

EXHIBIT "C"

BY-LAWS
OF
FERNBROOKE HOMEOWNERS' ASSOCIATION, INCORPORATED

ARTICLE I
NAME AND LOCATION

The name of the corporation is FernBrooke Homeowners' Association, Incorporated, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 900 Birchfield Drive, Mount Laurel, New Jersey 08054; but meetings of members and trustees may be held at such places as may be designated by the Board of Trustees.

ARTICLE II
SEAL

The corporation seal of the Association shall be in circular form and shall bear the name of the Association and such other language as is required by the laws of New Jersey.

ARTICLE III
DEFINITIONS

Wherever words are used herein which have a specific meaning in the Declaration of Covenants and Restrictions, such definitions shall apply herein as well.

ARTICLE IV
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on the second Thursday of January, 2002 and each subsequent regular annual meeting of the members shall be held on the second Thursday of January of each year thereafter, at the hour of 7:30 P.M. or such other date and hour fixed by the Board of Trustees. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Trustees, or upon written request of one-tenth of the owners.

Section 3. Proxies. Each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease after one year.

Section 4. Method of Voting. Questions to be submitted to the members may be decided at a meeting or by ballot vote, by mail at polling places designated by the

Board. The Board shall determine, by resolution, the method of voting and give notice thereof as provided herein.

ARTICLE V
BOARD OF TRUSTEES

Section 1. Number. The affairs of the Association shall be managed by a Board of five (5) Trustees, who need not be members of the Association. As long as the Class B membership exists, the Board shall consist of Trustees appointed by the Class B membership and Trustees elected for one or two year terms by the voting membership.

Section 2. Composition and Term. The apportionment of the Board between appointed and elected trustees shall be as follows:

The initial Board of Trustees shall be appointed and serve until the first annual meeting following conveyance of the first Lot in the properties. Thereafter, Trustees shall be elected or appointed, as the case may be, in accordance with the following schedule:

- (a) Irrespective of the time set for developer control of the Association provided in the Master Deed, Declaration of Covenants and Restrictions or other instruments of creation, control of the Association shall be surrendered to the owners in the following manner:
1. Within sixty (60) days after conveyance of 25% of the lots, parcels, units or interests, not less than 25% of the members of the Board of Trustees shall be elected by owners other than the Developer; the balance of the Board of Trustees shall be appointed by the Developer.
 2. Within sixty (60) days after conveyance of 50% of the lots, parcels, units or interests, not less than 40% of the members of the Board of Trustees shall be elected by the owners other than the Developer; the balance shall be appointed by the Developer;
 3. Within sixty (60) days after conveyance of 75% of the lots, parcels, units or interests, the Developer's control of the Board of Trustees shall terminate at which time the owners other than the Developer shall elect the entire Board of Trustees.

The term of each Trustee shall be two years, or until successor Trustees shall be duly elected and qualified. The Trustees elected by the Class A Members shall initially be divided into staggered classes, so that each year the term of one-half of such members shall expire.

- (b) Notwithstanding 1, 2 and 3 above, the Developer may retain one member of the Board of Trustees so long as there are any units remaining unsold in the regular course of business.

- (c) In calculating the above percentages, it is presumed that they are calculated on the basis of the entire number of units entitled to membership in the Association.
- (d) A Developer may surrender control of the Board of Trustees of the Association prior to the time as specified, provided the owners agree by a majority vote to assume control.
- (e) Upon the assumption by the owners of control of the Board of Trustees of the Association, the Developer shall forthwith deliver to the Association all items and documents pertinent to the Association such as, but not limited to, a copy of the Master Deed, Declaration of Covenants and Restrictions, documents of creation of the Association, By-Laws, minute book, including all minutes, any rules and regulations, an accounting of Association funds, Association funds, all personal property, insurance policies, government permits, a membership roster and all contracts and agreements relative to the Association.
- (f) The Association, when controlled by the owners, 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 their assumption of control, until the last unit is sold.
- (g) From the time of conveyance of 75% of the lots, parcels, units or interests until the last lot, parcel, unit or interest in the development is conveyed in the ordinary course of business the Master Deed, By-Laws or Declaration of Covenants and Restrictions shall not require the affirmative vote of more than 75% of the votes to be cast in order to amend the By-Laws or Rules and Regulations.
- (h) The Developer shall not be permitted to cast any votes allocated to unsold lots, parcels, units or interests in order to amend the Master Deed, By-Laws or any other document for the purposes of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the common properties or facilities.

