

Title shall be closed and said deed of conveyance delivered on or about the day or 19....., at the office of the seller, or upon completion of payment of the purchase price. The purchaser shall have a grace period of sixty days after the due date of any installment or other payment required from the purchaser herein before the purchaser may be declared in default, providing that at least fourteen days before the expiration of said grace period, the seller shall notify the purchaser in writing, by certified or registered mail, of the amount then due under the contract and the exact expiration date of said grace period and the purchaser shall not be deemed in default in the payment of any installment due hereunder unless such notice shall have been given.

The seller covenants and agrees to convey title to the purchaser by warranty deed, free and clear from all liens and encumbrances except as herein expressly set forth and agrees to hold all moneys received on account of the purchase price in trust in a separate account to pay and discharge any and all liens and encumbrances existing upon said lands and premises at the time of the execution of this agreement or thereafter until the date of conveyance of the said lands and premises to the purchaser.

The seller agrees to provide all of the improvements, facilities, utilities or any other items of improvements mentioned, described or in any way referred to in the literature, brochures, prospectus, advertisements, radio or television continuities or any other advertising material or media issued or published by or on behalf of the seller or its agents pertaining to the lands and premises hereinabove described and to hold in trust in a separate account all payments received from the seller for the installation of said improvements not heretofore completed and installed, which improvements the seller covenants and agrees to install and complete at or before the closing of title.

The seller covenants and agrees to convey to the purchaser a right of ingress, egress and regress over the streets shown on the subdivision maps of the seller duly filed in the Sussex County Clerk's Office from all public roads and streets.

Taxes shall be adjusted as of the date of closing. The seller shall pay all taxes levied and assessed against the lands and premises aforementioned to the date of closing and the purchaser shall pay one-twelfth of the taxes levied and assessed from the date of the execution of this agreement to the date of closing, monthly, with each installment payment or such proportionate share of the annual taxes as shall be required under the terms of this agreement.

Said deed of conveyance shall convey the following rights and privileges and be subject to the following exceptions, reservations, easements, conditions and covenants:

It is mutually understood and agreed that the personal privilege of membership in Walnut Hill Country Club, or such club as may be formed by the grantor, is hereby extended to the grantee, carrying with it the right to the use of the lake on the premises of the grantor and of the roads and club property, subject to the terms and conditions set forth in the Charter and by-laws of said club, and the amendments and supplements thereto, which said terms and provisions said party of the second part does hereby covenant to keep and perform, said club, however, to have no control over or rights in the premises hereby conveyed, except as in this deed provided.

Subject to the following restrictive covenants, easements, reservations, charges and conditions which are a part of a general development scheme of the land hereinabove described and shall run with and bind the land to be conveyed hereunder, subject to the right of the owner of the tract of which said premises are a part, to waive any of the following restrictions for any plot or group of lots when in the opinion of the owner such waiver may be desirable or necessary:

1. All lots and parcels of land in the subdivision known as WALNUT HILL ESTATES, INC., Vernon, Sussex County, New Jersey, shall be reserved and used for single family residential purposes exclusively, excepting those specifically designated by the grantor as business or commercial property.

2. No structure or building of any sort shall be moved to, erected, or constructed on any plot until a complete set of plans and specifications has been submitted to and approved in writing by WALNUT HILL ESTATES, INC. Disapproval of plans and specifications by WALNUT HILL ESTATES, INC., may be based on any ground including purely aesthetic grounds. No tent, trailer, or other temporary structure of any kind may be erected on or moved to any lot or lots.

3. Said premises, in addition to the restrictions and conditions herein contained, are conveyed subject to all rules, regulations and ordinances and zoning regulations of the Township of Vernon, where the same apply.

4. No building shall be erected on any plot within 30 feet of the front line of said plot, nor within 10 feet from the side line of any adjoining owner or street.

5. Sewage from all buildings erected on the premises shall be cared for by the owners or occupants by installing a septic tank which shall at all times be maintained in a proper sanitary condition in accordance with legal requirements. No privy vaults shall be maintained on said premises.

6. Dwellings shall be single family type, only one to be erected on any one plot of 75 feet frontage or more. Private garages in harmony with the main buildings may be erected but must be at least 30 feet from the front line of said plot.

7. No structure shall extend into the waters of the lake, except a flat dock not higher than 2 feet above average high water mark, nor extend more than 15 feet beyond the shore line.

8. Boats shall be anchored no more than 15 feet from the shore line when not in use in order that navigation of the lake will not be impeded. The lake shall be used by no one who is not an owner of a plot at Walnut Hill Estates, Inc., or a guest or member of the family of such owner. It is distinctly understood that the use of the lake for navigation or anchorage, or otherwise, is to be at the risk of the owner of the vessel and Walnut Hill Estates, Inc., shall not be liable for damages or injury resulting from submerged objects, collision or otherwise. No cutting of boat slips or other similar excavating within the lot line or building of bulkhead walls shall be done without the express written approval of Walnut Hill Estates, Inc.

