

TABLE OF CONTENTS

Pages
1 - 21

I. MASTER DEED

Definitions	1
Description of Common Elements	2
Narrative Description	3
Unit Description	3
Easements	4
Nature of Title of Unit Owners	6
Percentage of Common Elements	6
Voting	6
Common Expenses: Assessments	6
Default in Payment of Assessments	7
Mortgage Protection	8
Limitations on Use of Units and Common Elements	8
Entry for Repairs	10
Personal Property	11
By-Laws, Amendments and Administration	11
Failure to Insist on Strict Performance	11
Limitation of Liability	12
Indemnification	12
Insurance	13
Partition	14
Damage, Destruction or Condemnation	14
Contracts of the Association	15
Arbitration Clause	15
Reserve Deposits	15
Blanket Mortgages	16
Amendment of Master Deed	17
Designated Agent	17
Interpretation	17
Effective Date	17
Exhibits	17
Acknowledgment	18

II. EXHIBIT A - Legal Description

III. EXHIBIT B - Map (Certified Survey) Designated Units

IV. EXHIBIT C - By-Laws

BL-1~14

Nature of By-Laws	1
Management Committee	1
Number and Qualifications	1
General Powers	1
Election and Term of Office	6
Vacancies	6
Compensation	6
Meeting of Management Committee	6
Non-Waiver	7
Officers	7
Designation	7
Election of Officers	7
Removal of Officers	8
President	8
Vice President	8
Secretary	8
Treasurer	8

Other Duties and Powers	8
Annual Meeting	9
Fiscal Year	9
Title to Units	9
Maintenance, Repair and Alteration of Property	9
Insurance	10
Exterior Porches and Stairways	10
Additions, Alterations or Improvements by the Unit Owners	11
Right of Access	11
Common Expenses Payable by the Grantor	12
Utilities	12
Miscellaneous	12
Examination of Books	12
Notices	12
Invalidity	13
Waiver	13
Arbitration	13
Amendments	13
Enforcement	13
Exculpability of Management Committee and Officers	13
Conflict	14
Rules and Regulations	14

V. EXHIBIT D - RULES AND REGULATIONS

VI. EXHIBIT E - PROJECTED ANNUAL BUDGET

VII. EXHIBIT F - TOPOGRAPHIC SURVEY

VIII. EXHIBIT G - SCHEDULE OF PERCENTAGE INTEREST IN COMMON ELEMENTS

MASTER DEED

A

DECLARATION OF CONDOMINIUM

THIS MASTER DEED, made this _____ day of _____, 2005, by RDS INVESTMENTS, LLC, P.O. Box 279, Cape May Court House, NJ 08210, 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 PROJECT; and

WHEREAS, it is the present intention of the GRANTOR to develop the PROJECT as a condominium consisting of six (6) commercial/office units in four (4) buildings, together with associated driveway, parking and grounds areas, under and pursuant to the provisions of the New Jersey Revised Statutes 46:8B-1, et seq. (the New Jersey Condominium Act) under the name of OCEAN VIEW BUSINESS CENTER CONDOMINIUM and to that end cause this MASTER DEED to be executed and recorded, together with all necessary exhibits attached hereto and made a part of this MASTER DEED, and Amendments thereto; and

WHEREAS, it is the intention of the GRANTOR to develop this PROJECT so that there will be six (6) commercial/office units in four (4) buildings, with associated driveway, parking and grounds areas, all of which shall be located within the boundaries of the Township of Dennis, County of Cape May and State of New Jersey, as more specifically defined and enumerated herein.

NOW, THEREFORE, the GRANTOR does hereby publish and declare that all of the property described above is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of such property and dedication thereof into condominiums, and shall be deemed to run with the land and shall be a burden and a benefit to the GRANTOR, their heirs and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

1. DEFINITIONS: Certain terms used in this MASTER DEED shall be defined as

follows, unless the context clearly indicates a different meaning therefore:

