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October 20, 2020

Hardyston Township Administration
Municipal Building
149 Wheatsworth Road
Hardyston, New Jersey 07419
Attn: Ann Marie Wilhelm

RE: Amended Preliminary and Final Subdivision
Cloverdale West and Highgrove at Crystal Springs/Coventry Road

Dear Board Members:

In connection with the above application scheduled to be heard this Thursday, October 22, 2020 I would thank you for sending through the email of Jacqueline Cully President of the Country Club Ridge at Crystal Springs Neighborhood Association.

The Applicant was surprised by the Neighborhood Association's correspondence. The homeowners association and the developer have been and continue to have productive meetings regarding the overall development taking place and the parties have an amicable relationship which they intend to maintain. On the most recent call/meeting between these parties, the Association President raised the issue of construction of the homes and acknowledged the information we are providing to you in this letter. Therefore, the associations Email communication to the board without providing this additional information is unfortunate.

As the board is aware the instant application seeks only one item, namely the modification of the final subdivision approval to allow a change from zero lot lines to single-family homes. All requested waivers in the current application result from the fact that this subdivision has been completely previously approved by the Land Use Board and the only change to the prior approvals is the designation of the type of home being constructed on the property. The total number of lots and lot sizes are not changing. As evidenced by the email from Ms. Cully, the homeowners association is in favor of the change proposed in the current application.

Ms. Cully directs you to an architectural policy resolution which the Neighborhood Association Board adopted on June 5 of 2020 to support their position as to the design and use of siding

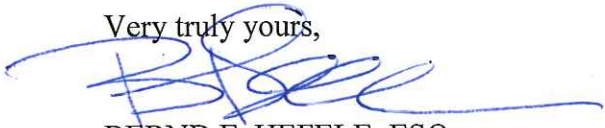
materials, which they claim may not comply with the new policy. What they failed to provide to you is either the express language in the Declaration of Covenants, Conditions and Restrictions that govern Country Club Ridge or the specific agreement confirming the Assumption of Development Rights that the Association and the Applicant entered into on March 5, 2019, both of which provide the following: “ the developer will construct improvements that are consistent with the character of the area in which the submitted property is located and consistent with design and current land development ordinances in laws applicable to such land.” This language clearly allows the developer full discretion as to the design and materials of homes developed in the community. A copy of the March 2019 Agreement is attached hereto for your reference.

As we are certain Hardyston Township and the Land Use Board understands, enforcement of any homeowner’s association regulation or agreement between parties is not within the jurisdiction of the land-use board and is not an issue for the board to consider. The homeowner’s association bylaws and documents provide enforcement and dispute resolution procedures that the parties can follow if there is a dispute. The homeowners association architectural resolution, which Ms. Cully improperly asks the board to somehow jurisdictionally consider or enforce would apply to future owners of homes or individual lot owners that seek to modify their homes or construct homes on their lot, but it does not apply to the Applicant, as the developer of the property, per the Declaration and the March 2019 agreement.

In summary, not only does the Neighborhood Association resolution regarding architectural design not apply to the Applicant as the developer of the property, but the Land Use Board does not have jurisdiction in the present application as to the design and material issues raised by the Neighborhood Association.

We thank the board for its continuing courtesies and consideration in this application.

Very truly yours,





BERND E. HEFELE, ESQ.

BEH/sg

cc: LAM Development
Ryan Homes
Dykstra Walker
Thomas Molica Esq

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AD

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<p>SUSSEX COUNTY RECORDING COVER PAGE Honorable Jeffrey M. Parrott Sussex County Clerk</p>  <p>This cover page is required to be part of any document affecting land title being recorded in Sussex County, New Jersey. It is part of the recorded instrument and permanent record and should not be detached from the original document.</p>	<p><i>Official Use Only – Barcode</i></p>  <p>20190412010063460 1/8 04/12/2019 09:14:25 AM D AGREE Bk: 3514 Pg: 202 Jeffrey M. Parrott, County Clerk Sussex County, NJ</p>
<p>Record & Return To: Barbara A. Casey Ballard Spahr LLP 210 Lake Drive East Suite 200 Cherry Hill, NJ 08002</p>	<p><i>Official Use Only – Realty Transfer Fee</i></p>

