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COUNTY OF CAPE MAY
Consideration .00
Realty Transfer Fee .00
Date 03-10-2005 By CLERKJR

See Map 9007 A-D

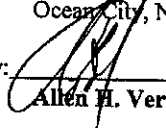
MASTER DEED

A

DECLARATION OF CONDOMINIUM

CROSSINGS CONDOMINIUM

Prepared by: **THE LAW OFFICE OF
ALLEN H. VERNON, JR.**
8th Street and Asbury Avenue
P.O. Box 385
Ocean City, New Jersey 08226

Prepared by: 
Allen H. Vernon, Jr., Esquire

MASTER DEED

THIS _____ day of _____, 2005, S.I.D. CROSSINGS L.L.C. of 341

S. Route 73, Blue Anchor, NJ 08037, (hereinafter sometimes referred to as the "Developer") does submit all of its right, title and interest in the land hereinafter described, and all of the improvements thereon, to the provisions of the Condominium Act of the State of New Jersey, Chapter 257, Laws of New Jersey, 1969, effective January 7, 1970, its supplements and amendments, (hereinafter referred to as the "Condominium Act").

I. NAME

The name by which the property submitted to the condominium form of ownership shall be identified shall be **CROSSINGS CONDOMINIUM** (The "Condominium").

II. LEGAL DESCRIPTION OF THE LAND

The real property submitted to the provisions of the Condominium Act is the following described land situate in the City of Ocean City, County of Cape May and State of New Jersey, bounded and described as follows:

ALL that certain lot, place or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the City of Ocean City, County of Cape May, State of New Jersey;

ALL that certain lot, place or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the City of Ocean City, County of Cape May, State of New Jersey;

TRACT 1

BEGINNING at a point in the southeasterly right-of-way line of Simpson Avenue (65' wide), 250 feet southwestwardly line from the point of intersection of the said southeasterly right-of-way line of Thirty-fourth Street (60' wide), and proceeding thence

- 1. Southeastwardly along the lot division line between Lots 2 and 3, and at right angles to Simpson Avenue, 115' to a point in the northwesterly right-of-way line of a public alley (15' wide), thence**
- 2. Southwestwardly along the said northwesterly right-of-way line of public alley, and at right angles to the preceding course, 40' to a point in the lot division line between Lots 1 and 2, thence**
- 3. Northwestwardly along the division line between Lots 1 and 2 and at right angles to the preceding course, 115' to a point in the southeasterly right-of-way line of Simpson Avenue, thence**
- 4. Northeastwardly along the southeasterly right-of-way line of Simpson Avenue, and a right angles to the preceding course, 40' to the point and place of beginning.**

BEING known as Lot 154 Section H of Plan of Ocean City Association. ALSO KNOWN AS Lot 154, Block 3405 former tax map.

ALSO KNOWN AS Lot 2, Block 3405 on the Official Tax Map of the City of Ocean City, New Jersey.

TRACT 2

BEGINNING at a point in the Northwestern right of way line of Haven Avenue (65 feet wide), 90.00 feet Southwestwardly from the point of intersection of the said Northwestwardly right of way line of Haven Avenue with the Southwesterly right of way line of 34th Street (60 feet wide); and proceeding thence

1. Southwestwardly, along the Northwestern right of way line of Haven Avenue, and at right angles to 34th Street, 240.00 feet to a point in the lot division line between Lot 5 and 6; thence
2. Northwestwardly, along the lot division line between Lots 5 and 6, and at right angles to the preceding course, 115.00 feet to a point in the Southeasterly right of way line of a public alley (15 feet wide); thence
3. Northeastwardly, along the said Southeasterly right of way line of a public alley, and at right angles to the preceding course, 240.00 feet to a point in the lot division line between Lots 4 and 5; thence
4. Southeastwardly, along the lot division line between Lots 4 and 5, and at right angles to the preceding course, 115.00 feet to the point and place of **BEGINNING**.

BEING KNOWN AS Lots 223, 224, 225, 226, 227 and 228, Section H, Block 3405 former tax map.

ALSO KNOWN AS Lot 5, Block 3405 on the Official Tax Map of the City of Ocean City, New Jersey.

III. DEFINITIONS

A. **Assessment** means a share of the funds required for the payment of common expenses which, from time to time, is assessed against the unit owner.

B. **Articles of Incorporation** shall mean the articles of incorporation of CROSSINGS Condominium Association, Inc.

C. **Association** means the Association of Owners of CROSSINGS Condominium Association, Inc., the entity responsible for the administration of the Condominium.

D. **By-Laws** means the governing regulations adopted under the Condominium Act for the administration and management of the condominium property. These are the By-Laws of CROSSINGS Condominium Association, Inc.

E. **Common Elements**, unless otherwise indicated in the Master Deed or By-Laws, means the portions of the condominium property not included in the units.

F. **Common Expenses** means expenses for which the unit owners are proportionally liable, including, but not limited to:

1. All expenses of administration, maintenance, repair and replacement of the common elements;
2. Expenses agreed upon as common by all unit owners;
3. Expenses declared common by provisions of the Condominium Act or by this Master Deed or by the By-Laws.

G. **Common Receipts** means funds collected from unit owners as common expenses or otherwise and receipts designated as common by this Master Deed, or the By-Laws.

H. **Common Surplus** means the excess of all common receipts over all common expenses.

I. **Condominium** means the form of ownership of real property under as Master Deed providing for ownership by one or more owners of units or improvements with an undivided percentage interest in common elements appurtenant to each such unit.

J. **Condominium Property** means the land covered by this Master Deed and all improvements thereon and all easements, rights and appurtenances belonging thereto or intended for the benefit thereof.

K. **Developer** means S.I.D. CROSSINGS, L.L.C.

L. **Institutional First Mortgage** means a first mortgage originally executed and delivered to a bank, life insurance company or a State or Federal Savings & Loan Association, or real estate investment trust.

M. **Limited Common Elements** means those common elements which are for the use of one or

more specified units to the exclusion of other units.

N. Majority of the Unit Owners means the owners of more than fifty (50%) percent of the aggregate in interest of the undivided ownership of the common elements as specified in this Master Deed.

O. Unit means a portion of the condominium property as set forth in this Master Deed which is subject to private ownership and includes the undivided percentage interest in the common elements and in any limited common elements assigned in this Master Deed or any amendment thereof.

P. Unit Owner means those persons or entities in whom record fee simple title to any unit is vested as shown in the records of the Cape May County Clerk's Office including the Developer.

IV. CONDOMINIUM DOCUMENTS

The documents by which the Condominium will be established consist of this Master Deed and the Exhibits annexed hereto as the same may from time to time be amended; as follows:

Exhibit A - A survey of the land and plans showing the common elements, limited common elements and all units as prepared by James E. Chadwick, P.E. & R.A., L.L.C., Suite 312, 801 Asbury Avenue, Ocean City, New Jersey 08226

Exhibit B - Unit Share Percentage of the common elements and surplus.

Exhibit C - By-Laws of CROSSINGS of Ocean City Association, Inc.

Exhibit D - Articles of Incorporation of CROSSINGS Condominium Association, Inc.

Exhibit E - Rules and Regulations

Exhibit F - Schedule of Parking

Exhibit G - Topographic Survey

Exhibit H - Projected Annual Budget

V. BASIC PROPERTY COMPONENTS

The Condominium property means and includes lands described above and all improvements thereon and all easements and rights appurtenant thereto for the use in connection with the Condominium.

A. Improvements - The improvements shall be as follows:

1. The Condominium shall be comprised of 72 residential units, one (1) front desk/laundry room, and one (1) commercial unit. The designation of each such unit, its location, approximate area and common elements and limited common elements to which each has immediate access is set forth in Exhibit A annexed hereto. The undivided percentage interest of each unit in the common elements is set forth in Exhibit B annexed hereto. The percentage is expressed as a finite number to avoid an interminable series of digits.

2. In addition to the building, the Condominium shall include the parking areas, driveways,

sidewalks, yard areas, porches and other exterior walkways as set forth in Exhibit A.

B. Easements - The Condominium property is subject to any and all easements for utility services or drainage easements which may be required to service the Condominium, and the Developer reserves the right to grant such easements where necessary.

VI. DEVELOPER'S UNITS AND PRIVILEGES

A. The Developer, at the time of and upon the recording of this Master Deed, has an ownership interest in the individual condominium units together with any appurtenances thereto. The Developer is irrevocably empowered, despite anything herein to the contrary, to sell, mortgage or lease units to any person approved by it. The Developer shall have the right to transact on the Condominium property any business necessary to consummate the sale or lease of units, including but not limited to the right to use the common elements and to show the units. In the event any units remain unsold, the Developer retains the right to be the owner thereof, and to fully deal with the same without the approval of the Association. None of the provisions in this Article shall be construed so as to relieve the Developer from any obligations of a unit owner as to his proportionate share of common expenses or other expenses under this Master Deed.

B. Until the conveyance of title to the first Unit, the Developer shall be solely responsible for all common expenses for units actually constructed and having valid certificates of occupancy issued by the City of Ocean City. Following that first conveyance, owners of the Units to whom title shall have been conveyed shall be responsible for their proportionate share of the common expenses as set forth in Exhibit "B" and elsewhere in this Master Deed.

C. Despite any other provisions herein contained, the Developer shall only be responsible and assessed for common expenses for the units that are owned by the Developer.

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

E. The Developer hereby reserves unto itself, its successors and assigns, an easement upon, through, and over the common elements so long as the Developer, its successors and assigns, shall be engaged in the development and sale of the units, which easement shall be for the purpose of construction, installation, maintenance and repair of the existing building appurtenances thereto, for ingress and egress to all unsold

units, all common elements and existing and future model units for sale, promotion and exhibition.

F. The Developer will not make structural alterations, additions or improvements that will require a special assessments or substantial increase in the Unit Owner's monthly assessments.

G. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the condominium property or condominium documents except as specifically made therein. Any estimates of common expenses or unit common expenses given is believed to be accurate, but no warranty or guarantee is made or intended in that regard. The units are conveyed "AS IS" condition.