- (a) GRANTOR/DEVELOPER - OCEAN VIEW BUSINESS CENTER INVESTMENT, LLC, which has made and executed this MASTER DEED.
- (b) MASTER DEED - This instrument by which the OCEAN VIEW BUSINESS CENTER CONDOMINIUM is established as provided in the Condominium Act of the State of New Jersey.
- (c) PROJECT - The entire parcel of real property referred to in this MASTER DEED and described in Exhibit A to be dedicated to condominiums, including all structures thereon.
- (d) MAP - Those prints consisting of Exhibit B attached thereto showing the UNITS and COMMON ELEMENTS of the PROJECT and filed for record herewith by the GRANTOR.
- (e) ASSOCIATION - OCEAN VIEW BUSINESS CENTER CONDOMINIUM ASSOCIATION, a non-profit corporation formed pursuant to N.J.S.A. 15A: 1-1, et seq for the purposes designated in Exhibit C attached hereto and made a part hereof.
- (f) WAREHOUSE/OFFICE UNIT - The building elements of the PROJECT not owned in common with the other UNITS OWNERS, as shown on the MAP. The boundary lines of each UNIT are the interior surfaces of its perimeter walls, bearing walls, floors, ceilings, doors, door frames, trim and include nevertheless all of the window glass, window screens and window frames, and include both the portion of the said building so described and the space encompassed thereby. The UNIT also includes all plumbing, electrical and gas services, and apparatus, if any, attached to and a part of the UNIT which exclusively provide utility services to said UNIT. The UNIT does not include fee simple title to any exterior parking facilities, porches, stoops, exterior stairways, patios, patio perimeter fences or exterior fencing, foundations and land upon which improvements are located.
- (g) COMMON ELEMENT (limited and general) - All land and all portions of the property not located within any UNIT; including but not by way of limitation, roofs, foundations, bearing walls, perimeter walls, curbs, sidewalks, interior, central dividing firewall between units, exterior stairways, stoops and porches, exterior fencing, patios, planters and fixtures appurtenant thereto, if any, including all those facilities anywhere upon the premises necessary or convenient to the maintenance and safety of those portions of the PROJECT in common use. Limited common elements are general common elements over which a unit owner has exclusive use as

depicted on Exhibit B.

(h) CONDOMINIUM UNIT - The entire estate in the real property owned by any UNIT OWNER, consisting of the separate interest in the UNIT, the undivided interest in the COMMON ELEMENTS, and any easement which may be held as a result of ownership of a UNIT by a UNIT OWNER.

(i) UNIT OWNER - Any person or entity with an ownership in a CONDOMINIUM UNIT in the PROJECT.

(j) MANAGEMENT COMMITTEE - The governing body of the PROJECT elected pursuant to the terms and conditions of the By-Laws of the Association attached hereto and made a part hereof as Exhibit C.

(k) MANAGER - The person or firm designated by the MANAGEMENT COMMITTEE to manage the affairs of the PROJECT if such be so designated.

(l) QUORUM - A majority of the Unit Owners being assembled in person or by written proxy to conduct the affairs of the association in accordance with the terms of the Master Deed and By-Laws.

(m) RECORD - To file of record with the Office of the Clerk of the County of Cape May and State of New Jersey.

2. NARRATIVE DESCRIPTION: This PROJECT shall consist of a four separate buildings which will contain a total of six (6) office/warehouse units, two of said units being in individual buildings, and four (4) of the units being in the other two buildings, with all buildings surrounding an associated driveway and parking area, with grounds areas surrounding all the buildings, parking and driveway area. The project is accessible from the Woodbine/Oceanview Road as depicted on Exhibit B. The buildings, individual units in the buildings, division of the units between warehouse space and office space, the driveway areas, parking areas and grounds areas, both limited and general common element ground areas, are depicted on the condominium survey attached hereto and made a part hereof as Exhibit B. Each unit will have a separate alphabetical designation and, as previously indicated, the project is located in the Township of Dennis, Count of Cape May and State of New Jersey, each unit owner holding and continuing to hold a percentage of the common elements as defined in paragraph 7, below.

3. UNIT DESCRIPTION: The dimension area and location of the UNITS for the

PROJECT are shown graphically on the MAP, Exhibit B attached hereto and made a part of this MASTER DEED, as may be amended from time to time as herein provided. 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 and shall include, but not be limited to, the following:

(a) All plumbing and electrical systems to the extent that they service exclusively the subject UNIT, including any septic system which may be individual to a unit, as well as any well exclusively serving a unit.

(b) All utility meters not owned by the public utilities or agency supplying service, if any.

4. DESCRIPTION OF COMMON ELEMENTS (limited and general): All appurtenances and facilities and other items which are not a part of the UNITS as hereinabove described shall comprise the COMMON ELEMENTS (limited and general) as graphically shown in Exhibit B. The COMMON ELEMENTS (limited and general) shall include by way of description but not by way of limitation:

(a) All physical land falling within the metes and bounds description of the parcel of land on which is located this PROJECT.

(b) All driveways, curbs, sidewalks and parking areas subject to the easements and provisions set forth in Paragraph 5 below of this MASTER DEED.

(c) Shrubbery, exterior porches and stoops.

(d) The foundations, structural walls and roof.

(e) Exterior lighting not associated with any unit (if any), and any other facilities necessary to the upkeep and safety of the buildings and the grounds.

(f) All other elements of the PROJECT which are rationally of common use or necessary to the existence, upkeep and safety thereof, including exterior decks and steps. Use of these items is hereinafter set forth. A septic system and/or well serving an individual building shall be a limited common element for that building and shall be serviced and maintained by the UNIT OWNER(S) within that particular building.