Section 3. Method of Nomination. Candidates for election shall file a petition of candidacy, signed by not less than ten (10) members, with the Elections Committee at least thirty-five (35) days before the annual meeting. The Elections Committee shall provide all members with a ballot containing the names of all bona fide candidates with the notice of the annual meeting.

Section 4. Method of Election. Election shall be by secret written ballot in accordance with the procedures established by the Board of Trustees and implemented by the Elections Committee. The balloting for the Trustees shall be in accordance with the procedure established by the election committee but in no event shall balloting occur less than thirty (30) days prior to the annual meeting. The members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration of Covenants and Restrictions. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected and

their term shall commence at the next regularly scheduled annual meeting. If validated petitions of candidacy are filed by members equal to the number of vacancies on the Board of Trustees, the election committee shall so certify in writing to the Board of Trustees that the candidates are elected without opposition, notify the Association members of the election results and that balloting will not be conducted. In an election where no candidates file validated petitions of candidacy by the established deadline for a vacancy on the Board of Trustees, the election committee will so certify in writing to the Board of Trustees, who, at the annual meeting, will appoint for each such vacancy, a member to the first half, one year, of the two year term. In the next succeeding election candidates will be accepted for election to the second half, one year, of the term.

Section 5. Resignation and Removal. The unexcused absence of a Trustee from three (3) consecutive regular meetings of the Board shall be deemed a resignation. Any elected Trustee may be removed from the Board, with or without cause, by a two-thirds (2/3) majority vote of the Class A voting membership of the Association.

Section 6. Vacancies. In the event of death, resignation or removal of an elected Trustee, his successor shall be selected by the remaining elected Trustee(s) and shall serve for the unexpired term of his predecessor.

Section 7. Compensation. No Trustee shall receive compensation for any service he may render to the Association. However, any Trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI
MEETINGS OF THE BOARD OF TRUSTEES AND
THE ARCHITECTURAL REVIEW BOARD

Section 1. Regular Meetings. Regular meetings of the Board of Trustees and Architectural Review Board shall be held as follows:

- (a) The Board of Trustees shall meet on a quarterly basis on a date set by the Board of Trustees.
- (b) The Architectural Review Board shall meet on the first Thursday of each month.

The date, place and hour of any Board meeting may be fixed from time to time by resolution of the Board.

A written notice of all meetings shall be posted on the Association bulletin board three (3) days in advance of any meeting by the Secretary of such Board. The initial location of the Association bulletin board shall be at 900 Birchfield Drive, Mt. Laurel, New Jersey, and may be relocated by resolution of the Board of Trustees.

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All meetings of the Board shall be open to any member for observation.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, by its chairperson, or by any two members of such Board after not less than three (3) days notice to each member of the Board.

Section 3. Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except in no event shall a quorum be less than three (3) members.

Section 4. Executive Sessions. The President of the Association may call the Board into executive session on matters of personnel or for hearings on infractions of published rules and regulations. Any action taken by the Board in executive session shall be open for member observation.

Section 5. Action Taken Without a Meeting. The Trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting obtaining the written approval of all the Trustees. Any action so approved shall have the same effect as though taken at a meeting of the Trustees.

Section 6. Records of Meetings. The minutes of all Board meetings shall be kept by the Secretary of such Board.

The Board of Trustees shall cause to be kept a complete record of all its corporate affairs including the Book of Resolutions, papers and records of the Association, including financial records. Any member or institutional holder of a first mortgage on any living unit may inspect the records of the Association as described herein during normal business hours (as established by the Association) at the principal office of the Association. Members and mortgagees shall give twenty-four (24) hours' advance notice of intent to inspect the Association records.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. Powers. The Board of Trustees shall have power to:

- (a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association by law, the Declaration of Covenants and Restrictions or any Supplementary Declaration, and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration of Covenants and Restrictions.
- (b) Employ a manager, an independent contractor, or such other employee as they deem necessary, and to prescribe their duties in accordance with the Governing Documents and the Management Standards.
- (c) Borrow money for the purpose of improving the Common Properties and, in aid thereof, to mortgage said properties, subject to the provisions contained in Article III, Section 3(c) of the Declaration of Covenants and Restrictions, and the approval of the membership as set forth herein.