H. This article shall not be subject to amendment.

VII. OWNERSHIP OF CONDOMINIUM UNITS.

MAINTENANCE AND ALTERATIONS

A. **Property Interests** - Each unit, together with all the appurtenances thereto, shall, for all purposes, constitute a separate interest in real property which may be assigned, transferred and encumbered in the same manner as any other interest in real property, independently of all other parts of the condominium property, subject only to the provisions of the condominium documents.

B. **Possession** - Each Unit owner shall be entitled to the exclusive possession of his unit.

C. **Boundaries** - Each unit shall be bound as to both horizontal and vertical boundaries as shown in the plans (Exhibit A) subject to such encroachments as are contained in the building, whether the same exist now or are created by construction, settlement or movement of the building or permissible repairs, reconstruction or alterations. Each unit shall include that part of the building which lies within the boundaries of the unit, which shall be that area of space which is contained within the undecorated or unfinished exposed interior surfaces of the perimeter walls, floors and ceilings of the 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 subfloor, within the unit, and extending in every direction to the point where it closes with a side of such unit.

Top: The top of each unit is an imaginary plane along and coincident with the unfinished and unexposed surface of the ceiling and extending in every direction to the point where it closes with every side of such unit.

Sides: The sides of each unit are imaginary vertical planes along and coincident with the innermost surface of the studding of the perimeter walls. Where no wall exists, the side is an imaginary vertical plane along and coincident with the exterior surface of the windows or doors located on the perimeter of such Unit. The sides of each such Unit are bounded by the bottom and top of the unit.

D. Each Unit, regardless of type, also includes all appliances, fixtures, doors, windows, interior walls

and plaster, gypsum board and/or other facing material on the walls and ceilings thereof, the inner decorated and/or finish surface of the floors, (including all flooring tile, ceramic tile, finished flooring, if any), and all other improvements, except phone system, which belongs to the hotel condo, located within such Unit which are exclusive to such Units and shall include, but not be limited to, the following individual appurtenances to extent that same serve each individual Unit only, not any other unit or portion of the Common Elements:

1. All non-bearing walls, partitions and dividers which are wholly contained within said Unit (excluding therefrom any common pipes, ducts, wires or conduits or other common elements contained therein as herein defined).
2. All doors, door frames, doorways, door hinges and door cells set in the interior walls described in Paragraph (1); hereof;
3. All windows and sliding doors, and all window glass and sliding door glass, and all sliding door and window frames and assemblies bordering each unit;
4. All electrical receptacles, outlets, switches and circuit breakers located in the ceiling, walls or floors of a unit serving only the unit;
5. All electrical wires which extend from the ceilings, walls or floors into the interior air space of a unit;
6. All electrical heating and air conditioning units, fixtures, appliances, machinery and equipment located within the boundaries of the unit serving only the unit;
7. All hot water heaters serving only the unit;
8. All plumbing fixtures, pipes, ducts, and wiring located within the boundaries of the unit serving only the unit;
9. All baseboards located within the boundaries of the unit;
10. All utility meters not owned by the public utility agencies supplying service to the Unit and located therein;
11. All master antenna and cable television wiring not owned by a private entity, located within the boundaries of the unit serving only the unit;
12. The floor covering within the boundaries of the unit.

E. Appurtenances - The ownership of each condominium unit shall include, and there shall pass with each condominium unit as appurtenances thereto, whether or not separately described, all of the rights, title and interest of a unit owner in the condominium property which shall include but not be limited to:

1. **Common Elements.** The right to use in common with the other unit owners the common elements which shall be all parts of the condominium not included within an individual unit or within a limited

common element, and including, but not limited to the following:

- (a) The land on which the building is erected herein as being submitted to the Condominium Act;
- (b) All roofs and exterior walls of the buildings not including the portions thereof on the unit side of such walls described in subsection "C" hereof; all walls and partitions separating units from other units; all floors and ceilings separating the units; and all roof structure areas, foundations, columns, beams, bearing walls and supports.
- (c) All central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, sewer, and heat (including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in units and all other mechanical equipment).
- (d) All general storage spaces, trash collection spaces and equipment associated therewith.
- (e) All sidewalks, walkways, general areas and other exterior yard areas not specifically reserved to the use of one or more units as a Limited Common Element or otherwise.
- (f) All stairways, corridors and elevator areas not expressly made part of a unit or reserved as a limited common element.
- (g) The elevators, janitor units, electrical room
- (h) The cable television system wiring.
- (i) All other parts of the Condominium Property and all apparatus and installations existing in the building or on the property for common use or necessary or convenient to the existence, maintenance or safety of the property.

F. Ownership Shares and Voting Rights for Unit Owners - Each unit shall bear an undivided percentage interest of the common elements of the Condominium.

1. Shares. The undivided shares of the unit owners in the common elements and any common surplus, and the undivided percentage interest of the common elements assigned to each unit shall be as set forth in Exhibit B annexed hereto and each unit regardless of type or size, shall have a percentage interest as set forth in Schedule B in the common elements. The percentage is expressed as a finite number to avoid an interminable series of digits.

2. Voting. Voting by the unit owners of CROSSINGS Condominium, A Condominium in the affairs of the Association shall be on the basis of one vote per unit.

G. Easements - The appurtenances shall include the following easements from each unit owner to each other unit owner and to the Association or third parties as follows:

1. Maintenance, Repair and Replacement. Easements through the units and common elements for maintenance, repair and replacement of the units and common elements or limited common elements. Such access to the units shall be only during reasonable hours with notice or as set forth elsewhere in this Master Deed except that access may be had at any time in case of emergency.

2. Support. Every portion of a unit contributing to the support of the building shall be burdened with an easement of support for the benefit of all other units and common elements in the building.

3. **Common Elements.** An easement in, over and through the common elements for general use or ingress and egress to a unit by a unit owner, subject to the rules, regulations or restrictions of the Association and the Condominium documents.

4. **Utilities.** Easements through the units and common areas for conduits, ducts, plumbing, wiring and other facilities for the furnishings of utility service to other units and the common elements.

5. **Developer Easements.** Developer, its successors and assigns, shall have the following easements with respect to the property:

(a) Blanket and non-exclusive easement in, upon, over, through, under and across the common elements and facilities for the purpose of construction, installation, maintenance, and repair of any improvements to the Units, or common elements, for ingress and egress for the use of all, driveways, parking areas, and for the utilities of existing units until the date the last Unit is sold and conveyed in the normal course of business.

(b) A blanket and non-exclusive easement and right to enter into, upon, over or under any unit as may be reasonably necessary for the Developer or its agents to service such units or any part of the Building provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In case of emergency, such right of entry shall be immediate whether the Unit Owner is present at that time or not; and

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

6. An easement for the existence and continuance of any encroachment by a unit or the common elements upon any adjoining unit or common elements.

7. An easement or unobstructed ingress and egress in, upon, over, across and through the common elements to the City of Ocean City and the County of Cape May and State of New Jersey (but not the public in general) for the purpose of maintaining the safety, health, welfare, police and fire protection of the citizens of said City, including the residents of the Condominium.

In addition, said easement in favor of the City of Ocean City is, among other things, for the City's enforcement powers in the event the Association fails to properly maintain the open space in reasonable order and condition.

All easements and rights described and mentioned herein are easements appurtenant running with the land and the condominium and shall be in full force and effect for the life of this Master Deed, as the

same may be amended, and at all times shall inure to the benefit of and be binding upon the Developer, its successors and assigns, the Association and any Unit Owner, purchasers, mortgagee, tenant, and any other person having an interest in the condominium and any Unit or portion thereof.

H. Maintenance - The responsibility for the maintenance of a unit shall be as follows:

1. **By the Association.** The Association shall maintain, repair and replace at the Association's expense:

(a) All portions of the units which contribute to the support of the building, excluding, however, interior walls, ceilings and floors not damaged due to structural defects, doors, windows, screens, appliances, fixtures and personal property, but including, without intending to limit the same, the roof and roof structure area, outside walls of the building, structural slabs, interior boundary walls of units, and load bearing foundations, supports and columns.

(b) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which service part or parts of the Condominium other than the unit within which they are contained.

(c) All incidental damage caused to a unit by such work as may be done or caused to be done by the Association in accordance herewith shall be promptly repaired at the expense of the Association.

2. **By the Unit Owner.** The responsibility of the individual unit owner shall be as follows:

(a) To maintain, repair, and replace at his expense, all portions of the unit except the portions to be maintained, repaired and replaced by the Association. Such shall be done without disturbing the rights of other owners.

(b) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building without the written consent of the Board of Directors or the Association.

(c) To promptly report to the Association any defect in or need for repairs to improvements which are the responsibility of the Association.

I. Alteration and Improvement - No Unit Owner shall make any alterations in the portions of the unit and building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do any work which would jeopardize the safety or soundness of the building, or impair any easement, without first obtaining unanimous approval of all owners of the other units in the building, and the approval of the Board of Directors of the Association. Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicapped use.

J. Partition - No action for partition shall lie in favor of any of the unit owners so long as the Condominium is in existence, and each unit owner hereby waives any and all rights to any such cause of action.

VIII. ASSESSMENTS

Assessments against the unit owners shall be made by the Association and shall be governed by the following provisions:

A. Share of Expenses, Common Expenses - All charges, costs and expenses whatsoever incurred by the Association for or in connection with the operation and maintenance, repair, replacement, and

restoration of the common elements and limited common elements, any additions and alterations thereto, all labor, services, materials, supplies and equipment therefor, and all liability whatsoever for loss or damage arising out of or in connection with such elements, and all premiums for hazard and liability insurance constitute common expenses of the Condominium. Each unit owner shall be liable for its respective proportionate share of such expenses as set forth in Exhibit B or elsewhere in the Master Deed, as the case may be.

B. Ledger - Each unit shall have a separate ledger account which shall accurately reflect the payments made by the unit owner.