5. EASEMENT: Attached to each unit as an integral part thereof, and being indivisible from the unit and not subject to separate conveyance, transfer, or encumbrance, shall be an exclusive easement to the Grantee of the unit deed of a portion of that area of the common

elements designated in Exhibit B as parking area and walkway area for each unit, the location of said easement for each UNIT OWNER being as designated on Exhibit B. There shall attach to each unit an easement exclusive to the Grantee of said unit over the use and occupancy of all buildings, steps and any stairways attached to said unit, as more particularly described in the plans and specifications of said project which have been filed commensurate with this MASTER DEED as Exhibit B. There are exterior fenced areas for each building or unit(s) within a building, and storage and use of each fenced area is limited to the building or unit(s) to which it is dedicated as depicted on Exhibit "B". Likewise, there is a trash collection/dumpster area assigned to each building and unit(s) within a building which is for the exclusive use of that building and unit(s) therein as depicted on Exhibit "B".

RESERVATION OF EASEMENT - GRANTOR hereby reserves unto grantor's heirs, administrators, executors and assigns, an easement, upon, through, in and over the COMMON ELEMENTS for as long as the said GRANTOR, grantor's heirs, and assigns, shall be engaged in the construction, development and sale of UNITS, which easement shall be for the purpose of construction, installation, maintenance and repair of the existing building and appurtenances thereto for ingress and egress into 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. In addition GRANTOR hereby reserves the irrevocable right to enter into, upon, over or under any UNIT (with prior notice during reasonable hours, except in emergencies) for the period of one year after the date of delivery of the UNIT deed for such purposes as may be reasonably necessary for the GRANTOR or grantor's agents to complete the Project or service of any Unit Owner.

GRANTOR, for Grantor, Grantor's successors and assigns, hereby declares that every UNIT OWNER shall have a perpetual easement for the continuances of any encroachment by his UNIT on any adjoining UNIT or on any COMMON ELEMENT now existing or as a result of construction of the buildings or which may come into existence hereafter as a result of the reconstruction of the buildings, or a UNIT, after damage by fire or other casualty, or as a result of condemnation or eminent domain proceeding, so that any such encroachment may remain undisturbed so long as the building stands.

GRANTOR, for grantor, grantor's successors, administrators, executors and assigns,

hereby declares that the Township of Dennis, County of Cape May and State of New Jersey, but not the public in general, shall have a perpetual non-exclusive easement to enter upon all roads, parking areas, driveways, walkways and sidewalks, for the purposes of maintaining the safety, health, welfare, police and fire protection of the citizens of the said Township of Dennis, including the residents of the PROJECT.

6. NATURE OF TITLE OF UNIT OWNERS: The OWNERS of a UNIT shall have such an estate herein as may be acquired by grant, purchase or operation of law, including an estate in fee simple, and shall acquire as an appurtenance to each UNIT, an undivided interest in the COMMON ELEMENTS of the PROJECT as set forth in Exhibit G, attached hereto and made a part hereof, and shall acquire the easement as defined hereinabove, subject to any amendments as herein provided. Neither the easements nor the remaining appurtenant undivided interest in the COMMON ELEMENTS shall be divisible from the UNIT to which they appertain.

7. PERCENTAGE OF COMMON ELEMENTS. Attached hereto and made a part of this MASTER DEED and termed Schedule of Interest in Common Elements and labeled Exhibit G is a listing of the ratio between the amount of space included within each UNIT to the total amount of space included within all UNITS, said ratio being in the form of a percentage. The 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 in accordance with the Condominium Act of the State of New Jersey. This percentage shall also be used to determine the liability of each UNIT OWNER for his proportional amount of the common expenses assessed by the ASSOCIATION.

8. VOTING: Each UNIT OWNER shall automatically be a member of the ASSOCIATION. Voting in that ASSOCIATION shall be in the ratio of one vote per UNIT, with the casting of said vote being within the exclusive discretion and control of said UNIT OWNER. Notwithstanding the possibility that there may be more than one OWNER per UNIT, there may be no fractional voting of the UNIT's vote. All decisions of the Association shall be by majority vote of the UNIT OWNERS.

9. COMMON EXPENSES: ASSESSMENTS.

(a) On or before December 1st next preceding the beginning of each calendar year, the MANAGEMENT COMMITTEE shall estimate the charge to be paid during each year, including

a reasonable provision for contingencies and replacements and less any expected income and any surplus from the prior year's fund. Such estimated cash requirements shall be assessed to the UNIT OWNERS pursuant to the percentages set forth in the schedule attached hereto and marked

Exhibit G. The GRANTOR will be liable for the amount of any assessment against any UNITS owned by the GRANTOR. If such estimate proves inadequate for any reason, including non-payment of any UNIT OWNER assessment, the MANAGEMENT COMMITTEE may at any time levy a further assessment, which shall be assessed to all UNIT OWNERS in like proportion, unless otherwise provided herein. Each UNIT OWNER shall be obligated to pay the assessment made pursuant to this paragraph to the MANAGEMENT COMMITTEE in equal quarterly installments, the first payment due on or before January 1st of the given calendar year, or in such other reasonable manner as the MANAGEMENT COMMITTEE shall designate.