9. The Grantor, for itself, its successors and assigns, hereby reserves, without further assent or permit from the grantee, his, her, or their successors in title, unto itself, or to grant to any public utility company, or water company, an easement or a right of way granting the right to erect and lay or cause or permit to be erected, laid, maintained, removed or repaired in all roads, streets, avenues, ways on which the land to be conveyed abuts, and also on a ten foot strip of land located in the rear of the lots conveyed hereunder, electric light, telephone and telegraph poles and wires, water, sewer, gas pipes and conduits; catch basins, surface drains and such other customary or usual appurtenances as may from time to time in the opinion of the grantor, its successors or assigns, or any utility company or municipality be deemed necessary or advisable in connection with the beneficial use of the lots shown on a plan of the land to be conveyed hereunder, and all claims for damages, if any, by the construction, maintenance and repair thereof, or on account of temporary or other inconvenience caused thereby against the grantor or any utility company or municipality, or any of its agents or servants, is hereby waived by the grantee. The grantor does further reserve the right to charge, lay out anew or discontinue any street, avenue or way shown on the plan of development not necessary for ingress or egress to and from the premises to be conveyed hereunder. No dedication of public use of roads, streets, avenues, ways or beaches is intended to be made by the conveyance hereunder.

10. No noxious or offensive trade or entertainment, including the keeping of animals, other than commonly accepted domestic pets, shall be carried on upon any lot nor shall any nuisance be maintained thereon.

11. It is covenanted that Walnut Hill Estates, Inc., shall have the right, after giving 5 days written notice to the lot owner upon any lot or lots upon which any structures or nuisances have been erected or maintained contrary to any of these covenants and remove said objectionable structure or nuisance, without liability for damage for such action, assessing the reasonable cost thereof against the owner.

12. No signs of any type, including for sale signs, shall be erected or maintained on the premises.

13. Each 75 foot lot included herein shall be subject to an annual lien and charge of \$30.00 and the grantee, his, her or their heirs, successors, executors, administrators and assigns agree to pay the grantor, its successors and assigns the sum of \$30.00 for each such lot annually, on the first day of May hereafter for beach privileges, whether the same are exercised or not. The title to all lands designated as beaches is expressly retained by the grantor. The grantee, his, her or their heirs, successors, executors, administrators and assigns, further agree that the use of said beaches shall be subject to approval by the user for membership in Walnut Hill Country Club as hereinabove provided, and in case of a guest or member of a family provided they shall first be approved by said club and further subject to compliance with the rules and regulations from time to time promulgated by the grantor, its successors or assigns; it being understood that the charge for such beach privileges in addition to constituting a lien against each lot shall constitute a debt which may be collected by suit in any court of competent jurisdiction, and upon the conveyance of any of the land described herein, the successive owner or owners shall, from time of acquiring title be held to have covenanted and agreed to pay the grantor, its successors and assigns, all charges, past and future as provided for in this paragraph. In no event shall the annual lien and charge for beach privileges be less than \$30.00 per annum.

The grantor, its successors and assigns, shall be the sole owner of said charge and lien for beach privileges and shall maintain beaches in such manner as grantor in its sole discretion may deem advisable, and the grantee for himself, herself, or their administrators and assigns, shall use said beaches only in accordance with the rules and regulations of the grantor, his successors or assigns, and the grantee, his, her or their heirs, successors, executors, administrators and assigns, does hereby expressly recognize in the grantor, its successors or assigns, the right to deny the use of said beaches for violation of such rules and regulations without impairing the obligation to pay the charge for the same as herein provided.

14. Failure to promptly enforce any of the above restrictions, conditions or covenants shall not be deemed a waiver of the right to do so thereafter and the invalidation of any of the above covenants or restrictions by judgment of any competent court shall in no wise affect any of the other provisions which shall remain in full force and effect.

15. Subject to utility grant to New Jersey Power & Light Company.

16. The grantee does hereby covenant and agree to make payments to Walnut Hill Country Club or such club as may be formed by or with the approval of the grantor or recognized as such of such maintenance fees and annual dues and assessments as may be imposed by the rules and regulations and by-laws thereof and to pay the grantor, or said country club such governmental taxes as may be imposed on by reason of the payments of the amounts herein provided to be paid.

17. The grantee will not sell, rent, lease, or permit to be occupied the premises hereby conveyed to or by any person or persons excepting those approved for membership and or guest privileges in the club aforementioned and will submit the required application to the said club and obtain approval thereof before leases, sale or rental is consummated or occupancy is permitted.

18. The payments of the amounts above provided being for the benefit of the properties over which the grantor or said club has control, and it being possible that for the time being, the grantor or the board of trustees of said club may reduce or waive the amounts hereinabove provided to be paid, for such period as in their judgment may be justified, but in the exercise of this power there shall be no discrimination.

19. The treasurer of said club shall keep a record of the amounts due as herein provided; said records shall at all times be open to inspection by those having an interest therein, and said treasurer shall report to any person having an interest and making application therefor the amount owing hereunder upon any lots, provided the application for such report is accompanied by a fee of One (\$1) dollar.

20. The foregoing restrictions and covenants run with the land and shall continue in full force and virtue until June 1, 1995, when they shall cease and terminate, unless further extended by agreement of a majority of the then property owners at Walnut Hill Estates, Inc.

This agreement shall bind the parties hereto, their heirs, executors, administrators and successors.

IN WITNESS WHEREOF, this agreement is signed by the Seller and Purchaser the day and year first above written.

WALNUT HILL ESTATES, INC.

Attest:

By:

Grant of Right - void if registered in County of Sussex, Newton.