Publication copy

Verified Complaint

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Ronald W. Yarbrough
11 Lake Centerton Drive
Pittsgrove, NJ 08318
[redacted]
Plaintiff, Pro Se

RONALD W. YARBROUGH, Plaintiff, v. LAKE CENTERTON PARK HOMEOWNERS ASSOCIATION, INC.; CLIFFORD C. WHEATON, individually; MICHAEL M. ROSSI III, individually; MICHELE MEHAFFEY; and DOUGLAS K. MEHAFFEY, Defendants.	SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION - GENERAL EQUITY PART SALEM COUNTY DOCKET NO. SLM-C-_____-26 Civil Action VERIFIED COMPLAINT (Enforcement of Recorded Covenants, Declaratory Judgment, Injunction, Open Meetings, Books and Records, Fiduciary Duty, Accounting, Damages)

Plaintiff Ronald W. Yarbrough, residing at 11 Lake Centerton Drive, Pittsgrove, New Jersey 08318, appearing pro se, by way of Verified Complaint against the defendants says:

PRELIMINARY STATEMENT

1. This action concerns Centerton Lake, the dam that creates it, and the common land around it in Lake Centerton Park, Pittsgrove Township, Salem County, known as Block 1503, Lot 73. Title is held by defendant Lake Centerton Park Homeowners Association, Inc., a New Jersey nonprofit corporation whose members are the ten lot owners. The Association's recorded Declaration of Covenants and Restrictions vests the dam in the Association, makes the Association responsible for the dam's maintenance and operation, provides that the lake shall be maintained, and provides that the common land "shall not be subdivided." Those covenants run with the land, have never been amended, and by their terms may be enforced by any member. The Association's Certificate of Incorporation permits Common Area to be dedicated or transferred only after a first offer of dedication to the municipality and only with the approval of two-thirds of the members' outstanding votes at a meeting called on notice of that purpose, or their written consent.

2. On August 7, 2026 plaintiff learned, from a public-records production by the New Jersey Department of Environmental Protection, that the Association's officers are in the process of selling the lake parcel to the State of New Jersey through the Green Acres Program; that two appraisals are complete; that an offer to the Association is expected by the end of this summer; and that the dam is to be removed before closing. No meeting of members has considered any of it. No vote of members has authorized any of it. The Board has done this once already: on

February 7, 2022, by a deed signed by defendant Wheaton alone as Secretary, the Association subdivided the Common Area and conveyed 12.97 acres of it to private buyers for $20,000, after soliciting the members not by ballot but by a letter that said silence would be counted as agreement. And since 2024 the Board has withheld the Township taxes on the lake parcel as a stated strategy, so that the parcel was sold at tax sale on January 15, 2025 and is now subject to a tax sale certificate bearing redemption interest at 18 percent.

3. Plaintiff seeks (a) enforcement of the recorded Declaration, including the covenant that the lake be maintained, the covenant that the Association maintain and operate the dam, and the covenant that the common land not be subdivided; (b) a declaration that the February 7, 2022 subdivision and conveyance were made without the authority the Certificate of Incorporation and N.J.S.A. 15A:10-11 require, and that the deed is void; (c) a declaration that the Board has no authority to convey Block 1503, Lot 73 or to remove the dam absent the first offer of dedication and the member vote the Certificate requires, with preliminary and permanent injunctive relief; (d) an order compelling the Association to conduct its business at properly noticed open meetings at a neutral public facility and to produce its books and records to plaintiff and to every member; (e) a declaration that the assessments imposed since 2018 without any meeting are invalid; (f) an order preserving the parcel against tax foreclosure; (g) an accounting; and (h) damages.

3A. **Plaintiff states what this action does not seek.** It does not seek the dissolution of the Association, the sale of any of its property, or the removal of any officer. It does not seek money from the Association's members: no money judgment, no assessment, no contribution, and no costs are sought against any member of the Association other than the two individual defendants, and no money relief of any kind is sought on the emergent track. Of the ten households in Lake Centerton Park, two individuals are named. **The relief plaintiff does seek runs to every member alike** - that the Association's business be conducted at properly noticed open meetings at a neutral public facility, that its books, its engineering studies, its grant applications, its appraisals and its correspondence with the State be produced not only to plaintiff but **to every member**, and that the lake, the dam and the common land be preserved for the benefit of all ten lots as the recorded Declaration promised each owner when the owner bought.

