,000.

(c) Make any payment upon or in connection with the cancellation of any contract theretofore in effect.

(d) Make any payment for an insurance premium for coverage greater than, or in addition to, those contemplated pursuant to any offering Plan, except where such greater coverage is required by an institutional first mortgagee.

Section 3. Election and Term of Office. At the first annual meeting of the Unit Owners the term of Office of the Board of Directors shall be fixed at staggered terms so as to cause not less than one third of the Board to stand for election annually. At the expiration of the initial term of office of each respective member of the Board of Directors, his successor shall be elected to serve for a term of three years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Unit Owners.

Section 4. Removal of Members of the Board of Directors. At any annual or special meeting of Unit Owners, any one or more of the members of the Board of Directors may be removed with or without cause by a vote of Unit Owners representing more than 50% in common interest. A successor may then or thereafter be elected to fill the vacancy thus created, provided, however, that any member of the Board designated by the Sponsor as provided in Article III, Section 1 hereof, may only be removed for cause, and in the case of the removal of such Sponsor's designee to the Board, the Sponsor shall have the sole and absolute right to name the designee's successor. Any member of the Board of Directors whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. The term of any elected successor shall be the remaining term of the director to whose position such successor succeeds.

Section 5. Vacancies. Vacancies in the Board of Directors (except in the case of a Sponsor's designee to the Board) caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the predecessor member.

Section 6. Organizational Meetings. (a) The first meeting of

the Board of Directors following the first annual meeting of the Unit Owners (and the first meeting following the annual meetings of the Unit Owners) shall be held within ten days thereafter, at such time and place as shall be fixed by the Unit Owners at the first organizational meeting (or at the annual meeting as the case may be) at which such Board of Directors shall have been elected and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least four such meetings shall be held annually. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail or telegraph, at least five business days prior to the day designated for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association on three business days' notice to each member of the Board of Directors, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice at the written request of at least one third of the Board of Directors.

Section 9. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum of Board of Directors. At all meetings of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 11. Fidelity Bonds. All officers and members of the

Association having the responsibility for handling funds of the Association are to be bonded at the expense of the Association. While the Developer maintains a majority of representation of the executive board, he shall post a fidelity bond or other guarantee acceptable to the Agency, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves. The Association must have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not he or she receives compensation for services. The Association bonds should name the Association as the obligee and the premiums should be paid as a common expense by the Association.

A management agent that handles funds for the Association should be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association should be named as an additional obligee in the management agent's bond.

The fidelity bond should cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three months' assessments on all units in the project, plus the Association's reserve funds.

The bonds must include a provision that calls for ten days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. This same notice must also be given to each servicer that services a Fannie Mae-owned mortgage in the project.

Section 12. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such.

Section 13. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each member of the Board of Directors against all liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them in good faith on behalf of the Association. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Directors on behalf of the Association shall provide that the members of the

Board are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 14. Managing Agent and Manager. The Board of Directors may employ a managing agent or a manager for the Condominium at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or the manager all of the powers granted to the Board of Directors by these By-Laws, but notwithstanding any such delegation, the Board of Directors will remain responsible to the Unit Owners for the proper performance of such duties and services.

ARTICLE V

Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Vice-President, the Secretary and Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice-President, but no other officers, need be members of the Board of Directors.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors any officer may be removed with or without cause and his successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Unit Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a corporation organized under New Jersey Law, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate, to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the

President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or the President.

Section 6. Secretary. The secretary shall keep the minutes of all meetings of Unit Owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a corporation organized under New Jersey Law.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Directors and he shall, in general, perform all duties incident to the office of Treasurer of a corporation under New Jersey Law. He shall render to the President and to the Board of Directors at the regular meetings of the Board of Directors whenever either the President or the Board of Directors shall require, a full account of his transactions as Treasurer and a full account of the financial condition of the Association.

Section 8. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by two officers of the Association (including the President or Vice-President) or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such.

Section 10. Indemnification of Officers. The officers shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual gross negligence, willful misconduct or bad faith. The Association shall indemnify and hold harmless each officer, his heirs, administrators and executors against any losses, expenses and counsel fees reasonably incurred in connection with any action or proceeding in which said officer, his heirs, administrators and executors are made a party by reason of such office, provided, however, that should such officer be adjudged in such action to have been guilty of gross negligence or willful misconduct, the aforesaid indemnity

shall not apply. In the event of a settlement, such officer shall be indemnified only as to such matters covered by the settlement which the Association is advised by its counsel are not the result of such gross negligence or willful misconduct of such officer. The aforesaid indemnification is intended to encompass the aforesaid acts of the officers in their capacity as such officers to the extent herein provided, and is not intended to be operative with respect to any duties, obligations or liabilities assumed by such officers as Unit Owners or Association members.

ARTICLE VI

Operation of the Property

Section 1. Determination and Establishment of Common Expenses. The Board of Directors shall from time to time, and at least annually, prepare a budget for the condominium, determining the amount of Common Expenses payable by the Unit Owners to meet the Common Expenses of the Association and allocate and assess such Common Expenses among the Unit Owners according to their respective interest in the Common Elements. The Common Expenses shall include among other things, the cost of insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee, if any. The Common Expenses shall also include such amounts as the Board of Directors deems proper for the operation and maintenance of Property, including, but not limited to, an amount for working Capital of the Association, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Association or its designee, corporate or otherwise, on behalf of all Unit Owners of any Condominium Unit whose owner has elected to sell or lease such Condominium Unit or of any Condominium Unit which is to be sold at a foreclosure or other judicial sale. The Board of Directors shall advise all Unit Owners promptly, in writing, of the amount of Common Expenses payable by each of them respectively, as determined by the Board of Directors, as aforesaid, and shall furnish copies of each budget on which such Common Expenses are based to all Unit Owners.

Section 2. Insurance. The Board, as Insurance Trustee for each of the dwelling Unit Owners, shall be required to obtain and maintain to the extent obtainable, without prejudice to the right of each Unit Owner to insure his own unit for his own benefit, the following insurance policies:

- (i) Physical Damage insurance. To the extent obtainable in the normal commercial marketplace, 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 within the Property other than those located within the Property other than those located within the Condominium Units, together with all service machinery appurtenant thereto, as well as common personalty and supplies belonging to the Association, the Board, the Sponsor, all Members, and any Permitted Mortgage Holder who has requested in writing to be named as loss payee, as their respective interests may appear, in an amount equal to the full replacement value of the Common Elements (exclusive foundations and footings) without deduction for depreciation. Each policy shall contain a standard mortgagee clause in favor of each applicable mortgage holder and/or the Township of Rockaway, which shall provide that the loss, if any, thereunder, shall be payable to each applicable mortgage holder and/or the Township of Rockaway, their respective successors and assigns, as their interest may appear. The aforesaid mortgagee clause shall name as mortgagee either Federal National Mortgage Association (FNMA) or its servicers in the event FNMA holds mortgages on any Lots. When a servicer is named as a mortgagee, its name must be followed by the phrase "its successors and assigns." When a majority of the Board is elected by the Members other than the Sponsor, prior to obtaining any policy of fire insurance or any renewal thereof, the Board shall obtain a qualified appraisal or other written evaluation of an insurance broker licensed to conduct business in New Jersey or other qualified expert as to the full replacement value of the Common Elements (exclusive of foundations and footings), and the improvements located thereon, without deduction for depreciation, for the purposes of determining the amount of insurance to be effected pursuant to this subparagraph. The amount of any deductible shall be as determined by the Board, in its sole discretion.

(ii) Public Liability Insurance. To the extent obtainable in the normal commercial marketplace, 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 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 Unit Owner, the managing agent, the manager, and each Member of the Board, 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 not less than \$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.

(iii) Directors and Office Liability Insurance. To the extent obtainable in the normal commercial marketplace, liability insurance indemnifying the Directors and Officers of the FHCA against the liability for errors and omissions occurring in connection with the performance of their duties, in an amount of at least \$1,000,000.00 with any deductible amount to be in the sole discretion of the Board.

(iv) Worker Compensation Insurance. Workers Compensation and New Jersey disability benefits insurance as required by law.

(v) Vehicular Liability Insurance. To the extent obtainable in the normal commercial marketplace, vehicular liability insurance to cover all motor vehicles, if any, owned or operated by the FHCA.

(vi) Catastrophic Excess Insurance. Umbrella coverage in such amounts as may be determined by the Board of Directors. Until the first meeting of the Board following the first annual meeting, such coverage shall be in a single limit of \$1,000,000.

(vii) Other Insurance. Such other insurance as the Board may determine.

Members shall not be prohibited from carrying other insurance for their own benefits, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers insuring insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried out by any member.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the building as a result of fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75 percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Directors shall arrange for the prompt repair and restoration of the Building (including any damaged Units, and any kitchen or bathroom fixtures installed therein on the date of recordation of the Master Deed, but not including any wall, ceiling, or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the

proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Directors may assess all the Unit Owners for such deficit as part of the Common Expenses.

If three-fourths or more of the Building is destroyed or substantially damaged and 75 percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property will not be repaired and shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of the Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Directors or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective common interests, after first paying out of the shares of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Section 4. Payment of Common Expenses. (a) All Unit Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of Article VI of these By-Laws, which payment shall be made monthly on the first day of each month to the Association at the principal office of the Association or at such other place as may be designated in writing by the Board of Directors. The Association shall take prompt action to collect any Common Expenses due from any Unit Owner which remains unpaid for more than 20 days from the due date for payment thereof. Each Unit Owner, other than the Sponsor, shall in addition, be required to maintain with the Association, a deposit in a reserve fund in a sum equal to 1/12th of the estimated annual assessment for his Unit. Said sum may be used by the Association for working capital. Unit Owners may be required to supplement said reserve fund from time to time by further payments in the event that the estimated annual assessment for future years is increased, or if the amount theretofore paid has been applied in whole or in part for working capital. The Sponsor shall not be required to make any such payment or supplementary payments. Any interest earned on said deposits shall accrue to the Association.

(b) The payment of Common Expenses by each Unit Owner shall be based upon the percentage or share of the Unit Owner's interest in the Common Elements as the same is set forth in the Master Deed. No abandonment of a Condominium Unit by a Unit Owner or a waiver of the use and enjoyment of any of the Common Elements shall exempt or excuse any Unit Owner from his contribution toward the expenses aforesaid.

Section 5. Payment of Special Assessments. Special assessments, when levied by the Board of Directors pursuant to these By-Laws, shall be paid by the Unit Owners in such manner as may be determined by the Board of Directors; provided, however, that the pro-rata contribution of each Unit Owner for such special assessment shall be based upon the percentage or share of the Unit Owner's interest in the Common Elements.

Section 6. Default in Payment of Common Expenses and Assessments. All Common Expenses and assessments chargeable to and payable by a Unit Owner for his Condominium Unit shall constitute a lien against said Condominium Unit in favor of the Association without the necessity for the filing of any such lien or notice of lien with the office of any State, County or Municipal Official. The aforesaid lien shall be prior to all other liens except:

(a) any similar liens by the Association for prior charges and assessments;

(b) assessments, liens and charges for unpaid taxes due on said Condominium Units; and

(c) permitted mortgages of record upon said Condominium Unit.

The lien may be foreclosed in the same manner as a real estate mortgage, and in the event of such foreclosure the Association shall, in addition to the amount due, be entitled to recover interest at the legal rate on such sum or sums due, together with the reasonable expenses of such action, including costs and attorney's fees. A suit by the Association against the delinquent member to recover a money judgment for the unpaid Common Expenses and assessments shall be maintainable without foreclosing or waiving the lien securing the same. Both the foregoing actions shall be maintainable upon the expiration of 20 days after any Common Expense or assessment shall be due and payable. Failure to pay any installment of any of the Common Expenses and assessments when due, shall, at the option of the Board of Directors, render the entire annual amount due and payable, as if no installment payment provisions were operative.

Section 7. Maintenance and Repair. (a) All maintenance of and repairs and replacements to the Common Elements (other than the Limited Common Elements) whether located inside or outside of the Condominium Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner, his tenants, agents, guests, licensees or servants, in which case such expense shall be charged to such Unit Owner), and regardless of whether there is special benefit thereby to particular Unit Owners, shall be made by the Association and be charged to all members as a Common Expense.