(b) All rights, duties and functions of the MANAGEMENT COMMITTEE set forth in this paragraph shall be exercised by the GRANTOR in accordance with the terms and provisions specifically provided therefore in the MASTER DEED and By-Laws.

(c) All funds collected hereunder shall be expended for the purposes designated herein.

(d) The MANAGEMENT COMMITTEE's failure to fix assessments hereunder in accordance with the terms contained herein shall not be deemed a waiver or a modification in any respect of the provisions of this MASTER DEED, or a release of the UNIT OWNERS from their obligations to pay the assessments, or any installment thereof, for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

Amendments to this paragraph shall be effective only upon unanimous written consent of the UNIT OWNERS and their mortgagees. No UNIT OWNER may exempt himself from their liability for his use or enjoyment of any of the COMMON ELEMENTS or by his abandonment of his UNIT.

10. DEFAULT IN PAYMENT OF ASSESSMENT: Each quarterly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the UNIT OWNERS against whom same are assessed at the time the assessment is made and shall be collectible as such forthwith. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same. The amount of any assessment, whether regular or special, assessed against the UNIT OWNER of any UNIT, plus

interest at the maximum court rule authorized judgment interest as annually set, and costs, including reasonable attorney fees (20% of the amount of the unpaid assessment), shall become a lien upon the CONDOMINIUM UNIT upon the recording of a Claim of Lien as provided in the New Jersey Condominium Act. Enforcement of such lien for non-payment of assessment may be made by the MANAGEMENT COMMITTEE or by any bank or trust company or title insurance company having an interest in the said UNIT. In any foreclosure or sale, the UNIT OWNER shall be required to pay the costs and expenses of such proceeding and reasonable attorney fees. In case of foreclosure by the Association, the UNIT OWNER shall be required to pay reasonable rental for the CONDOMINIUM UNIT, and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The MANAGEMENT COMMITTEE of the MANAGER shall have the power to bid on the CONDOMINIUM at foreclosure or other sale and to hold, lease, mortgage and convey the said CONDOMINIUM UNIT.

11. MORTGAGE PROTECTION: Notwithstanding all other provisions herein, the terms of Article V of the New Jersey Condominium Act are incorporated herein by reference, and, in addition, no amendments to this paragraph shall affect the right of the holder of any mortgage recorded prior to the recording of such amendment who does not join in the execution thereof. Further, by subordination agreement executed by a majority of the MANAGEMENT COMMITTEE, the benefits of the above included provisions may be extended to other mortgages not otherwise entitled thereto.

12. LIMITATIONS ON USE OF UNITS AND COMMON ELEMENTS: The UNITS and COMMON ELEMENTS shall be occupied and used according to the following restrictions:

(a) No UNIT OWNER shall occupy or use his UNIT, or permit the same or any part thereof to be occupied or used for any purpose other than a warehouse/office type use, including potential, minor retail transactions involving light counter sales. No manufacturing or product assembly is permitted; however, "light" manufacturing may be approved by the Township of Dennis after appropriate application and hearing. Reputable businesses, only, are permitted, in the sole discretion of the MANAGEMENT COMMITTEE, which must approve all businesses to be operated from the facility, and until the MANAGEMENT COMMITTEE is formed and takes control of the Project, the Grantor shall exercise this authority.

(b) UNIT OWNERS may freely lease and sell their UNITS as warehouse/office units as defined and limited in paragraph (a), above.

(c) There shall be no obstruction of the COMMON ELEMENTS which are not subject to easement in favor of the UNIT OWNERS. Nothing shall be stored in such COMMON ELEMENT areas, and in no event shall apparatus such as tools, equipment, supplies, boxes, or other items of personal or commercial property be left upon the parking area or common area of the building housing the UNITS which is not subject to an exclusive easement in favor of a UNIT OWNER but even then, such placement of items is limited to brief periods of time such as that desired for loading and unloading. Storage of items is limited to the fenced areas assigned to each building or unit(s) in a building.

(d) Nothing shall be done or kept in any UNIT or in any COMMON ELEMENT which would increase the rate of insurance on the COMMON ELEMENT, without the prior written consent of the MANAGEMENT COMMITTEE. No UNIT OWNER shall permit anything to be done or kept in his UNIT or in any COMMON ELEMENT which will result in the cancellation of insurance on any UNIT or any part of the COMMON ELEMENT, or which would be in violation of any law. No waste will be permitted in the COMMON ELEMENT. NO storage of hazardous and/or toxic materials are permitted at or in any location on the Condominium Property.