THE PARTIES

4. Plaintiff Ronald W. Yarbrough ("Yarbrough") is the sole record owner of the residence at 11 Lake Centerton Drive, Pittsgrove Township, Salem County, designated Block 1503 (written "Block 15.03" on the 2008 Corrective Deed), Lot 66 on the Pittsgrove Township tax map. Yarbrough and [redacted] Joy Yarbrough acquired the property by deed from Michael L. [redacted] and [redacted] M. [redacted] dated August 29, 2001 and recorded September 7, 2001 in the Salem County Clerk's Office at Deed Book 1080, Page 239 (Exhibit D-1). Yarbrough has been the sole owner since

a deed dated May 9, 2008 from Ronald Yarbrough and [redacted] Joy Yarbrough to Ronald Yarbrough, recorded at Deed Book 1309, Page 338, as corrected by a Corrective Deed dated June 2, 2008 and recorded June 4, 2008 at Deed Book 1312, Page 133 (Exhibit D-2). Yarbrough has resided at the property since 2001 and has been a member of the Association since 2001. The property fronts on Centerton Lake: its recorded description runs "to a point in the water line of Centerton Lake" and thence "along said water line a distance of 149± feet" (Exhibit D-1), and it is shown as Lot 2 on the Final Plat of Centerton Park dated April 18, 1986, revised April 1, 1987.

5. Yarbrough's wife, Kathleen A. Yarbrough, has resided with him at 11 Lake Centerton Drive since May 27, 2017, the date of their marriage. She holds no record interest in the property and is not a party to this action. Mail addressed to the residence is received by Yarbrough or by her, and her Certification as a witness concerning the notices received and not received at the residence is submitted with this Verified Complaint.

6. Defendant Lake Centerton Park Homeowners Association, Inc. (the "Association") is a New Jersey nonprofit corporation formed by a Certificate of Incorporation signed August 7, 1987 and filed with the Secretary of State on October 15, 1987 (Exhibit A). Its registered office and registered agent are at 23 Lake Centerton Drive, Pittsgrove, New Jersey 08318. Its members are the owners of lots in Lake Centerton Park. It holds record title to Block 1503, Lot 73, Pittsgrove Township (Exhibit C).

7. Defendant Clifford C. Wheaton ("Wheaton") resides at 23 Lake Centerton Drive, Pittsgrove, New Jersey 08318. He has served as the Association's Secretary/Treasurer, a director, and its registered agent at all times relevant to this complaint, and he signs the Association's correspondence to its members and to the State. He is sued in his individual capacity.

8. Defendant Michael M. Rossi III ("Rossi") resides at 26 Lake Centerton Drive, Pittsgrove, New Jersey 08318. He has served as the Association's Vice President and a director at all times relevant to this complaint, and he is copied on the Association's correspondence with the State concerning the dam and the sale. He is sued in his individual capacity.

9. Defendants Michele Mehaffey and Douglas K. Mehaffey (the "Mehaffey Defendants") are the grantees named in the deed dated February 7, 2022 and recorded February 8, 2022 at Deed Book 4621, Page 116, by which the Association purported to convey 12.97 acres of Block 1503, Lot 73 (Exhibit KK). They reside in Bridgeton, New Jersey, and own Lot 79, to which the parcel was recited to be added. **They are joined solely as necessary parties under R. 4:28-1(a)**, because Counts Two and Three ask the Court to declare that deed void and to restore the parcel to the Common Area, and no such relief may be granted in their absence. **No money judgment, no costs and no**

other relief are sought against them personally, and plaintiff alleges no wrongdoing by them. Plaintiff alleges that the Association, not the Mehaffey Defendants, lacked the authority to make the conveyance; if the deed is set aside, the consideration they paid was received by the Association, and their recourse for it lies against the Association and their title insurer, not against plaintiff. The deed recites that the parcel is conveyed to be added to the Mehaffey Defendants' adjoining Lot 79, and the Association's letter to the members of April 25, 2021 identified the purchaser's interest as an adjoining nursery operation (Exhibit UU). **Plaintiff does not allege that the Mehaffey Defendants sought, or understood themselves to acquire, any membership or voting interest in the Association.**

10. Wheaton and Rossi are referred to together as the "Individual Defendants." The Association's Board of Directors is referred to as the "Board."