(b) All maintenance of and repairs and replacements to such portion of any Condominium Unit, structural or non-structural,

ordinary or extraordinary, shall be made promptly and carefully by the Unit Owner at his own risk, cost and expense. Each Unit Owner shall be liable for any damages, liabilities, costs or expenses, including attorney's fees, caused by or arising out of his failure to promptly or carefully perform any such maintenance and repair work.

Section 8. Limited Common Elements. A terrace or balcony to which a Condominium Unit has sole access (a Limited Common Element) shall be for the exclusive use of the Unit Owner of such Condominium Unit. Any such terrace or balcony shall be kept free and clean of snow, ice and any accumulation of water or debris by the Unit Owner of such Condominium Unit, who shall also make repairs thereto caused or created by his negligence, misuse or neglect. All other repairs in, to or with respect to such terrace or balcony shall be made by the Association.

Section 9. Restrictions on Use of Condominium Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Condominium Units, the use of the Property (including the Association property) shall be restricted to and shall be in accordance with the easements, covenants and restrictions all as more fully set forth in the Master Deed.

Section 10. Additions, Alterations or Modifications. (a) No Unit Owner shall make any structural additions, alterations, or improvements in or to his Condominium Unit (or elsewhere on the Property) without the prior written consent thereto of the Board of Directors nor shall any Unit Owner impair any easement without the prior written consent thereto of the Board of Directors and of the Unit Owner(s) for whose benefit such easement exists, if such easement exists for the particular benefit of identifiable Unit Owners as opposed to being for the common benefit of Unit Owners.

(b) The Board of Directors shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within 90 days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an additional alteration or improvement in or to any Condominium Unit shall be executed by the Board of Directors only, without however incurring any liability on the part of the Board of Directors or any of them to any contractor, subcontractor or material person 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.

(c) The provisions of this Section shall not apply to Condominium Units owned by the Sponsor until a deed to such Condominium Unit has been delivered to a Purchaser thereof. The

Board of Directors will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor or its designee to any Condominium Unit or made by the Sponsor or its designee provided, however, that neither the Board of Directors nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such document.

Section 11. Use of Common Elements and Other Facilities. A Unit Owner shall not place or cause to be placed in the lobbies, vestibules, public halls, stairways, elevators or other Common Elements, and other than the areas designated as storage areas, any furniture, packages, or objects of any kind. The lobbies, vestibules, public halls, stairways and elevators shall be used for no purpose other than for normal transit through them.

Section 12. Right of Access. A Unit Owner shall grant a right of access to his Condominium Unit to the Association, the manager or the managing agent or any person authorized by the Association, the manager or the managing agent, for the purpose of making inspections, or for the purpose of correcting any condition originating in his Condominium Unit and threatening any Condominium Unit or Common Element, or for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services or other Common Elements in his Condominium Unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another Condominium Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

Section 13. Additions, Alterations or Improvements by Association. The Association shall have the right to make or cause to be made additions, alterations and improvements to the Common Elements (which do not adversely prejudice the right of any Unit Owner unless his written consent has been obtained) provided the making of such alterations and improvements is first authorized by the Board of Directors of the Association and approved by not less than a majority of the Unit Owners. The costs of such alterations and improvements shall be assessed as common expenses, unless in the judgment of not less than 75% of the Board of Directors, the same are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same in which case such requesting Owners shall be assessed therefor in such proportion as they approve jointly and failing such approval, in such proportions as may be determined by the Board of Directors.

Section 14. Rules of Conduct. Rules and regulations concerning the use of Condominium Units and the Common Elements may

be promulgated and amended by the Association with the approval of a majority of the Unit Owners. Copies of such rules and regulations shall be furnished by the Association to each Unit Owner prior to the time when the same shall become effective.

ARTICLE VII

Sales and Mortgages of Condominium Units

Section 1. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Condominium Unit unless and until he shall have paid in full to the Association all unpaid Common Expenses theretofore assessed by the Association against his Condominium Unit, and until he shall have satisfied all unpaid liens against such Condominium Unit, except permitted mortgages. The acquiror of a Condominium Unit shall thereafter be liable for payment of any such charges to the Association, without prejudice to the right of the acquiror to recourse against the transferor for the amount paid by such acquiror. A permitted mortgagee who acquires title to a mortgaged Condominium Unit shall not be subject to a lien for Common Expenses assessed prior to the acquisition of title by such mortgagee or purchaser at a foreclosure sale. The Association shall furnish a statement of amounts due it upon request from any acquiror, and the Association shall be limited in its recovery to the amounts set forth therein.

Section 2. Mortgage of Condominium Unit. Each Unit Owner shall have the right to mortgage his Condominium Unit.

ARTICLE VIII

Records

Section 1. Records and Audit. The Board of Directors and the managing agent shall keep detailed records of the actions of the Board of Directors and managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the Unit Owners, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account for each Condominium Unit which, among other things, shall contain the amount of each assessment of Common Expenses against such Condominium Units, the date when due, the amounts paid thereon and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Association, certified by an independent certified public accountant, shall be rendered by the Board of Directors to all Unit Owners and to all mortgagees of the Condominium Units who have requested the same, promptly after the end of each fiscal year. The cost of such report shall be paid by the Board of Directors as a Common Expense.

ARTICLE IX

Dissolution

Section 1. Procedure. The provisions of the then applicable laws of the State of New Jersey, including the provisions of the New Jersey Condominium Act, shall be followed should it be deemed advisable that the Association be dissolved, subject to the rights of any mortgagee or lienor with respect thereto.

Section 2. Ownership Upon Dissolution. In the event of dissolution, the Property shall thereupon be owned by all of the Unit Owners as tenants in common, each having an undivided percentage interest therein equal to his proportionate share of the Common Elements owned prior to termination. Each Unit Owner may be required to execute such deed and any other documents or instruments which may be reasonably required to effect the sale of the Property by the Association following a decision to dissolve the Association.

ARTICLE X

Compliance With By-Laws and Master Deed

Section 1. Remedies for Violations. The within By-Laws and any amendments thereto, the rules and regulations adopted pursuant hereto and any amendments thereto, and the covenants and restrictions in the Master Deed shall be strictly complied with by each Unit Owner. Failure to comply with any of the same shall entitle the Association to impose reasonable fines, to bring suit to recover monies due for damages, and/or injunctive relief against the offending Unit Owner. If suit has been instituted by the Association and the Unit Owner has been found by the Court to have committed the violation complained of, the Unit Owner shall reimburse the Association for reasonable attorneys' fees and such other costs as shall be established by the Court. Nothing herein shall be deemed to preclude any Unit Owner from bringing an action for relief against another Unit Owner or Unit Owners for a violation which affects such aggrieved Unit Owner's occupancy.

A fine for a violation or continuing violation of the Master Deed By-laws or Rules and Regulations shall not exceed the maximum monetary penalty permitted to be imposed for a violation or a continuing violation under section 19 of the "Hotel and Multiple Dwelling Law, N.J.S.A. 55:13A-19. A fine shall not be imposed unless the Unit Owner is given written notice of the action taken and of the alleged basis for the action, and is advised of the right to participate in a dispute resolution procedure in accordance with Article IV, Section 2. A Unit Owner who does not believe that the dispute resolution procedure has satisfactorily resolved the matter shall not be prevented from seeking a judicial

remedy in a court of competent jurisdiction.

ARTICLE XI

Miscellaneous

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail return receipt requested to the Association, care of the Secretary, at the office of the Association, or to such other address as the Board of Directors may hereafter designate from time to time in writing to all Unit Owners and to all mortgagees of Condominium Units. All notices to any Unit Owner shall be sent by registered or certified mail return receipt requested to the address designated or his Condominium Unit, or to such other address as may have been designated by such Unit Owner from time to time in writing to the Association. All notices to mortgagees of Condominium Units shall be sent by registered or certified mail return receipt requested to their respective addresses as designated by them from time to time in writing to the Association. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, or enforceability or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience or reference and in no way define, limit or describe the scope of the By-Laws or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation or provision contained in these By-Laws 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 thereof which may occur.

ARTICLE XII

Amendments to By-Laws

Section 1. Amendments to By-Laws. Except as hereinafter provided otherwise, these By-Laws may be modified or amended by the affirmative vote of at least 75% of all shares of Unit Owners (whether or not present) at a meeting of Unit Owners duly held for such purpose provided that the notice of meeting shall contain a

text of the proposed modification or amendment, or those present at the meeting unanimously waive prior service of the text. Modifications and amendments shall be recorded with the Office of the Clerk of Morris County in order for the same to be valid and operative. Insofar as rights are conferred upon the Sponsor by these By-Laws, these By-Laws may not be amended or modified (as to those portions only) without the consent in writing of the Sponsor, so long as the Sponsor shall be the owner of one or more Units.

ARTICLE XIII

Conflicts

Section 1. Conflicts. In case any of these By-Laws conflict with the provisions of the Master Deed or the Condominium Act of the State of New Jersey, the provisions of said Master Deed or the Condominium Act, as the case may be, shall control.

END OF DOCUMENT

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EXHIBIT B

**FOX HILLS AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.
RESTATED RULES AND REGULATIONS**

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**FOX HILLS AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.
RESTATED RULES AND REGULATIONS**

The Fox Hills at Rockaway Condominium Association is a community organization made up of owners of units in the Fox Hills Condominium located in Rockaway Township, New Jersey.

These Rules and Regulations are intended to set out the use restrictions and rules for living in a planned community in such a way that all can enjoy peace and quiet, with respect for one another. These Rules should be read in conjunction with the Master Deed and By-Laws. The Master Deed, By-Laws, and Rules and Regulations apply to all unit owners, as well as their tenants and guests. Unit owners are responsible for the conduct of their tenants and/or guests and infractions committed by them.

A failure not to enforce one or more of the Rules and Regulations shall not be deemed a waiver of the right, obligation, and power of the Board of Directors to enforce any of them.

Should any provision hereof be determined to be invalid or unenforceable, the remaining provisions hereof shall remain in full force and effect.

I GENERAL PROVISIONS

1. Smoking is prohibited in the following areas: garages, building hallways and lobbies, the greenhouse, clubhouse, tennis courts, bocce courts, shuffleboard courts, horseshoes, pools, covered outdoor pool area, barbecue area, clubhouse balconies, and all other common facilities and areas. **Smoking is permitted in the Clubhouse upper and lower level parking lots ONLY!**
2. Each unit resident should have 1 photo ID and 1 guest card or badges per unit without charge. Those unit owners who still retain the brown guest badges shall be permitted to use them.
3. A. The distribution of literature to residential units without the prior written permission of the Board of Directors is prohibited. Any Association member wishing to distribute literature must submit a written request including a copy of the literature to the Association for review by the Board of Directors. Approval may be granted if, in the sole discretion of the Board of Directors, the material is deemed appropriate and does not expose the Association to any liability. Photo identification must be on your person at all times.
3. B. Political flyers may be distributed door to door with the following limitations:
 1. The flyer must relate to the governance or operation of Fox Hills;

2. The flyer date and the resident's name must appear on the flyer; and may not contain any attack against persons or groups
3. The resident distributing the flyer is responsible for following all applicable N.J. Laws (e.g. libel, slander, etc.)
4. Residents from another building distributing flyers door to door must be accompanied by a building resident that allows them in.
3. **C.** Flyer distribution in buildings will be done by giving the flyers to the office for distribution in Friday's folders with review and approval by the board
4. Guests must always be accompanied by a resident at all common area amenities.
5. Photos taken at Fox Hills, for use on the internet, require the signed permission of everyone in the photo.

6. Definitions

For the purpose of brevity and clarity, certain words and terms used in these Rules and Regulations are defined as follows, unless the context clearly indicates otherwise:

Association: The entity formed to serve as a means through which the condominium may take action with regard to the administration, management, maintenance, repair and operation of the property. The Association shall be governed by the New Jersey Condominium Act, the Master Deed, the By-Laws and the Rules and Regulations.

Board or Board of Directors: The entity of the Condominium Association, as constituted at any time or from time to time, in accordance with the applicable provisions of the By-Laws.

By-Laws: The governing regulations adopted under the New Jersey Condominium Act (46:8B-12.2) for administration and management of the condominium and condominium property and the actions of the Association.