(e) No sign of any kind shall be displayed to the public view on or from any building, UNIT, or the COMMON ELEMENTS, other than a lighted box sign approved by the Dennis Township Zoning Officer after appropriate application and review. This is the only sign permitted with respect to any UNIT or any business operation located therein. Notwithstanding this clause, GRANTOR herein reserves the right to display such signs or other means of advertising of the UNITS for sale or rent.

(f) No animals, domestic pets, livestock or poultry of any kind shall be kept in any UNIT or in the COMMON ELEMENTS. This is a pet/animal free project.

(g) No noxious or offensive activity shall be carried on in any UNIT or in any COMMON ELEMENT, nor shall anything be done therein which may be or become an annoyance or nuisance to other UNIT OWNERS, including but not limited to the use of foul or abusive language regardless of whether such conduct may constitute an offense against the

dignity of the State of New Jersey. The condominium property shall be kept trash/litter free, neat, clean and orderly at all times. No abandoned property or inoperable property of any kind, nature or description, including vehicles and boats, may be kept about the condominium property.

(h) Nothing shall be altered or constructed in or removed from the COMMON ELEMENT except upon consent from the MANAGEMENT COMMITTEE, and there shall be no color or material changes to the common elements without such consent.

(i) UNIT OWNERS shall dispose of all trash in the designated trash disposal area. Under no circumstances shall trash or garbage be left outside of a Unit or about the common condominium property.

(j) There shall be no violations of the Rules and Regulations adopted by the MANAGEMENT COMMITTEE which is hereby authorized to adopt rules and regulations for the use of the COMMON ELEMENTS. Until the MANAGEMENT COMMITTEE assumes control of the Project, the Grantor may adopt such rules and regulations.

(k) None of the rights and obligations of the UNIT OWNERS created herein shall be altered in any way by encroachments due to settlements or shifting of structure or any other cause. There shall be valid easements for the maintenance of such encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of a UNIT OWNER or OWNERS if such encroachment occurred due to the willful conduct of such OWNER or OWNERS.

(l) Each UNIT OWNER shall be responsible for keeping in a neat and orderly fashion those areas over which he has an exclusive easement. All other repairs and maintenance of these areas shall be the responsibility of the ASSOCIATION as herein provided, except in those cases where any damage to these areas has been caused by the negligence or willful misconduct of the UNIT OWNER, in which case while the ASSOCIATION will actually make the repair to said areas, it shall be the responsibility of the UNIT OWNER to reimburse the ASSOCIATION for the expense of the same.

(m) Parking areas for cars and light trucks, only. Pick up trucks, vans and other two axle trucks are permitted, but no boats, trailers, large trucks (other than for short-term delivery or pickup) are permitted to be parked on the condominium property. No construction equipment is

permitted to be parked about the condominium property, and there shall be no parking of any vehicle of any nature so as to interfere with access to garages within the individual buildings about the condominium property. UNIT OWNERS, tenants, guests and customers shall park in spaces which are designated for the individual units, only, or in general, uncommitted designated parking areas.

(n) The MANAGEMENT COMMITTEE (Grantor until the MANAGEMENT COMMITTEE takes control of the Project) shall be responsible to locate mailboxes for the units within the Project and to arrange for mail delivery to the mailboxes location.

13. ENTRY FOR REPAIRS: The MANAGEMENT COMMITTEE or its agents may enter any UNIT when necessary in connection with any maintenance, landscaping or construction for which the MANAGEMENT COMMITTEE is responsible. Such entry shall be made with as little inconvenience to the UNIT OWNER as practicable, and any damage caused thereby shall be repaired by the MANAGEMENT COMMITTEE out of the common expense fund.

14. PERSONAL PROPERTY: The MANAGEMENT COMMITTEE or MANAGER may acquire and hold, for the benefit of the UNIT OWNERS, tangible and intangible personal property and may dispose of same by sale or otherwise; and the beneficial interest in such personal property shall be owned by the UNIT OWNERS in the same proportion as their respective interests in the COMMON ELEMENTS, and the same shall not be transferable except upon a sale of the Unit at which time that interest shall pass to the purchaser of the transferror's Unit and respective interest in the COMMON ELEMENTS.