<p>Date of Document: March 5, 2019</p>	<p>Type of Document: Agreement Confirming Assumption of Development Rights</p>
<p>First Party Name: Lam Development Group, LLC</p>	<p>Second Party Name: Country Club Ridge at Crystal Springs II Neighborhood Association, Inc.</p>
<p>Additional Parties To Be Indexed:</p>	

PROPERTY INFORMATION (MANDATORY FOR DEEDS)	
<p>Block: SEE ATTACHED PAGE</p>	<p>Lot: SEE ATTACHED PAGE</p>
<p>Municipality: Hardyston Township</p>	
<p>Consideration: \$1.00</p>	
<p>Mailing Address of Grantee: N/A</p>	

THIS SECTION PERTAINS TO ASSIGNMENTS, RELEASES, SATISFACTIONS, DISCHARGES, ETC. WHICH REQUIRE YOU PROVIDE THE ORIGINAL INSTRUMENT'S BOOK & PAGE RECORDING INFORMATION.	
<p>Original Book: 3252</p>	<p>Original Page: 166</p>

<p>SUSSEX COUNTY RECORDING COVER PAGE</p> <p>Do not detach this page from the original document as it contains important recording information and is part of the permanent record.</p>
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AGREEMENT CONFIRMING ASSUMPTION OF DEVELOPMENT RIGHTS

THIS AGREEMENT CONFIRMING ASSUMPTION OF DEVELOPMENT RIGHTS (the "Agreement") made as of the 5th day of March, 2019, by and between LAM DEVELOPMENT GROUP, LLC, a New Jersey limited liability company ("Developer"), and COUNTRY CLUB RIDGE AT CRYSTAL SPRINGS II NEIGHBORHOOD ASSOCIATION, INC., a New Jersey non-profit corporation (the "Association").

BACKGROUND

SHOTLAND BAUER, LLC, a New Jersey limited liability company (the "Declarant"), by recording that certain Declaration of Covenants, Conditions and Restrictions for Country Club Ridge at Crystal Springs II, dated June 24, 2010, and recorded on June 25, 2010 in Deed Book 3252, Page 166, Instrument No. 20100625010123400, as amended on May 15, 2014, by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for Country Club Ridge at Crystal Springs II, recorded on May 19, 2014 in Book 3335, Page 532, Instrument No. 20140519010076350 (collectively, the "Declaration"), subjected the real property described in Exhibit A to the Declaration (the "Submitted Property") to the covenants, conditions and restrictions contained in the Declaration.

Pursuant to the Declaration, Declarant commenced development of a residential neighborhood known as Country Club Ridge at Crystal Springs II (the "Neighborhood") and sold Lots and Dwellings (as defined in the Declaration) to Owners (as defined in the Declaration).

Declarant ceased development of the Neighborhood prior to completion and Boiling Springs Savings Bank ("Lender"), the first mortgagee holding a mortgage on certain incomplete portions of the Neighborhood identified in Exhibit A attached hereto and incorporated herein by this reference (the "Property"), foreclosed on, *inter alia*, the Property under Docket No. SSX-F-3246-16, and obtained final judgment on December 21, 2017.

Prior to completion of the Neighborhood, Declarant transitioned control of the affairs of the Board of Trustees of the Association (as defined in the Declaration) to the Owners of Lots within the Neighborhood.

On or about April 16, 2018, 116-120 Route 23 North LLC took title to the Property by Sheriff's Deed recorded in the Sussex County Clerk's Office at Deed Book 3476, Page 655, on May 18, 2018.

By Deed dated June 22, 2018, and recorded in the Sussex County Clerk's Office at Deed Book 3488, Page 751, 116-120 Route 23 North, LLC conveyed to Developer, in addition to other property, the Property.