Common Elements: All properties within the boundaries of Fox Hills Condominium exclusive of residential units.

Director: A member of the Board of Directors.

Extenuating Circumstances: An unusual circumstance suggesting a Board ruling.

Guest: Shall mean and refer to a person who occupies or visits a unit but has a permanent residence elsewhere. Aides are not considered guests as they are considered a paid employee of a resident.

Limited Common Elements: Spaces within residential buildings assigned to the sole use of a specific unit. Garage parking, utility closets and balconies are the current designated areas.

Photo ID: A facial picture card dated annually which should be carried by the resident when in the common areas of the community.

Resident:

The term "Resident" and "Permanent Resident" when used herein shall be synonymous.

- a. An owner or renter who makes his/her residence in a Fox Hills unit, notwithstanding the fact that he/she may stay seasonally in another location or take extended trips;
- b. Any person at least 19 years of age, designated by the resident as living with the resident who can demonstrate permanent residency at Fox Hills by means of a current government issued document or notarized affidavit from the designating resident.

Tenant: Shall mean and refer to a renter under contract with the unit owner who makes his/her home in a Fox Hills unit, notwithstanding the fact that he/she may stay seasonally in another location or take extended trips. The unit owner retains responsibility and liability for tenant compliance with the Master Deed, By-Laws and Rules and Regulations. The unit owner relinquishes access to Association facilities and services for the duration of the lease.

Unit Owner:

- a. Each owner of a unit shall be a member of the Association and ownership of a unit shall be the sole qualification for membership. There shall be one membership per unit ownership. Membership shall be appurtenant to and may not be separated from ownership of a unit. The Association shall be given written notice of the change of ownership of a unit within 10 days after such change.
- b. One individual shall be designated as the "Voting Unit Owner" for each unit's ownership as prescribed in the Association's By-Laws. The Voting Unit Owner or his proxy shall be the individual who, if in good standing with the Association, shall be entitled to vote in accordance with the election procedures. If the record ownership of a unit shall be in more than one person, or if an owner is a trustee, corporation, partnership or other legal entity, then the Voting Unit Owner for the unit shall be designated by such owner or owners in writing to the Board and if, in the case of multiple individual owners no designation is given, then the Board at its discretion may recognize an individual owner of the unit as the Voting Unit Owner for such unit.

II USE AND OCCUPANCY RESTRICTIONS

1. **Occupancy:** One (1) permanent resident of a unit must be at least 55 years of age, and no resident may be less than 19 years of age. In no event may any unit be occupied by more than 4 permanent residents. Guests under the age of 19 are limited to a maximum stay of one month with the permanent resident. Exceptions for extenuating circumstances must be approved by the Board.
2. **Zoning Ordinance:** Each purchaser takes title to his/her unit subject to the Zoning Ordinances of Rockaway Township. Structural alterations to a unit require, in addition to the approval of the Board of Directors, compliance with all State and Municipal Codes, Standards, Ordinances, Permits, and Certifications.

3. Use: No home shall be used for any purpose other than a private residence. In addition, the common elements shall not be utilized for any residential, commercial, or employee based business purpose unless expressly permitted by the governing documents or the Board of Directors.
4. Obstruction: There shall be no obstruction of access to any of the common elements except with Board of Directors' approval.
5. Building: No unit owner or occupant shall build, plant, or maintain any matter or thing (including, but not limited to, any planting, lawn ornaments, additions, alterations) upon, in, over, or under the common elements without the prior written approval of the Board of Directors. Penetration of the exterior building wall shall not be permitted under any circumstances.
6. Utility Closet: The storage of all materials, including tools, cleaning utensils, chemicals, combustibles, and oxygen tanks in a unit owner's utility closet is strictly prohibited. Periodic inspection will be made by the Association and Rockaway Township Fire Marshal for violations. Violators will be subject to fines.
7. Exterior Appearance: Unit owners shall not have any right to change the appearance of any portion of the exterior of any unit (including, without limitation, any change to the exterior color scheme) without prior written approval of the Board of Directors.
8. Maintenance: Each unit owner shall promptly furnish, perform, and be responsible for, at his own expense, the repair, maintenance, and replacement of his unit; provided, however, that the Association, its agents, and employees may effect, at its sole discretion, emergency repairs which the owner has failed to perform and charge the cost of same to the owner(s) involved as an assessment.
9. Insurance: Nothing shall be done or kept in any unit which will increase the rates of insurance beyond the standard rate applicable for condominium units, without the prior written consent of the Board of Directors. No owner shall permit anything to be done or kept in his unit or in or upon the common elements which may result in the cancellation of insurance on any of the common elements or the contents thereof, or which will be in violation of any law.
10. Display:
 - a. No clothes, clotheslines, sheets, blankets, laundry, or any other articles shall be hung out or exposed on any part of the common elements, including balconies and in front of personal storage areas;
 - b. No signs, awnings, canopies, shutters, or antennas, except those installed by the Association, shall be affixed or placed upon the exterior walls, roofs, or any limited common element without prior written consent of the Board of Directors. Television or radio antennas are not permitted under any circumstances because all units are pre-wired for cable. Satellite dishes may

be installed on balconies as long as they are set back and are not installed on the balcony railing or higher than the top of the balcony railing. No flower pots are to be placed outside of the railings on the balcony;

- c. Signs for any purpose whatsoever are strictly prohibited, including but not limited to signs displayed on a unit or common area advertising the sale or lease of a condominium unit. The Board of Directors shall have the right to immediately cause the removal of any sign violating these provisions and obtain, in addition to any penalties which might otherwise be imposed by the Association, all costs incurred by such removal;
 - d. Owners shall not be allowed to place decorative or common use items in lobbies, vestibules, hallways, stairways, elevators or other common areas or garage area.
 - e. Each resident building shall have bulletin boards in the lobby area of the buildings on the first floor. One bulletin board shall be utilized solely for information distributed by the Fox Hills Condo Association and any and all notices pertaining to the individual building itself. Other bulletin board(s) shall be utilized for notices and fliers distributed by various organizations and clubs within the Fox Hills Community. No bulletins, flyers, or information can be placed in any other area of the building with the exception of emergency and urgent notices placed by the Association. Also with the exception of General Provisions 3-B referring to distribution of political flyers. No other notices or flyers can be placed in any other area of the building, including the elevators, entrance doors, on or alongside the mailboxes, or on any garage wall. The Board shall have the right to immediately cause the removal of any flyer or information violating these provisions;
 - f. All commercial flyers, notices, and advertisements may only be placed on the bulletin boards on the lower level of the Clubhouse. Flyers must be dated and can remain for no more than 30 days at which time they will be removed by Management.
11. Collections for Charities: No boxes or other containers may be placed in the lobbies or common areas, except on a temporary basis just outside the door of the person collecting, provided that hallways are not obstructed in any way.
12. Religious and Patriotic Displays: Religious displays are allowed only between late November and early January. Patriotic displays are allowed on national holidays and such other dates pursuant to a policy which may be established from time to time by the Board of Directors.
13. Animals: In any one unit, residents may have up to 3 pets, only 2 of which may be dogs. No dangerous animals including vicious breeds of dogs shall be permitted anywhere at Fox Hills at any time. All owners and their guests, invitees, agents, and others with pets or animals in their charge shall: (1) take their pets to pet designated areas provided by the Association to both urinate and defecate, or (2) curb their pets in the gutter/macadam. In no event shall a pet or animal be allowed to urinate or

defecate upon any other portion of the common elements including grass areas. All feces left by the pet or animal at the pet designated area, or in the gutter/macadam must be removed immediately, bagged and disposed of as soon as possible in the covered garbage receptacles located in the garage or in the roadway garbage receptacles. In no event may feces be put down the garbage chute. All owners, their guests, invitees, or agents shall accompany the pet or animal in their charge at all times and shall keep the pet on a leash at all times fully under control. Lobbies are to be used only for entering and exiting the building with a pet. Animals should be kept on a short leash and will not be permitted to loiter in the building lobby or be on the furniture. No pet shall be permitted in, at, and around the clubhouse and pool area. For safety and cleanliness, no bird feeders shall be allowed on the premises and feeding of any wild animals is strictly prohibited. Residents shall be held responsible for violations of these provisions by their pet or those of their guests.

14. Nuisance: No noxious, hazardous, 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 or which interferes with peaceful possession and proper use of units or the common elements by the other owners. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction over the Community shall be observed.
15. Structural Changes: Nothing shall be done to any unit which will impair the structural integrity of any unit or which will structurally change a unit. No owner may make any structural additions, alterations, or improvements in or to his unit or impair any easement without the prior written consent of the Board of Directors and as further provided in the By-Laws. Nothing herein shall be construed to prohibit the reasonable adaptations of any unit for handicap use.
16. Waste: No portion of this property shall be used or maintained as a dumping ground for rubbish. It is the unit owner's responsibility to ensure that any contractor, repairman, or other person retained by such unit owner to perform work on any unit or on the common elements shall clean up and remove from the property all rubbish at the conclusion of each work day. Trash, garbage, recyclable, or other waste shall be kept in sanitary containers as approved by the Board of Directors for weekly or more frequent collection.
17. Draperies: The Board of Directors shall have the right to prohibit the installation of any window covering which may be found to be offensive or degrading.
18. Utilities: Each unit owner shall pay for his own telephone, cable television service, and utilities, which are separately metered or billed to each user by the respective utility.
19. Permitted Unit Rental: The homeowner shall submit a lease to the Association which is to be executed by the tenant and homeowner that requires the tenant be subject to existing use and occupancy restrictions as well as the Rules and Regulations of the Association. In the event the owner fails to fulfill this obligation, then the Board shall have the right, but not the duty, to institute and prosecute such

action as attorney-in-fact for the owner and at the owner's sole cost and expense, including all legal fees incurred. Said costs and expenses shall be due and payable upon demand by the Association and shall be deemed to constitute a lien on the unit. Collection thereof may be enforced by the Board in the same manner as the Board is entitled to enforce collection of common expense assessments.

20. Use and Occupancy Restrictions of Rentals: No unit shall be rented by the owner(s) thereof or otherwise be utilized for transient or hotel purposes, which shall be defined as rental for any period less than 365 days. Rentals will be limited to a lease of one year at a time and extensions will be considered by the owner as each lease is about to expire. An extension of an additional year may be granted when the lease is about to expire.

21. Use of Water Retention Areas: Swimming, bathing, boating, and other use of the water retention areas on the property are prohibited.

22. Sale of Home

Each unit owner shall give the Association written notice of his or her intention to sell the unit. Upon the contract of sale being executed, the selling unit owner shall immediately notify the Association of the name and former address of the new owner. No signs, lockboxes, or open houses are permitted at Fox Hills. The owner/resident or authorized agent must accompany all buyer prospects at all times while on Fox Hills property. No furniture, appliances, or large items may be left in common areas, without prior approval of the Association. Notification to the Management Company is required for the purpose of determining any outstanding indebtedness prior to the closing of title.

23. Dryer Vents: The unit owner is required to have their dryer vent professionally cleaned every 2 years and submit a copy of the vendor's receipt to the Association.

24. Lobby and Common Areas: Proper attire must be worn at all times (no bathrobes or pajamas). Sleeping or napping in the lobby is not permitted.

III USE OF LIMITED COMMON ELEMENTS

1. Pursuant to Local Ordinance of the Township of Rockaway, no open flame cooking or barbecuing is permitted on balconies, with the exception of electric grills. No gluing, self-stick carpeting, or tiling is permitted on balconies. Screening of the balconies is permitted upon written application to the Association. Approval shall not be unreasonably withheld.
2. Any proposed alteration or modification to standard common areas must conform to the architectural character of the community, including balcony screening.
3. Storage of bicycles, toys, shoes, boots, and garbage is prohibited in the common areas such as garages, entrances, hallways, and foyers except in designated storage areas.

4. Storage of any hazardous material or medical hazardous waste is prohibited in the storage areas of the garage or any portion of the common areas.
5. The disposal of unwanted furniture, bedding, and other apartment equipment and accessories by a unit owner on Association property including designated trash areas in the parking garage is strictly prohibited. Permission for the disposal of these items may be granted under certain circumstances, upon contacting the Association seventy-two hours prior to the planned move. Failure to do so will result in loss of all deposited moving fees in the case of a unit sale, or a fine assessed against the unit owner in all other instances.

