

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

THIS DECLARATION, made on the date hereinafter set forth, by, SEVERAN JOINT VENTURE a New Jersey Joint Venture (hereinafter referred to as "DECLARANT").

WITNESSED

WHEREAS, the Declarant is the owner of approximately 30.9882 acres of real property situated in the Township of Washington, County of Gloucester and State of New Jersey and desires to provide for the preservation, and enhancement of the property values, amenities and opportunities contributing to the personal and general health, safety and welfare of residents and for the maintenance of the land and improvements thereon and, to this end, desires to subject the real property described in Exhibit "A", together with such additions as may hereinafter be made thereto, to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of such property and each owner thereof; and;

WHEREAS, the Declarant has deemed it advisable for the efficient preservation of the values and amenities in such community to create an entity to which shall be delegated to the power and authority to maintain, administer and enforce, covenants, conditions and restrictions, governing the same and to collect and disburse all assessments and charges if and when necessary for such maintenance, administration and enforcement as are hereinafter provided; and

WHEREAS, the Declarant has been caused to be incorporated under the laws of the State of New Jersey, a non-profit corporation known and designated as The Severan Court Homeowners Association as the entity to perform the functions aforesaid and hereinafter more fully set forth; and

WHEREAS, Declarant intends that each owner of a lot, dwelling unit or parcel of property in the community shall automatically become a member of such entity upon acquiring legal title to a lot, dwelling unit or parcel, and incident to such membership, shall be obligated to abide by all of the terms and conditions set forth in a declaration of covenants, conditions and restrictions and by the by-laws of such entity for the operation, maintenance, governance and administration of the community, including as herein provided, the financial responsibility for the support and maintenance of the aforementioned entity and the performance of its designated functions.

Prepared by: 
ANTHONY T. BRUNO

SECTION ONE
APPLICABILITY

This declaration shall be applicable to the property known as SEVERAN COURT HOMEOWNERS ASSOCIATION, hereinafter referred to as SEVERAN COURT or the "property".

All present and future owners and tenants, their guests, licensees, servants, agents, employees, and other person or persons who shall be permitted to use or occupy the property, shall be subject to this declaration, the by-laws and to such rules and regulations as may be issued by the Board of Directors of the SEVERAN COURT HOMEOWNERS ASSOCIATION, from time to time to govern the conduct of its members and the use and occupancy of the property. Ownership, rental or occupancy of any of the dwelling units of lots in Severan Court shall be conclusively deemed to mean that said owner, tenant, or occupant has accepted and ratified this declaration, the by-laws and the rules and regulation of the Severan Court Homeowners Association hereinafter known as The Association and will comply with them.

SECTION 1.02
INTERPRETATION OF DECLARATION AND BY-LAWS

In the event of a conflict of interpretation between the provision set forth in this declaration and the by-laws, this declaration shall govern. In the event that the Internal Revenue Code is hereinafter amended or changed, both the declaration and the by-laws shall be interpreted in such a manner as to conform to the provisions of the Internal Revenue Code with respect to non-profit entities, it being the intention to preserve the lawful status of the Severan Court Homeowners Association as a bona fide, non-profit entity.

SECTION TWO
MEMBERSHIP

Section 2.01 -Membership Except as otherwise provided, membership in the Association shall be limited to the owners and co-owners, of any dwelling unit or parcel in Severan Court.

In the event that a member shall lease or permit another to occupy his unit, lot or parcel, the tenant or occupant shall be permitted to enjoy the rights of the Association members, but shall not vote in the affairs of the Association, except as a membership shall permit the tenant or occupant to exercise the proxy vote of the member.

Every lawful transfer of the Title to the members lot, dwelling unit or parcel shall include membership in the Association upon making such transfer, the previous owners membership shall automatically terminate.

Except as otherwise provided above, membership in the Association may not be assigned or transferred without the transfer of legal Title to the dwelling unit, lot or parcel and any attempt as such assignment or transfer shall be void and of no effect.

SECTION 2.02
TERMINATION OF MEMBERSHIP

Membership in the Association shall automatically terminate when such member sells and transfers his dwelling unit or parcel.

SECTION 2.03
VOTING RIGHTS

Members of the Association shall be entitled to one vote for each dwelling unit, lot or parcel in which they hold the interest required for membership in Section 2.01. When more than one person holds an interest or interests in any dwelling unit, lot or parcel, all such persons shall be members, and the vote for such dwelling unit, lot or parcel shall be exercised as provided by the by-laws, but in no event shall more than one vote be cast with respect to any such dwelling unit, lot or parcel.