C. Assessments for Recurring Expenses - Assessments for recurring expenses for each unit shall include the estimated expenses chargeable to said account and a reasonable allowance for contingencies and reserves, less the unused fund balance credited to such account. Assessments shall be determined solely by the Board of Directors of the Association and made for the calendar year annually in advance on December first preceding the year for which assessments are made and shall be due in twelve (12) equal consecutive monthly payments on the first day of each month of the year for which the assessments are made. Upon default by any unit owner in the payment of any such monthly installment within thirty (30) days after the due date thereof, the Board of Directors of the Association, at its option and without notice, shall be entitled to accelerate the payment of the balance of such monthly installments for the then current assessment year. In the event such an annual assessment proves to be insufficient, it may be amended at any time by action of a majority of the Board of Directors of the Association. The increased assessment for the remaining portion of the year shall be due in equal monthly installments on the first day of each month thereafter during the year for which the assessment is made.

D. Assessment for Emergencies - Assessment for common expenses of emergencies for which funds are not available from the assessments for recurring expenses shall be made only after approval by the Board of Directors of the Association. After such approval by the Board of Directors, such emergency assessment shall become effective and shall be due after thirty (30) days notice thereof in such manner as the Board of Directors may require.

E. While the developer 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 government agency, title insurance company, mortgage lender or in the event of an emergency.

F. Lien and Liability for Assessments - The Association shall have a lien on each unit for any unpaid assessment duly made by the Board of Directors of the Association for a share of common expenses

together with interest thereon and reasonable attorney's fees. Such lien shall be effective from and after the time of recording in the Cape May County Clerk's Office of a claim of lien stating the description of the unit, the name of the owner, the amount due and the date when due. Such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by the lien, the party making payment shall be entitled to a recordable satisfaction of lien. All such liens shall be subordinate to any lien for past due and unpaid taxes, the lien of any mortgage to which the unit is subject and any other lien recorded prior to the time of recording of the claim of the lien.

Upon any voluntary conveyance of a unit, the grantor of such unit shall be jointly and severally liable for all unpaid assessments pertaining to such unit duly made by the Association or accrued up to the date of such conveyance without prejudice to the right of the grantee to recover from the grantor any amounts paid by the grantee, but the grantee shall be exclusively liable for those accruing while he is the unit owner.

Any unit owner or any purchaser of a unit, prior to the completion of a voluntary sale, may require from the Association a certificate showing the amount of unpaid assessments pertaining to such unit and the Association shall provide such certificate within ten (10) days after request therefor. The holder of a mortgage or other lien on any unit may request a similar certificate with respect to such unit. Any person other than the unit owner at the time of issuance of any such certificate who relies upon such certificate shall be entitled to rely thereon and his liability shall be limited to the amounts set forth in such certificate.

If a mortgagee of a first mortgage of record or other purchaser of a unit obtains title to such unit as a result of foreclosure of the first mortgage, such acquirer of title, his such elements, and all premises for hazard and liability insurance constitute common expenses of the Condominium. Each unit owner shall be liable for its respective proportionate share of such expenses as set forth in Exhibit B or elsewhere in the Master Deed, as the case may be.

Liens for unpaid assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. The Association shall have the power to bid in the unit at foreclosure sale, and to acquire, hold, lease, mortgage and convey the same.

1. **Interest.** Application of payments, assessments and installments paid within fifteen (15) days after due date shall not bear interest; but all sums not paid on or before fifteen (15) days after due date shall bear interest at the rate of ten (10%) percent per annum from the due date until paid. All payments on account shall be applied first to interest, if accrued, and then to the assessment payment first due.

2. **Suit.** The Association, at its option, may enforce collection of delinquent assessment accounts by suit at law or by foreclosure of the lien securing the assessment, or by any other competent proceeding

and, in either event, the Association shall be entitled to recover the payments which are delinquent at the time of judgment or decree, together with interest at the legal rate and costs of suit and attorney's fees.

A unit may be sold by the sheriff on execution, free of any claim not a lien of record, for common expenses or other assessments by the Association, but any funds derived from such sale before distribution to the foreclosed unit owner, shall be applied to payment of such unpaid common expenses or other assessments if written notice thereof shall have been given to the sheriff before distribution. Any such unpaid common expenses which shall remain uncollectible from the former unit owner for a period of more than sixty (60) days after such sheriff's sale may be reassessed by the Association as a common expense to be collected from all unit owners including the purchaser who acquired title at the sheriff's sale, his successors and assigns. The Association may bid in and purchase the unit at a sheriff's sale, and acquire, hold, lease, mortgage and convey the same.

3. Rights of Purchaser at Forced Sale. Despite any foreclosure, tax sale or other forced sale of a unit, all applicable provisions of this Master Deed and the By-Laws shall be binding upon any purchasers at such sale to the same extent as they would bind a voluntary grantee, except that such purchaser shall not be liable for the share of common expenses or other assessments by the Association pertaining to such unit or chargeable to the former owner which becomes due prior to such sale except as otherwise provided in paragraph 2 of this Section.

4. No Exemption by Waiver. No unit owner may exempt himself from liability for his share of common expenses by waiver of the enjoyment of the right to use any of the common elements or by abandonment of his unit or otherwise.

IX. ADMINISTRATION

A. Responsibility - The administration of the Condominium, including the acts required of the Association by the condominium documents, shall be the responsibility of the Association and shall be governed by this Master Deed, the By-Laws and Articles of Incorporation of the Association (Exhibit C and E) and the Rules and Regulations.

B. Association Established - The Association of Owners of CROSSINGS Condominium is hereby established and, through its officers or governing board, shall have the duties and powers set forth in the condominium documents together with those powers and duties reasonable implied to effect the purpose of the Association and the Condominium. Such powers and duties, which shall be exercised in the manner provided by the condominium documents shall include the following, the costs of which shall be common expenses:

1. The maintenance, repair, replacement, cleaning and sanitation of the common elements and the

limited common elements.

2. The assessment and collection of funds for common expenses and the payment thereof.

3. The adoption, distribution, amendment and enforcement of rules governing the use and operation of the Condominium and the condominium property and the use of the common elements subject to the right of a majority in interest of unit owners to change any such rules.

4. The maintenance of accounting records, in accordance with generally accepted accounting principles, open to inspection upon 5 days notice to unit owners. Such records shall include:

(a) A record of all receipts and expenditures.

(b) A ledger for each unit setting forth any shares of common expenses or other charges due, the due dates, thereof, the present balance due, and any interest in common surplus.

C. Trust - All funds and the title to all properties acquired by the Association and the proceeds thereof shall be held only for the use and benefit of the unit owners and for the purposes therein stated. No vote shall be cast by units acquired by the association.

D. Insurance - The insurance, other than title insurance, which shall be carried upon the condominium property and the property of the unit owners, shall be governed by the following provisions unless specifically stated otherwise in the Master Deed and By-Laws:

1. Authority to Purchase; Names Insured. The Association shall purchase and maintain insurance upon the condominium property for the benefit of unit owners and their respective mortgagees, and shall provide for certificates of mortgagee endorsements for the holders of mortgages on the respective units.

2. Coverage.

(a) Casualty. All common elements, limited common elements, and all structural portions of the condominium property and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against:

(1) Loss or damage by fire, storm and other hazards covered by a standard extended coverage endorsement, including but not limited to vandalism, malicious mischief, windstorm, hurricane, tornado, flood and water damage; and

(2) Such other risks as from time to time shall be customarily covered with respect to buildings in construction, and the location and use of the buildings on the land.

(b) Public Liability and property damage insurance against liability for personal injury and death for accidents and the defense of any actions brought by reason of injury or death of any actions brought by reason of injury or death to person or damage to property occurring within such common elements in such amounts with such coverage as shall be required by the Board of Directors of the Association, including but not limited to water damage, legal liability, hired automobile and non-owned automobile and off-premises employer coverages, and with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner.

(c) Workmen's compensation policy to meet the requirements of law.

(d) Fidelity insurance covering those officers and employees of the Association and those agents and

employees hired by the Association who handle condominium funds, in amounts as determined by the Board of Directors of the Association.

(e) Liability insurance indemnifying the directors and officers of the Association against liability for errors and omissions occurring in connection with the performance of their duties, at the option of the Board of Directors of the Association.

(f) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

3. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common

expense.

4. Insurance. All insurance policies purchased by the Association shall provide that all proceeds covering property losses shall be paid to the Association, as Trustee, or to such other entity as may be designated as an Insurance Trustee, said Trustee not to be the Developer, by the Association. The Association or such other designated Trustee shall hold such proceeds for the benefit of the aforesaid beneficiaries, in the following shares:

(a) **Common Elements.** Proceeds on account of damage to common elements, including the involved land - an undivided share for each unit owner in accordance with its share in the common elements.

(b) **Units.** Proceeds on account of damage to units shall be held for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Association.

(c) **Mortgagees.** In the event a mortgagee endorsement has been issued to a unit, the share of the unit owner shall be held for the mortgagee and the unit owner as their interest may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the unit owner and mortgagee, pursuant to the provisions of this Master Deed.

5. Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the unit owners in the following manner:

(a) **Expense of the Association.** All expenses of the Association in obtaining the proceeds shall be first paid or provisions made therefor.

(b) **Reconstruction, Restoring and Repair.** The remaining proceeds of any insurance policy shall be utilized to defray the cost of reconstructing, restoring or repairing any damage. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittance to unit owners and their mortgagees being payable jointly to them.

6. Unit Owner Insurance. Any unit owner may obtain insurance at its own expense, covering its real and personal property, and for its personal liability. The insurance by the Board shall not be affected or diminished by reason of any such additional insurance carried by unit owners.

E. Reconstruction or Repair after Casualty.

1. Reconstruction or Repair Required. In the event of any casualty to the common elements or to the individual unit, the same shall be repaired or reconstructed, as the case may be, by the Association or

the individual unit owner.

2. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, portions of which are attached hereto as exhibits, or according to plans and specifications approved by the Board of Directors of the Association.

