

**DECLARATION OF COVENANTS, RESTRICTIONS,
EASEMENTS, CHARGES, AND LIENS
HERON POINTE HOMEOWNERS ASSOCIATION**

THIS DECLARATION, made this 27 day of December, 1999, by HERON POINTE, a Craig H. Taylor Community, L.L.C., a New Jersey Limited Liability Company with an address at 1702 Industrial Highway, Suite 7, Cinnaminson, New Jersey, 08077 (hereinafter referred to as "Developer").

WITNESSETH.

WHEREAS, Developer owns certain real property in the Township of Evesham, County of Burlington, State of New Jersey, known as Block 7.07, Lots 1 through 53, on the Evesham Township Tax Map, as more fully described on Exhibit A attached hereto and made a part hereof (the "Tract"), and Exhibit B attached hereto and made a part hereof (the "Tract Common Areas") which real property is shown on a plan entitled "Heron Pointe Subdivision," prepared by Kammerer Schweppenheiser Associates, Inc., dated February 11, 1999, last revised March 19, 1999, filed with the Burlington County Clerk's Office as Map No. 3355761.

WHEREAS, Developer plans to develop the Tract by constructing two drainage basins, a tot lot, open space, buffers and buffer landscaping and other common areas and facilities (the "Tract Common Areas"), and constructing and selling living units in a real estate development known as Heron Pointe (the "Development"); and

WHEREAS, said Tract Common Areas and Fee Simple Lots are to be for the use of the Owners in the Association, to be owned and maintained by them on a mutually shared expense basis; and

WHEREAS, Developer desires to establish a procedure which will accomplish this in perpetuity, by creating the Heron Pointe Homeowners Association ("Association") to own and maintain the Tract Common Areas in the Association.

NOW, THEREFORE, Developer declares as follows:

ARTICLE I
PROPERTY SUBJECT TO DECLARATION

Section 1. Property Subject - The Developer hereby declares the entire Tract, both lots and Tract Common Areas, to be subject to this Declaration, which properties are described in Exhibit "A" attached hereto.

Section 2. Developer's Rights to Exchange. - Developer retains the right but not the obligation to exchange part of Lot 55, Block 7.06 (the Hines Tract) for part of Lot 53, Block 7.07. The exchange will be used to square off the rear lot lines of Lots 45, 52 and 46, Block 7.07 as shown on plan referenced in Exhibit A attached hereto. Any exchange of lands shall be subject to the approval of all municipal approvals but shall not require any approval of the Heron Pointe Homeowners Association.

Section 3. Developer's Right to Convey - Developer retains the right but not the obligation to convey Lot 54, Block 7.07 to the Association for inclusion in the Tract Common Areas.

ARTICLE II
ASSOCIATION

Section 1. Incorporation - Developer will incorporate a non-profit corporation to be known as Heron Pointe Homeowners Association, Inc. (the "Association").

Section 2. Membership and Voting Rights - Owners of residential building lots located on the Tract shall be Members of the Association (hereinafter referred to as "Owners" or "Members") and shall have one (1) vote per lot. All Members shall be subject to all the terms and provisions of this Declaration, the Articles of Incorporation, the By-Laws, and any Rules and Regulations promulgated thereunder. Developer shall also be a Member and shall have one (1) vote for each lot owned by it until such time as the lot is conveyed to another Owner. Membership by Owners shall be mandatory and run with the lot upon a conveyance.

Section 3. Trustees - The Association shall be managed by a Board of five (5) Trustees to be elected by the Members. The Board shall initially consist of three (3) trustees, all of whom shall be selected by Developer. The following transition provisions shall be based upon the total number of fifty (50) dwelling units located the Tract.

(a) Within sixty (60) days after the initial conveyance of twenty-five (25%) percent of the total number of units, the President shall call either the first annual meeting or a special meeting of the membership of the Association for the purpose of holding the first election of Owners to the Board ("Transition Election"). At the meeting, Owners other than Developer shall be entitled to vote for and elect two (2) trustees from among such Owners in accordance with the provisions this Declaration, and the Developer shall be entitled to appoint three (3) trustees.

(b) Within sixty (60) days after the initial conveyance of fifty (50%) percent of the total number of units, the President shall call a meeting of the membership of the Association for the purpose of holding a second Transition Election. At this meeting, Owners other than Developer shall be entitled to vote for and elect three (3) trustees from among such Owners in accordance with the provisions of this Declaration, and the Developer shall be entitled to appoint two (2) trustees.