A member shall be deemed to be "in good standing" and "entitled to vote" at any annual meeting or any special meeting of the Association if, and only if, he shall have fully paid any and all assessments which may be levied against him and against his dwelling unit, lot or parcel by the Board of Directors as hereinafter provided together with all interests, costs, attorneys fees, penalties and other expenses, if any, properly charged to him and against his dwelling unit, lot or parcel, at least three (3) days prior to the date fixed for the annual or special meeting.

SECTION 3
COVENANT FOR MAINTENANCE CHARGES

Section 3.01 Creation of the Lien and Personal Obligations of Charges and Assessments: Each Owner of any lot, dwelling unit or parcel, by acceptance of a deed therefor, whether or not in shall be so expressed in such deed, covenants and agrees to pay to the Community Association (1) annual charges or assessments as the same are computed in accordance with Section 3.07 hereof, (2) all charges or assessments applicable to the particular neighborhood in which such lot, dwelling unit or parcel is situate (the "Neighborhood Charges"), (3) special assessments for capital improvements, such charges and assessments to be established and collected as hereinafter provided and (4) such charges assessments or penalties including interest, that may become due pursuant to this Section 3, or as may be established by the Board of Directors for non-payment of any applicable charges or assessments or for non-compliance with the terms and provisions of this declaration, the by-laws or such rules or regulations as may be enacted by the Board of Directors. The annual charges, Neighborhood Charges and special charges and assessments, together with interest, cost and reasonable attorney's fees, shall be charged and a continuing lien upon the lot, dwelling unit or parcel against which each such charge and assessment were made. These charges and assessments, together with interest, costs and reasonable attorney's fees, in addition to being a lien upon a lot, dwelling unit or parcel shall also be the personal obligation of the person who was owner of such lot, dwelling unit or parcel at the time when the charge and assessment fell due and shall not be subject to the right of set-off or counterclaim. No such charge, assessment or lien shall be made against the declarant except as provided in Section 3.07 hereof.

SECTION 3.02
OWNERS' NEGLIGENCE

Each Owner shall be obligated to reimburse the Community Association for any expenses incurred by it in repairing or replacing any part or parts of the Limited Community Facilities or Community Facilities damaged solely by his negligence or by the negligence of his tenants, agents, guests and licensees, promptly upon receipt of the Community Associations statement therefor.

SECTION 3.03
EFFECT OF NON-PAYMENT OF CHARGES AND
ASSESSMENTS; REMEDIES OF THE COMMUNITY ASSOCIATION

Any assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the then maximum legal rate of interest. The Community Association shall have the right to accelerate payment of all remaining installments of the annual or special assessment due. The Community Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against the property or both, or it may seek and obtain any other remedies available to the Community Association, in the event of non-payment of assessment, the Community Association shall have the right to revoke the rights of any Owner to use the Community Facilities and to vote in the Community Association, provided the Community Association shall provide written notice of such revocation and an opportunity for the defaulting Owner to be heard before the Board of Directors or a committee appointed for such purpose. The decision of the Board of Directors or such committee shall be final.

SECTION 3.04
LIEN OF CHARGES

All charges and assessments chargeable to any dwelling unit, lot or parcel shall constitute a lien against said dwelling unit, lot or parcel in favor of the Community Association, which lien shall be prior to all other liens except (a) assessments, liens and charges for taxes past due and unpaid on the unit; (b) a bona fide mortgage lien, if any, to which the dwelling unit, lot or parcel is subject; and (c) any other lien recorded prior to recording the claim of the lien. Such lien shall be effective from and after the time of recording in the public records of Atlantic County of a claim of lien stating the description of the dwelling unit, lot or parcel, the name of the record 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 the lien is recorded and shall be signed and verified by an officer or agent of the Community Association. Upon full payment of all sums secured by the lien and preparation fee, the party making payment shall be entitled to recordable satisfaction of lien to be recorded at his sole expense.

SECTION 3.05
SUBORDINATION OF THE LIEN TO MORTGAGEE

The lien of charges and assessment provided for in Section 3.04 shall be subordinate to the lien of any first mortgage on a lot, dwelling unit or parcel. If the mortgage of a first mortgage of record or other purchaser of a lot, dwelling unit or parcel acquires title to such lot, dwelling unit or parcel as a result of a foreclosure of a first mortgage, or a purchase money mortgage, or if it takes a deed in lieu of foreclosure, such acquirer of title, his, her, their, its heirs, administrators, executors, successors and assigns, shall not be liable for the charges and assessments by the Community Association pertaining to such dwelling unit, lot or parcel or chargeable to the former owner which became due prior to acquisition of title as a result of the foreclosure.