3. Encroachments. Encroachments upon or in favor of a unit which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the unit owner upon whose property such encroachment exists, provided that such reconstruction was either substantially in accordance with the plans and specifications for the original building or as the building was originally constructed, or such other plans and specifications approved as provided herein.

4. Responsibility. If the damage is completely or partly within those unit areas for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for the reconstruction and repair after casualty of that portion within his area of responsibility. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

5. Estimate of Costs. Immediately after a determination to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

6. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the unit owners in accordance with their share in the common elements in sufficient amounts to provide funds for the payment of such costs.

7. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association and funds collected by the Association from assessments against owners, shall be disbursed in payment of such costs in the following manner:

(a) **Association - Lesser Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than the total of the annual assessment for common expenses during the year in which the casualty occurred, then the reserve for replacements shall be disbursed in payment of such costs upon the order of the Association.

(b) **Association - Major Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than the total of the annual assessment for common expenses during the year in which the casualty occurred, then the reserve for replacement fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an Architect qualified to practice in New Jersey and employed by the Association to supervise the work.

(c) **Unit Owner.** The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a unit owner shall be paid by the Association to such contractors, suppliers and personnel as do the work or supply the materials or services required for

such reconstruction or repair, in such amounts and at such times as the unit owner may direct, or if there is a mortgagee endorsement as to such unit, then to the unit owner and the mortgagee jointly, who may use such proceeds as they may be advised.

(d) **Surplus.** It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the re-construction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund, as their interests may appear, as ordered by the Board of Directors of the Association.

F. Eminent Domain - If all or any part of the common elements shall be taken, injured or destroyed by eminent domain, each unit owner shall be entitled to participate through the Association in the proceedings incident thereto. Any damages for the taking, injury or destruction as a whole shall be collected by the Association and distributed among the unit owners in proportion to each such owner's undivided interest in such common elements, except to the extent that the Association deems it necessary or appropriate to apply them to the repair or restoration of any such injury or destruction.

G. Taxes and Special Assessments - Anticipated Taxes. Real property taxes and special assessments upon the units and common elements shall be payable by the unit owners directly.

X. POWER OF ATTORNEY

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

A. Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such amended Master Deed or other instruments necessary to effect any amendments or supplements to this Master Deed, the Articles of Incorporation, the By-Laws and any other documents which may be subsequently required by a bank, institutional lender, regulatory governmental agency, or title insurance company, provided, however, that no such amendment or supplement shall effect a material physical modification or a Unit, without the prior written consent of the Unit Owner of said unit and his or their mortgagee or adversely effect the priority or validity of a purchase money lien on a Unit sold hereunder, without the prior written consent of the mortgagee of any institutional holder of a first mortgage.

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

The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter and to run with the title to any and all units and be binding upon the heirs, personal representatives, successors and assigns of any owners of the units. Said powers of attorney shall terminate two years from date of recording of this Master Deed or the sale of the last unit by the developer,

A. Use of Units - The units, should they be rented out by the owner shall have a maximum rental period of one hundred twenty (120) days. The CROSSINGS Condominium residential units will only be occupied by a transient guest or clientele. The Ocean City zoning ordinance defines transient guest or clientele as one who is a temporary occupant of a hotel or motel or rooming house. A transient guest or clientele shall not occupy a room or unit located within the same building or located on the same municipal tax lot for more than 120 consecutive days and shall not occupy such room or unit for more than 200 days any 365 day period.

B. Nuisance - No nuisance shall be allowed upon the condominium property nor any use or practice which is the source of annoyance to residents, or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage allowed to accumulate, nor any fire hazard allowed to exist. No unit owner shall permit any use of a unit or make any use of the common elements which will increase the rate of insurance upon the condominium property.

C. Lawful Use - No unlawful use shall be made of the condominium property nor any part thereof; and all laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of unit owners and the Association of meeting the requirements of governmental bodies which require maintenance, modification or repair of the condominium property shall be the same as provided above for the maintenance and repair of the property involved.

D. Leasing - CROSSINGS Condominium units will be occupied by a transient guest or clientele. The Ocean City Zoning Ordinance defines transient guest or clientele as one who is a temporary occupant of a hotel or motel rooming house. A transient guest or clientele shall not occupy a room or unit located within the same building or located on the same municipal tax lot for more than 120 consecutive days and shall not occupy such room or unit for more than 200 days in a 365 day period.

E. Regulations - Reasonable regulations concerning the use of the condominium property have been made, copies of which have been delivered herewith, and may be amended from time to time by the Association in the manner provided by its By-Laws. Copies of such regulations and amendments thereto shall be furnished to all unit owners.

F. Transfers of Ownership - Upon the change of ownership or possession of any condominium

unit, by sale, lease or operation of law, notice must be given to the Association by the new owner, tenant, remainderman, or any representative acting in a fiduciary capacity therefor.

1. **Association Ownership.** The Association shall have the right to purchase units in the Condominium and otherwise hold, lease, mortgage and convey the same. No voting rights attached to units owned by the Association.

2. **Liens.**

(a) **Protection of Property.** All liens against a unit owner for special assessments shall be satisfied or removed within thirty (30) days from the date the lien attaches. All taxes and special assessments upon a unit shall be paid before they become delinquent.

(b) **Notice of Lien.** A Unit Owner shall give notice to the Association of every lien against his unit other than mortgages, taxes and special assessments, within five (5) days after the lien attaches.

(c) **Notice of Suit.** A Unit Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his unit, such notice to be given within five (5) days after the owner receives notice thereof.

(d) **Failure to Comply with this section concerning liens will not affect the validity of any judicial sale.**

3. **Judicial Sales.** In the event proceedings are instituted to foreclose any mortgage on any unit, the Association shall have the authority to purchase such unit at the foreclosure sale for the amount set forth to be due by the mortgagee in the foreclosure proceedings, and in case of such purchase by the Association, the Association thus purchasing shall take and have clear title to the property purchased, from any claim or right of any grantee, his heirs or assigns of such mortgagor and every person claiming by, through or under such mortgagor. Nothing herein contained shall preclude an institutional mortgagee as defined herein from owning a first mortgage on any unit, and such institutional mortgagee shall have an unrestricted absolute right to accept title to the unit in settlement and satisfaction of such mortgage in accordance with the terms hereof, and to bid upon such unit at the foreclosure sale. If the Association purchases or acquires such mortgage, it shall have a lien against the unit for all sums expended in connection therewith, and shall have the same rights to collect such sums as in the case of a past due assessment.

4. **Compliance and Default.** Each unit owner shall be governed by and shall comply with the terms of the condominium documents and regulations adopted pursuant thereto, and said documents and regulations as they may be amended from time to time. A default shall entitle the Association or other unit owner to the following relief:

(a) **Legal Proceedings.** Failure to comply with any of the terms of the condominium documents and regulations adopted pursuant thereto shall be grounds for relief, which relief includes but shall not be limited to an action to recover sums due for damages or injunctive relief, or both, and which actions may be maintained by the Association or, in a proper case, by an aggrieved owner.

(b) **Negligence.** A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family

or his or their guests, employees, agents or lessees. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a unit.

(c) **Costs and Attorney's Fees.** In any proceeding arising because of any alleged default by a unit owner, if the Association or the owner shall prevail, they shall be entitled to recover the costs of the proceedings and such reasonable attorney's fees as may be awarded by the Court.

(d) **No Waiver of Rights.** The failure of the Master Association or any owners to enforce any covenant, restriction or other provision of the condominium documents, shall not constitute a waiver of the right to do so thereafter.

5. Instruments of Transfer. All sales or transfers of an owner's interest in CROSSINGS Condominium other than those by operation of law or by judicial sale, shall be effected by the execution and delivery by the selling owner of a Unit Deed or this Master Deed.

XII. AMENDMENT

A. Master Deed - Except as herein otherwise provided, amendments to the Master Deed or By-Laws shall be adopted as follows:

1. Prior to Conveyance. Prior to conveyance of the first unit in the condominium, the Developer may freely amend, from time to time, this Master Deed.

2. Notice. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

3. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the unit owners, meeting as members of the Association and, after being proposed and approved by one of such bodies, it must be approved by the other. Directors and unit owners not present at the meeting considering the amendment may cast their votes in writing. Such approvals must be by seventy-five (75%) percent of the Board of Directors and by not less than seventy-five (75%) percent of the owners of the aggregate in interest of the undivided ownership of the common elements as set forth in this Master Deed, except as to an amendment altering the shares of ownership in the common elements, the shares of the common expenses of the Condominium, or the voting rights of any of the owners of the condominium, any of which shall require the approval of one hundred percent of the owners.

4. Recording. A copy of each amendment shall be certified by the officers of the Association as having duly adopted, and shall not be effective until properly recorded in the Clerk's Office of Cape May County, New Jersey.

B. Proviso - Provided, however, that no amendment to the Master Deed or By-Laws shall discriminate against any unit owner, or group of owners unless the parties so affected shall consent to such amendment. With respect to mortgagees, no amendment shall be permitted unless it is adopted in compliance with Paragraph XIII hereof.

C. Developer's Additional Rights - Irrespective of anything else herein contained, no amendment may be made to this Master Deed or to any of the Exhibits attached hereto, without the written consent of the Developer, so long as it retains the ownership of any condominium unit provided, however, that the right to require said written consent of the Developer shall cease on a date two (2) years from the date of recording this Master Deed. The Developer 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 or facilities.

XIII. PROTECTIVE PROVISIONS FOR THE BENEFIT OF ELIGIBLE MORTGAGE HOLDERS

Despite to the contrary in this Master Deed, Articles of Incorporation or By-Laws, the provisions herein shall apply with respect to each Eligible Mortgage Holder. As used here, "Eligible Mortgage Holder" shall mean any holder of a first mortgage encumbering any unit who has requested a notice of certain matters from the Association.