IV PARKING

1. No vehicle may be parked in front of building entrances, garage entrances or exits, or front entrance to the Clubhouse at any time.
2. Parking is permitted only in marked spaces both in the garage and outdoors.
3. Handicapped spaces may only be used by vehicles displaying a handicapped placard or license plate.
4. Recreational vehicles, boats, and trailers may park in designated areas only. Notification must be given to the Association seventy-two hours in advance. Commercial vehicles, boats, trailers, campers, mobile homes or trucks may not park overnight on any part of the common element except (1) in areas specifically designated for such purpose by the Association; and (2) for those vehicles temporarily on the property for purposes of servicing the Association itself or one of the condominium units.
5. All vehicles parked in the development must be in an operable condition and have current state license plates and a valid inspection sticker for that state. Any vehicle parked in the same outdoor parking spot for more than 14 days without movement will be tagged and the resident may receive a fine.
6. During snow removal operations, owners, guests, and lessees must move their vehicles when directed by the Association or the equipment operator.

V LEASING OF ASSOCIATION OWNED INDOOR PARKING SPACES

Empty indoor parking spaces will be available to homeowners in their own buildings under terms of a one year renewable lease at a cost of \$1,000.00 per year payable in advance. (This rate is subject to future change at the discretion of the Board of Directors.) These leases cover parking spaces only -- not storage bins.

VI VEHICLES

1. Riding of motorized recreational vehicles, go-carts, dirt bikes, snowmobiles, and similar vehicles in the community is prohibited.
2. All users of wheelchairs, motorized scooters and baby strollers must use sidewalks where accessible.
3. Drivers must obey the posted speed limits throughout the community.

VII POOLS

The following rules governing pool use are designed for the enjoyment and safety of our residents and their guests. Strict adherence to these rules is essential and failure to comply may result in denial to these facilities.

1. A resident must accompany and stay with guests.
2. Pool monitors and Management personnel are authorized to enforce all Pool Rules and may eject residents or guests from the pool and/or pool area for violation of Pool Rules or for failure to cooperate with the monitor's reasonable instructions. **Applies to Outdoor Pool only**
3. All residents must present their Fox Hills Photo ID and sign in with the pool monitor for entry to the outdoor pool. All guests including children over the age of 3 must have a badge (brown and white badge) or pool pass which will be punched by the pool monitor for entry to the outdoor pool. **Applies to Outdoor Pool only**
4. A resident must accompany and stay with guests. Residents are limited to a total of 5 guests per day.
5. Between 9:00 A.M. and 10:00 A.M., two lanes will be reserved for lap swimming. Between 10:00 A.M. and 11:00 A.M., the pool will be restricted for Water Aerobics. Residents and guests may use the pool at these times provided they stay clear of the lap swimmers and the Water Aerobics Class. **Applies to outdoor pool only.**
6. Food, beverages, and glass containers are prohibited within the enclosed pool areas. Food and beverages are permitted in designated barbecue, patio, and deck areas.
7. Discarding of refuse is prohibited, except in provided receptacles.
8. Diving, jumping, running, ball playing, horse playing, spitting, and excessive noise are prohibited in the pool and/or pool area.
9. Large flotation items such as rafts are not permitted in the pool. However, lifesaving and authorized exercise equipment are permitted.

10. All non-toilet trained children and incontinent adults must wear proper protective attire.
11. Changing "swimmies" and/or "diapers" must be done in the locker rooms.
12. Pets are prohibited in pools and pool areas.
13. Children under the age of 16 are prohibited in hot tubs, steam room, and saunas.
14. Reserving or saving of lounge chairs or tables is not permitted. Use of chairs and tables are based upon a first/come, first/serve basis.
15. All personal belongings must be removed when you leave the pool area. Items left behind will be deposited in the Lost and Found in the Clubhouse.
16. Radios, tapes, CD's and iPods are permitted provided a headset is used.
17. Appropriate swimming attire is required to enter the pool/hot tubs.

VIII FITNESS CENTER

1. If a resident is waiting to use the exercise equipment, there must be a maximum time use of no more than 30 minutes per machine. (Use of a sign-up sheet will avoid any disputes.)
2. Food, beverages, alcohol and smoking are prohibited in the exercise room except for drinking of water in plastic containers.
3. All exercise equipment must be wiped down after use.
4. No one under the age of 14 may use the exercise equipment at any time. A resident must accompany any non-resident.
5. Use of all exercise equipment is at the user's own risk.
6. Caregivers and/or employees of residents are not allowed to use the fitness center equipment.

IX TENNIS COURTS

Attire

1. All players must wear appropriate tennis attire and proper tennis shoes. Residents shall carry Fox Hills ID cards. The cooperation of all residents and guests is expected.
2. Appropriate tennis attire does not include bathing or swim suits; cutoffs; or street clothes.

3. Only rubber-soled tennis sneakers, may be worn on the Har Tru courts. This rule will be strictly enforced.

Court Reservations

1. During the tennis season (May 1st to September 30th), residents may reserve courts from 7:30 AM until 10:30 PM. Prior to May 1st and after September 30th "winter rules" are in effect. During "winter rules" months play is on a first come basis and court reservations are not utilized during this time of the year.
2. During the tennis season a new set of sign-up sheets will be posted at the courts on Sunday morning for the upcoming week (Monday through Sunday). Residents may reserve courts on a first come basis.
3. Residents may reserve one time slot (1 ½ hours) of court time per day. None of the players involved in play during a reserved time slot may reserve a consecutive time slot.
4. Players must relinquish the court promptly, at the end of their time slot, to players who have signed up, reserved the court for the next time slot, and are waiting to play. If no one is waiting, play may continue.
5. No individual player may play in more than two (2) consecutive time slots unless no other players are waiting to play.
6. Walk-ons, upon signing in, are permitted whenever a court is not reserved.
7. Rain or other adverse weather conditions that interrupts play, does not extend the players allotted time on a court if other scheduled players are waiting for their time slot.
8. Fox Hills Tennis Club sponsored events, such as tournament play, group lessons, and scheduled round-robin play take precedence over other reservations.
9. Players must arrive no later than 10 minutes after they are scheduled to play or their reservation will be forfeited and pick-up play will be permitted until the next reserved time slot.
10. As a courtesy, players should cross their names off the sign-up sheet if they are not going to use their court reservation.

Guests

1. Guest players **must always be accompanied by a resident** while playing on the court. Only one court may be reserved and/or used by that resident and his or her guest. Guests may not reserve courts.

2. The resident is responsible for ensuring that their guest(s) are aware of, and adhere to, all these rules regulating tennis play, attire, and etiquette, on Fox Hills' courts. Violations will be reported and may result in suspensions and/or fines being levied on the resident/homeowner.

Har Tru Court

1. As a courtesy to the next players, the Har Tru court should be swept and lined by the departing players upon completion of play. Departing players should leave sufficient time to complete this task before vacating the court at the conclusion of their time slot.
2. Har Tru court padlock: The Har Tru court is kept locked when not in use to prevent damage to the court surface. Several Tennis Club members have keys to the padlock, and a key, which may be checked out by residents, is also kept in the Gatehouse.

Tennis Etiquette

1. No food, alcohol, pets, glass containers, or smoking is permitted on any of the courts.
2. Players are expected to practice proper tennis etiquette and sportsmanship at all times. Control of temper and language is essential for proper conduct.
3. Never lean on the net or readjust the net center strap below a height of 3 feet.
4. Remove all ball can caps and trash, etc. or deposit it in the proper receptacle.
5. Never cross over a court in use while a point is in play. Wait until the point is over before entering or crossing an occupied court.
6. Spectators should not talk loudly or otherwise disturb the players while a match is in progress.

Enforcement

1. The President and/or the Officers of the Fox Hills Tennis Club will settle all conflicts in scheduling, reservations, and rules interpretation that arise among Tennis Club members. Disputes that arise with non-Tennis Club members and unresolved disputes among Tennis Club members are subject to the Fox Hills Alternate Dispute Resolution Committee procedures.

2. Repeated violations of these tennis General Rules will be reported to the Fox Hills Board of Directors and may result in a fine being levied and/or the suspension of a homeowner's tennis court privileges.

X BOCCE - HORSE SHOES - SHUFFLEBOARD

1. No pets are permitted on the playing areas at any time.
2. Players are expected to conform to game rules and to keep noise to a minimum.

XI CLUBHOUSE

1. The use of the pool tables is limited to residents and their guests. No one under the age of 16 is permitted to use the pool tables at any time.
2. Pets are prohibited inside the clubhouse.
3. The clubhouse doors shall be accessible from 5:00 A.M. to 10:00 P.M. with the use of the security proximity pass system (fobs or card keys).
4. Any resident who wishes to reserve a specific room including the Conference Room or Ballroom for use by a group or party made up of more than 8 persons must obtain and submit an application at the Management Office. Reservations shall be made on first come, first served basis and yield to any Association function already scheduled. Prior to use, the owner(s) must provide "Proof of Insurance" by way of a certificate issued by the owner(s) homeowners' insurance carrier or comparable insurance which is acceptable to the Association. The Board of Directors shall establish usage fees from time to time. The application shall be acted upon by the Association within 10 days of submission and a signed copy of the response returned to the applicant. The unit owner(s) shall be responsible for the cost of security, cleanup, and any damage incurred.
5. Office staff has instructions on locking clubhouse balcony doors, anyone not familiar with the process should contact the office staff.

CLUBHOUSE RENTAL FEES

The Board of Directors has reviewed the policy of the rental and use of the Fox Hills Clubhouse and has established rules and cost factors dealing with the ballroom, kitchen, and other areas of the Clubhouse. They are as follows:

Party/Gathering of Fox Hills Residents

- All Fox Hills Residents attending – no fee.

Party/Gathering – Outside Guests:

- There will be a four (4) hour maximum limitation.
- A Fox Hills resident must prepare the paperwork and comply with all requested information and fees.
- The resident is responsible for the cost of cleanup.

- The resident will supply a Certificate of Liability Insurance with Fox Hills named as the "additional insured".
- No children's parties (under 21) will be allowed.
- A 55+ aged resident must be in attendance at the party/gathering

Set Up:

- Resident will be permitted to set up one hour before function at no additional charge.
- Kitchen is a "warm up" kitchen only. No cooking is allowed.

Clean Up:

- Resident will be permitted up to one hour after conclusion of function at no additional charge.
- Food and beverages served at functions must be removed from refrigerator and freezers at termination of festivities.

Rates for Use of Rooms:

- Ballroom and Kitchen \$ 300 for Four (4) Hours or Less
- Two Card Rooms & Kitchen \$ 200 for Four (4) Hours or Less
- One Card Room & Kitchen \$ 100 for Four (4) Hours or Less

Deposit: The Association requires a deposit of \$ 500.00 at the time of the function, which is refundable, provided there is no damage and all areas used for the function have been cleaned (includes cleanup of the freezer, refrigerator, stoves, and microwaves). If all areas have not been cleaned and/or there is damage to the facility, your deposit will pay for the cleanup and/or damage. Any additional expenses not covered by the deposit will be the responsibility of the renter.

XII GREENHOUSE

The greenhouse is not an amenity described in the Developer's Public Offering Statement (POS) but may, nonetheless, be used by residents under guidelines amended from time to time by the Board of Directors. It is a multi-use structure serving the needs of the Association and providing pleasure to homeowners. All work and storage areas are to be kept clean.

1. The rear section of the greenhouse is occupied by the Fox Hills Maintenance Staff to be utilized for facilities, maintenance storage and projects.

The middle section is available for all Fox Hills residents.

2. The front section of the greenhouse is set aside for residents wishing to propagate plants from seeds or seedlings. Allocation of available space will be on a first come, first served basis. The Greenhouse is available to residents for all seasons and for the use of Fox Hills landscapers.

3. All plants must be kept free of disease and/or insect infestation. Plants which show evidence of either of these conditions will be removed and destroyed by the Association.
4. Residents must identify each plant container by attaching their name and telephone number to said container

XIII GARDEN PLOTS

A. Annual Reservation of Garden Plots

Common area garden plots are owned by the Fox Hills at Rockaway Condominium Association and will be assigned by the Association.