(c) Within sixty (60) days after the initial conveyance of seventy-five (75%) percent of the total number of units, the President shall call a meeting of the membership of the Association for the purpose of holding a Third Transition Election. At this meeting, Owners other than Developer shall be entitled to vote for and elect four (4) trustees from among such Owners in accordance with the provisions of this Declaration, and the Developer shall be entitled to appoint one (1) trustee. Developer shall have the right to appoint one (1) trustee so long as there are any Units remaining unsold in the regular course of business.

(d) Within sixty (60) days after the conveyance of the last Unit, the President shall call a meeting of the membership of the Association for the purpose of holding a Fourth Transition Election. At this meeting, Owners other than Developer shall be entitled to vote for and elect the fifth and final trustee from among such Owners in accordance with the provisions of this Declaration. From and after the Fourth Transition Election, the Owners shall have the right to vote for and elect all the trustees, provided that Developer shall be entitled in its discretion to relinquish the fifth trusteeship at the time of the Third Transition Election or any time thereafter prior to the conveyance of the last Unit.

(e) Notice of all special meetings called pursuant to this Section for the purpose of holding Transition Elections shall be given not less than twenty (20) or more than thirty (30) days prior to the date of the meeting.

(f) Upon assumption by the Owners of control of the Board of Trustees, Developer shall deliver to the Trustees all items and documents pertinent to the Association such as, but not limited to a copy of the Declaration of Covenants, Restrictions, Easements, Charges and Liens, Association Certificate of Incorporation, Association By-Laws, minute book, any rules and regulations, an accounting of Association funds, all Association funds, all personal property, insurance policies, government permits, a membership roster, and all contracts and agreements relative to the Association.

Section 4. Powers - The powers and duties of the Trustees shall include but shall not be limited to the management of the Tract Common Areas and facilities, promulgating rules and regulations for use of said areas, preparation of an annual budget of expenses and assessments to each Owner, carrying liability and other advisable insurance, the right to engage a professional manager, and such other powers and duties as may be provided in the By-Laws, and as amended from time to time.

ARTICLE III SERVICES AND FACILITIES

Section 1. Improvements and Facilities Provided by Developer - The Developer shall have the right to make such improvements and provide and preserve such facilities in the Tract Common Areas as it considers to be advantageous to Heron Pointe Townhomes and to the Members. The Association shall, upon request by the Developer, be obligated to accept such improvements and facilities and to properly maintain in perpetuity the same at Association expense, provided that all required approvals have been obtained from the governmental agencies having jurisdiction. The Tract Common Areas shall consist of all those areas on the Tract not dedicated to the Township or sold to Owners as part of their lots, and shall include, without being limited to the following facilities and areas shown on the Final Plans or constructed by Developer:

- (a) Storm sewer facilities in the detention basins, concrete swales and out fall structures;
- (b) Lawn cutting, maintenance of trees and shrubs in detention basins, open space, tot lot and all the fee simple lots;
- (c) Emergency access road;
- (d) All fencing in berms;
- (e) Tot Lot;

Section 2. Services Provided by the Association - In addition to the required maintenance of Tract Common Areas and of the improvements and facilities thereon, the Association shall furnish and provide for the following services:

- (a) Lawn Irrigation System
- (b) In addition to the required maintenance of Tract common areas and the services provided for in number 1 and 2 above, the Association may furnish such programs and services as the Board, from time to time, by resolution may propose.

Section 3. Owner's Landscaping Options

- (a) In addition to the landscaping and lawn irrigation system being provided by the Developer the Owners shall have the right to add additional landscaping to their respective yards. The maintenance of additional landscaping will be the responsibility of the Owner who may contract separately for the land maintenance with the lawn maintenance company providing services to the Association.

(b) If any lawn sprinkler heads must be relocated due to any additional landscaping or as a result of any Owner erecting any fences or making any physical changes in their yard that will result in the lawn sprinkler plan having to be modified, said modifications will be the sole cost and expense of the Owner.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Members' Easement of Enjoyment - Subject to the provisions of Section 3 of this Article IV, every Member shall have a right and easement of enjoyment in and to the Tract Common Areas and such easement shall be appurtenant to and shall pass with the title to every lot.