15. BY-LAWS, AMENDMENTS AND ADMINISTRATION: Administration of the COMMON ELEMENTS of the CONDOMINIUM and other areas of responsibility as defined herein shall be by the ASSOCIATION, in accordance with the provisions of the New Jersey Condominium Act, this MASTER DEED, the BY-LAWS, attached hereto and made a part hereof and labeled Exhibit C, the Rules and Regulations adopted by the ASSOCIATION, with respect to any other documents, amendments or supplements to the Condominium documentation which may be required subsequent to the recording of the MASTER DEED and BY-LAWS by an institutional mortgage lender, by any governmental agency having regulatory jurisdiction over this PROJECT, or by any title insurance company selected by any Purchaser to insure title to any UNIT, GRANTOR hereby reserves for Grantor, Grantor's heirs and assigns, for a period of five

(5) years from the date hereof, the right to execute on behalf of all contract purchasers, UNIT OWNERS, mortgagees, other lien holders or parties claiming a legal or equitable interest in the PROJECT, any such agreement, documents, amendments or supplements which may be so required.

All amendments or modifications shall be evidenced by an Amendment to Master Deed which amendment shall be recorded in the Cape May County Clerk's Office and supplied to the owners of the units within 10 days of the date of execution thereof.

16. FAILURE TO INSIST ON STRICT PERFORMANCE: Failure of the MANAGEMENT COMMITTEE, or the ASSOCIATION, or the GRANTOR, or any UNIT OWNER or other parties having an interest in the PROJECT to insist in any one or more instances upon the strict performance of any of the terms, covenants, conditions or restrictions of this MASTER DEED, By-Laws, or other documents and instruments executed in connection herewith, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or relinquishment for the future of such term, covenant, condition or restriction but such term, covenant, condition or restriction shall remain in full force and effect. Receipt by the MANAGEMENT COMMITTEE or the ASSOCIATION of any assessment from any UNIT OWNER, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the MANAGEMENT COMMITTEE or the ASSOCIATION of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the MANAGEMENT COMMITTEE and confirmed by the majority vote of the ASSOCIATION.

17. LIMITATION OF LIABILITY: The MANAGEMENT COMMITTEE and the ASSOCIATION shall not be liable for failure of water supply or other service to be obtained and paid for by the MANAGEMENT COMMITTEE or the ASSOCIATION hereunder, or for injury or damage to person or property caused by the elements or by other UNIT OWNERS or by persons in the PROJECT or resulting from electricity or water, rain, snow or ice which may leak or flow from the outside or from any parts of the building, or from any of its pipes, drains, conduits, appliances or other equipment, or from any other place unless caused by the gross negligence of the MANAGEMENT COMMITTEE or the ASSOCIATION. No diminution or abatement of common expenses assessment shall be claimed or allowed for inconvenience

or discomfort arising from the making of repairs or improvements to the COMMON ELEMENTS or from any action taken to comply with any law, ordinance or orders of a governmental authority. Nothing above to the contrary, the officers and directors appointed by and on behalf of the Developer shall not be exculpated from their fiduciary relationship.

18. INDEMNIFICATION: Each member of the MANAGEMENT COMMITTEE or the ASSOCIATION shall be indemnified by the UNIT OWNERS against all expenses and liabilities, including attorney fees, reasonably incurred by or imposed upon him in connection with any procedure to which he may be a party, or in which he may become involved, by reason of his being or having been a member of the MANAGEMENT COMMITTEE or the ASSOCIATION, or any settlement thereof whether he is a member of the MANAGEMENT COMMITTEE or the ASSOCIATION at the time such expenses are incurred, except that in such cases wherein the member of the MANAGEMENT COMMITTEE or the ASSOCIATION is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement, the indemnification shall apply only when the MANAGEMENT COMMITTEE or the ASSOCIATION approves such settlement and reimbursement as being for the best interests of the said MANAGEMENT COMMITTEE and ASSOCIATION. Nothing above to the contrary, the officers and directors appointed by and on behalf of the developer shall not be exculpated from their fiduciary relationship.

19. INSURANCE: The MANAGEMENT COMMITTEE or the ASSOCIATION shall obtain and maintain at all times insurance of the type and kind and in sufficient amounts, including insurance for such other risks of a similar and dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium projects similar in construction, design, and use, which insurance shall be governed by the following provisions:

- (a) All policies shall be written with a company licensed to do business in the State of New Jersey, and being a reputable and upstanding company of high rating.
- (b) Exclusive authority to adjust losses under policies hereafter in force in the PROJECT shall be vested in the MANAGEMENT COMMITTEE or the ASSOCIATION.
- (c) In no event shall the insurance coverage obtained and maintained by the MANAGEMENT COMMITTEE hereunder be brought into contribution with insurance purchase by the individual UNIT OWNERS or their mortgagees.