1. Reservation Forms will be available at the Management Office during November of each year; date to be posted by Management. Only one plot per unit will be accepted for reservation.
2. The Association will post a list in the Clubhouse containing the names of residents and assigned plots. If plot supply meets or exceeds demand, every effort will be made to assign previous plots to previous gardeners. The names of unassigned residents who have submitted valid reservation forms will be placed on a waiting list. In case of vacancies, plots will be assigned from the list in the order of their original submission dates. Please note: No proxy reservations may be submitted. Accordingly, no resident may garden a plot that has been assigned to another resident. Violations of this provision will result in immediate loss of gardening privileges.

B. Reassignment

Any plot assigned under Paragraphs 2 to a resident which is not prepared for planting by May 15th will be considered vacant and reassigned.

C. Resident Maintenance of Garden Plots

1. No objects or materials shall be affixed or hung from the perimeter fencing of the gardens nor shall any type of canopy or tent-like structures be erected within the assigned plot. If present, these objects will be removed by the Association after written notice to the assignee of record, and the cost will be passed on to the resident.
2. A two foot wide pathway in the center aisle must be maintained by each resident operator and kept clear to permit easy access by all residents to their assigned plots.
3. All plots must be cleared of vegetation, support material, and plot dividers by November 15th. After this date, the Association will consider uncleared plots abandoned. In this event the Association will clear these plots and

charge the assignee of record for labor costs. Thereafter, no plot will be assigned to any resident who fails to clear his or her plot.

4. Only annuals are to be planted. The planting of perennials runs the risk of loss to the plot gardener since annual assignment of the same plot cannot be guaranteed.

D. Association Responsibilities

1. The Association shall assign all plots in an equitable and fair manner to all residents in good standing in accordance with the above provisions. No one may request or reserve a plot on behalf of a resident.

2. The Association will supply reasonable access to water for all plots no later than May 5th. (Contingent upon Irrigation system)

3. The Association will develop a plot plan for the planting season which creates standard size plots. This will:

- a. Permit annual assignment of equal plot size to all and;
- b. Maximize the number of plots available for planting.

4. The Association shall erect and maintain a perimeter fence and access gates and locks for all approved garden sections and affix permanent numbered signs to each plot. The Association shall provide a key to each user.

XIV COLLECTION OF ASSESSMENTS AND DEBT SERVICE PAYMENTS

All documents, correspondence and notices relating to charges shall be mailed to the unit address, unless an alternative address is provided in writing to the Association.

1. Payment Due Dates:

- a. Payment of common expense charges (Maintenance, Capital Reserve and Water) shall be due on the first day of each month.
- b. Special assessments and other assessments, shall be due on the first day of the month following the month in which the assessment was approved by the Board, unless the Board otherwise directs.
- c. Any fines and charges levied shall be due and payable thirty days after they are issued and any bills or invoices sent by the Association shall reflect the assessment of the fine on the first day of the month following the date upon which the fine is levied.
- d. If payment is made and the check is returned for insufficient funds, a fee of \$25.00 will be assessed against the unit owner. If the Association receives two or more returned checks in payment of common area charges by any unit owner, the Association may require any future payments to be made by certified check or money order.

- e. The Association is not required to send monthly statements or reminders of assessments, fines, and charges. If the Association sends monthly statements or reminders, all assessments, fines, and charges are due as described herein regardless of whether the owner received the monthly statement or reminder. Failure to receive a monthly statement or reminder does not constitute good cause for the failure to pay all assessments, fines, and charges.

2. Collection of Delinquent Accounts:

- a. In the event that full payment of common expense, special or other assessment is not received by the tenth day of the month in which it is due, it shall be deemed delinquent. If payments are not received in this time frame, there shall be due and owing a late payment fee of \$25.00. If accounts remain delinquent after thirty days, there shall be due and owing an additional late payment fee of \$25.00. Late payment fees will continue for each month account remains delinquent, at the rate of \$50.00 per event.
- b. The Board will deal with every delinquency based on the facts and circumstances of each particular unit and/or delinquency.
- c. For special assessments and emergency assessments, the Board reserves the right to charge a different rate for late fees.
- d. The Association shall send a delinquency letter to any unit owner, whose account is sixty days past due, notifying the owner of the delinquency and assessment of any applicable late fees. The letter shall further advise that if payment is not made in full within fourteen days, the account shall be turned over to legal counsel. If an account is 90 days delinquent the voting rights of the unit owner will be suspended, and access to the Fox Hills facilities will be suspended at the discretion of the Board.
- e. Counsel's letter must advise the owner of the amount due, including late fees and counsel fees and the amount of acceleration through the remainder of the calendar year. If the account is not paid within fourteen days of counsel's letter to the delinquent owner, counsel is authorized, unless otherwise instructed by the Board, to file such liens or institute such proceedings as are permitted by the governing documents of the Association. Those proceedings may include but not be limited, to the following:
 - i. The acceleration of the entire amount due (Maintenance, Capital Reserve, and Water) for the remainder of the calendar year in which the collection efforts have begun; and thereafter for each calendar year in which a balance remains outstanding;
 - ii. The filing of a lien or other legal instrument which may prevent the sale of the unit;

- iii. Initiation of lawsuits to recover amounts owed;
- iv. Initiation of foreclosure actions and bidding on behalf of the Association at Sheriff Sales for the unit;
- v. Conducting such discovery, both pre-judgment and post-judgment, as may be appropriate and proceeding to trial on such cases as may be necessary.
- vi. The Association shall add to the delinquent owner's account all late fees and charges for counsel fees and costs.
- vii. In the event that a partial payment towards a delinquent account is made, the Association shall apply such monies to the oldest sub-account balances due, whether that balance represents maintenance, capital reserve, water, special assessments, late fees, fines, interest or counsel fees. The receipt of a partial payment shall not in any way be deemed to restrict the right of the Association to pursue its remedies in order to obtain a payment of an account in full.

3. Suspension of Privileges - If a lien is filed:

- a. Membership voting rights shall be suspended, subject to appeal to the Board, and,
- b. Membership access to Association facilities may be suspended, at the discretion of the Board.

Upon payment in full of delinquent balances, including fines, late fees and counsel fees, full membership privileges shall be automatically and immediately restored to the unit owner.

4. Waivers:

- a. The Association may grant a waiver of any provision herein upon petition in writing by a unit owner alleging a personal hardship. Such relief granted a unit owner shall be appropriately documented in the files, with the names of the Board members granting the relief, and the conditions of the relief. A minimum of 4 Board members must agree on any such relief in order to avoid any perception of favoritism, bias, or mistake.

5. Association Rights and Remedies:

Notwithstanding any of the above, the Association may exercise all rights and remedies available to it by law, in equity and/or pursuant to the Governing Documents.

- 6. Notices – Notices to one of two or more co-owners of a unit shall constitute notice to all co-owners.

XV SALES – TRANSFER - MOVING

1. Upon request by a prospective purchaser and/or his or her attorney, the Association shall provide a statement of outstanding assessments against a unit.
2. Each new unit owner shall be liable to the Association for the equivalent of two months assessments as a non-refundable capital contribution, as well as the equivalent of one month's assessment to be held by the Association as an escrow. All moneys remaining in a seller's escrow account shall be refunded at closing.
3. Moving in and out of units shall only be permitted between the hours of 8:00 A.M. and 6:00 P.M. on weekdays. Weekend moves will not be permitted unless a special request is made and staff is available. There will be an additional \$500 fee. Holiday moves will not be permitted. The Gatehouse must be notified 48 hours in advance. Moving Company must have insurance documents and a copy of same must be provided to Gatehouse prior to entry.
4. In order to protect the common areas and pad the elevators if necessary, notice of moving must be given to the Association at least 2 business days in advance by the owner(s)/resident(s) vacating and the new owner(s)/resident(s) moving in.

Each resident, whether moving in or moving out, must provide a move fee/deposit of \$500, payable with two separate checks (no cash). One check for \$150 (for administrative fees) and the \$350 balance as a security deposit for damages. Checks should be made payable to Fox Hills, and submitted to the Fox Hills Office located in the Clubhouse at One JFK Circle, prior to the move. The \$350 security deposit shall be returned only after it has been determined that no damage or violations have occurred.

5. The Association shall provide a copy of the most recent version of the **Fox Hills Welcome Packet** to each new unit owner.

In order to expedite and simplify the move process, the Association requires that all proximity passes, door & mailbox keys, as well as the guest badges (2 brown-optional) be delivered to the buyer or the buyer's designee at the closing. If you do not have these items, you will be responsible to reimburse the buyer for the purchasing cost. It is also required that you deliver the Master Deed, Public Offering Statement ("POS") and Amendments and Governing Documents to the buyer. If you do not have a complete set of these documents, you may purchase them from the Management Office at a cost of \$75.00. Also, it is the seller's responsibility to advise the purchaser which parking space(s) and storage cage(s) belong with this unit.

XVI AMENDMENTS

These Rules and Regulations are promulgated and adopted by the Board of Directors but may be amended by a majority vote of all unit owners pursuant to Association By-Laws, Article VI, Section 14:

Petitions for changes to existing rules and regulations and petitions for the promulgation of new rules and regulations shall be submitted to the Board with signatures of a minimum of ten percent (10%) of the Unit Owners. If the petition is not granted, it must be voted upon by the entire association. As a Rule and Regulation, it will require a majority of unit owner votes to pass.

Required format of Petition Forms -- Every page of the petition form must contain:

1. The name(s) of petition author(s);
2. A statement of the petition topic and/or the change desired;
3. The printed name, legal signature, building, and unit number of each signer
 - Only one signature per unit is permitted. For example, although a husband and wife may be joint owners, for petition-signing purposes they are considered a single unit owner. One unit, one vote;
4. The signature of the petition author or his or her representative under the last signature on each page to attest that each signer on that petition page is the person whose name was affixed to the petition.

Proper Procedure for Obtaining Homeowner Signatures-Signatures to petitions must be independently desired by every signing homeowner.

1. Signatures may be obtained in building lobbies.
 - The author(s) of a petition or his or her representative may seek and must be granted permission from a representative of each building to sit in the lobby of such building.
 - The person granting authorization to enter the building only for the purpose of obtaining signatures or petition, must remain in lobby with petition or assign a representative in his/her place.
 - A notice must be put on the building bulletin board by either the author(s) or someone from the building advising the date and time when the representative will be in the lobby; the notice must be posted at least one week prior to the date signatures will be obtained;
 - If a homeowner cannot make the building appointment, he/she can call the office and make arrangements to go to the office and sign the petition in the office. In order to avoid disruption to the office staff, this should be limited to those who cannot make the building arrangement;
2. Signatures may also be obtained at the clubhouse or anywhere in the common areas of Fox Hills;
3. Signatures may not be obtained by door-to-door solicitation.
 - If a submitted petition page includes any signature obtained by door-to-door solicitation, that entire petition page will be invalidated;
4. Signatures may not be obtained by posting petitions on building bulletin boards.

- If a submitted petition page includes any signatures obtained by the posting of the petition on building bulletin boards, that entire petition page will be invalidated.
5. The author(s) of a petition must take all reasonable precautions to protect the identity of all petition signers prior to submission of the petition. To the extent practicable, the author(s) of a petition and their legal representatives must not disclose the names of the individuals who have signed the petition prior to submission of the petition.

Completed Petitions: The Petition Form to be used for petitions is attached and may be obtained from the office. Signed petitions and all related pages on a given topic are to be submitted all at once to the Board of Directors by the author. If the form is properly completed, the petition process shall proceed in a timely manner and in accordance with the Governing Documents of Fox Hills.

XVII ALTERNATIVE DISPUTE RESOLUTION COMMITTEE (ADRC)

1. Applicability:

The Alternative Dispute Resolution Committee ("ADRC" or "committee") is a useful method of resolving Community Association disputes and can be helpful in promoting harmony among neighbors. Disputes subject to ADRC would include those involving the common property, the Governing Documents or the Rules and Regulations of the Association.

A. The ADRC: The ADRC shall consist of 5 Association members who are not officers of the Association, members of the Board of Directors, or involved in the dispute. Committee members shall be appointed by the Board of Directors. Members shall serve for a 3 year term with successive terms to be granted at the discretion of the Board of Directors. Any members of the committee may be dismissed with or without cause by the Board of Directors without notice. At least 3 members are necessary to establish a quorum to review disputes under this section.