- (d) Subject to the Declaration of Covenants and Restrictions or other instruments of creation, the Association may do all that it is legally entitled to do under the laws applicable to its form of organization.
- (e) 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.
- (f) 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 2. Duties. It shall be the duty of the Board of Trustees to:

- (a) Adopt and publish rules and regulations to implement the provisions of this Declaration including fees, if any, governing the use of the common properties and facilities, and the personal conduct of the members and their guest(s) thereon, and to include these in the Book of Resolutions. The Board of Trustees shall provide for a fair and efficient procedure for the resolution of disputes between Owners and the Association and between Owners, which shall be readily available as an alternative to litigation. A person other than an Officer of the Association, a member of the Board of Trustees or an Owner involved in the dispute shall be made available to resolve the dispute.
- (b) Suspend the right to use the recreational facilities of an owner during any period in which such owner shall be in default for more than thirty (30) days after notice in the payment of any assessment levied by the Association. Such right may also be suspended for members, after notice and hearing, for a period not to exceed sixty (60) days, for infraction of the Declaration of Covenants and Restrictions or the Book of Resolutions.
- (c) Cause to be kept a complete record of all its corporate affairs including the Book of Resolutions, make such records available for inspection by any member or his agent, and present an annual statement thereof to the members.
- (d) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- (e) Adopt and follow procedures for adoption and publication of Board resolutions to be in the Book of Resolutions, including the provision for hearing and notice to members for resolutions on rules, the annual budget and other matters affecting the rights of members.
- (f) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate.

- (g) Establish architectural standards for the Properties in accordance with the Book of Resolutions procedures.
- (h) Fix annual general and parcel assessments at an amount sufficient to meet the obligations imposed by the Declaration of Covenants and Restrictions and all Supplementary Declarations.
- (i) Annually set the date(s) assessments are due, decide what, if any, interest rate is to be applied to assessments which remain unpaid thirty (30) days after they become due.
- (j) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of the due date of the annual assessment or first installment thereof.
- (k) Cause the lien against any property for which assessments are not paid within thirty (30) days after due date to be foreclosed or cause an action at law to be brought against the owner personally obligated to pay same.
- (l) Cause the common properties and facilities to be maintained.
- (m) Enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration of Covenants and Restrictions.
- (n) Appoint such committees as prescribed in Article IX.
- (o) Carry out the duties herein enumerated and any others not herein specifically referred to but contained in the Declaration of Covenants and Restrictions, any Supplementary Declarations, and the Articles of Incorporation of FernBrooke Homeowners' Association, Incorporated.
- (p) Exercise their powers and duties in good faith with a view to the interests of the Association and, to this end, adopt appropriate guidelines for action on matters where a potential conflict of interest may exist.

ARTICLE VIII OFFICERS

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Trustees, a Secretary and a Treasurer, and such other officers as the Board of Trustees may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Trustees and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office, with or without cause by majority vote of Board of Trustees. Any officer may resign at any time, giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of President and Secretary may not be held by the same person.

Section 7. Duties. The duties of the officers are as follows:

PRESIDENT - The President shall preside at all meetings of the Board of Trustees and of the Association; shall see that the orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes and contracts as the Board may approve from time to time.

VICE PRESIDENT - The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such duties as may be required of him by the Board.

SECRETARY - The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; maintain the Book of Resolutions; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices to members as provided in Article X; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

TREASURER - The Treasurer shall cause all monies of the Association to be deposited in appropriate accounts and disbursed therefrom within the limits of the annual budget or as directed by resolution of the Board of Trustees, shall co-sign any promissory notes and contracts; keep proper books of account; cause an annual audit of the Association books to be made by a certified public accountant at the completion of each full fiscal year; and shall be the chief officer responsible for the preparation of an annual budget and statement of income and expenditures to be presented to the Board and to the membership at its regular meeting.

ARTICLE IX COMMITTEES

Section 1. Executive Committee. Until the first annual meeting, the Board may, by resolution, designate an Executive Committee of the Board, which shall consist of

three or more Directors. To the extent provided in the resolution, the Executive Committee shall have an exercise in the authority of the Board in the management of the affairs of the Association.