Section 2. Title to Common Areas - The Developer hereby covenants for itself, its successors and assigns, that it will convey fee title to those Tract Common Areas owned by it to the Association, subject, however, to this Declaration, and to the following covenant which shall be deemed to run with the land and shall be binding upon the Association, its successors and assigns: In order to preserve and enhance the property values and amenities of the Association, the Tract Common Areas and all facilities now or hereafter built or installed thereon shall at all times be maintained in good repair and condition by the Association and shall be operated in accordance with high standards. Legal title to any portion of the Tract Common Areas may be retained by the Developer until such time as it has completed initial improvements thereon and until such time as, in the judgment of the Developer, the Association is able to maintain same, which property shall be conveyed, in good condition, without cost and free and clear of financial encumbrances. The Association shall be obligated to accept such conveyance and shall properly maintain the Tract Common Areas in accordance with this Declaration and the By-Laws. The Association shall be obligated to maintain any Tract Common Areas, title to which remains in the Developer, if such lands or facilities are made available to and are for the beneficial use of the Members.

Section 3. Extent of Members' Easements - The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The rights of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving and maintaining the Tract Common Areas and in aid thereof to mortgage said properties;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;

(c) The right of the Association to promulgate Rules and Regulations for the enforcement of these Declarations and for the use and enjoyment of Tract Common Areas;

(d) The right of the Association to dedicate or transfer all or any part of the Tract Common Areas to any utility or to any municipal, county, state, federal, or other agency for such purposes and subject to such conditions as may be agreed to by the Trustees, provided that no such dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless approved by a vote of three-fourths (3/4) of the votes of the Members entitled to vote at a meeting of the Association duly called for that purpose;

(e) The right of the Developer and of the Association to grant and reserve easements and rights-of-way through, under, over and across the Tract Common Areas, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, fuel oil and other services and utilities.

(f) The right of Developer 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 to be done by Developer, its agents, servants, workmen or contractors.

(g) The right of Developer to take all such actions and execute such instruments which Developer in its sole discretion, considers necessary or desirable to facilitate the Association of the Tract, the Additional Land, and the Association, even though such actions by Developer might affect the rights and easements of the Owners as herein established.

(h) The following easements which are hereby established:

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

(2) A permanent blanket and non-exclusive easement in, upon, through and over the Tract for the purpose of construction, installation, maintenance and repair of any improvements on the lots or Tract Common Areas, and for ingress and egress thereto, which easement shall be for the benefit of (a) the Developer, its successors and assigns and shall exist for so long as the Developer, its respective successors and assigns, shall be engaged in the construction, development and sale of residential dwelling units upon the Tract or Additional Land, and (b) the Association on a perpetual basis in connection with the proper discharge of its responsibilities with respect to the lots or Common Tract Areas.

(3) A permanent blanket perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Tract to the Township of

Evesham, the Association, and their respective officers, agents and employees and all policemen, firemen and ambulance personnel in the proper performance of their respective duties.

(4) A permanent blanket perpetual and non-exclusive easement of unobstructed ingress and egress in, upon, over, across and through the Tract for the maintenance of landscaping and cutting of lawns.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments - The Owner of any lot other than the Developer, by acceptance of a Deed therefor from the Developer, or upon each and every resale thereafter, whether or not it shall be so expressed in said Deed, shall be deemed to covenant and agree to pay to the Association:

- (a) an initial working capital charge of \$200.00;
- (b) annual assessments or charges;
- (c) special assessments;

such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment and the cost of collection thereof are assessed as hereinafter provided, and shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. No Owner may waive or otherwise avoid liability for the assessments by non-use of the Tract Common Areas or otherwise. Until such time as the Association shall make an assessment for common expenses, Developer shall pay all of the expenses of the Tract Common Areas and facilities.

Section 2. Purpose of Assessments - The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents and in particular for the improvement, repair, replacement, and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Tract Common Areas, including, but not limited to, the payment of taxes and insurance thereon, and repair, replacement, and additions thereto, the cost of labor, equipment, materials, management, and supervision thereof, and all other costs and expenses incidental to the operation and administration of the Association and its facilities and services, including any direct maintenance or operating costs related to any Tract Common Areas owned by the Developer which has not yet been conveyed to the Association, but is available for use by its Members.

Section 3. Basis of Annual Assessments - The Board of Trustees shall prepare and adopt an annual budget of expenses and annual maintenance share to be paid by each Owner. The expenses shall be computed only with respect to the Tract Common Areas that have been or are intended to be conveyed to the Association or for which the Association has maintenance obligations, and charged only to the Owners of lots in the Tract and services provided under Article III, Section 2.