(d) The insurance coverage to be purchased by the MANAGEMENT COMMITTEE or the ASSOCIATION shall be complete comprehensive coverage, including both personal liability and casualty, and said coverage will extend to all areas of the building not owned by the UNIT OWNERS. Said insurance shall include, but not be limited to, losses occasioned by fire, in a minimum amount of 100% replacement cost for the structure, and, at no time shall the amount of said loss insurance be permitted to fall below one hundred (100%) percent of the value of replacement costs for the structure, and comprehensive liability insurance in a minimum amount of \$1,000,000.00, said policy limits being reviewed annually to insure that said limits are sufficient full insurance coverage and to revise said policy limits from time to time as may be necessary. In the event a unit owner must "over insure" the structure portions of the common elements so as to satisfy the terms of any mortgagee holding a mortgage on his/her particular unit, that unit owner shall be responsible for paying the portion of the insurance premium which is solely attributable to any excess amounts required by his mortgage over and above those amounts necessary to cover replacement of the structure portions of the common elements. In the event a loss should occur and as a result of that loss a mortgagee insists that insurance proceeds be paid to that mortgagee as opposed to being used to repair or replace the condominium structure, the unit owner(s) whose mortgage(s) is/are satisfied as a result of any such insurance payments to a mortgagee shall be responsible to the association to contribute his pro rata share of those funds necessary to repair or replace the common elements or terminate the condominium regime, it being the purpose of this clause to insure that any unit owner contributing his pro rata share for insurance coverage on the building shall not be deprived of any insurance proceeds paid on account of a loss of the structure because of the presence of a mortgagee on another unit owner's unit when said mortgagee refuses to cooperate with the ASSOCIATION to aid in the repair, replacement or termination of the condominium.

(e) Each UNIT OWNER may obtain additional insurance at his own expense to cover personal liability and casualty which may occur in or about the premises described in the UNIT DEED, and including that portion of the COMMON ELEMENTS over which the UNIT OWNER has an exclusive assessment as defined and enumerated herein. Nevertheless, no UNIT OWNER shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the MANAGEMENT COMMITTEE on behalf of the UNIT

OWNERS may realize under any insurance policy with the MANAGEMENT COMMITTEE or the ASSOCIATION may have in force on the PROJECT at any particular time.

(f) The Association intends to insure all building items permanently attached to a unit at the time of the unit purchase, and for insurance purposes, only, the word building shall be defined as including all common and limited common elements, as well as installed fixtures, interior walls and wall coverings, doors and windows, domestic appliances, carpeting and finished flooring, cabinetry and plumbing fixtures within each unit, as well as any alterations and additions including those within a portion of the premises used exclusively by an individual unit owner, excluding cloth awnings and window air conditioners.

(g) For insurance purposes, only, the UNIT OWNER insurance, HO-6, is primary up to the Association's (Master policy's) deductible. All UNIT OWNERS affected by a loss will be proportionately responsible for the Association's (Master Policy's) deductible. All UNIT OWNERS will be proportionately responsible for damage to common and limited common elements if the loss emanates from the exterior of the building.

20. PARTITION: Subject to the provisions of this MASTER DEED and the By-Laws of the ASSOCIATION, the COMMON ELEMENTS shall remain undivided and no UNIT OWNER shall bring any action for partition or division thereof. In addition, the undivided percentage interest in the COMMON ELEMENTS shall not be separated from the UNIT to which it pertains and shall be deemed conveyed or encumbered with the UNIT, even though such interest is not expressly mentioned or described in the conveyance or other instrument.

21. DAMAGE, DESTRUCTION OR CONDEMNATION: If any portion of the project or any part thereof is damaged, destroyed by fire, casualty or eminent domain, the repair, restoration or ultimate disposition shall be as provided in Article VI of the New Jersey Condominium Act.

22. CONTRACTS OF THE ASSOCIATION: The ASSOCIATION is specifically granted the right to enter into such contracts as may be necessary for the maintenance and management of the building, except that the ASSOCIATION while under the control of the developer shall not enter into contracts with the developer or with a company controlled by the developer or in which the developer has a financial interest for a period of longer than one year.

23. ARBITRATION CLAUSE: In the event there is an irreconcilable dispute between

the UNIT OWNERS involving either the management of the ASSOCIATION, the PROJECT, or the enforcement of any rights or responsibilities created by virtue of this MASTER DEED, the By-Laws, the Rules and Regulations, and other documents and instruments appertaining to the Condominium Project, all such parties shall agree to submit those matters to an arbitrator selected by either the President of the Board of Realtors of Cape May County, New Jersey, or the senior judge assigned to the Superior Court for the Cape May County vicinage. The duly appointed arbitrator shall receive reasonable compensation for his services, and shall be paid in equal shares by the UNIT OWNERS. The arbitrator shall hear disputes and make determinations based upon the MASTER DEED, BY-LAWS and laws of the State of New Jersey applicable, and his decisions shall be binding upon the parties. In the event a party should fail to arbitrate a dispute in accordance with the terms of this paragraph, the aggrieved party may seek an order from the appropriate Chancery Division Court of jurisdiction to compel the arbitration. The prevailing party in such an action shall be entitled to attorneys fees and costs.