SECTION 3.06
ANNUAL CHARGES

Annual charges shall be used exclusively to promote the recreation, health, safety and welfare of the member of the Community Association, the improvement, operation and maintenance of the Community Facilities and Limited Community Facilities, and to cover the costs incurred in the performance of the duties and exercise of the powers of the Community Association created herein and under the by-laws of the Community Association.

SECTION 3.07
ANNUAL CHARGES-COMPUTATION AND ASSESSMENTS

(a) Annual charges payable by each residential owner shall be the same charges as are paid by any other residential owner. Annual charges payable by residential owners shall be determined by the Board of Directors each year in advance by an estimation of the total anticipated expenses of the Community Association.

(b) (i) No assessments shall be payable by the declarant or a transferee of any dwelling unit or lot, including rental apartment, dwelling units, until such Dwelling Unit or Lot is completed and occupied. However, in the event a dwelling unit, or lot is completed but not occupied for a period of six (6) months after such completion, assessments shall first be payable upon the expiration of such six (6) month period. However, with respect to dwelling units to be sold under the condominium for of legal ownership, neither the declarant or a transferee shall be liable for any assessments with respect to such dwelling unit until such time as there has been a conveyance of one of such dwelling units to an owner and only with respect to those dwelling unit conveyed to such owner.

- (ii) For purposes of this paragraph (c) of this Section 3.05, a dwelling unit, lot or parcel shall be completed upon the issuance of a certificate of occupancy or comparable permit from the appropriate governmental authority having jurisdiction over such dwelling unit, lot or parcel.
- (c) No Annual Charges or Special Assessments shall be assessed against any Non-Profit Parcel or any Private Recreational Parcel.
- (d) Annual charges shall be assessed on an annual basis but shall be payable in monthly installments of one-twelfth (1/12th) of the total annual charges. In addition to such other enforcement rights and powers provided by this declaration, the by-laws, or otherwise by law, the Board of Directors shall have the power to accelerate payment of the entire annual charge in the event of a default in the payment of any two (2) consecutive monthly installments. The Board of Directors shall also have the power to assess annual charges other than on a monthly basis.
- (e) the Board of Directors shall have the power to alter the method of calculating the annual charges as is set forth in this Section 3.07, provided that such alternate method is fair and equitable to the owners.

SECTION 3.08
SPECIAL ASSESSMENTS

The Board of Directors of the Community Association may levy, in addition to annual charges levied pursuant to Section 3.06 and 3.07, Special Assessments for the cost of any construction of reconstruction, or unexpected repair or replacement, or demolition of a capital improvement to the Community Facilities and Limited Community Facilities, including the necessary fixtures and personal property related thereto; provided that any such assessment for a capital expenditure in excess of \$50,000.00 shall be approved by vote of fifty-one (51%) percent of the members present either in person or by proxy and entitled to vote at a special meeting of the members of the Community Association called for such purposes.

SECTION 3.09
LIMITED CHARGES

The Board of Directors of the Community Association may assess Limited Charges to any one or more dwelling units, lots or parcels made subject to this declaration to provided services which are exclusively for such dwelling unit(s), lot(s) or parcel(s) which services include, but are not limited to, the improvement and maintenance of the Limited Community Facilities and Community Association property used principally by the Owners or residents of such dwelling unit(s), lot(s) or parcel(s).

SECTION 3.10
UNPAID ASSESSMENTS AT THE TIME OF EXECUTION
SALE AGAINST A DWELLING UNIT, LOT OR PARCEL

In the event that title to a dwelling unit, lot or parcel is transferred by sheriff's sale pursuant to execution upon any lien against the dwelling unit, lot, or parcel the Directors may give notice in writing to the Sheriff of any unpaid assessments which are a charge against the dwelling unit, lot or parcel but have not been reduced to a lien, and the Sheriff shall pay the assessments of which he has such notice out of the proceeds of the sale which remain in his hands for distribution after payment of all other claims which he is required by law to pay, but prior to any distribution of the balance of the former owner against whom the execution is issued. The purchaser at such Sheriff's sale and the dwelling unit, lot or parcel involved, shall be liable for unpaid assessments, which became due prior to the sheriff's sale of the dwelling unit, lot or parcel. Any such unpaid assessment which cannot be promptly collected from the former owner may be reassessed by the Board as a common expense to be collected from all the owners, including the purchaser or acquirer of title at the sheriff's sale, his successors and assigns. To protect its right to collect unpaid assessments which are a charge against a dwelling unit, lot or parcel, the Board may on behalf of the Members, purchase the dwelling unit, lot or parcel at a sheriff's sale provided such action is authorized by the affirmative vote of the majority of the Board, and if it does so purchase, the Board shall thereafter have the power to sell, convey, mortgage or lease such dwelling unit, lot or parcel to any person whatsoever.