Developer is not an affiliate of the Declarant.

Neither Lender nor 116-120 Route 23 North, LLC, preserved any Special Declarant Rights (as that term is defined in Section 16(g) of the Declaration) pursuant to Section 16(g) of the Declaration for

the benefit of 116-120 Route 23 North, LLC or any successor taking title to the undeveloped portions of the Property.

Despite the failure of the Lender or 116-120 Route 23 North, LLC to preserve the Special Declarant Rights, Developer desires to develop the Property in accordance with the terms, covenants and conditions of the Declaration and desires to confirm to the Association the assumption of such rights.

Now, therefore, for and in consideration of the terms and agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Association and Developer agree as follows:

1. The Developer assumes the right, for so long as it owns one or more Lots in the Property, to construct Dwellings on and sell, lease, mortgage or sublease any unsold Lots and Dwellings within the Property.

2. The Developer assumes the right, for a period of fifteen (15) years from the date the Declarant initially conveys title to the first Lot within the Submitted Property to a purchaser, to add some or all of the Additional Real Estate (as defined in the Declaration) to the Property and to develop, redevelop and/or improve, in the Developer's sole and absolute discretion, some or all of the Additional Real Estate. Such development shall be limited to improvements that are consistent with the character of the area in which the Submitted Property is located and consistent with the then current land development ordinances and laws applicable to such land, and may include the development of additional residential lots and dwellings, commercial development, recreational facilities, including, but not limited to, golf course and related improvements and facilities, all as may be approved by the Township of Hardyston. The Developer reserves the right to seek amendment to or modification of the present development approvals which increases, decreases or modifies the number, type, and location, in whole or in part, of lots, dwellings, recreational facilities, golf course facilities or other types of improvements already approved by Hardyston Township, whether or not the same have previously been totally or partially completed. In any event, the Developer shall develop such Additional Real Estate in accordance with and subject to the approval of all governmental authorities having jurisdiction over such further development. Nothing contained in the Declaration or this Agreement shall give any Owner of a Lot in the Submitted Property any rights whatsoever in such Additional Real Estate or such lots, dwellings, recreational facilities, golf course facilities or other types of improvements unless and until such Additional Real Estate is actually made subject to the Declaration. Notwithstanding the foregoing, except where such membership, use or acquisition is specifically tied to ownership of a lot or dwelling in a specific residential or other development, every Owner shall have the same rights as any other person, and shall be subject to all applicable application, contract or other requirements, to join, use or acquire any rights in any lots, dwellings, recreational facilities, golf course facilities or other types of improvements completed on such additional lands.

3. The Developer assumes the right, for a period of fifteen (15) years from the date the Declarant initially conveyed title to the first Lot within the Submitted Property to a purchaser, to develop, redevelop and/or improve, in the Developer's sole and absolute discretion, some or all of the real property adjacent to or in the vicinity of the Property. Such development shall be limited to improvements that are consistent with the character of the area in which the Submitted Property is located and consistent with the then current land development ordinances and laws applicable to such

land, and may include the development of additional residential lots and dwellings, commercial development, recreational facilities, including, but not limited to, golf course and related improvements and facilities, all as may be approved by the Township of Hardyston. The Developer reserves the right to seek amendment to or modification of the present development approvals which increases, decreases or modifies the number, type, and location, in whole or in part, of lots, dwellings, recreational facilities, golf course facilities or other types of improvements already approved by Hardyston Township, whether or not the same have previously been totally or partially completed. In any event, the Developer shall develop such additional lands in accordance with and subject to the approval of all governmental authorities having jurisdiction over such further development. Nothing contained in the Declaration or this Agreement shall give any Owner of a Lot in the Submitted Property any rights whatsoever in such additional lands or such lots, dwellings, recreational facilities, golf course facilities or other types of improvements. Notwithstanding the foregoing, except where such membership, use or acquisition is specifically tied to ownership of a lot or dwelling in a specific residential or other development, every Owner shall have the same rights as any other person, and shall be subject to all applicable application, contract or other requirements, to join, use or acquire any rights in any lots, dwellings, recreational facilities, golf course facilities or other types of improvements completed on such additional lands. The Developer shall have the right, for so long as it owns one or more Lots in the Property, of access in, upon, over, through, under and across the Common Areas and Lots for the use of all roadways and parking areas to access and for ingress and egress to and from such additional lands.