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

1. Voting rights;
2. Reserves for maintenance, repair and replacement of Common Elements;
3. Responsibility for maintenance and repairs;
4. Reallocation of interests in the General or Limited Common Elements or rights to their use;
5. Boundaries of any unit;
6. Convertibility of units into Common Elements or vice versa;
7. Expansion or contraction of the Condominium, or the addition, annexation, or withdrawal of land to or from the Condominium;
8. Insurance or fidelity bonds;
9. Leasing of units;
10. Imposition of any restrictions upon a unit owner's right to sell or transfer his or her unit;
11. A decision by the Association to establish self-management rather than professional management, unless self-management has been utilized since the inception of the condominium;
12. Restoration or repair of the Condominium (after damage, destruction or condemnation) in a

manner other than that specified in this Master Deed;

13. Any action to terminate the legal status of the Condominium as a Condominium after substantial damage or condemnation occurs; or

14. Any provision that expressly benefit Eligible Mortgage Holders.

B. 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.

C. Any Eligible Mortgage Holder shall be entitled to receive thirty (30) days advance notice from the Association of any proposed non-material amendment to the Master Deed, By-Laws or Certificate of Incorporation permitted by same, which notice shall include a copy of the proposed change; and any Eligible Mortgage Holder shall be deemed to have implicitly approved such change as proposed unless it states in a written response to the Association its objections or comments relative to such a proposed change.

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

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

2. Any sixty (60) day delinquency in the payment of Common Expense assessment installments or other assessments or charges owned to the Association by a unit owner of any unit for which the Eligible Mortgage Holder holds a mortgage; and

3. A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

4. Any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders.

E. No unit in the Condominium may be partitioned or subdivided without the prior written approval of any Eligible Mortgage Holder for such unit.

F. 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 held by an Eligible Mortgage Holder and recorded prior to the date any such common Expense assessment became due.

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

H. Any Eligible Mortgage Holder shall receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

I. Any Eligible Mortgage Holder 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 acquirer, his successors and assigns.

J. 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 year as follows; said management agreement shall terminate 90 days after all units are turned over to the Association, unless said Contract is ratified by the Association.

K. Despite 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, any Eligible Mortgage Holder holding a mortgage which encumbers 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.

XIV. TERMINATION

The Condominium may be terminated in the following manner:

A. **Agreement** - Termination of the Condominium may be effected by a deed of revocation duly executed by unit owners to which at least 80% percent of the ownership interest in the condominium property is attributed or the sole owner of the property and recorded in the Clerk's Office of Cape May County. Note, however, that the Condominium may not be terminated unless it is done in compliance with paragraph XIII.

B. **Shares of Ownership After Termination.** In the event of voluntary termination of the Condominium by the unit owners, the unit owners, upon the recording of a deed of revocation as provided

liens of mortgages, other lienholders and other encumbrances shall become such upon the respective shares of the unit owners.

XV. COVENANTS RUNNING WITH THE LAND

All provisions of this Master Deed, the By-Laws and Rules and Regulations constitute covenants running with the land and with every part thereof and interest therein, including but not limited to every unit the appurtenances thereto and every unit owner and claimant of the land or of any part thereof or interest therein; and each unit owner, his heir, executors, administrators, successors and assigns shall be bound by all of the provisions of such condominium documents and the decisions and resolutions of the Association, and failure to comply with any such provisions, decisions or resolutions shall be grounds for an action to recover sums due, for damages, and/or for injunctive relief. All present or future owners, tenants, future tenants or any other persons that might use the facilities of the Condominium in any manner, are subject to the provisions of this Master Deed, and the mere acquisition or rental of any of the units of the Condominium or the mere act of occupancy of any such unit shall be deemed acceptance and ratification of the provisions of this Master Deed.

XVI. BLANKET MORTGAGE

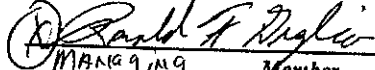
The entire condominium property, or some or all of the units included therein (together with the undivided interests in common elements and limited common elements appurtenant to such units) may be subject to a single or blanket mortgage constituting a first lien thereon created by recordable instrument by all of the owners of the property or units covered thereby; and any unit included under the lien of such mortgage may be sold or otherwise conveyed or transferred subject thereto. The instrument creating any such mortgage shall provide a method whereby a Seller may obtain a release of his unit (together with the undivided interest in common elements and limited common elements if any, appurtenant thereto) from the lien of such mortgage and a satisfaction and discharge in recordable form, upon payment to the holder of the mortgage of a sum equal to the proportionate share attributable to his unit of the then outstanding balance of unpaid principal and accrued interest and any other charges then due and unpaid. Such proportionate share attributable to each unit shall be the proportion in which all units then subject to the lien of the mortgage share among themselves in liability for common expenses as provided herein or such other reasonable proportion as shall be specifically provided in the mortgage instrument.

XVII. SEVERABILITY

The invalidity of any covenant, restriction or other provision in any condominium document shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, S.I.D. CROSSINGS, L.L.C. has caused his hand and seal to this instrument the day and year first above written.

S.I.D. CROSSINGS, L.L.C.


MANAGING, Member
RONALD F. GIGLIO, Director
Managing Member

STATE OF NEW JERSEY:

ss:

COUNTY OF CAPE MAY:

BE IT REMEMBERED, that on this 24th day of February, 2005, before me, the subscriber, Ronald F. Giglio, Member of S.I.D. CROSSINGS, L.L.C., personally appeared, who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, sealed and delivered the same and that the within instrument is his voluntary act and deed.


NOTARY

ALICE ZIPPEL
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 5/9/2006

Prepared By:
Allen H. Vernon, Jr., Esquire
761 Asbury Avenue, 2nd Floor
P.O. Box 385
Ocean City, NJ 08226

LEGAL DESCRIPTION OF THE LAND

The real property submitted to the provisions of the Condominium Act is the following described land situate in the City of Ocean City, County of Cape May and State of New Jersey, bounded and described as follows:

ALL that certain lot, place or parcel of land, with the buildings and improvements thereon erected, situated, lying and being in the City of Ocean City, County of Cape May, State of New Jersey;

TRACT 1

BEGINNING at a point in the southeasterly right-of-way line of Simpson Avenue (65' wide), 250 feet southwestwardly line from the point of intersection of the said southeasterly right-of-way line of Thirty-fourth Street (60' wide), and proceeding thence

1. Southeastwardly along the lot division line between Lots 2 and 3, and at right angles to Simpson Avenue, 115' to a point in the northwesterly right-of-way line of a public alley (15' wide), thence
2. Southwestwardly along the said northwesterly right-of-way line of public alley, and at right angles to the preceding course, 40' to a point in the lot division line between Lots 1 and 2, thence
3. Northwestwardly along the division line between Lots 1 and 2 and at right angles to the preceding course, 115' to a point in the southeasterly right-of-way line of Simpson Avenue, thence
4. Northeastwardly along the southeasterly right-of-way line of Simpson Avenue, and at right angles to the preceding course, 40' to the point and place of beginning.

BEING known as Lot 154 Section H of Plan of Ocean City Association. **ALSO KNOWN** AS Lot 154, Block 3405 former tax map.

ALSO KNOWN AS Lot 2, Block 3405 on the Official Tax Map of the City of Ocean City, New Jersey.

TRACT 2

BEGINNING at a point in the Northwesterly right of way line of Haven Avenue (65 feet wide), 90.00 feet Southwestwardly from the point of intersection of the said Northwestwardly right of way line of Haven Avenue with the Southwestly right of way line of 34th Street (60 feet wide); and proceeding thence

1. Southwestwardly, along the Northwesterly right of way line of Haven Avenue, and at right angles to 34th Street, 240.00 feet to a point in the lot division line between Lot 5 and 6; thence
2. Northwestwardly, along the lot division line between Lots 5 and 6, and at right angles to the preceding course, 115.00 feet to a point in the Southeasterly right of way line of a public alley (15 feet wide); thence
3. Northeastwardly, along the said Southeasterly right of way line of a public alley, and at right angles to the preceding course, 240.00 feet to a point in the lot division line between Lots 4 and 5; thence

4. Southeastwardly, along the lot division line between Lots 4 and 5, and at right angles to the preceding course, 115.00 feet to the point and place of BEGINNING.

BEING KNOWN AS Lots 223, 224, 225, 226, 227 and 228, Section H, Block 3405 former tax map.

ALSO KNOWN AS Lot 5, Block 3405 on the Official Tax Map of the City of Ocean City, New Jersey.

EXHIBIT A
TO
MASTER DEED
SURVEY

EXHIBIT B
TO
MASTER DEED
UNIT SHARE PERCENTAGE OF THE COMMON ELEMENTS AND SURPLUS

EXHIBIT B

UNIT SHARE PERCENTAGE OF COMMON ELEMENTS AND SURPLUS

The Units vary slightly in size in this project. Each Unit including the Commercial Units will be equally liable for its proportionate share of common expenses, percentage share of common elements and surplus. Each Unit share percentage is assigned 1.35135%.

First Floor

Front Desk/Laundry Unit
Commercial

Second Floor

Unit nos. 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 214, 215, 216,
217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234,
235, 236

Third Floor

Unit nos. 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 314, 315, 316,
317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334,
335, 336

**EXHIBIT "C" TO MASTER DEED
CROSSINGS CONDOMINIUM
BY-LAWS
THE ASSOCIATION OF OWNERS OF
CROSSINGS CONDOMINIUM
(CROSSINGS CONDOMINIUM ASSOCIATION, INC.)**

These By-Laws shall apply to CROSSINGS CONDOMINIUM herein called the "Condominium", as described in and created by the Master Deed filed of record and submitted to the provisions of the Condominium Act of the State of New Jersey contemporaneously herewith, to CROSSINGS CONDOMINIUM ASSOCIATION, INC., an entity created pursuant to Title 15a. of the Corporations and Associations Not For Profit Act and to all present and future owners, tenants and occupants of any units of the Condominium and all other persons who shall at any time use the facilities of the Condominium.

ARTICLE I

Definitions

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

ARTICLE II

Membership

Section 1. Qualifications. All owners of units of the Condominium shall constitute CROSSINGS CONDOMINIUM ASSOCIATION, INC., herein called the "Association". The owner of any unit upon acquiring title thereto shall automatically become a member of the Association and shall remain a member

thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Association shall automatically cease.