Section 2. Elections Committee. The Board shall appoint an Elections Committee no later than two months prior to the annual meeting date. The Committee shall consist of a chairperson who may not be a Trustee, and at least two (2) members, none of whom shall be candidates for office. It shall be the duty of the committee to provide supervision of the nominations and election of Directors in accordance with procedures adopted by the Board and placed in the Book of Resolutions.

Section 3. Other Committees. The Board shall appoint such other committees it deems appropriate to carry out its purpose, including but not limited to an ADR Committee to resolve disputes under Article XIV, a Recreation Committee or a Maintenance Committee.

ARTICLE X QUORUM AND NOTICE

Section 1. Quorum. The quorum for meetings where action by owners is required by the Declaration of Covenants and Restrictions shall be the presence of owners in person or by proxy who are entitled to cast fifty-one percent of the votes of the owners and the presence of the Class B member. If the required quorum is not forthcoming at the meeting, the meeting may be adjourned to another time no sooner than one week and no later than one month from that date. Should a quorum not be present at any meeting, the quorum requirement shall be reduced by half for the subsequent adjourned meeting.

The quorum for all other meetings of members shall be the presence at meetings of members in person or by proxy who are entitled to cast one-tenth (1/10th) of the votes of the members then outstanding.

Section 2. Notice. Written notice of each annual meeting of the members shall be given by, or at the direction of the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

ARTICLE XI FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XII
INDEMNIFICATION OF OFFICERS AND TRUSTEES

The Board of Trustees of this Association shall authorize the payment of expenses incurred by, or satisfy a judgment or fine rendered or levied against, a present or former Trustee and/or officer of the Association or the estate, executor, administrator, heirs, legatees, or devisees of such person to impose a liability or penalty on such person for an act alleged to have been committed by such person while a Trustee and/or officer, or by the Association, or by both. The Board of Trustees may reimburse such person for amounts paid and expenses, including attorneys fees, reasonably incurred in settling any such action or threatened action; provided, the Board of Trustees determines in good faith that such Trustee and/or officer was acting in his or her official capacity and in good faith within what the Trustee and/or officer reasonably believed to be the scope of authority and for a purpose which the Trustee and/or officer reasonably believed to be in the best interest of the Association or its members. The reimbursement for costs and expenses shall include reasonable attorneys fees. The foregoing right of indemnification should not be exclusive of any other rights to which the Trustee and/or officer may be entitled by law, agreement, or vote of the members of the Association or otherwise.

ARTICLE XIII
ARCHITECTURAL REVIEW BOARD

Section 1. Composition. The Architectural Review Board shall be composed of a chairperson, who shall not be a Trustee, and two or more members. A quorum for board action shall be three members.

Section 2. Duties. It shall be the duty of the Architectural Review Board to regulate the external design, appearance, location and maintenance of the Properties and of improvements thereon, as more fully described in Article V, Section 4. of the Declaration of Covenants and Restrictions, and to regulate such uses of property as described in Article VI thereof, in accordance with the Architectural Guidelines as amended from time to time. The Architectural Guidelines can only be amended by a seventy-five percent (75%) vote of the owners pursuant to Article V, Section 4 and Article XI, Section 2 of the Declaration of Covenants and Restrictions.

ARTICLE XIV
ENFORCEMENT/DISPUTE RESOLUTION

Section 1. Enforcement. The Board of Trustees shall have the power, at its sole option, to enforce the terms of this instrument or any rule or regulation promulgated pursuant thereto by any or all of the following: self-help; sending notice to the defending party to cause certain things to be done or undone; restoring the Association to its original position in charging the breaching party with the entire cost or any part thereof; complaint to the duly constituted authority; or by taking any other action before any court, summary or otherwise, as may be provided by law.

Section 2. Fines. To the extent now or hereinafter permitted by the laws of the State of New Jersey, the Board of Trustees shall have the power to levy fines against any owners for violations of any rules or regulations of the Association or for any

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covenants or restrictions contained in the Declaration or By-Laws. No fine may be levied for more than One Hundred Dollars (\$100.00) for any one violation. Collection of fines may be enforced against any owner involved as if the fine were a common expense owed by the particular owner. Despite the foregoing, before the Board of Trustees imposes any fine, the owner involved shall be given at least ten (10) days' prior written notice and afforded an opportunity to be heard with respect to the violations asserted.