4. Developer shall have the right, pursuant to Section 16 of the Declaration to further assign the above development rights in accordance with the requirements of Section 16.

5. Developer shall not convey any Lot within the Neighborhood to an Owner unless and until Developer has obtained registration of such Lots and the sale thereof under the Planned Real Estate Development Full Disclosure Act.

[CONTINUED ON THE NEXT PAGE]

**SCHEDULE A
LEGAL DESCRIPTION OF THE PROPERTY**

All that certain real property identified on the Official Tax Map of Hardyston Township, Sussex County, New Jersey as Block 16.30, Lots 1, 1.09 through 1.16, Block 16.34, Lots 1.05 through 1.08 and 1.10 through 1.13, Block 16.36, Lot 1, Block 16.37, Lots 1.17 through 1.22, Block 16.32, Lots 1 and 2, and Block 16.33 Lot 1, .

PROPERTY INFORMATION (MANDATORY FOR DEEDS)	
Block:	16.30 16.34 16.36 16.37 16.32 16.33
Lot:	1, 1.09 through 1.16 1.05 through 1.08 and 1.10 through 1.13 1 1.17 through 1.22 1 and 2 1
Municipality:	Hardyston Township
Consideration:	\$1.00
Mailing Address of Grantee:	N/A

In witness whereof, Developer has executed this Agreement as of the date and year first above written.

LAM DEVELOPMENT GROUP, LLC

By: 

Name: Michael Lam

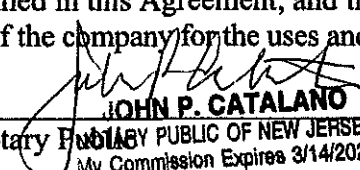
Title: Managing Member

STATE OF NEW JERSEY :

: SS

COUNTY OF :

I CERTIFY that on *March 5, 2019*, Michael Lam personally came before me and this person acknowledged under oath, to my satisfaction, that this person is the managing member of Lam Development Group, LLC, the party named in this Agreement, and this Agreement was signed and delivered by the person as his voluntary act of the company for the uses and purposes stated herein.


JOHN P. CATALANO
Notary Public PUBLIC OF NEW JERSEY
My Commission Expires 3/14/2022

My commission expires: *3/14/2022*

[SIGNATURES CONTINUED ON THE NEXT PAGE]

COUNTRY CLUB RIDGE AT CRYSTAL SPRINGS II
NEIGHBORHOOD ASSOCIATION, INC., a New Jersey
non-profit corporation

By: [Signature]
Name: Philip J. Giordano
Title: President

By: [Signature]
Name: Frederick L. Steinkopf
Title: Secretary

STATE OF NEW JERSEY :
COUNTY OF SUSSEX : SS.

On this, the 26th day of March, 2019, before me, the undersigned Officer, a Notary Public in and for the State and County aforesaid, personally appeared Philip J. Giordano and Frederick L. Steinkopf, who acknowledged themselves to be the President and Secretary of Country Club Ridge at Crystal Springs II Neighborhood Association, Inc., a New Jersey non-profit corporation, the within named corporation, and that they, as such officers, executed the foregoing instrument for the purposes therein contained, by signing on behalf of the corporation as such officers.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Signature]
~~Notary Public~~
David W. Marritt, Esq.
Attorney at Law
State of New Jersey

My Commission Expires:

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04/12/2019 09:14:25 AM
D AGREE
NUMBER OF PAGES : 8
Recording Fee : \$100.00