24. RESERVE DEPOSITS: Each UNIT OWNER, or subscriber for the purchase of a UNIT, including the GRANTOR in the event the GRANTOR shall desire to maintain title to any UNIT, shall be required to deposit with the ASSOCIATION or its designee, a sum equal to one-third of the Projected Annual Budget for the said UNIT OWNER. This sum shall be deposited on or before the conveyance of the UNIT DEED to the OWNER, and shall be held by the ASSOCIATION for the purposes of insuring that there are sufficient monies to pay for the necessary maintenance and expenses of the operation of the Condominium project. It is specifically intended that these monies shall be held as a reserve in the event the assessment by the ASSOCIATION may be insufficient to cover the expenses, or in the event that a UNIT OWNER fails to pay his assessment as required. These deposits shall be held in a separate interest bearing account by the GRANTOR or the ASSOCIATION, accurate records being maintained as to the amount of the deposit of each UNIT OWNER. Upon the sale by a UNIT OWNER of his UNIT after the payment of said deposit, the UNIT OWNER shall be entitled to his deposit share of the overall proceeds of such deposits held by the ASSOCIATION. The ASSOCIATION reserves the right to levy a special assessment when needed in order to maintain a level of reserves equal to the original amount in the reserve account. All interest accruing to the ASSOCIATION as a result of the reserve deposits shall be paid over to the ASSOCIATION

and shall be used by the ASSOCIATION to offset the expenses of maintaining the CONDOMINIUM. In the event a UNIT OWNER sells his CONDOMINIUM UNIT at a time when there is an outstanding assessment unpaid by the said UNIT OWNER, any deposit held on behalf of the said UNIT OWNER as a reserve shall be applied at settlement toward the payment of the unpaid assessment and interests and costs attached thereto. The reserve deposit established hereby is intended solely for emergency use in the event the assessments are insufficient to pay the outstanding obligations of the ASSOCIATION or in the event a UNIT OWNER fails to pay his assessment in sufficient time for the ASSOCIATION to meet its obligations, and accordingly, there shall be also assessed at settlement against each UNIT OWNER prior to delivery of his deed a sum equal to the prorated balance of the assessment for the current quarter of the Projected Annual Budget for the forthcoming year. This amount shall be deposited directly in the operating account of the ASSOCIATION and shall be used to cover the necessary operating expenses as they fall due. Attached hereto and made a part of the MASTER DEED as Exhibit E is a Projected Annual Budget for the initial year of operation, which is prepared solely for purposes of attempting to make a valid initial assessment, at the time of closing of the sale to the UNIT OWNER, and the GRANTOR makes absolutely no representations or guarantees as to the validity of the figures contained therein and reserves the right, on his behalf and on behalf of the ASSOCIATION, to increase the initial annual assessment in the event same is necessary to pay the operating expenses as they fall due.

25. **BLANKET MORTGAGE:** The entire CONDOMINIUM property, or some or all of the UNITS contained therein, together with the undivided interests in the COMMON ELEMENTS appurtenant to such units, may be subject to a single or blanket mortgage constituting a first lien thereon in accordance with Article V of the New Jersey Condominium Act, but any individual units and undivided interest appurtenant thereto must be free of liens when sold by the developers.

26. **AMENDMENT OF MASTER DEED:** Except as otherwise provided herein, the MASTER DEED may be amended only by the affirmative vote of five of the six members of the ASSOCIATION, subject to the terms and requirements of the New Jersey Condominium Act. All such amendments must be recorded.

27. **DESIGNATED AGENT:** The Designated Agent for service of process shall be

Michael A. Fusco II, Esquire, 644 West Avenue, P.O. Box 1066, Ocean City, New Jersey 08226.

28. INTERPRETATION: The provisions of this MASTER DEED shall be liberally construed to effectuate its purpose of creating a CONDOMINIUM and of developing and operating the CONDOMINIUM PROJECT. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce such provisions or any other provision hereof.

29. EFFECTIVE DATE: This MASTER DEED shall take effect upon recording.

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

Exhibit A - Legal Description

Exhibit B - Map

Exhibit C - By-Laws

Exhibit D - Rules and Regulations

Exhibit E - Projected Annual Budget

Exhibit F - Topographic Survey

Exhibit G - Schedule of Percentage

Interest in Common Elements

EXHIBIT A

Legal Description

The land referred to in this MASTER DEED is described as follows:

ALL that certain lot, tract or parcel of land and premises situate, lying and being in the Township of Dennis, County of Cape May and State of New Jersey, more particularly described as follows:

EXHIBIT B

MAP

See Following Survey