Section 3. Waiver. No restriction, condition, obligation or covenant contained in these By-Laws shall have deemed to have been aggregated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

Section 4. Alternative Dispute Resolution ("ADR") Procedure.

(a) Authority. In addition to the mediation authority granted to the ADR Committee herein, the ADR Committee shall have such additional duties, powers and authority as the Board of Trustees may from time to time provide by resolution. This shall include the right to resolve disputes arising under the provision of the governing documents and to enforce same, including the right to (i) impose temporary cease and desist orders, and (ii) to levy fines pursuant to Section 2 hereof to the extent permitted by law. The ADR Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the rules and regulations or by resolution of the Board of Trustees. Despite the foregoing, no action may be taken by the ADR Committee without giving the Owners involved at least ten (10) days' written notice and affording the Owner the opportunity to be heard, with or without counsel, with respect to the violations asserted.

Further, any Owner who is aggrieved by any decision of the ADR Committee shall have the right to appeal such decision to a court of competent jurisdiction. Any dispute between or among the Owners or with the Association, other than collection matters, must be first submitted to the ADR Committee for mediation or non-binding arbitration before any litigation is commenced with respect to the dispute in question, as contemplated by N.J.S.A. 45:22A-44(c) and Section 2 hereof. If there is not an appeal to a court of competent jurisdiction within forty-five (45) days of decision by the ADR Committee, the decision of the ADR Committee shall be binding on all parties and shall have full force and effect under the laws of the State of New Jersey.

(b) Mediation Alternative. Prior to the commencement of any non-binding arbitration hearing by the ADR Committee pursuant to Section 1, any party to the dispute, or the Committee on its own motion, may request mediation of the dispute by an impartial mediator appointed by the Committee in order to attempt to settle the dispute in good faith. Such mediator may be a member of the ADR Committee, its counsel or any other qualified mediator. Any such mediation shall be concluded within fifteen (15) days after such request, unless extended by the mediator for good cause. In the event that no settlement is reached within said fifteen (15) day period, all relevant time periods in the hearing process shall be extended for fifteen (15) days plus any extension period.

Section 5. Compliance by Members. Each Member shall comply with and shall assume ownership or occupancy subject to the laws, rules and regulations of government authorities having jurisdiction over the community, and the provisions of the Declaration, the Articles of Incorporation, the By-Laws of the Association, and rules and regulations or any other documents, amendments or supplements to the foregoing. Failure to comply with any of the foregoing shall be grounds for commencement of action for the recovery of damages, or for injunctive relief, or both, by the Developer, the Association, or any Member, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid, and against any Member, to enforce any lien created by the Declaration or any covenant contained herein. Failure by the Developer, the Association or any Member, to enforce any covenant therein contained for any period of time, shall in no event be deemed a waiver or estoppel of the right to thereafter enforce same.

Section 6. Civil Action for Damages. The Association shall not be liable in any civil action brought by or on behalf of an Owner to respond to damages as a result of bodily injury to the Owner occurring on the premises of the Association except as a result of its willful, wanton or grossly negligent act of commission or omission.

ARTICLE XV AMENDMENT

Section 1. Subject to the foregoing conditions, these By-Laws may be amended as follows:

- (a) By a vote of two thirds (2/3) of the Trustees at any meeting of the Trustees called for that purpose, providing notice of the meeting has been given to the members at least fifteen (15) days prior to the meeting, or
- (b) At any annual or special meeting of the members in person or by proxy, providing the proposed amendments have been included in the notice of the meeting. Amendments shall become effective upon adoption and recording. All amendments shall be recorded.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; in case of any conflict between the Declaration of Covenants and Restrictions and these By-Laws, the Declaration of Covenants and Restrictions shall control, except that the approval of the Board of Trustees of any amendment to these By-Laws shall prevail over any such conflict.

ARTICLE XVI COMMON AREAS

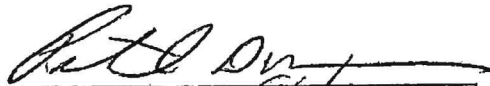
Section 1. The provisions of this Article are intended to create compliance of these By-Laws with the requirements of the ordinances of The Township of Westampton. To the extent that any of the other Articles or provisions of these By-Laws or the Articles of Incorporation of the Association are inconsistent with the said The Township of Westampton Ordinances, such inconsistencies shall be construed to be overruled by the provisions of Article XV.