As an alternative to litigation, the ADRC shall provide a forum for resolution of housing-related disputes between individual unit owners and the Association, and between unit owners. Other than fines, housing-related disputes do not include disputes involving sums assessed to unit owners pursuant to the Association's Master Deed and By-Laws.

Housing-related disputes generally exclude disputes relating to the discretionary exercise of judgment by the Association's Board of Directors, except to the extent: (i) it affects or involves the use, maintenance, or repair of common property as such pertains to a particular unit owner; (ii) it relates to the imposition of fines upon or loss of privileges by unit owner; or (iii) it involves the alleged failure of the Board of Directors to follow the requirements of a statute, regulation, or governing document.

B. Handling and Contents of Complaint: Housing-related complaints must be filed in a timely manner in writing with the Association. The Association may also file a complaint directly with the ADRC. The Association must refer the complaint to the ADRC within ten (10) working days of the occurrence. The complaint must set forth the acts or omissions in the complaint with specific reference, if possible, to times, dates, places, and persons involved. To the extent possible, the complaint should specify the provision(s) of the Governing Documents alleged to have been violated.

C. Notice of Receipt to Parties. The committee shall set forth a non-binding arbitration date that is not more than thirty days from the receipt of the written complaint. At least 10 days prior to any non-binding arbitration, the committee shall serve a copy of the complaint which may be in the form of a letter ("Notice of Non-Binding Arbitration" or "Notice") upon the respondent by personal service or via regular mail, addressed to respondent at the respondent's last known address. Service by mail will be deemed effective if the regular mailing is not returned and was placed in the U.S. Mail at least 10 days before the hearing date. No fine may be imposed unless the respondent has been served as provided in this paragraph.

D. Contents of "Notice". The Notice of Non-Binding Arbitration must set forth the time, place, and date of the arbitration. The Notice shall contain a statement that the respondent: (i) may be present at the arbitration hearing; (ii) may, but need not be represented by counsel at his own discretion and expense; (iii) may present any relevant evidence; (iv) will be given full opportunity to cross-examine all witnesses identifying against the respondent; and (v) will be entitled to request the attendance of witnesses, and to request the production of books, documents, or other items from the Association or the Board of Directors.

E. Supplemental Notice. No later than ten (10) days prior to the hearing date, the ADRC may file or permit the filing of an Amended or Supplemental Complaint. All parties must be notified in the same manner as notified of the original complaint and, if necessary, of a new non-binding arbitration date.

F. Request for Witness List. At any time after service of the "Notice" and at least five (5) days prior to the date for non-binding arbitration, either party may request the Association or the Board of Directors to provide the names and addresses of witnesses to be called, as well as copies of any statements, writings, and investigative reports to be introduced at the hearing. It shall be the obligation of any individual to whom such information is provided, to utilize same for only legitimate purposes in the context of the non-binding arbitration. Failure to do so shall subject the unit owner to liability and/or penalties and costs.

2. Non-Binding Arbitration Hearing Process:

A. Arbitration Officer. The Chairperson of the ADRC or a designated ADRC representative shall serve as the non-binding arbitration officer. It is the duty

of the presiding officer to explain rules and procedures by which the hearing is to be conducted. Generally, any relevant evidence may be admitted and hearsay evidence may be used to supplement or explain other evidence, but will not be sufficient in and of itself to support a finding. All ADRC hearings shall be conducted in private session. The Association's attorney may, but need not, be present at the hearings.

Technical rules of evidence or procedures may be relaxed by the Arbitration Officer who, nevertheless, may reserve the right to exclude all irrelevant, immaterial, or repetitious evidence. Oral evidence may be taken only on oath or affirmation administered by the presiding officer. The officer also has the discretion to impose reasonable limits on the time allowed to testify and the number of witnesses.

B. Failure to Appear. In the event the respondent fails to appear at the selected non-binding arbitration hearing, the allegations in the complaint will be deemed admitted, the hearing will not be held and the right to participate in the dispute resolution process will be deemed waived.

C. Committee Conduct. Whenever the committee has commenced to hear a matter, and a member withdraws before a decision, the remaining members will continue to hear the case and the committee chairperson will name a replacement for the withdrawing member. The replacement will make his/her decision from the existing record.

Each member of the committee must be able to perform in a disinterested and objective manner in considering the case before it, or must disqualify him/herself and have it recorded in the minutes. Any member of the committee may be challenged by any other member, or by the complainant or respondent, for cause. The Board of Directors will decide the merits of the challenge and all decisions of the Board in this regard are final.

Where necessary, each committee member may seek and be bound by the advice of the Association's attorney regarding any substantive or procedural legal issue. Such issues should be referred to the attorney through the committee chairperson with timely notification to the President of the Board of Directors.

D. ADRC Determinations. Within thirty days after a non-binding arbitration hearing on any matter, the committee shall issue its written recommendation to the Board of Directors. A committee recommendation must have the support of a majority of those arbitrating the matter (a quorum being present). Written copies of the recommendation must also be delivered to the parties by personal service or regular mail.

E. Remedies. Notwithstanding anything to the contrary herein and/or recommendations of the committee, the Association may exercise all rights and remedies available to it at law, in equity and/or pursuant to the Association's Governing Documents.

Unit owners must exhaust all remedies provided under Section XVII of the Association's Rules and Regulations before resorting to a court of law for relief. Further, the committee's findings, its recommendations, and/or any statement presented to the committee by the Association shall be inadmissible in any court of law for any purpose whatsoever, unless consented to in writing by the Association.

Each party shall bear his/her own costs for the non-binding arbitration.

XVIII VIOLATIONS

The Board of Directors shall have the power to enforce the By-Laws, Master Deed, and Rules and Regulations and have the right to levy fines for violations of these governing documents. A fine so levied shall be collected in the same manner as other assessments. The unit owner shall be liable for payment of the Association's attorneys' fees, plus interest and costs of suit.

Resolution #12-08 implements this system of fines based on violations of Association Governing Documents.

A. Those not separately described herein are "ordinary violations" for which the fines are as follows:

First offense:	\$ 75.00
Second offense:	\$150.00
Third offense:	\$300.00

B. Health, safety and security violations carry the following fines:

First offense:	\$100.00
Second offense:	\$300.00
Third offense:	\$500.00

These fines include but not limited to animal excrement or urine in common areas not designated for pets, blocking common areas with furniture or personal property, leaving exit and garage doors open or clubhouse doors unlocked.

C. Vandalism, misuse or destruction of Association property carry the following fines:

First offense:	\$200.00
Second offense:	\$400.00
Third offense:	\$600.00

If clean up or repair is needed, the unit owner will be charged the full cost.

D. If the Signalink fire alarm that is installed in the bedrooms is disabled the owner will be fined \$500.

Fines not paid within 10 days of written notice will increase \$5.00 per day until the fine is paid. In addition, the unit owner's "member in good standing" status may be suspended until the earlier of-

1. Any time for appeal has passed or
2. Such fine(s) is (are) paid

If a fine is imposed 3 times for a substantially similar violation, access to anything other than the unit owner's building will be restricted. If the above type violation, the violation will be considered a second or third offense

1. At the discretion of the Board, the first violation may be considered a warning that, if another similar violation occurs, a second offense fine for the violation will be imposed; in such event, a letter so stating will be sent. In the alternative, the Board may elect to assess a first offense fine after considering factors including but not limited to the length of time the violator has owned the unit or resided at Fox Hills, whether the violation was committed by the unit owner, and if not, the extent of control the unit owner had or should have had over the violator's conduct, the severity of the violation and other appropriate factors.
2. In the event failure to pay an assessed fine results in the necessity of legal action, the unit owner shall be responsible for payment of the reasonable attorney's fees of the Association plus interest and cost of suits.
3. The remedies herein are not exclusive, and the Board may, in addition, take any action provided at law, in equity, or in the Master Deed or By-Laws to prevent or eliminate violations thereof or of the Rules and Regulations of the Association.
4. Nothing herein shall be construed to limit or otherwise restrict the power of (1) the Board of Directors to assess, reduce or waive fines, or (2) the Alternative Dispute Resolution Committee to recommend fines commensurate with the violation(s) under examination.

FOX HILLS AT ROCKAWAY CONDOMINIUM ASSOCIATION, INC.
PETITION FORM

Printed Name of Petition Author: _____

Petition Topic/Desired Change*:

*If this topic would require a change to the Association's By-Laws, signers are not voting on the topic, but just indicating their desire for a Special Meeting to discuss the topic.

#	<u>Printed Name</u>	<u>Legal Signature—Only 1 per Unit</u>	<u>Unit #</u>	<u>Building</u>
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

I attest that each signer on this Petition Form is the person whose name was affixed to this Form.

Printed Name

Legal Signature

Date

George Karousatos, Esq./I.D.#027321991
BIANCAMANO & DI STEFANO, P.C.
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10 Parsonage Road
Edison, NJ 08837
Tel: 732-549-0220
Fax: 732-549-0068
Attorneys for Defendant, *Fox Hills at
Rockaway Condominium Association, Inc.*

Our File No. 20016-02739

<hr/>	:	SUPERIOR COURT OF NEW JERSEY
PAUL KARDOS	:	CHANCERY DIVISION MORRIS COUNTY
	:	GENERAL EQUITY
	:	DOCKET NO.: MRS-C-000102-18
Plaintiff,	:	
	:	Civil Action
-vs-	:	
	:	
	:	
FOX HILLS AT ROCKAWAY	:	DEFENDANTS STATEMENT OF
CONDOMINIUM ASSOCIATION, INC.	:	UNCONTESTED FACTS IN SUPPORT OF
	:	DEFENDANTS' MOTION FOR SUMMARY
	:	JUDGMENT.
	:	
Defendants.	:	
<hr/>	:	

In accordance with R. 4:46-2(a) below is defendants' statement of material facts to which there is no genuine dispute.

1. Defendant, Fox Hills at Rockaway Condominium Association, Inc., is a common-interest community. (Attached Exhibit "A," Master Deed).

2. Plaintiff is a homeowner within this common-interest community. (Cmplt, at ¶ 1).

3. Fox Hills Restated Rules and Regulations contains a provision which states:

The distribution of literature to residential units without the prior written permission of the Board of Directors is prohibited. Any Association member wishing to distribute literature must submit a written request including a copy of the literature to the Association for review by the Board of Directors. Approval may be granted if, in the sole discretion of

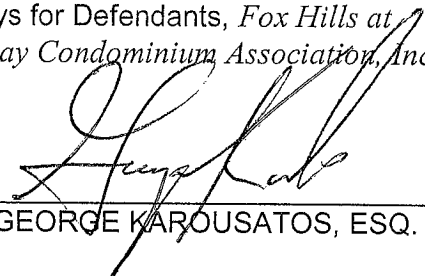
the Board of Directors, the material is deemed appropriate and does not expose the Association to any liability. Photo identification must be on your person at all times.

[Attached Exhibit "B," Restated Rules and Regulations, at I(3)(A).]

BIANCAMANO & DI STEFANO, P.C.

Attorneys for Defendants, *Fox Hills at
Rockaway Condominium Association, Inc.*

By: _____


GEORGE KAROUSATOS, ESQ.

Date: March 10, 2020

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Rockaway Condominium Association, Inc.*

Our File No. 20016-02739

PAUL KARDOS

Plaintiff,

-vs-

FOX HILLS AT ROCKAWAY
CONDOMINIUM ASSOCIATION, INC.

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION MORRIS COUNTY
GENERAL EQUITY
DOCKET NO.: MRS-C-000102-18

Civil Action

*Defendant, Fox Hills at Rockaway Condominium Association, Inc.'s, Brief in Support of
Summary Judgment as to Paragraph 9 of the First Count of the Plaintiff's Complaint*

Of Counsel and On the Brief: George Karousatos, Esq.
On the Brief: Daniel J. Giordano, Esq.

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PROCEDURAL HISTORY

The Complaint filed in this case alleged two counts against defendants. The parties resolved the claims relating to both counts with the exception of Paragraph 9 of the First Count of the Complaint. That Paragraph asks the Court to “Declare that Defendant Association Rules and Regulations Article I section 3.A. (requiring written permission of the Board to distribute literature) violates the free speech guarantee in New Jersey’s Constitution.”