Section 4. Special Assessments - In addition to the annual assessments authorized by Section 3 of this Article V, the Association may levy in any assessment year a special assessment (which must be fixed at a uniform rate for all lots) applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Tract Common Areas, including the necessary fixtures and personal property related thereto. While the Developer maintains a majority of the Board of Trustees, it shall make no additions, alterations, improvements or purchases 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.

Section 5. Change in Annual Assessments - The Board of Trustees of the Association may prospectively increase or decrease the annual assessment (fixed by Section 3 hereof) above the annual assessment of the then current year.

Section 6. Date of Commencement of Annual Assessments: Due Dates - The annual assessments provided for herein shall commence on the first day of the month following the conveyance of the first lot from the Developer to an Owner. The due date of any special assessment shall be fixed in the resolution authorizing such assessment.

Section 7. Duties of the Board of Trustees - In the event of any change in the annual assessments as set forth herein, the Board of Trustees of the Association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be prima facie evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment; Personal Obligation of the Owner; Lien; Remedies of the Association - If any assessment is not paid on the date when due (being the dates specified in Section 6 hereof), then such assessment shall be deemed delinquent and shall, together with such interest thereon and cost of collection thereof as are hereinafter provided, continue as a lien on the lot which shall bind such lot in the hands of the then Owner, his heirs,

devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten (10%) percent per annum, and the Association may bring legal action against the Owner personally obligated to pay the same or may enforce or foreclose the lien against the property; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action.

Section 9. Subordination of the Lien to Mortgages - The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the lot subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 10. Exempt Property - The following properties subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

- (a) All properties dedicated to and accepted by a governmental body, agency, or authority, and devoted to public use;
- (b) All Tract Common Areas;
- (c) All lots, dwelling units or Association land subject to this Declaration owned by the Developer prior to the issuance of a Certificate of Occupancy by the Township of Evesham with respect to each building subject to this Declaration.

Despite any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

Section 11. Uniform Rate of Assessments; Exception for Developer - Both annual and special assessments must be fixed at a uniform rate for all Lots in the Tract, it being the intent hereof that all Lots, regardless of the value of the home or improvement thereon shall pay the same per Lot assessment hereunder. Developer is not responsible to pay any assessments or dues, and all payments made by Developer to, or on behalf of, the Association shall be deemed to be voluntary contributions and shall not create any legal obligation on Developer to make payments in the future. This Section 11 shall not be construed to be in contradiction to N.J.A.C. 5:26-8.6(b).

Section 12. Annual Audit - While the Developer maintains a majority of the Board, he shall have an annual audit of Association funds prepared by an independent accountant, a copy

of which shall be delivered to each Owner within 90 days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts. After the Owners assume control, the Board of Trustees shall have an annual audit of Association funds prepared by an independent public accountant, a copy of which shall be delivered to each Owner within 90 days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

ARTICLE VI ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected, or maintained on any of the lots, nor shall any exterior addition to or change or alteration thereto be made, nor shall the color of any exterior element of any home be changed, until the plans and specifications showing the nature, kind, shape, height, color, materials, and locations of the same shall have been submitted to and approved in writing as to harmony of external design, color, and location in relation to surrounding structures and topography by the Developer (or, in the case of fences and sheds, which conform to a prototype adopted by the Developer or the Association), until all lots are sold to Owners. At such time, the Board of Trustees of the Association, or an architectural committee composed of three (3) or more representatives appointed by the Board, shall assume this function. In the event the Developer, and as hereinabove provided, said Board or its designated committee, fails to approve or disapprove such design, color, or location within ninety (90) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Nothing herein shall be construed to prohibit the reasonable adaptation of any unit for handicapped use.

ARTICLE VII RESTRICTIONS ON USE OF PROPERTY

In order to preserve the character of the Association and to protect the property values therein, the following covenants and restrictions are imposed as a common scheme and shall run with the land and shall bind the Owners, their heirs, successors, and assigns, in perpetuity, and shall apply to the Tract:

(a) No Home, except those owned or leased by the Developer and used by the Developer for sales, administration, management, construction, maintenance or similar purpose, shall be used for any purpose other than as a private residence for a Single Housekeeping Unit.

(b) There shall be no obstruction of access to the Tract Common Areas and no interference or obstruction with the exercise of easements and rights thereunder.

(c) The Owner(s) of each Lot shall cause such Lot to be kept free from rubbish and litter and cause to be replaced dead plants, shrubs, trees, grass or other landscaping on such Lot

with plants, shrubs, grass or landscaping of the same or similar type. Nothing contained herein shall prevent the Owner(s) from enhancing the landscaping on their respective Lots.