Section 2. If the Common Areas located within the Properties are not dedicated to The Township of Westampton, they shall be dedicated free and clear of any encumbrance or debt to the Association not later than one year following the issuance of 95% of the Certificates of Occupancy for said parcel or immediately upon the issuance of the last Certificate of Occupancy for said parcel. The Association shall enter into an appropriate written agreement or other arrangement acceptable to the The Township of Westampton Solicitor with regard to the ownership and perpetual maintenance of all Common Areas not dedicated to the Township.


Section 3. The Association shall, upon taking ownership of any Common Areas, assume responsibility for the duties specified in these By-Laws and in the Articles of Incorporation, these to include garbage, trash and snow removal and general upkeep of all Common Areas.

Section 4. The Association shall not be dissolved, nor shall it dispose of any Common Area by sale or otherwise without the approval of the The Township of Westampton Planning Board. In the event such organization is dissolved or intends to dispose of any Common Areas, said lands shall first be offered for dedication to The Township of Westampton or such governmental agency as it shall designate.

IN WITNESS WHEREOF, we being all the Trustees of FERNBROOKE HOMEOWNERS' ASSOCIATION, INCORPORATED, have hereunto set our hands this 7TH day of SEPTEMBER, 2001.



PATRICK D. BUNN




ROBERT W. HASLAM



STEPHEN J. HOVNANIAN



LINDA C. ROONEY



PETER J. HOVNANIAN

RESOLUTION

WHEREAS, the Board of Trustees (BOT) of the FERNBROOKE HOMEOWNERS ASSOCIATION (FHOA) believe that conflicts which arise between homeowners and their association are best resolved by way of negotiation and mediation rather than litigation; and

WHEREAS such "Alternative Dispute Resolution" (ADR) is faster, friendlier, less expensive and often more effective than resorting to the courts to resolve disputes; and

WHEREAS the New Jersey Planned Real Estate Development Full Disclosure Act (N.J.S.A. 45:22A-44c) requires that "an association shall provide a fair and efficient procedure for the resolution of disputes between individual unit owners and the association, and between unit owners, which shall be readily available as an alternative to litigation";

BE IT THEREFORE RESOLVED that the following ADR procedure is hereby adopted by the Board of Trustees (BOT) of the FERNBROOKE HOMEOWNERS ASSOCIATION at its meeting on the 26th day of July 2012, and shall be used in conjunction with the By-Laws of the Fernbrooke Homeowners' Association.

Section I. ALTERNATIVE DISPUTE RESOLUTION (ADR)

1. Applicability This ADR procedure shall apply to all housing-related disputes which arise between unit owners, as well as between unit owners and the Association. Although ADR must be offered in all such situations, acceptance of and participation in the ADR procedure is voluntary on the part of all unit owners. This ADR procedure shall not apply to disputes regarding payment of association assessments. If the matter involved a violation committed by a homeowner and a fine imposed for that violation, with the unit owner contesting the violation and the fine, then the ADR procedure is applicable to such a situation.--

2. Method The ADR method to be offered by the Association shall be "mediation". Mediation, unlike arbitration and litigation, is an informal, cooperative, problem-solving approach to conflict resolution. It provides for a neutral mediator to assist the parties negotiate a settlement of their dispute which is agreeable to all involved.

3. Mediator The neutral party who shall act as the mediator of the aforesaid housing-related disputes shall be a panel of residents from the Association known as the "ADR Panel". The panel which will mediate any given dispute shall consist of no less than three (3) but no more than five (5) persons, but nothing shall prevent the overall number of panel members from being greater than five (5) (i.e. substitutes and alternates are encouraged). No panel member who has any direct interest or involvement in the dispute to be mediated shall serve as a panel member with regard to that dispute, nor shall

any current member of the Board of Trustees of the Association be permitted to serve as a panel member. In the event that less than three (3) panel members are available to mediate a dispute, the parties involved may agree to allow that panel to mediate the dispute. If all parties do not so agree, the Association shall hire a professional mediator to mediate the dispute, in which event the cost of hiring the professional mediator will be borne by the Association.