This claim that prior approval from the Board prior to the distribution of literature in a common-interest community by an owner is the only issue remaining. Defendant therefore files this timely motion for summary judgment on this narrow issue because such a restriction is reasonable as a matter of law.

PRELIMINARY STATEMENT

Plaintiff is an owner of a unit in a common-interest community. Plaintiff engages himself in regular critiques of the governance of the Board as well as personal critiques of the volunteer members of the Board. In furtherance of this arm-chair interest in the governance of the Board and the personalities of the Board members, plaintiff wants free access to all of the 600 residential units in order to distribute literature which, so he says, relates to the governance of the Board. Plaintiff wants the Court to say that his being a owner of a common-interest community property in the State of New Jersey entitles him, as of right, to distribute literature to the entire community without having the Board review the literature to ensure that it does, in fact, relate to the governance of the Board.

The plaintiff's interpretation of the law is too broad, however. While plaintiff, being an owner in the community, has a right under this State's Constitution, to be free from unreasonable restrictions on his ability to speak about matters relating to the governance of the Board (only), he does not have an unfettered right to distribute literature to the entire community without prior approval from the Board.

Indeed, there is absolutely no way to ensure against the abuse of such distributions in the absence of prior review because there would be no way of knowing whether the literature meets the condition required under our Constitution: that it relate to the governance of the community. But even beyond, there is no way to ensure that even if it relates to the governance of the community, that the literature does not violate any other laws. Additionally, there is no way to ensure that the "right" is not exploited by advertisers seeking to dress up commercial speech as speech which relates to the governance of the community. Indeed, it is clear that an advertisement for a landscaping service that promises that the company can save the community

money if they simply chose it to perform the landscaping services would be speech about the governance of the community. But it would also be commercial speech. And although political speech is accorded the highest protections, commercial speech is not so protected. Such mixed-speech situations makes prior review from the Board a reasonable restriction on an owner's right to speak freely about the governance of his community by way of invasively going door-to-door (in other words soliciting) all other members, whether they like it or not, with his opinion on such matters and leaving the literature, whether they want it or not, for them to dispose of.

STATEMENT OF FACTS

Fox Hills is a common-interest community which consists of 600 residential units pursuant to the Condominium Act. (Attached Exhibit "A"). Plaintiff is a resident-owner of one of the units. The Association is governed by, among other things, the Rules of Regulations of the Association.

Article I section 3.A. of the Restated Rules and Regulations of the Association state in full:

A. The distribution of literature to residential units without the prior written permission of the Board of Directors is prohibited. Any Association member wishing to distribute literature must submit a written request including a copy of the literature to the Association for review by the Board of Directors. Approval may be granted if, in the sole discretion of the Board of Directors, the material is deemed appropriate and does not expose the Association to any liability. Photo identification must be on your person at all times.

Plaintiff is not challenging the application of this rule to any particular piece of rejected literature. His challenge is therefore a facial challenge to this regulation. Plaintiff contends that, in the context of common-interest communities, the New Jersey Constitution prohibits the review of literature by the Board in advance of its distribution to the community.

POINT I

BECAUSE JUDGE BRENNAN ALREADY DETERMINED THAT THE REGULATION AT ISSUE WAS 'CONSTITUTIONALLY SOUND,' DEFENDANT'S MOTION FOR SUMMARY JUDGMENT SHOULD BE GRANTED.

Plaintiff filed his complaint on September 20, 2018. Plaintiff alleged that defendant violated his free speech rights by refusing to permit him to publish a flyer that the Board found objectionable as it alleged that certain Board members were liars. Defendant's filed a motion to dismiss the complaint on November 1, 2018. Presiding Judge Robert. J. Brennan denied defendant's motion finding that because the flyer called the Board members liars in the context of their positions as Board members and relating to a matter of public concern to the community. (Attached Exhibit "C," Statement of Reasons at *5).

In making the ruling, however, Judge Brennan actually made a finding which is now at issue in this motion. Plaintiff asserts here that it is an unreasonable restriction for the Board to review an owners proposed literature in advance of its distribution. Judge Brennan, in his reasoned Statement of Reasons, noted that

Defendant has a right to review flyers before they are distributed on its private property and to ban flyers on its private property containing hateful or attacking language. Defendant's rules and regulations regarding flyers and their distribution are constitutionally sound and do not constitute an unreasonable restriction on Plaintiff's Freedom of Speech.

[(Id. at *5).]

Judge Brennan did find that when taking the facts in the light most favorable to plaintiff, as required in motions to dismiss, that the Board's refusal to permit plaintiff from publishing the flyer, because it related to matters of the communities' concern, was an unreasonable restriction. But here Judge Brennan reviewed the very provision that plaintiff is now challenging as unconstitutional and found it to be "constitutionally sound" and found that the rule "d[id] not constitute an unreasonable restriction on Plaintiff's Freedom of Speech." Furthermore, Judge

Brennan identified and established that Defendant “has a right to review flyers before they are distributed on its private property.” Ibid.

“The “law of the case” doctrine sometimes requires a decision of law made in a particular case to be respected by all other lower or equal courts during the pendency of that case.” State v. Reldan, 100 N.J. 187, 203 (1985). “Underlying the [law-of-the-case doctrine] are principles similar to collateral estoppel” Id. at 209.

Both collateral estoppel and law of the case are guided by the “fundamental legal principle ... that once an issue has been fully and fairly litigated, it ordinarily is not subject to relitigation between the *same parties* either in the same or in subsequent litigation.” However, whereas collateral estoppel may bar a party from relitigating an issue decided against it in a later and different case, law of the case may bar a party from relitigating the same issue during the pendency of the same case before a court of equal jurisdiction.

[State v. K.P.S., 221 N.J. 266, 277 (2015) (citations omitted).]

Admittedly, “One major distinction between the two doctrines is that law of the case, unlike collateral estoppel, is subject to the exercise of sound discretion.” Ibid. see also, Devilla v. Schriver, 245 F.3d 192, 197 (2d Cir.2001) (“[U]nlike the doctrine [] of ... collateral estoppel, which a court cannot ignore ..., the law of the case ... merely expresses the practice of the courts generally to refuse to reopen what has been decided.” (internal quotation marks omitted)).

Plaintiff raised an as-applied constitutional issue against this very defendant in this very litigation. The Court, in reviewing the facts in the light most favorable to plaintiff, evaluated whether the regulation was facially unconstitutional. Judge Brennan found that not only do defendants “ha[ve] the right to review flyers before they are distributed on its private property,” but went further stating that the regulation “regarding flyers and their distribution are

constitutionally sound and do not constitute an unreasonable restriction on Plaintiff's Freedom of Speech." (Statement of Reasons, at *5).

Consequently, the Court, in the exercise of its sound discretion should grant defendant's motion for summary judgment on the basis that this issue was fairly litigated and a conclusion previously stated by Judge Brennan.

POINT II

BECAUSE PRIOR APPROVAL OF THE BOARD BEFORE THE DISTRIBUTION OF LITERATURE IS A REASONABLE RESTRICTION ON THE FREE SPEECH RIGHTS OF ASSOCIATION MEMBERS, FOX HILLS' SUMMARY JUDGMENT MOTION SHOULD BE GRANTED.

In the event that the Court determines that Judge Brennan's reasoned Statement of Reasons and the law of the case doctrine does not control this decision, perhaps it has persuasive force on the Court. Such force would be principally because Judge Brennan's statement of the law is correct.

The New Jersey Constitution provides that:

Every person may freely speak, write and publish his sentiments on all subjects, being responsible for the abuse of that right. No law shall be passed to restrain or abridge the liberty of speech or of the press.

[*N.J. Const.* art. I, ¶ 6.]

New Jersey's Free Speech Provision provides protections "broader than practically all others in the nation." Green Party v. Hartz Mountain Indus., Inc., 164 N.J. 127 (2000), see also, State v. Schmid, 84 N.J. 535 (1980). This is to say that since the New Jersey Free Speech provision is broader than the federal Free Speech Clause, there are no protections provided under the latter that are not provided under the former; though there may be protections provided under the former that are not provided under the latter.

But even in this broad Provision, there is a narrowing of its scope. It quite clearly states that "No law shall be passed to restrain or abridge the liberty of speech." This is to say that the Free Speech Provision, when read strictly, applies only to state actors in the passage of laws. But because of the breadth of this Provision, New Jersey's Supreme Court, "under limited circumstances, [] ha[s] determined that those constitutional rights may be enforced against

private entities.” Comm. For A Better Twin Rivers v. Twin Rivers Homeowners' Ass'n, 192 N.J. 344, 362–63 (2007).

While “Many states have declined to recognize a constitutional right to free speech in privately owned malls, largely on the ground that malls are not ‘state actors’. . . a handful of states recognize a constitutional right to engage in free speech, assembly, or electoral activity on privately owned property held open to the public, such as a shopping mall or a college campus.” Id. at 362. “Those courts[, including New Jersey’s,] based their determinations, in part, on the open and public nature of the shopping mall.” Ibid.

There are two tests in New Jersey in the context of free speech rights on private property: the so-called Schmid test and the Coalition balancing test. Schmid looks to:

(1) the nature, purposes, and primary use of such private property, generally, its “normal” use, (2) the extent and nature of the public's invitation to use that property, and (3) the purpose of the expressional activity undertaken upon such property in relation to both the private and public use of the property.

[State v. Schmid, 84 N.J. 535, 563 (1980).]

The Coalition test is a balancing of the “expressional rights private interest and the private property rights.” N.J. Coalition Against War v. J.M.B. Realty Corp., 138 N.J. 326 (1994)

But there was a recognition by the Court in Twin Rivers, supra, that the Schmid test was insufficient when dealing with the free speech rights of fellow property owners in common-interest communities. 192 N.J. at 350. The Schmid standard “was not designed ‘for situations when the person seeking to exercise the right to free speech is not an outsider but a property owner as well.’” Dublirer v. 2000 Linwood Ave. Owners, Inc., 220 N.J. 71, 83 (2014) (quoting Mazdabrook Commons Homeowners' Ass'n v. Khan, 210 N.J. 482, 497-98 (2012)). In recognition of this, the Court adjusted the free speech framework; “enhanc[ing] the weight of the third *Schmid* factor” (the purpose of the expressional activity in relation to the private and public

use of the property) and “elevat[ing] the importance of the general balancing test.” Mazdabrook, supra, 210 N.J. at 498.

Twin Rivers dealt with a large planned development of private dwellings which was governed by a homeowners’ association. The association adopted a sign policy that allowed no more than one sign per lawn and one sign in the dwellings’ window. Twin Rivers, supra, 192 N.J. at 351. The residents were however permitted to ring doorbells and advance their views. Id. at 368. The Court found that even though the restriction applied to residents, it did not violate the New Jersey Constitution because it was “minor and reasonable[] and ‘allowed expressional activities to take place.’” Dublirer, supra, 220 N.J. 82 (citing and quoting Twin Rivers, supra, 192 N.J. at 367).

The homeowner in Mazdabrook, on the other hand, sought to advertise his candidacy for town council. Mazdabrook, 210 N.J. at 488. His clear political speech ran up against a house rule that banned the display entirely of any signage (except For Sale signs). Ibid. Because the rule “hampered the most basic right to speak about the political process” and because placing signage outside his own property interfered minimally with the association property or common areas because people could choose to ignore the signs, the rule was found to run afoul of the free speech provision of the NJ Constitution. Id. at 501. The Court made clear however that:

The Association, of course, had the power to adopt reasonable time, place, and manner restrictions to serve the community's interests. The homeowners' association in Twin Rivers accomplished that by limiting the number and location of residential signs. Reasonable limits could also be placed on the size of signs. The Association here instead imposed a total ban, with the exception of “For Sale” signs.

[Mazdabrook Commons Homeowners' Ass'n v. Khan, 210 N.J. 482, 501–02 (2012) (citing Coalition, supra, 138 N.J. at 377, Schmid, supra, 84 N.J. at 563).]