(d) Notwithstanding anything contained in the Declaration expressly or impliedly to the contrary, no building, shed, basketball court, shack, fence, wall, addition, porch, structure or other exterior improvements shall be commenced, constructed, erected, placed or maintained upon the Property, nor shall any exterior addition to or change or alteration therein or change or alteration of the exterior finish or color thereof be made by anyone, other than by Developer, until final plans and specifications showing the nature, kind, shape, height, materials, colors, dimensions, and location thereof have been submitted to and approved in writing by the Trustees as to harmony of external design, conformity with the provisions of the Declaration and location in relation to surrounding structures and topography. The Trustees (as described in the Declaration and Bylaws) may, from time to time, in its sole and absolute discretion, adopt, amend and repeal, by majority vote or written consent of its members, rules and regulations to be known as "Trustee Rules." Said rules shall interpret and implement the Declaration by setting forth the standards and procedures for the Trustees' review and guidelines.

(e) Nothing shall be done or kept in any Home or upon any Lot which will increase the rates of insurance of the Building(s) or the contents thereof beyond the customary rates applicable for such Buildings, without the prior written consent of the Association. No Owner shall permit anything to be done or kept in his Home, upon his or any other Lot, or in or upon the Tract Common Areas which will result in the cancellation of insurance on any of the Buildings or the contents thereof, or which will be in violation of any law.

(f) No trash cans shall be stored outside the home and no clothes, sheets, blankets, laundry of any kind or any other articles shall be hung out or exposed on the part of the Property nor shall anything be hung, painted or displayed on the outside of the windows (or inside, if visible from the outside) or placed on the outside walls or outside surfaces of doors of any of the Buildings and no awnings, canopies or shutters (except for those heretofore or hereinafter installed by Declarant) shall be affixed or placed upon the exterior walls or roofs or any part thereof, nor relocated or extended, without the prior written consent of the Trustees. Nothing herein shall prohibit holiday decorations from being temporarily displayed on or from the Windows of the Units or shall prohibit window treatments in the Units.

Window air conditioners and window fans are prohibited. The display or use of items visible in the interior of any Building from the exterior thereof shall be subject to the Rules and Regulations of the Association. Notwithstanding the foregoing, the Developer shall have the right to display signs for promotional sales, exhibits, direction and administrative purposes upon any portion of the Tract or within any Home or upon any Lot owned by it until the last Home within the Tract is sold and conveyed.

(g) Except for one dog, cat, or bird which are house pets, no birds, reptiles, rabbits, livestock, fowl or poultry, or animals of any kind shall be raised, bred or kept in any Home

or upon any portion of the Tract, except as may be expressly permitted by the Rules and Regulations of the Association.

(h) No obnoxious or offensive activity shall be carried on, in or upon the Tract or in any Home or upon any Lot nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other residents or which interferes with the peaceful possession and proper use of the Tract by its residents. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction over the Tract shall be observed.

(i) Garages shall be used only for the parking of vehicles and storage of trash cans and storage of normal household items provided they do not interfere with the parking of the vehicles. No commercial vehicles, disabled vehicles, boats, trailers, campers or mobile Homes may be parked on any part of the Tract except (i) in a closed garage not visible from outside the garage; and (ii) for those vehicles temporarily on the Tract for purposes of servicing the Tract itself or one of the Homes or Lots. This restriction shall not apply to Declarant, its employees, agents, subcontractors or servants. No repairs to motor vehicles of any kind shall be made except in closed garages. Unlicensed vehicles are prohibited and will be towed at the Owner's expense.