4. Procedure

a. Dispute between unit owners

i. Upon formal notice to the Association from a unit owner that a dispute exists with another unit owner, the property manager shall contact all parties to determine the nature of the dispute and to attempt to quickly and informally resolve the dispute.

ii. If the efforts by the property manager described in (a) above are not successful within three (3) days, the property manager shall send formal written notice to the parties involved acknowledging that a dispute exists, identifying the nature of the dispute, and offering ADR-Mediation to the parties involved.

iii. If a party accepts the Association's offer of ADR-Mediation, that party shall notify the property manager in writing within five (5) days. Upon receipt of said acceptance by all parties, the property manager shall promptly schedule an ADR-Mediation hearing, which shall be held no later than fourteen (14) days from the date the property manager receives acceptance from all parties involved.

iv. In a dispute involving more than two parties, if less than all parties agree to ADR-Mediation, the hearing may still go forward only if those parties participating agree that such mediation would be beneficial. In a dispute involving only two parties, if less than both agree to ADR-Mediation, then the Association's offer of ADR will be withdrawn. If the ADR offer is withdrawn and the dispute involves a violation of the Rules, Regulations and Restrictions of the FERNBROOKE HOMEOWNERS ASSOCIATION (FHOA), the Association will proceed to enforce said Rules, Regulations and Restrictions pursuant to its enforcement powers as outlined elsewhere in the governing documents of the Association and as otherwise provided by law.

b. Dispute between a unit owner and the Association

i.(1) In the event that a unit owner violates a Rule, Regulation or Restriction of the Association, the property manager shall notify the unit owner in writing of the violation and request that the unit owner immediately correct the violation. The notice shall also inform the unit owner of the option to resolve the dispute by way of ADR-Mediation.

i.(2) In the event that a unit owner claims that the Association has failed to act properly or has acted improperly with regard to the exercise of its duties, responsibilities and powers, the unit owner shall notify the Association in writing of the claim. The property manager shall investigate the claim and promptly respond to the unit owner in writing, clearly stating the Board's position with regard to the claim. This notice shall also inform the unit owner of the option to resolve the dispute by way of ADR-Mediation.

ii. If the unit owner accepts the Association's offer of ADR-Mediation, he/she must do so in writing to the property manager within five (5) days. Upon receipt of said acceptance by the unit owner, the property manager shall promptly schedule an ADR-Mediation hearing which shall be held no later than fourteen (14) days from the date the property manager receives written acceptance from the unit owner.

iii. If the unit owner does not timely respond to the Association's offer of ADR, or affirmatively declines, then the Association's offer of ADR will be withdrawn. In the event the offer of ADR is withdrawn, the Association will proceed to enforce its Rules, Regulations and Restrictions pursuant to its enforcement powers as outlined elsewhere in the governing documents of the Fernbrooke Homeowners Association and as otherwise provided by law.

c. The Mediation hearing

i. The hearing shall take place at the Association's Property Manager's office or, in the event that the office is unavailable, at a neutral site agreeable to all parties involved.

ii. All unit owners involved in the dispute must attend. In disputes involving the Association, the property manager or other designated representative shall attend on behalf of the Board of Trustees. Members of the Board of Trustees may also attend.

iii. The property manager shall designate the particular ADR panel members who shall mediate the dispute, and those members shall attend.

iv. The unit owners involved in the dispute may have legal counsel present with them at the hearing, although it is not necessary nor required to do so.

v. The conduct of the hearing shall follow these general guidelines (i.e. flexibility in the conduct of the hearing is permitted if likely to achieve a positive result):- the designated chair of the panel shall give brief opening remarks, welcoming the participants, introducing the panel members and outlining the procedure to be followed at the hearing - in disputes between unit owners, the initial

complainant shall succinctly describe the nature of the dispute and his/her position with regard to it, followed by any questions the panel may have of that unit owner.

- vi. The other party to the dispute shall then succinctly state his/her position with regard to the dispute, followed by any questions the panel may have of that unit owner.

- in disputes between a unit owner and the Association, the representative of the Board of Trustees (e.g. the property manager) shall succinctly state the nature of the dispute and the Board's position with regard to it, followed by any questions the panel may have of the Board's representative. The unit owner in the dispute shall then succinctly state his/her position with regard to the dispute, followed by any questions the panel may have of that unit owner.

- following the presentations of positions by the parties involved, the panel will then "caucus", whereby they engage in discussion amongst themselves and with the parties, either separately, together, or both, in an effort to identify the issues raised and the interests expressed, and to explore resolutions of the dispute through negotiation, compromise and ultimately agreement.