Twin Rivers progeny's most recent opinion, Dublirer v. 2000 Linwood Ave. Owners, Inc., 220 N.J. 71, 73 (2014), is heavily relied upon by Plaintiff. Dublirer clarified that the test to be used in this context is neither the Schmid test nor the Coalition test, but instead a hybrid of the two as noted in Mazdabrook. In

evaluat[ing] restrictions on the right to free speech and assembly for residents of a private interest community. . . , courts should *focus on the purpose of the expressional activity undertaken in relation to the property's use, an inquiry adapted from Schmid and should also consider the general balancing of expressional rights and private property rights.*

[Id. at 86 (quotation marks omitted and emphasis added).]

This is to say that the Dublirer standard to be applied in the context presented here involves the third Schmid factor as well as the Coalition balancing test as instructed by Mazdabrook.

Dublirer involved a co-op of about 1000 resident/shareholders. Each year the co-op held elections for its governing board of directors. The plaintiff in that case was a shareholder challenging a house rule that banned the solicitation and distribution of any written materials anywhere on the premises without prior approval of the Board. The Board could; however, post materials and did so; materials the trial court described as “partisan materials” and “attack[s]” on the Board’s “opponents.” The plaintiff in Dublirer published the community newsletter and, in “similarly strong language” questioned the Board’s fiscal responsibility, competence and even alleged corruption. Plaintiff was reminded of the house rule prohibiting him from placing the newsletter under the residents’ doors.

At some point, plaintiff wanted to run for the Board and inquired as to whether the house rule also applied to campaign materials. The Board notified plaintiff that indeed the Rule did and, as a consequence, denied his request to publish such materials.

The plaintiff filed suit alleging that his free speech rights were violated by the house rule. The trial court ruled that the house rule was not unconstitutional because there were reasonable alternatives provided for plaintiff and the rule was uniformly applied. The Appellate Division, “not[ing] that Dublirer’s expressional activity was ‘political-like speech’” struck the House Rule on free speech grounds. The Supreme Court in affirming the Appellate Division’s holding emphasized the importance of the type of speech, political speech “which is entitled to the highest level of protection in our society.” Dublirer, supra, 220 N.J. at 85 (citing Mazdabrook Commons Homeowners’ Ass’n v. Khan, 210 N.J. 482, 499 (2012) (“[P]olitical speech ... lies ‘at the core’ of our [State’s] constitutional free speech protections.”), State v. Miller, 83 N.J. 402, 411 (1980) (noting political speech “occupies a preferred position in our constitutionally-protected interests”)).

The Court found that a “house rule” which barred soliciting and distributing all written materials was unconstitutional because of the “important right of residents to speak about the governance of their community, which presents a minimal intrusion when a leaflet is placed under a neighbor’s apartment door.” Dublirer, supra, 220 N.J. at 73-74.

As Mazdabrook illustrates, the type of speech sought to be advanced, in part, determines the protections provided by the N.J. Constitution. Political speech; speech where the purpose revolves around, for example, the governance of the community, is given a different level of protection against prohibitive rules than commercial speech. No one would argue that an individual is entitled under the New Jersey Constitution to distribute advertisements, post advertisements on billboards or be permitted to go door-to-door in order to sell a product regardless of whether he or she lives on the property at issue.

Plaintiff presents a facial challenge to the Board's rule requiring prior approval from the Board before literature can be distributed to other association members by a resident. The challenged regulation states in full:

A. The distribution of literature to residential units without the prior written permission of the Board of Directors is prohibited. Any Association member wishing to distribute literature must submit a written request including a copy of the literature to the Association for review by the Board of Directors. Approval may be granted if, in the sole discretion of the Board of Directors, the material is deemed appropriate and does not expose the Association to any liability. Photo identification must be on your person at all times.

The Expressional Activity in Relation to Property Use

Plaintiff's challenge is basically that he wants carte' blanche to distribute literature throughout the common-interest community. This is to say that without a prior approval requirement there is no assurance that the literature being distributed is in fact political. Indeed, were plaintiff's position adopted, there would basically be a free-for-all for residents of common-interest communities to distribute material regardless of whether or not the material related to the governance of the community. Moreover, without a prior review process from the Board, there would actually be no way for the Board to know that the individual who is distributing materials throughout the community is even a resident.

To be clear, Dublirer was based on the idea that "Speech about governance is not incompatible with the place to be governed." Dublirer, supra, 220 N.J. at 86-87. The Court went further stating that "speech about matters of public interest, about the qualifications of people who hold positions of trust, lies at the heart of our societal values." Ibid. This is to say that speech not about governance, not about the qualifications of people who hold positions of trust, is not so protected under the State's Constitution. Speech without this unique protection provided by our State can, without argument, be restricted from distribution throughout a community.

The issue becomes even more clear where the proposed speech is of mixed variety. For example, a flyer which discusses the incompetence of a landscaping company would be speech about matters of the community's interest and even could relate to the governance of the community. But were the flyer to suggest some alternative landscaping company, it would also be an advertisement. Whereas the former is protected by this State's Constitution, the latter would not be. In the absence of prior Board approval, there would be no screening process to ensure that this form of "protected" speech does not become a mere vehicle with which to eviscerate the community's acknowledged interest in quiet enjoyment.

Community's Interest

Fox Hills, like the common-interest community in Dublirer, has an interest in promoting the residents' quiet enjoyment of their property. Fox Hills also has an interest in preserving the residents' privacy and minimizing litter in their buildings. These interests are protected by the restriction on the distribution of literature to the residents which ensures that residents will not be pestered by other residents or outsiders regarding issues of unprotected importance; most notably commercial speech.

Although a blanket restriction on the distribution of literature would be the best way of preserving the community's interest, Fox Hills acknowledge that such a blanket ban would run afoul of this State's Constitution. Consequently, Fox Hills established a reasonable restriction on the distribution of literature which requires that it be submitted to the Board in advance of distribution so that the Board can determine whether (1) the speech relates to the governance of the common-interest community at-all; or (2) whether it also contains speech unprotected by Dublirer (i.e., commercial speech, true threats, speech identifying and about other non-Board member residents, obscenity, etc.). If the proposed literature does not relate to the governance of

the common-interest community, it is outside the protection of Dublirer and the distributor would not be entitled to distribute it. Similarly, if the speech is about the governance of the common-interest community, but also contains speech which is not protected, the Board can ensure compliance in advance of any harm.

This is to say that if a proposed flyer includes political speech and a commercial, the Board could ensure that the commercial is redacted or omitted in advance of the commercial being published to the residents. Similarly, publishing speech which expresses any limitation on the basis of any protected characteristic is unlawful under the Law Against Discrimination.¹ It could be the case that speech expressing a limitation on the basis of a protected trait could also relate to the governance of the Board. Some discriminatory resident could suggest in a flyer that a certain group should not become members of the Board. Such a flyer would indeed be a political flyer. But publishing such a flyer would also be unlawful. The Board would be exposed to liability if it did not prevent such an unlawful sentiment from being published. Without prior review by the Board, there is no way to ensure whether or not the speech is in fact protected by Dublirer regardless of whether it relates to the governance of the Board.

The only way for the Board to ensure that the invasion to the recognized and legitimate interests of the common-interest community is as minimal as is required by the Supreme Court is

¹ N.J.S.A. 10:5-12(f)(3). It shall be . . . unlawful discrimination:

To print, publish, circulate, issue, display, post or mail, or cause to be printed, published, circulated, issued, displayed, posted or mailed any statement, advertisement, publication or sign, or to use any form of application for the purchase, rental, lease, assignment or sublease of any real property or part or portion thereof, or to make any record or inquiry in connection with the prospective purchase, rental, lease, assignment, or sublease of any real property, or part or portion thereof which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, national origin, ancestry, marital status, civil union status, domestic partnership status, pregnancy or breastfeeding, sex, gender identity, or expression, affectional or sexual orientation, familial status, disability, liability for service in the Armed Forces of the United States, nationality, or source of lawful income used for rental or mortgage payments, or any intent to make any such limitation, specification or discrimination, and the production of any such statement, advertisement, publicity, sign, form of application, record, or inquiry purporting to be made by any such person shall be presumptive evidence in any action that the same was authorized by such person; . . .

for there to be some type of review. Then, after the Board rejects or requests redaction of the material, a complainant may seek a specific challenge to this otherwise reasonable restriction.

As outlined above, Judge Brennan was quite right when he stated:

Defendant has a right to review flyers before they are distributed on its private property and to ban flyers on its private property containing hateful or attacking language. Defendant's rules and regulations regarding flyers and their distribution are constitutionally sound and do not constitute an unreasonable restriction on Plaintiff's Freedom of Speech.

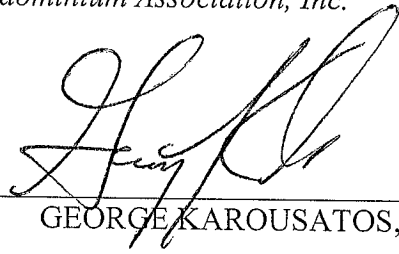
[(Statement of Reasons, at *5).]

CONCLUSION

For all the foregoing reasons, it is respectfully requested that the Court dismiss paragraph 9 of the First Count of plaintiff's Complaint.

BIANCAMANO & DI STEFANO, P.C.
Attorneys for Defendants, *Fox Hills at Rockaway*
Condominium Association, Inc.

By: _____


GEORGE KAROUSATOS, ESQ.

Date: March 10, 2020

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Attorneys for Defendant, *Fox Hills at
Rockaway Condominium Association, Inc.*

Our File No. 20016-02739

PAUL KARDOS

Plaintiff,

-vs-

FOX HILLS AT ROCKAWAY
CONDOMINIUM ASSOCIATION, INC.

Defendants.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION MORRIS COUNTY
GENERAL EQUITY
DOCKET NO.: MRS-C-000102-18

Civil Action

ORDER

THIS MATTER having been opened to the Court by the law firm of Biancamano & Di Stefano, P.C., attorneys for defendant, Fox Hills at Rockaway Condominium Association; and the motion being submitted to the Court pursuant to R.1:6-2; and the Court having read the Certification in lieu of affidavit submitted by the attorney for this defendant and brief in support of the motion and for other good cause shown:

IT IS on this _____ day of _____, 2020

ORDERED that Paragraph 9 of Count One of the Complaint be and is hereby dismissed with prejudice; and it is further

ORDERED that a copy of the within Order shall be served upon all counsel within _____ days from the date of receipt by the attorneys for this defendant.

J.S.C.

George Karousatos, Esq./I.D.#027321991
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Edison, NJ 08837
Tel: 732-549-0220
Fax: 732-549-0068
Attorneys for Defendant, *Fox Hills at
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GENERAL EQUITY
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Civil Action

PROOF OF SERVICE

I, Dolores Geletei, do hereby certify that:

1. I am employed by the law firm of Biancamano & Di Stefano, P.C., 10 Parsonage Road, Suite 300, Executive Plaza, Edison, New Jersey as a legal assistant.

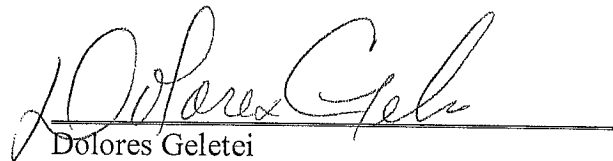
2. On March 10, 2020, the undersigned filed a true and correct copy of Defendant's Notice of Motion for Summary Judgment, with supporting brief and certifications and referenced exhibits with the Motion's Clerk, Morris County Superior Court, Chancery Division, General Equity, 10 Court Street, Room 227, Morristown, NJ 07960 via electronic filing;

3. On the same date, the undersigned served a true and accurate *original* of the same moving papers, together with an *original* and two copies of a proposed form of Order with return

envelope to the Motion's Clerk, Morris County Superior Court, Chancery Division, General Equity, 10 Court Street, Room 227, Morristown, NJ 07960 via New Jersey Lawyers Service;

4. On the same date, the undersigned served a true and accurate copy of the same moving papers upon pro se plaintiff, Paul Kardos, 204 Cleveland Lane, Monroe Building, Rockaway, NJ 07866 via New Jersey Lawyers Service; and

5. The undersigned also served a true and accurate *courtesy copy* of the same moving papers upon the chambers of the Hon. Maritza Berdote-Byrne of the Morris County Superior Court, Chancery Division, General Equity, 10 Court Street, Morristown, NJ 07960 via New Jersey Lawyers Service.


Dolores Geletei

Dated: March 10, 2020