Section 2. Place of Meetings. Meetings of the Association shall be held at the Condominium or such other suitable place convenient to the unit owners as may be designated by the Board.

Section 3. First Annual Meeting and Regular Annual Meeting.

The first annual meeting of the Unit Owners shall be held on call by the Board. Within sixty (60) days after twenty seven (27) condominium units have been sold and conveyed, the Association shall call and give not less than twenty (20) days nor more than thirty (30) days notice of said meeting. At said meeting, two (2) members of the five (5) member Board of Directors shall be elected by the Unit Owners from among Unit Owners other than the Developer. Thereafter, the Developer shall appoint three (3) of the five (5) members to the Board. The members of the Board shall hold office until their respective successors have been elected by the Unit Owners. The Board appointed by the Developer shall act until the election has been completed at said first meeting. The Developer shall gradually turn over control of the Board to the Unit Owners as hereinafter described in Article III. Regular annual meetings may be held at such time and place as shall be determined from time to time by the President of the Association, but at least one (1) annual meeting shall be held each year.

Section 4. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President or a petition signed by the owners of at least fifty (50%) percent of the aggregate in interest of the undivided ownership of the common elements and presented to the Secretary.

Section 5. Notice of Meetings. Except as otherwise provided herein or by law, the Secretary shall give written or printed notice of each annual and special meeting to every unit owner according to the Association's record of ownership, at least ten (10) days before, but no more than ninety (90) days before, the date set for such meeting stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and, except for the annual meeting, the purpose therefore, in any of the following ways:

- (a) by delivering it to the owner personally, or
- (b) by mailing it, postage prepaid, addressed to the owners at the address as it appears on the Association's record of ownership. If notice is given pursuant to the provisions of this Section, the failure of any owner to receive actual notice of any meeting shall in no way invalidate such meeting or any proceeding thereat. The presence of any owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall, at the opening thereof, object to the holding of such meeting because of failure to give notice in accordance with the provisions hereof.

Section 6. Quorum. The presence at any meeting in person or by proxy of the owners of fifty (50%) percent of the aggregate in interest of the undivided ownership of the common elements shall constitute a quorum, and the acts of a majority of the unit owners at any meeting at which a quorum is present shall be the acts of the Association except as otherwise provided herein. The term "majority of unit owners" herein means the owners of more than fifty (50%) percent of the total units.

Section 7. Voting. Voting by the members of the Association in the affairs of the Association shall be on the basis of one vote per unit. Votes may be cast in person or by proxy by the respective unit owners as shown in the record of ownership of the Association. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association. The percentage of vote for any unit owned or controlled by any such representative shall have been transferred to his name in the Association's record of ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such unit in such capacity. The vote for any unit owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of written protest by the other or others, and in case of protest, no vote for such unit shall be valid unless the owners thereof designate one (1) person or party to vote for the unit. Such designation shall be unanimously made in writing to the Association. The Developer's vote or votes shall be cast by such person as it may from time to time designate.

Section 8. Proxies. Proxies shall be permitted with respect to all elections of directors, and all amendments to the Articles of Incorporation of the Association, the Master Deed or these By-Laws, or any other matter which is to come before a meeting of the membership of the Association. All proxies shall be in writing, signed by all individual unit owners (or in the case of joint owners by any one of them), or by his or their duly authorized representative(s) and duly delivered to the Secretary of the Association, or such other person as the President may designate, at least twenty-four (24) hours prior to the commencement of the meeting at which the ballots are to be cast. Proxies may be revoked at any time prior to the opening of the polls, and no proxy shall be voted on after eleven (11) months from its date unless said proxy provides for a longer period, not to exceed three (3) years from the date of execution. All proxies shall be substantially in the form prescribed by the Board of Directors, and if not in such a form, shall be deemed invalid, which determination shall be made in the sole and absolute discretion of the Board of Directors.

Section 9. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the unit owners present, whether or not a quorum be present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 10. Order of Business. The order of business at annual meetings of the Association and,

as far as practicable, at all other meetings shall be:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Report of Officers.
- (e) Report of Committees.
- (f) Election of Directors.
- (g) Unfinished business.
- (h) New business.

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

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors comprised of five (5) persons. Each member of the Board shall be either the owner of a unit, have a property interest therein, or be a designee of a corporate owner of a unit in the Condominium. The Directors shall serve without compensation. Until twenty two (22) units are sold and conveyed, the Developer shall appoint all members.

The Common Elements of the Condominium will be controlled by the Developer initially but will be turned over to the Unit Owners in accordance with the Certificate of Incorporation, the By-Laws and the Master Deed. The Master Deed and By-Laws each provide, in effect, that:

A. The Developer shall be entitled to appoint the entire five member Board of Trustees for so long as the Developer shall be the owner of any Units subject to the following:

(i) Within sixty (60) days after conveyance of twenty two (22) Units, not less than twenty-five (25%) percent of the members of the Board of Trustees (that is, two (2) Trustees) shall be elected by Unit Owners (other than the Developer);

(ii) Within sixty (60) days after the conveyance of forty four (44) Units, Unit Owners (other than the Developer) shall, subject to Paragraph B, elect the entire Board of Trustees.

B. Despite the foregoing paragraph, the Developer (i) shall have the right to appoint at least one member of the Board of Trustees so long as any Units owned by it remain unsold in the regular course of business; and (ii) may surrender control of the Board of Trustees but only if Unit Owners (other than the Developer) agree, by a majority vote, to assume control.

C. The Association, when controlled by Unit Owners (other than the Developer), shall not take any action that would be detrimental to the sale of Units by the Developer and shall continue the same level of maintenance, operation and services as immediately prior to their assumption of control, until the last Unit

is sold.

D. After the conveyance of Fifty (50) units, the Master Deed may be amended by a 2/3 vote of Unit Owners present and in person or by proxy, but only with the consent of the holders of all first mortgages on Units. The By-Laws may be amended by a majority vote of Unit Owners and the rules and regulations may be adopted or amended by a 2/3 vote of the Board of Directors or Unit Owners present in person or proxy.

E. The Developer is not permitted to cast any votes allocated to unsold units in order to amend the Master Deed, By-Laws or any other documents for the purpose of changing the permitted use of a Unit or for the purpose for reducing the Common Elements or facilities.

The Association, when controlled by the Unit Owners other than the Developer shall not take any action that would be detrimental to the sale or lease of Units by the Developer, and shall continue the same level of maintenance, operation and services as were in existence immediately prior to their assumption of control.

Section 2. Election and Term of Board of Directors. Each Unit Owner shall vote in accordance with the provisions of the By-Laws for each position to be filled on the Board of Directors.

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

Within thirty (30) days after the sale and conveyance of fifty (50) condominium units, two (2) additional directors will be elected from among Unit Owners, one to a term which expires on the date of the annual meeting at least one (1) year from the election date, the other to a term which expires on the date of the annual meeting at least two (2) years from the election date. The candidate receiving the highest number of votes will be elected to the longer term.

The Association shall call and give not less than twenty (20) days nor more than thirty (30) days notice of a meeting where two (2) additional directors will be elected by the Unit Owners from among Unit Owners.

Within thirty (30) days after the sale and conveyance of the last condominium unit, the fifth elected director shall be elected from among Unit Owners for a term which expires on the date of the annual meeting at least one (1) year from the election date.

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

there will always to some experienced members remaining on the Board of Directors.

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

Section 3. Removal of Members of the Board. At any duly held regular or special meeting of the Association, any one or more of the directors may be removed with or without cause by a majority vote of the Unit Owners, and a successors may then or thereafter be elected to fill the vacancy thus created. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting. This provision shall not apply to any of the directors appointed by the Developer. Any director elected by Unit Owners, who is removed, must be replaced by a director elected by Unit Owners, not a director appointed by Developer.

Section 4. Vacancies. Vacancies in the Board caused by any reason, other than the removal of a director by a vote of the Unit Owners of the Association, shall be filled by a vote of a majority of the remaining directors at a special meeting of the Board held for that purpose after the occurrence of such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a director for the remainder of the preceding director's term and until his successor shall be elected. Despite any provisions to the contrary, the Developer shall appoint a new director to any vacancy, caused by any reason, to an appointed directorship. The remaining elected directors shall elect a new director to any vacancy, caused by any reason, to a director elected by the Unit Owners.

When a member of the Board of Trustees who has been elected by unit owners other than sponsor is removed or resigns that vacancy shall be filled by a unit owner other than sponsor.

Section 5. Meeting of the Board; Notice; Waiver of Notice.

The first meeting of the Board following the first annual meeting of the Association shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Unit Owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board, but at least one (1) meeting shall be held each year. Notice of the regular or adjourned meetings of the Board shall be given each director by telephone, mail or telegram at least three (3) business days prior to the day of the meeting. Special meetings of the Board may be called by the President on three (3) business days notice given to each director by mail

or telegram, which notice shall state the time, place and purposes of the meeting. Any director may, at any time, waive notice of any meeting of the Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof.

If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Open Meetings of Association

(1) Open Meetings

All meetings of the condominium association (governing board), except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all unit owners.

(2) Restrictions to Open Meetings

Despite (1) above, the condominium association (governing board) may exclude or restrict attendance at those meetings or portions of meetings dealing with the following:

- (a) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy;
- (b) Any pending or anticipated litigation or contract negotiations;
- (c) Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer, or
- (d) Any matter involving the employment, promotion, discipline, or dismissal of a specific employee of the association.

(3) Minutes at Open Meetings

At each meeting required to be open to all unit owners, minutes of the proceedings shall be taken, and copies of those meetings shall be made available to all unit owners before the next open meeting.

- (a) Each condominium association shall keep reasonably comprehensible minutes of all its meetings showing the time and place, the members present, the subjects considered, the actions taken, the vote of each member, and any other information required to be shown in the minutes by the By-Laws. Such minutes shall be made available to the public within 30 days.

NOTICE REQUIREMENTS FOR OPEN MEETINGS

(1) Notice

Adequate notice of any open meeting shall be given to all unit owners.