SECTION 3.11
MORTGAGE FORECLOSURE

If a mortgagee of a first mortgage of record or other purchaser of a dwelling unit, lot or parcel acquires title to such dwelling unit, lot or parcel as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or other charges by the Community Association pertaining to such dwelling unit, lot or parcel or chargeable to the former dwelling unit, lot or parcel owner which became due prior to acquisition of title as a result of the foreclosure. Such unpaid share of the charges shall be deemed to be common expenses collectible from all of the remaining owners, including such acquirer, his successors and assigns.

SECTION FOUR
USE RESTRICTIONS AS TO ALL LOTS, DWELLING UNITS, AND PARCELS
IN SEVERAN COURT

SECTION 4.01
USE RESTRICTIONS AND EASEMENTS

In addition to all the covenants contained herein, the use of each dwelling unit, lot or parcel in the Severan Court is subject to the following:

(a) No owner or any other person, firm or corporation shall build or cause to be built, any exterior additions improvement or structure, or any other manner or thing which alters the height or other exterior dimensions of the structure, the area covered by the structure or the use of exterior color scheme thereof, without first having approval of the Architectural Review Committee in the event, should one be established.

(b) No Owner or lawful occupier shall erect or maintain an antenna on any lot or building area thereon. The description of the antenna shall include and not be limited to short wave, microwave, satellite, A.M., F.M. Tower, Television or similar devise which is used to receive or transmit radio signals.

(c) The owner of each dwelling unit, lot or parcel shall maintain such dwelling unit, lot or parcel in a safe, clear and sanitary manner, in good order and repair in accordance with all those covenants, conditions, restrictions rules and regulations as may apply to such dwelling unit, lot or parcel. In the event that a dwelling unit, lot or parcel shall not be so maintained, the Association shall have the right to enter upon the dwelling unit, lot or parcel to maintain the same, after giving the owner at least a fifteen (15) day written notice, to cure any maintenance problems or deficiencies and, in such event, the Association shall have the right to assess the particular owner for the cost of such maintenance. The Association by its Board of Directors, shall have the right to establish rules and regulation governing the exterior maintenance of any dwelling unit, lot or parcel.

(d) No sign of any kind shall be placed upon any of the dwelling units, parcel or lot with the exceptions of signage to advertise a parcel for sale, lease or rent, however, the dimension of same shall not exceed the municipal zoning restrictions for signage with a residential zone.

(e) No owner shall carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quite enjoyment by any other owner or occupant of a lot, parcel or dwelling unit or which creates a hazard or nuisance on the property.

(f) No owner or lawful occupier shall leave any non-operating vehicle or vehicles not licensed to be operated on or about the property.

(g) No motor vehicle including by not limited to mini-bikes, snowmobiles, motorcycles, may be driven on any open space portion in Severan Court.

(h) No pools may be erected on any lot without written consent of the Homeowners Association.

(i) No tents, trailers, vans, storage tanks, or temporary or accessory buildings or structures shall be erected or be permitted to remain on any lot without the written consent of the Severan Court Homeowners Association.

(j) No boats, recreational vehicles or other motor vehicles, except fourwheel passenger automobiles or vehicles, shall be placed, parked or stored upon any lot or parcel, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any lot or parcel except upon such areas specifically designated for such use by the declarant or the Board of Directors.

(k) No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any lot, unless approved by the Association.

(l) No owner or lawful occupier of any lot or dwelling unit shall be permitted to drill any well or construct any easement or water retrieval or access facility.

(m) The declarant, transferees and Association shall have the right and privilege at all times hereafter, without let or hindrance, to go upon any and all of the lands conveyed or developed, to construct, reconstruct, repair, renovate, or to correct work done by themselves, their agents, servants workmen or contractors.

(n) An easement for the present and future installation and maintenance of electric service, master and/or cable T.V. Service, telephone service, water (storm water and sanitary sewer), gas and drainage facilities and the appurtenances necessary to the same, which easement shall run in favor of the declarant, transferees, and the Association, and the entity or entities owning or operating such facilities.

(o) A specific easement in favor of the declarant, transferees its agents, servants, and licensees, invitees, successors and assigns for the purpose incidental to the operation by the declarant, its successors and assignees, in the process of construction and marketing; provided, however, that such easement shall expire upon the conveyance by the transferee, in the ordinary course of business, of the last dwelling unit, lot or parcel to an individual or entity other than the transferee of the declarant.