(j) Except by the Developer or a Lender in possession of such Home following a default in a mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Home shall be utilized for transient or hotel purposes, which shall be defined as rental for any period less than one hundred eighty (180) days; provided, however, that any Owner, including Declarant may rent a Home for a period of less than one hundred eighty (180) days to a contract purchaser, but in no event for transient or hotel purposes. Copies of all leases must be furnished to the Association prior to the commencement of the term thereof. Other than the foregoing obligations, the Owners shall have the right to lease Homes, provided that said lease is in writing and pursuant to a standard lease rider furnished by the Association is made subject to all provisions of the Declaration, the Bylaws of the Association, the Rules and Regulations and other documents referred to herein and therein and, provided further, that any failure of the lessee to fully comply with the terms and conditions of such documents shall constitute a default under the lease. No leasing shall, however, relieve an Owner from his obligations hereunder, and such Owner shall remain primarily responsible for compliance with the Declaration, Bylaws and Rules and Regulations. In the event a tenant of a Home fails to comply with the provisions of the Declaration, the Bylaws or Rules and Regulations then, in addition to all other remedies which it may have, the Association shall notify the Owner of such violations and demand that the same be remedied through the Owner's efforts within thirty (30) days after such notice. If such violation is not remedied within the thirty (30) day period, then the Owner shall immediately thereafter, at his own cost and expense, institute and diligently prosecute an eviction action against his tenant on account of such violation. Such action shall not be compromised or settled without the prior written consent of the Association. In the event the Owner fails to fulfill the foregoing obligation, then the Trustees shall have the right, but not the duty, to institute and prosecute such actions as attorney-in-fact for the Owner and at the Owner's sole cost and expense, including all legal fees and costs incurred. Said costs and expenses

shall be due and payable upon demand by the Association and shall be deemed to constitute a lien on the particular Home involved, and collection thereof may be enforced by the Trustees in the same manner as the Trustees are entitled to enforce collection of Association Expense Assessments.

(k) The Trustees shall have the power to make such rules and regulations as may be necessary to carry out the intent of these restrictions in the Declaration and shall have the right to bring lawsuits to enforce the provisions of the governing documents. The Board shall further have the right to levy fines for violation of such regulations. For each day a violation continues after notice it shall be considered a separate violation. Any fine so levied is to be considered as an assessment levied against the particular Lot or Home and the Owner involved, and collection may be enforced by the Trustees in the same manner as the Trustees are entitled to enforce collection of other assessments. Fines may be levied against an Owner's tenant, and the Owner shall be jointly and severally liable with his tenant for payment of same. In the event the Trustees engage the services of an attorney or institutes legal action for collection of any fines, then the defendant shall be responsible for the payment of reasonable attorney's fees of the Association plus interest and costs of suit.

(l) Each Owner shall have the right to mortgage or encumber his Home or Lot without restrictions.

(m) Developer, for itself, its successors and assigns, shall have the right to use, without charge, any portion of the Tract Common Areas for its sales, management and marketing purposes with respect to Homes located or to be located within or adjacent to the Tract, provided that such use shall not unduly interfere with the use of the Tract Common Areas and facilities by the Members for the purposes for which it is reasonably intended. Such right shall continue until all Homes have been conveyed by the Developer or until expiration of ten (10) years from the date of recording of this Declaration, whichever event first occurs.

(n) No sign or billboard of any kind shall be displayed to the public view on any Home or Lot, except for (i) directional signs established by the Developer or the Association; (ii) signs for each Home placed thereon by the Owner of the particular Home for the purpose of advertising the Home for sale or rent, which signs shall not be larger than is reasonable and customary in the area for the purpose of advertising similar property for sale or rent. In no event shall such "For Sale" or "For Rent" sign be permitted until at least twenty four (24) months from the date Declarant conveyed the Home; (iii) signs used by the Declarant, its successors or assigns, to advertise the Property or portions thereof; or (iv) subject to rules and limitations established by the Trustees, small signs customarily incidental to the uses permitted.

(o) No towers, antennae, aerials, satellite dishes or other facilities for the reception or transmission of radio or television broadcasts or other means of communication shall be erected and maintained or permitted to be erected or maintained on any Lot or Home, except by installations inside buildings, or by underground conduits. No other types of appliances or installations upon the roofs or sides of any buildings situated upon a Lot shall be permitted unless

ARTICLE VIII
GENERAL PROVISIONS

Section 1. Duration and Amendment -

(a) The covenants and restrictions of this Declaration shall run with and bind the land, the Developer and the Association their respective legal representatives, heirs, successors and assigns, in perpetuity. This Declaration may be amended by a vote of three-fourths (3/4) of the total Membership votes, at a meeting duly called for that purpose. A Certificate of Amendment signed and sworn to by an officer of the Association verifying the proper approval shall be recorded in the Office of the Clerk of Burlington County, which shall then become effective.

(b) Notwithstanding the provisions for amendment contained in (a) above, the obligations to properly maintain the facilities and areas delineated in Article III Section One hereof may not be amended or changed without the approval of the Township of Evesham and or the Township of Evesham Planning Board.