(2) Adequate Notice

Adequate notice means written notice of at least 48 hours, giving the date, time, location and, to the extent known, the agenda of any regular, special, or rescheduled meeting. Such notice shall accurately state whether formal action may or may not be taken. This notice shall be:

- (a) Prominently posted in at least one place within the condominium property reserved for such or similar announcements.
- (b) Mailed, telephoned, telegraphed or hand delivered to at least two newspapers designated by the association governing body.

(c) Filed with the association secretary or administrative officer responsible for administering the association business office.

Annual Posting of Open Meetings

At least once each year within (7) seven days following the annual meeting of the association, the governing body shall post and maintain posted throughout the year, notice of meetings in those locations set forth above.

Emergency Meetings

In the event that a (governing body) association meeting is required to deal with such matters of urgency and importance that delay, for the purpose of providing 48 hours advance notice would result in substantial harm to the interests of the association the notice shall be deemed adequate if it is provided as soon as possible following the calling of the meeting.

Note

The procedural guidelines established by the By-Laws are to be used at association meetings except for working sessions at which no binding votes are to be taken.

Section 6. Quorum and Adjourned Meetings. At the meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Board there shall be less than a quorum present, the meeting shall be adjourned to a new date. At any such adjourned meeting, provided a quorum is present, any business may be transacted which was to have been transacted at the original meeting. The vote of a majority of those present at a Board meeting, provided a quorum is present, shall be necessary for valid action by the Board.

Section 7. Joinder in Meetings by Approval of Minutes. The transaction of any business at any meeting of the Board however called and notice of wherever held, shall be valid as though a meeting duly held after regular call and notice, if a quorum is present; and either before or after the meeting all the directors sign a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof or of the resolution or act adopted at such meeting. All such waivers, consents or approvals shall be in writing and filed with the Secretary and made a part of the minutes of the meeting even though filed subsequent thereto.

Section 8. Non-Waiver. All the rights, duties and privileges of the Board shall be deemed to be continuing and shall not be exhausted by any single act or series of acts. To the same extent, the failure to use or employ any remedy or right hereunder or hereafter granted shall not preclude its exercise in the future nor shall any custom bind the Board.

ARTICLE IV

POWERS AND DUTIES OF BOARD OF DIRECTORS

Section 1. General Powers and Privileges. The Board shall have those powers which include but which are not necessarily limited to the following, together with such other powers as may be provided

herein or in the Master Deed, or which may be necessarily implied:

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

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

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

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

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

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

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

(h) To arrange for security protection as necessary; and

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

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

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

(l) To grant and obtain easements, licenses and other property rights with respect to contiguous lands

and lands included within the community known as City of Ocean City; and

(m) To purchase or lease or otherwise acquire in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners within the Condominium, units offered for sale or lease or surrendered by their owners to the Board; and there will be no vote for units held by the Association.

(n) To purchase units within the condominium at foreclosure or other judicial sales in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners; and

(o) To sell, lease, mortgage (but not vote the votes appurtenant thereto) or otherwise deal with units acquired by, and sublease such units leased by, the Association or its designees, on behalf of all Unit Owners; and

(p) To do anything and everything necessary for the sound management of the condominium.

Section 2. Duties and Responsibilities. It shall be the affirmative and perpetual obligation and duty of the Board of Directors to perform the following, all of which are hereby irrevocably delegated to the Board of Directors of the Association, except as may otherwise be expressly provided to the contrary herein or in the Master Deed or Articles of Incorporation;

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

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

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

(d) To cause to be kept a complete record of all its act and corporate affairs and to present a report thereof to the Association members at the annual meeting or at any special meeting when requested in writing at least twenty-one (21) days in advance by members entitled to cast at least twenty-five (25%) percent of the total votes of the Association.

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

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

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

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

ARTICLE V

Officers

Section 1. Designation. The principal officers of the Association shall be a President, and Secretary-Treasurer, both of whom shall be elected by the Board of Directors. The Board may also elect an Assistant Treasurer, and Assistant Secretary and such other officers as in its judgment may be necessary who need not be directors.

Section 2. Election and Term. The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

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

Section 4. President. The President shall be the Chief executive officer of the Association and shall preside at all meetings of the Association and the Board of Directors. Subject to the control of the Board, he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. He shall also have such other powers and duties as may be provided by these By-Laws or assigned to him from time to time by the Board.

5:26-8.2 Powers and Duties

(a) Subject to the Master Deed, Declaration of Covenants and Restrictions or other instruments of creation, the Association may do all that is legally entitled to do under the laws applicable to its form of organization.

(b) 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.

(c) 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.

Section 5. Secretary-Treasurer. The Secretary-Treasurer shall attend and keep the minutes of all meetings of the Association and of the Board of Directors, give all notices thereof as provided by these By-Laws, maintain and keep a continuous and accurate record of ownership of all units, have charge of such

books, documents and records of the Association as the Board may direct, maintain and keep the financial records and books of account of the Association, prepare regular reports thereof and be responsible for the proper deposit and custody in the name of the Association of all its funds and securities.

ARTICLE VI

Obligations of Unit Owners

Section 1. Assessments. All unit owners shall pay to the Association, as billed, installments of assessments against their respective unit for common expenses of the project in accordance with the Master Deed.

Section 2. Rules and Conduct. Initial rules and regulations concerning the use of the units and the common elements are annexed hereto and made a part hereof as Exhibit E. No person shall use the common elements or the units in any manner contrary to or not in accordance with these rules and regulations which shall be effective until otherwise amended as hereinafter set forth.

The Board of Directors, upon giving notice to all unit owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt, amend or repeal any supplemental rules and regulations not inconsistent with any provision of the law, the Master Deed, the Articles of Incorporation or these By-Laws, subject to the right of a majority of Unit Owners to change any such rules. The Association shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the common elements to members of the Association and their respective families, guests, lessees, invitees and servants. Such use may be conditioned upon, among other things, the payment by the unit owner of such assessments as may be established by the Association for the purpose of defraying cost thereof.

ARTICLE VII

Fiscal Management

The provisions for fiscal management of the Association set forth in the Master Deed shall be supplemented by the following provisions:

Section 1. Accounts. The funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to betterments. The balance in this fund at the end of each year shall be applied to reduce the assessment for current expense for the succeeding year.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items

which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

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

Section 2. Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to standard accounting practices as follows:

(a) Current expense.

(b) Reserve for deferred maintenance.

(c) Reserve for replacement.

(d) Betterments.

(e) Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1 preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member.

Section 3. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors and in which the money of the Association shall be deposited. Withdrawal of moneys from such accounts shall be only by checks signed by two (2) persons as are authorized by the Board of Directors.

Section 4. Annual Audit. The Board shall submit the books, records, and memoranda to an annual audit by an independent accountant who shall audit the same and render a certified or uncertified report therein in writing to the Board and in summary form to the members of the Association and such other persons, mortgagees, firms or corporations as may be entitled to same, upon request.

While the developer maintains the majority of the Board of Directors, it shall cause to be prepared an annual audit of the Association funds. The audit shall be prepared by an independent accountant. A copy of the audit shall be delivered to each Unit Owner within ninety (90) days of the expiration date of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

Section 5. Examination of Books. Each Unit Owner shall be permitted to examine the books of account of the Board at a reasonable time on business days; provided, however, that the Treasurer has been given at least ten (10) days prior written notice of the Unit Owner's desire to make such an examination.

Section 6. Fidelity Bonds. Fidelity bonds shall be required by the Board from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the directors. The premium on such bonds shall be paid by the Association.

While the developer maintains the majority of the Board of Directors it shall post a fidelity bond or other guaranty acceptable to the Department of Community Affairs, Division of Codes and Standards, in an amount equal to the annual association budget. For the second and successive years, the bond or other guaranty shall include an amount for accumulated reserves.

ARTICLE VII

Miscellaneous

Section 1. Amendment. These By-Laws may be amended in any respect non inconsistent with provisions of law or the Master Deed by vote of seventy five (75%) percent of the total votes entitled to be cast at any meeting of the Association duly called for such purpose, effective only upon the recording of an amendment to the Master Deed setting forth such amendment of these By-Laws. Despite any provisions to the contrary herein, no amendment may be made to these By-Laws that will impair or adversely affect the rights of the Developer or cause the Developer to suffer any financial, legal or other detriment, including but not limited to direct or indirect interference with Developer's sale or lease of units.

Section 2. Indemnification. The Association shall indemnify every director and officer and his executors and administrators against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of being or having been a director or officer of the Association, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct; and in the absence of such final adjudication, indemnification shall be provided only in connection with such matters as to which the Association is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The foregoing right of indemnification shall not be exclusive of any other rights to which such person may be entitled.

Section 3. Exculpability. Neither the Board as a body nor any director nor any officer of the Association, nor the delegees or appointees or any of them, shall be personally liable to any member if any respect for any action or lack of action rising out of the execution of the duties of his office in the absence of a showing of bad faith, and each member and Unit Owners shall be bound by the good faith actions of the Board and officers of the Association or the delegees or appointees, in the execution of the duties of trustees and officers. s. NXhing contained herein to the contrary shall serve to exculpate ~~the~~ Board of Directors appointed by the Grantor from their fiduciary responsibilities to the Unit Owners.

Section 4. Subordination. These By-Laws are subordinate and subject to all provisions of the Master Deed and any amendments thereto and the Condominium Act of the State of New Jersey, which shall control in case of any conflict. All terms herein (except where clearly contradictory to the context) shall have the same meaning as in the Master Deed or said Condominium Act.

Section 5. Waiver. No restriction, condition, obligation or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Developer's Protective Provisions. After control of the Board of Directors has become vested in directors elected by Unit Owners other than the Developer, and so long as the Developer owns at least one (1) unit and holds the same for sale in the ordinary course of business, the following shall apply:

(a) Neither the Association nor its Board of Directors shall take any actions that will impair or adversely affect the rights of the Developer or cause the Developer to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with Developer's sale or lease of units.

