



Lake Parsippany Property Owners Association

P. O. Box 62
Lake Parsippany, New Jersey 07054

Annual Assessment - Maintenance Fee – Easement Fee: Follow up Summary - 9/14/15

Eileen Born of Dolan and Dolan, PA was presented with the relevant documents in our possession in advance of our meeting and on September 1, 2015 Bill Sempier and Debbie Orme met with her.

We posed the questions brought to us by the membership, gathered data and developed a tentative outline of potential steps in the process if we decide to proceed.

- A. Does the LPPOA exhibit the potential to move to an Annual Assessment/Maintenance Fee?** There are two potential qualifiers when determining whether an Association can move to an assessment or fee on neighboring or adjacent property.
1. The “Neighborhood Scheme” which is based on certain restrictions, either stated or implied, in the property title. This requires that the Title essentially speaks to the intent of a community and that the property be subject to the restrictions of the original development, or “scheme” intended for the community. This qualifier could apply even if it’s not an obvious statement in the current Title but was established at the beginning in the “chain of the title”.
 2. Easement (Fair Share) is based on the concept that neighboring or adjacent properties are required to contribute to the maintenance of the common property (accessed by an easement) even if the choice is made not to use the easement. The obligation to contribute “runs with the land”. This is the grounds for the original Upper Greenwood Lake decision that now has the entire community paying an Easement Fee towards the maintenance of common property and roads.
- B. Upon review of the documents currently within our possession, some Titles that contained evidence of restrictions and file maps, Eileen Born shared her initial impression.**
1. The Title we have contains reference to restrictions that indicate there could be an original “scheme” that included the lake and, use of the lake, as common property dictated by the restrictions in the Master Title.
 2. The Title we have has “pretty strong easement language” and is “as close as it gets” to requiring “mandatory” fees without actually containing that “exact language”.
- C. The basic process going forward if we choose to proceed:**
1. *Title Searches* – to determine exactly what is contained in the Master Title
 - a. A title search to 1933 of one property per each file map in Lake Parsippany is needed to clarify the original restrictions and provide information on the Master Title.
 - b. The cost will be \$100 per each Title search. There are 8 file maps, 2 of which are rather large and need to be divided for a total of 10. The approximate total for Title searches will be \$1000.
 2. *Document Analysis and review* –
 - a. All Titles for research and to potentially confirm the Master Title, relevant maps, documents and information unique to LPPOA will be analyzed by Eileen Born. She would produce a comprehensive (approximate) 10 page review and recommendation specific to the LPPOA which would include our various options.
 - b. This step would take an estimated 15 hours of billable time. At an hourly charge of \$260, this step would cost about \$3900.



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3. *Presentation of findings and Q&A -*

a. If we choose, Eileen Born would attend a meeting of the membership to present and explain her findings and recommendations. She would be available to answer questions and address any concerns of the membership. This meeting would be extremely beneficial to us and would not be open to the public.

b. A 2.5 hour presentation, and 1.5 hours of billable travel time would cost approximately \$1040.

4. *LPPOA Decision on how or if to proceed – possible resolution – formation of Assessment/Easement Fee Structure Committee et al*

a. The procedure on how this will all take place would be discussed at regular meetings and would involve some postal mailings to the membership. The LPPOA has a great deal of discretion in how the structure would be set up and what access might be included/excluded etc. in the program and fee. This is a very general description of this step that would involve many committee meetings and members.

b. Monies would need to be included to cover the costs of printings and mailings. Based on some of our recent mailings, the cost here for one first mailing is estimated at \$1500

5. *Bylaw update and amendments – only if the move to Annual Assessment/Easement Fee is adopted*

a. The Bylaws would need to be amended to include the appropriate and legal language needed to implement and manage the Annual Assessment/Easement Fee.

b. This would be a collaborative effort between a committee and Eileen Born. The more we are able to do on our own, the less billable hours. This is a difficult projection at this time but the hourly rate for her service is \$260.

6. *Annual Assessment/Easement Fee procedures, implementation and action –*

a. All procedures involving initial billing of the Fee through to the end consequences if someone refuses to pay would need to be planned in advance and detailed. This would involve a committee with some potential guidance from Eileen Born. There would be quite a bit of postal mail and the services of someone, paid or volunteer, who would be responsible for overseeing the program.

b. This is also a difficult item to estimate. This step is quite far down the road and will become easier to gauge as we proceed through the earlier steps.

7. *Annual Assessment/Easement Fee Budget –*

a. The budget itself would need to be based on the structure of the program as well as all the procedures adopted. It would also be based on what the LPPOA decided to include in the Annual Assessment/Easement Fee. The actual cost of all of the above noted items in section C would need to be contained within that first budget as well.

b. The Annual Assessment/Easement Fee Budget is voted on by all property owners, not just the LPPOA membership.

D. Summary of approximated expenditures: Estimated total to C4 is \$7440

1. Title Searches \$1000
2. Document Review \$3900
3. Presentation \$1040
4. First Mailing \$1500

Respectfully Submitted, LPPOA Board of Directors