Section 2. Notices - Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement - The Developer, Association, or any Owner, shall have the right to enforce these covenants and restrictions by any proceeding at law or in equity, against any person or persons violating or attempting to violate any covenant or restriction, to restrain violation, to require specific performance and to recover damages; and against the land to enforce any lien created by these covenants; and failure by the Developer, Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The expense of enforcement by the Developer or Association shall be chargeable to the Owner of the lot violating these covenants and restrictions and shall constitute a lien on the lot, collectible in the same manner as assessments hereunder. In the event the Association or its Members should at any time fail to enforce the provisions hereof, the Township of Evesham ("Township") upon thirty (30) days prior written notice to the Association, shall have the right to institute appropriate legal proceedings in the name of the Association to effect such enforcement. In the event the Association should fail to discharge its obligations to maintain any portion of the Tract Common Areas as required by this Declaration, the Township shall have the right at its discretion to enter upon and maintain the Tract Common Areas in accordance with the provisions of N.J.S.A. 40:55D-43(b). The cost of such maintenance by the Township shall be assessed pro rata against the affected Owners and shall become a lien and tax on each unit and lot affected thereby, and shall be enforceable by the Township in the manner provided by law with respect to the real estate taxes assessed directly against each unit, provided, however, that notice of the deficiencies be

given to the Association and Developer by certified mail and that a period of thirty (30) days be allowed to cure said deficiencies.

Section 4. Developer Protective Provisions - After control of the Board of Trustees and the Association has become vested in the Owners, and for so long as the Developer owns at least one Lot or dwelling unit available for sale in the ordinary course of business and until the Developer is released by Evesham Township from all performances and maintenance guarantees:

(a) The Association shall not take any action that would be detrimental to the sales of Units by the Developer and shall continue the same level of maintenance, operation and services as immediately prior to the Owners' assumption of control.

(b) Neither the Association nor the Board shall take any action that will impair or adversely affect the rights of Developer or cause Developer to suffer any financial, legal or other detriment, including but not limited to any direct or indirect interference with the sale of homes by Developer, or by any successor or assign of Developer, including but not limited to Developer's right to maintain adequate signage and parking for its sales efforts.

(c) In furtherance of the foregoing provisions, Developer shall have the right to veto any and all actions of the Association or its Board which may have any direct or indirect detrimental impact upon sale of lots or units by the Developer, or Developer's successors or assigns, as may be determined in the sole discretion of Developer.

Section 5. Severability - Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect the validity of any other provisions, which shall remain in full force and effect.

Section 6. Rule Against Perpetuities - If any provision of this Declaration shall be interpreted to constitute a violation of the rule against perpetuities, then such provisions shall be deemed to remain in effect until the death of the last survivor of the now living descendants of Robert F. Kennedy, deceased, former Senator of the State of New York, plus twenty-one (21) years thereafter.

Section 7. By-Laws and Administration; Changes in Documents; Power of Attorney - The administration of the Tract Common Areas shall be by the Association in accordance with the provisions of this Declaration, the Articles, the By-Laws, the Rules and Regulations and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently be required by an institutional lender designated by the Developer or by any governmental agency having regulatory jurisdiction over the Tract or by any title insurance company selected by the Developer to insure title to any portion thereof, or by Developer in a sound exercise of its discretion. Developer hereby reserves for itself, its successors and assigns, for a period of twenty (20) years from the recordation date hereof, the right to execute on behalf of all contract purchasers, Owners, Members, mortgagees, other lienholders or parties claiming a legal or equitable

interest in the Tract, any such agreement, documents, amendments or supplements to the above described documents which may be so required by Developer or by any such institutional lender, governmental agency or title insurance company. The Developer shall not be permitted to cast any votes held by it for unsold lots, parcels, units or interests for the purpose of amending this Declaration, the 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 areas or facilities. By acceptance of a deed to any unit or lot or by the acceptance of any other legal or equitable interest in the Tract, each and every such contract purchaser, Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Tract does automatically and irrevocably name, constitute, appoint and confirm the Developer, its successors and assigns, as attorney-in-fact for the purpose of preparing, executing, filing, and recording such amended Declaration and other instruments necessary to effect the foregoing or any other provisions of this Declaration. The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all lots in Tract and be binding upon the heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said powers of attorney shall not be affected by the death or disability of any principal and are intended to deliver all right, title and interest of the principal in and to said powers. Developer shall be entitled to specific performance of this provision.

IN WITNESS WHEREOF, the said Developer has caused these presents to be signed and dated the day and year first above written.