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

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

(d) The Developer shall exercise its veto right within ten (10) days after its receipt of notice that a resolution or other action is proposed or has been taken by the Association or its Board of Directors. In such event, the Developer shall notify the Secretary/Treasurer of the Association of its exercise of its veto right and any such proposal or action shall be null and void and initio and of no further force or effect.

The aforementioned protective provisions shall be construed in accordance with and not in derogation of N.J.S.A. 48:8B-12.1 of the New Jersey Condominium Act and N.J.S.A. 5:26-8.4 of the regulations promulgated pursuant to the New Jersey Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-1, et seq.

Section 7. Unit Keys. Each Association member is required to leave a key to his unit with the Association, or their appointed manager or agent, for emergency access into the unit.

Section 8. Association Membership List. The Association is required to keep an updated list of all members in the Association and a list of all mortgagees. This list will contain the names, addresses and telephone numbers of the Unit Owners and mortgagees in the condominium. The purpose of this list is to allow the Association to give notice to the members as required by the By-Laws.

Section 9. Dissolution and Distribution of Assets. The Condominium Association may be dissolved if the Board of Directors recommend to the Unit Owners that a plan of dissolution be adopted, and thereafter direct that the plan of dissolution be submitted to a vote at a meeting of the Unit Owners. Notice

of the meeting shall be given to each Unit Owner entitled to vote at the meeting within the time and in the manner provided in these By-Laws for the giving of notice of meetings of Unit Owners. At the meeting a vote of the members shall be taken on the proposed plan of dissolution. The plan of dissolution shall be approved upon receiving an affirmative vote of eighty (80%) percent of all votes entitled to be cast, in person or by proxy. All assets of the Association remaining after the satisfaction of the Association's liabilities shall be distributed to the Unit Owners in proportion to each Unit Owner's undivided percentage interest of ownership in the common elements of the Condominium.

Section 10. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the enforceability or affect the balance of the By-Laws.

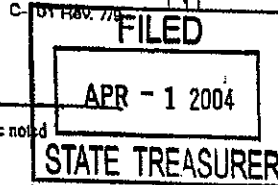
Section 11. Notice. Any notice required to be sent to any Unit Owner under the provisions of the Master Deed or Articles of Incorporation or these By-Laws shall be deemed to have been properly sent and notice hereby given, when mailed, by regular mail with postage prepaid, addressed to the Unit Owner at the last known post office address of the person who appears as a member on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a unit shall constitute notice to all co-owners. It shall be the obligation of every Unit Owner to immediately notify the Secretary/Treasurer of the Association in writing of any change of address.

Section 12. Seal. The Association shall have a seal in circular form having within its circumference the words "Crossings of Ocean City Association, Inc."

EXHIBIT D
OF THE
PUBLIC OFFERING STATEMENT
ARTICLES OF INCORPORATION



New Jersey Department of State
Division of Commercial Recording
Certificate of Incorporation, Nonprofit
(Title 15A:2-8 New Jersey Domestic Nonprofit Corporation Act)



This is to Certify that, there is hereby organized a corporation under and by virtue of the above noted statute of the New Jersey Statutes.

1. Name of Corporation: Crossings of Ocean City Association, Inc.
2. The purpose for which this corporation is organized is:

REAL ESTATE MANAGEMENT

3. Registered Agent's Name: RONALD F. GIGLIO
4. Registered Office/Address: 100 Springdale Road, Suite A3 #166
Street Address Cherry Hill City State NJ Zip 08003

5. The corporation Shall have members. XX Yes. No. If yes, qualification will be:
XX as set forth in the bylaws. or as set forth herein (attach).
6. The rights and limitations of the different classes of members will be:
XX as set forth in the bylaws. or as set forth herein (attach).
7. The method of electing trustees will be:
XX as set forth in the bylaws. or as set forth herein (attach).
8. The first board of trustees shall consist of 3 trustees (Minimum of three, Addresses cannot be that of the corporation).

Name	Street Address	City	State	Zip
Allen H. Vernon, Jr. Esq.	761 Asbury Ave., 2nd fl.	PO Box 385	Ocean City, NJ	08226
Ronald F. Giglio	100 Springdale Road, Suite A3 #166	Cherry Hill, NJ		08003
Frank Dagostino	1747 Charity Drive	Brentwood, TN		37027

9. The duration of the corporation is: Perpetual
 10. Set forth Name and Address of Incorporator(s) (Address cannot be that of the corporation. Need one or more.):
- | Name | Street Address | City | State | Zip |
|----------------------------|--------------------------|------------|----------------|-------|
| Allen H. Vernon, Jr., Esq. | 761 Asbury Ave., 2nd fl. | PO Box 385 | Ocean City, NJ | 08226 |

11. Method of distribution of assets shall be: XX as set forth in the bylaws. or as set forth herein (attach)
12. Other provisions: n/a

In Testimony whereof, each undersigned incorporator have caused this certificate to be signed this 1st day of April 2004

Signature: Allen H. Vernon, Jr. Signature:
Signature: Allen H. Vernon, Jr., Esquire Signature:

0100923448

EXHIBIT "E"

EXHIBIT E

RULES AND REGULATIONS OF
CROSSINGS CONDOMINIUM

1. The walkways, entrances, corridors, stairways and driveways, shall not be obstructed or used for any other purpose than for ingress to and egress from the building.
2. No exterior of any Unit shall be decorated or modified by any owner, occupant, tenant or guest in any manner without prior written consent of the Board of Directors of the Association.
3. No bicycles, scooters, baby carriages or similar vehicles or toys or other personal articles shall be allowed to stand unattended in any part of the Common Elements.
4. No owner, occupant, tenant or guest shall make or permit any noises that will unreasonably disturb or annoy the occupants of any of the other units, or do or permit anything to be done which will unreasonably interfere with the rights, comfort or convenience of the other owners.
5. Each owner shall keep his unit in a good state of preservation and cleanliness and shall not shake, sweep or throw, or permit to be shaken, swept or thrown therefrom, or from the doors and windows thereof, any dirt or other substance. No towels, laundry, or other clothing shall be hung or draped in or out of any window or over any railing or stairway, or otherwise outside any unit upon the Condominium property.
6. No sign, notice, advertisement, flag, banner or the like shall be inscribed or exposed on or at any window or other part of the exterior of the building, nor shall anything be projected out of any window in the units without approval of the Board of Directors.
7. All refuse and garbage shall be disposed of in the facilities provided by the Association for such purpose and only in the manner as the Board of Directors may direct. Burning of trash or refuse is prohibited.
8. No radio or television aerial shall be attached to or hung from the exterior of any unit without prior approval of the Board of Directors.
9. Any agent of the Board of Directors or managing agent and any contractor or workman authorized by the Board of Directors or such managing agent may enter any unit or storage area at any reasonable hour of the day for the purpose permitted under the terms of the Master Deed or By-Laws provided however, that except in the case of emergency, entry will be made by prearrangement with the owner, occupant, tenant or guest.
10. The Board of Directors may retain a pass key to each unit. No owner shall alter any lock or install a new lock on any door leading into his unit without providing a key to such lock or the means to open same to the Board of Directors for its own use.
11. Vehicles shall be parked only in designated areas as determined by the Board of Directors of the Association and in a manner which will not impede or prevent access by others, and the owners, their employees, servants, agent, visitors, licensees and families will obey any traffic regulations promulgated in the future for the safety, comfort and convenience of the owners. No vehicle that does not operate under its own power shall be left on the condominium property more than 24 hours; parking of trailers is not permitted and there shall be no vehicle repair work done on the condominium property.
12. No pets are permitted on the premises.

EXHIBIT F

PARKING SCHEDULE

See Exhibit "A" wherein is found the survey of the land.

EXHIBIT G

TOPOGRAPHIC SURVEY

See Exhibit "A" wherein is found the survey of the land.

EXHIBIT H
CROSSINGS CONDOMINIUM
BUDGET
FOR YEAR ENDING DECEMBER 31, 2004

INCOME:	PERCENTAGE ANNUAL
CONDO FEES (\$191/Month	\$169,608.00
LAUNDRY INCOME	2,000.00
INTEREST INCOME	200.00
WORKING CAPITAL	4,000.00
TRASH REBATE	<u>\$ 5,000.00</u>
TOTAL INCOME	\$180,808.00
EXPENSES:	
RESERVE ACCOUNT	\$ 29,369.00
ELECTRICITY	\$20,668.00
WATER/SEWER	\$ 42,202.00
GAS	\$ 6,012.00
WORKERS COMPENSATION	\$ 757.00
INSURANCE - FLOOD	\$ 3,400.00
DIRECTORS & OFFICERS INSURANCE	\$ 3,000.00
INSURANCE - FIRE HAZARD	\$ 27,200.00
LIABILITY	\$ 12,500.00
LICENSE/FILING FEES	\$ 500.00
MAINTENANCE	\$ 7,500.00
SUPPLIES	\$ 500.00
TRASH	\$ 5,000.00
MANAGEMENT FEES	\$ 12,000.00
ELEVATOR	\$ 2,800.00
FIRE PROTECTION	\$ 500.00
OFFICE SUPPLIES/POSTAGE	\$ 500.00
FINANCIAL SERVICES	\$ 1,000.00
CORPORATE TAXES	\$ 500.00
FIRE SPRINKLER SYSTEM	\$ 1,600.00
PLUMBING	\$ 1,200.00
BOILER	\$ 2,100.00
TOTAL EXPENSES	\$180,808.00

Budget based on 74 units (including front desk and additional room). All units have an equal percentage of interest. Working capital to be collected upon the sale of each unit is two (2) months, non-refundable condominium fee. In addition, buyer shall pay an escrow to the Association equal to one (1) month's refundable estimated condominium expenses as security for non-payment. The above budget was calculated on a 12 month operating cycle. The monthly fee is \$191.00 per month per unit.

The Units vary slightly in size in this project. Each Unit including the Commercial Units will be equally liable for its proportionate share of common expenses, percentage share of common elements and surplus.