

ROLLING HILLS CONDOMINIUM ASSOCIATION, INC.

**POLICY RESOLUTION NO. PR-2
REGARDING ASSIGNMENT OF RENTS**

WHEREAS, Article V, Section 1 of the By-Laws states in pertinent part that "the Affairs of the Association shall be governed by a Board of Trustees"; and

WHEREAS, Article V, Section 10 of the By-Laws states in pertinent part that "the Board of Trustees shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the Association and the operation and maintenance of a residential Condominium project and may do or cause to be done all such other lawful acts and things as are not by law, by these By-Laws or otherwise, directed or required to be done or exercised by members of the Association or owners of units, or by others"; and

WHEREAS, the By-Laws requires each member to comply strictly with the By-Laws and the administrative rules and regulation adopted pursuant thereto as either may be amended lawfully from time to time;

WHEREAS, the Association has found that it is necessary and proper for the continued financial integrity and well being of the Association to cause unit owners who rent their units at ROLLING HILLS CONDOMINIUM ASSOCIATION, INC. to take certain action for the protection of both the Association, the unit owners and prospective tenants; and

NOW THEREFORE, BE IT RESOLVED that:

Prepared by: 
ALAN Y. LOWCHER, An Attorney

1. Each unit owner that leases his unit be required to have the tenant sign the following statement, either by a separate form and/or in the lease itself:

The Lessee understands and agrees that it shall abide by all requirements of the Master Deed, By-Laws, and Rules and Regulations that are promulgated by the Board of Trustees of the Association. The Lessee also agrees to an assignment of rent in favor of the Association in the event that the unit owner fails to pay the monthly maintenance, late fees, fine and other expenses in when due and after having been notified by the Association of the delinquency of the unit owner.

2. Any unit owner that leases out a unit is required to provide the name, address and telephone numbers of the tenants and a copy of the lease within fifteen (15) days of occupancy by the new tenants. In addition, the unit owner shall acknowledge receipt of this Resolution by dating, signing and returning the form of acknowledgement attached hereto within fifteen (15) days of the date of receipt. In the event that said action, or any action required to be taken by the unit owner as set forth in this Resolution, is not accomplished within the fifteen (15) days of occupancy, that the unit owner shall be required to pay a fine of \$10.00 for each day the unit owner does not accomplish said action up to a maximum fine of \$1,000.00 to the Association. Each action which the unit owner fails to accomplish shall be considered a separate violation for the purpose of determining the appropriate fine.

3. The present managing agent for Rolling Hills Condominium Association, Inc. is hereby appointed agent ("Agent") to collect,

demand and receive the rents whether such rents are presently due or hereafter become due, of those Units located in the Township of Andover, County of Sussex, State of New Jersey, commonly known as Rolling Hills Condominium Association, Inc., from the tenants in possession of those Units which are subject to the terms of this Resolution, or from any person liable therefore.

4. The Agent be and hereby is directed to receive the rents in trust and hold the same in a segregated escrow account to be applied strictly in the manner set forth in this Resolution, to wit: to past due and current monthly installments of the annual assessment, to late fees, to attorney's fees and all costs of collection with regard to the Units which are subject to the terms of this Resolution, and then for the disbursement to the owner(s) of the Units. Such rents, when received, shall be used only as provided in this Resolution.

5. The tenants in possession of the Units or such other persons as may be in possession thereof, be and they are hereby directed to pay over to the Agent all rents now due and unpaid or hereafter to become due and unpaid to be held in trust and applied as hereinabove provided. Upon compliance with this paragraph, any such tenant or other person making payment shall be relieved from any legal obligation to make such payments to the owner(s) of the Unit; and further, such tenants or persons obligated to pay rent shall not pay such rents to the owner(s) of the Unit or any others acting in their behalf.

6. The Agent shall forthwith deposit the subject rents in a separate escrow account and shall inform the Association, the Unit owner(s) and the tenants of the identity and location of the account and periodically provide such parties with an accounting of receipts and disbursements with respect to such rents in a form reasonably detailed to allow all parties in interest to know the status thereof.