WITNESS:

HERON POINTE, a Craig H. Taylor
Community, L.L.C.

Meredith Taylor

BY:

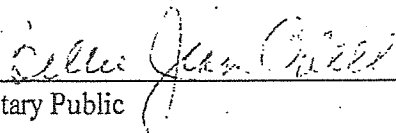
Craig H. Taylor
Craig H. Taylor, Member

STATE OF NEW JERSEY :

: SS.

COUNTY OF CAMDEN :

BE IT REMEMBERED, that on this ^{December} 27th day of August, 1999, before me, the subscriber, personally appeared **CRAIGH. TAYLOR**, who, I am satisfied, is the person who signed the within instrument as a MEMBER OF HERON POINTE, a CRAIGH. TAYLOR COMMUNITY, L.L.C., the company named therein, and he thereupon acknowledged that the said instrument made by the company was signed and delivered by him as such member and is the voluntary act and deed of such company.


Notary Public

BILLIE JEAN ODELL
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires February 18, 2002

EXHIBIT "A"

ALL that certain tract or parcel of land and premises situate in the Township of Evesham, County of Burlington and State of New Jersey, bounded and described as follows:

BEGINNING at a point in the Southeasterly line of Greentree Road (County Route #674) said point being in the division line between Lot 4, Block 7 and Lot 51, Block 7.07, Tax Map, Township of Evesham; thence

(1) North 68 degrees 31 minutes 10 seconds East along said line of Greentree Road a distance of 238.63 feet to an angle point in same; thence

(2) North 61 degrees 59 minutes 08 seconds East still along said Southeasterly line of Greentree Road a distance of 215.13 feet to a point in the division line between Lots 51 and 5.02, Block 7.07; thence

(3) South 15 degrees 22 minutes 15 seconds East along said division line a distance of 177.16 feet to a point in same; thence

(4) North 64 degrees 55 minutes 45 seconds East still along said division line a distance of 112.53 feet to a point; thence

(5) North 22 degrees 28 minutes 15 seconds West still along said division line between Lots 51 and lot 5.02, Block 7.06 a distance of 179.49 feet to a point in the said Southeasterly line of Greentree Road; thence

(6) North 61 degrees 59 minutes 08 second East along said Southeasterly line of Greentree Road a distance of 96.52 feet to a point in the division line between Lots 53, Block 7.07 and lot 5.01, block 7.06; thence

(7) South 25 degrees 04 minutes 15 seconds East along said division line a distance of 84.36 feet to a point; thence

(8) North 64 degrees 55 minutes 45 seconds East along the division line between Lots 53, 54, Lot 5 and Lots 5.01 and 4 a distance of 158.08 feet to a point in the division line between Lot 3 "Greentree Inn" and Lot 54; thence

(9) South 25 degrees 04 minutes 15 seconds East along said division line a distance of 59.94 feet to a point in same; thence

(10) North 65 degrees 40 minutes 45 seconds East still along said division line between Lots 3 and 54 a distance of 162.73 feet to a point in the Southwesterly line of North Maple Avenue (County Route #607); thence

(11) South 22 degrees 58 minutes 23 seconds East along said line of North Maple Avenue a distance of 138.86 feet to a point of curve in same; thence

(12) in a general Southerly and Southwesterly direction along the curved Southwesterly line of North Maple Avenue curving to the right on a radius of 2360.00 feet, an arc distance of 573.42 feet to a point in the Southerly boundary line of plan hereinafter mentioned; thence

(13) North 79 degrees 47 minutes 54 seconds West along the Southerly boundary line of said plan a distance of 1012.16 feet to a point in the said division line between Lot 4, Block 7 and Lot 51, Block 7.07; thence

(14) North 27 degrees 58 minutes 20 seconds West along said division line a distance of 255.30 feet to the point and place of beginning.

BEING lots 1 -50 inclusive, Block 7.07 and lot 52(open space tot-lot), Block 7.07; lot 51 (open space), Block 7.07; and lot 53 (open space), Block 7.07 as described on Subdivision Plan for Heron Pointe Subdivision, prepared by Kammerer, Schweppenheiser Associates, Inc., dated February 11, 1999, last revised March 19, 1999, filed with the Burlington County Clerk's Office as Map No. 3355761.

BEING Lots 5 and 5Q, Block 7.06 as shown on the Township of Evesham Tax Map.

EXCEPTING THEREOUT AND THEREFROM, Lot 54, Block 7.07 as shown on the aforementioned Plan.