- it is expected that if a resolution is attainable, it can be reached during one mediation hearing of reasonable length; if, however, another hearing is necessary to fully resolve the dispute, it shall be promptly scheduled by the property manager at an agreeable time no greater than fifteen (15) days from the date of the first hearing.

- in disputes between a unit owner and the Association, the Board's designated representative shall attend with authority from the Board to resolve the matter at the hearing (within the parameters of that authority), or, at the very least, with the ability to contact the Board by telephone during the hearing with regard to resolving the dispute.

d. The Result

- i. In a dispute between unit owners, if an agreement which resolves the dispute is reached, it shall be reduced to writing by the ADR panel/mediator and signed by the parties. A copy shall be given to each party, as well as to the Board of Trustees. If an agreement to resolve the dispute cannot be reached

at the hearing, and if there is no reasonable prospect of an agreement being reached at a second hearing, the parties will be dismissed from the ADR process and the ADR panel/mediator shall inform the Board of Trustees of this result.

ii. In a dispute between a unit owner and the Association, if an agreement which resolves the dispute is reached, it shall be reduced to writing by the ADR panel/mediator and signed by the unit owner and the Board's designated representative. A copy shall be given to the unit owner and to the Board. If an agreement to resolve the dispute cannot be reached at the hearing, and if there is no reasonable prospect of an agreement being reached at a second hearing, the ADR panel shall confer and make a formal written recommendation to the Board of Trustees which sets forth findings of fact as it relates to the dispute, as well as a proposed resolution of the dispute. This recommendation to the Board shall be made within five (5) days of the hearing, and a copy shall be sent to the unit owner. The recommendation shall be considered by the Board, but shall not be binding on the Board or on the unit owner.

e. Right to Appeal

i. In a dispute between a unit owner and the Association in which an agreement resolving the dispute was not reached after ADR-Mediation, the findings and recommendation of the ADR panel/mediator may be appealed from by either the unit owner or the Association.

ii. If either party believes that the panel's/mediator's findings of fact were incorrect, or that the panel/mediator incorrectly applied the Association's Rules and Regulations to the facts of the dispute, or for any other reason feels aggrieved by the results of the ADR-Mediation hearing, that party may appeal to the ADR panel/mediator to reconsider its findings and recommendation. Such an appeal must be in writing and addressed to the ADR panel/mediator in care of the property manager's office. A copy of the appeal must be served on the other party. The appeal must be received by the ADR panel/mediator within five (5) days of the service of its findings and recommendation. The appeal must state the grounds upon which the appeal is made and should set forth the aggrieved party's requested result.

iii. The ADR panel/mediator shall respond to the aggrieved party's appeal in writing within five (5) days of its receipt of the appeal. A copy of the response shall be served on both parties. In the discretion of the panel/mediator, if another hearing is in order (e.g. to discuss new information bearing on the dispute which was not submitted at the original hearing), the panel shall promptly schedule another hearing which shall take place not more than ten (10) days from the service of the panel's response to the appeal. Thereafter, Sections 4 and 5, above, shall apply.

5. Counsel to the ADR Panel/Mediator. The Association's attorney shall serve as legal advisor to the panel/mediator. The attorney shall serve as a resource to the panel with regard to ADR-Mediation procedure, not as an advocate for one party or the other.

6. Confidentiality. The ADR-Mediation process and the writings and statements made therein, shall be held in strictest confidence. The hearings themselves are not to be open to the public. Only those persons directly involved in a dispute are permitted to attend a hearing. The panel members are not permitted to discuss a dispute or the findings and recommendation they make with regard to any dispute to anyone other than the parties and their fellow panel members.

7. Costs. Any costs incurred by a party as a result of their participation in the ADR-Mediation process (e.g. costs of hiring legal counsel, costs of gathering and presenting evidence, etc.) shall be borne solely by the party incurring the costs. In the event that the Association is required to hire a professional mediator to mediate a dispute (see Section 3, above), that cost shall be the responsibility of the Association.

Signature on File
President-John F. Filipowski

Signature on File
Secretary-Treasurer-Margaret Norton

Signature on File
Vice President- Jay Dreibelbis

Signature on File
Trustee-Leonard Godleski