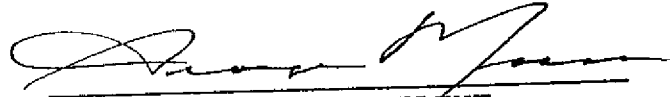
7. Should the unit owner(s), their agents, or others acting on their behalf erroneously or otherwise receive any rents from their tenants after the assignment, then they are hereby required to immediately notify and forward any said rents to the Agent.

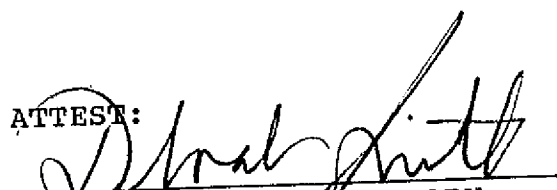
8. The notice prescribed in paragraph 1 hereof shall be given by certified mail, return receipt requested, and simultaneous first class mail to the Unit owner(s) and the tenants at their respective last known addresses provided to the Association. Such notice shall be given not less than fifteen (15) days before the date upon which the assignment of rents shall be effective.

If the Unit owner does not request a hearing before the Board of Trustees, does not bring the account current or fails to make other arrangements which are acceptable to the Association, within the fifteen (15) day period, then the assignment of rents shall be effective fifteen (15) days following the date upon which notice was given. Any unit owner who receives such notice may request a hearing before the Board of Trustees or their designated representatives in order to present evidence why such assignment

should not be effected. Such request for a hearing must be made in writing and must be received by the Association within fifteen (15) days after the date of receipt of the notice of assignment. The hearing shall be held as soon as possible after receipt of a valid request. After the hearing has been held, the Association shall cause a written decision to be provided by certified mail, return receipt requested, and simultaneous first class mail to the Unit owner(s) and the tenants at their respective last known addresses provided to the Association. The requirement to pay over rent shall be abated during the pendency of any hearing.

9. This resolution shall be effective thirty (30) days after the same has been duly published in the Association's newsletter or other media of general distribution to unit owners.

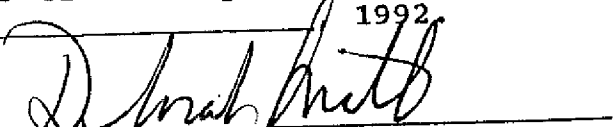

GEORGE MAASS, PRESIDENT

ATTEST:

DEBORAH SMITH, SECRETARY

CERTIFICATION

I hereby certify that the foregoing was duly adopted at a regular meeting of the Board of Trustees of Rolling Hills Condominium Association, Inc. held on _____ 1992.

11/9/92
DATED


DEBORAH SMITH, SECRETARY

D-2064-332

BY: Michael Beller
Michael Beller, President

ATTEST:

BY: John Mateychick
John Mateychick, Secretary

STATE OF NEW JERSEY)
COUNTY OF SUSSEX) SS:

I CERTIFY that on February 13, 1995, John Mateychick personally came before me, and this person acknowledged under oath, to my satisfaction, that:

- (a) this person is the Secretary of Rolling Hills Condominium Association, Inc., the corporation named in this document;
- (b) this person is the attesting witness to the signing of this document by the proper corporate office who is Michael Beller the President of the corporation.
- (c) this document was signed and delivered by the corporation as its voluntary act duly authorized by a proper resolution of its Board of Trustees;
- (d) this person knows the proper seal of the corporation which was affixed to this document; and
- (e) this person signed this proof to attest to the truth of these facts.

John Mateychick
John Mateychick Secretary

Signed and sworn to before me on February 13, 1995.

Alan Y. Lowcher, Esq.
NOTARY PUBLIC

Record and return to:
Alan Y. Lowcher, Esq.
40 West Washington Avenue
Washington, New Jersey 07882

HELEN J. GORHAM
SUSSEX COUNTY CLERK
OFFICE OF THE CLERK
NEWTON, N.J.

95 MAR 27 11:13

REC'D & RECORDED

HELEN J. GORHAM
SUSSEX COUNTY CLERK
NEWTON, N.J.

95 MAR -3 AM 9:54

RECEIVED