SECTION FIVE GENERAL PROVISIONS

SECTION 5.01 ENFORCEMENT

(a) Each owner shall comply strictly with this declaration, the by-laws and such rules and regulations as may be adopted pursuant thereto, as any of the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for legal action to recover sums due, for damages or injunctive relief, or both, maintainable by the Association on behalf of the owners together with the legal costs and counsel fees.

(b) the Community Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, liens and charges now or hereafter imposed by the provision of this declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of such right or rights.

SECTION SIX
SECTION 6.01
SEVERABILITY

Invalidation of any one of these covenants or restrictions by judgment or Court Order shall in no way affect any other provisions, which shall remain in full force and effect.

SECTION 6.02
DURATION AND AMENDMENT

The covenants and restrictions of this declaration shall run with and bind the land, for a term not to exceed seventy-five (75) years from the date this declaration is recorded after such time they shall be automatically extended for successive periods of ten (10) years except by a vote of not less than seventy-five (75%) percent of the owners, evidence of which shall be recorded.

This declaration may be amended by affirmative vote of not less than seventy-five (75%) percent of the owners. Such amendments or extensions shall be recorded in the Office for the Recording of Deeds or his successor shall take effect upon recording.

Notwithstanding the above, if any amendment to either or both of this declaration or by-laws necessary in the judgment of the Board of Directors to change, correct or supplement anything appearing or failure to appear therein or which may be incorrect, defective, or inconsistent with anything in either this declaration, the by-laws or applicable law or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association of the Federal Home Loan Mortgage Corporation with respect to this development, the Board of Directors may, at any time and from time to time effect an appropriate corrective amendment without the approval of the unit owners or the holders of any liens on all or part of the property, upon receipt by the Board of Directors of an opinion from counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Notwithstanding any other provision of this declaration or the by-laws, neither the owner nor the Board of Directors may amend this declaration or the by-laws in any way that materially affects the declarant, nor may either or both take any actions that adversely affects the declarants marketing of the lots, units, or parcels, without first obtaining declarants written approval.

SECTION 6.03
DISSOLUTION

(a) In the event that it shall be deemed advisable and for the benefit of the members of the Association, then in that event, the Laws of the State of New Jersey shall be followed.

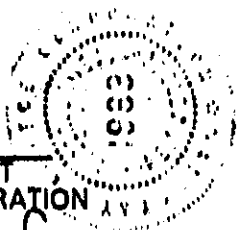
In witness whereof, declarant sets its hand and seal this *29th* day of *march*, 1990.

SEVERAN JOINT VENTURE

BY: *CA*
CHARLES AVERY - PRESIDENT
MAINSTAY SERVICE CORPORATION

BY: *Michael J. Cobbi, Sr.*
MICHAEL J. COBBI, SR.

BY: *John D. D'Agostino*
JOHN DAGOSTINO



CORPORATE ACKNOWLEDGMENT

STATE OF NEW JERSEY :
COUNTY OF MONMOUTH: SS:

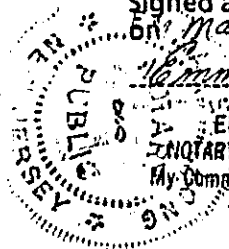
I CERTIFY that on *March 29*, 19*90*, Anne J. Garvin,
personally came before me, and this person acknowledged under oath, to my
satisfaction that :

- (a) this person is the _____ secretary of *Mainstay Service Corporation*, _____ the corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is *CHARLES AVERY*, the President of the corporation;
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Directors;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

Signed and sworn to before me
on *March 29, 1990.*

Anne J. Garvin
ANNE J. GARVIN Secretary

Emma Jean Long
EMMA JEAN LONG
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 1, 1993



INDIVIDUAL ACKNOWLEDGMENT

STATE OF NEW JERSEY :
COUNTY OF *Gloucester* SS:

I CERTIFY that on *March 29*, 1990, MICHAEL F. CORBI, SR. and JOHN DAGOSTINO personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one, each person:

- (a) Is named and personally signed this document; and
- (b) signed, sealed and delivered this document as his or her act and deed.

Anthony T. Bruno
.....

XXXXXXXXXXXXXXXXXXXX

ANTHONY T. BRUNO
Attorney-at-Law of New Jersey

DB1986-P059
90 05467

RECORDED
GLOUCESTER COUNTY

90 APR -5 AM 10:12

Joseph P. Hoffman
COUNTY CLERK

41712

655-10057 sub B

*Declaration of Conveyance
& Restatement*

Rec'd - Return to:

CONGRESS TITLE DIVISION
P.O. BOX 1222
ONE EMPIRE FINANCIAL CENTER
WHITE HORSE PIKE & ROUTE 206
HARRINGTON, NJ 08037