11. Two persons and one agency with an interest in the subject matter are not joined at the filing of this complaint. The State of New Jersey, Department of Environmental Protection, Green Acres Program is the [redacted] purchaser of Block 1503, Lot 73 (Project No. D-1711005); on plaintiff's information no contract has been executed, and plaintiff has given the Program written notice of this dispute (paragraph 114). Citizens United to Protect the Maurice River and Its Tributaries, Inc. and the United States Fish and Wildlife Service have funded and propose to perform the dam removal, and each has been given the same written notice. Plaintiff will move to join any of them under N.J.S.A. 15A:3-2(a) and R. 4:28-1 if a contract or agreement is executed.

JURISDICTION AND VENUE

12. This is an action for enforcement of covenants recorded against real property, for declaratory and injunctive relief, and for related relief concerning the internal governance of a New Jersey nonprofit corporation, together with claims for an accounting and for damages arising from the same transactions. The primary relief sought is equitable. The action is properly brought in the Chancery Division, General Equity Part, under R. 4:3-1(a)(1). The claims for damages are ancillary to the equitable claims and arise from the same facts, and plaintiff asks that the quantum of any damages be tried after the equitable claims are decided.

13. Venue is properly laid in Salem County under R. 4:3-2(a) because the real property that is the subject of this action is located in Salem County and all parties reside in Salem County.

14. Plaintiff has standing (a) as an owner and member, under Article VII, Section 3 of the Declaration, which gives "The Association, any member thereof, or the Developer ... the right to enforce, by any proceeding at law or in equity, any or all restrictions, conditions, covenants, reservations, liens and charges" of the Declaration; (b) as a

member of a nonprofit corporation, under N.J.S.A. 15A:3-2(a), to enjoin an unauthorized act or transfer of real property by the corporation; (c) as a person whose rights and status are affected by the instruments and statutes at issue, under the Uniform Declaratory Judgments Act, N.J.S.A. 2A:16-50 et seq.; (d) as an owner in a planned real estate development, under N.J.A.C. 5:26-8.14(d), which permits an owner to seek relief in court without first exhausting the Department of Community Affairs complaint process; and (e) as a member, under N.J.S.A. 15A:12-12, which provides that "[a]n action may be brought under this section by one or more members."

THE SCOPE OF THIS ACTION

15. [redacted]

16. **The claims pleaded in this Verified Complaint arise from acts and omissions occurring on and after August 22, 2018.** [redacted] Plaintiff does not seek in this action to recover for, or to reopen, anything compromised in that case. Plaintiff also does not seek in this action to discharge or to adjudicate the amount of the Notice of Lien Claim recorded February 14, 2023; he pleads it because the Association will rely on it and because it was recorded for assessments never adopted at any meeting, and he reserves all rights, claims and defenses concerning it.

THE GOVERNING INSTRUMENTS

A. The Certificate of Incorporation (Exhibit A)

17. The Association's Certificate of Incorporation was signed August 7, 1987 and filed with the New Jersey Secretary of State on October 15, 1987. It recites incorporation under the nonprofit corporation law of New Jersey. The Association is a corporation governed by the New Jersey Nonprofit Corporation Act, N.J.S.A. 15A:1-1 et seq. (N.J.S.A. 15A:1-3(a); 15A:2-8(b)).

18. Article SECOND defines "Common Area" as "all real property owned or controlled by the Association as designated by it from time to time for the common use and enjoyment of the members."

19. Article THIRD states the Association's purpose, "to act as a community association to promote the health, safety and welfare of Owners, residents and others within The Properties," and provides that in furtherance of that purpose the Association may, among other things, "(a) Own, acquire, lease, rent, sell, dedicate or otherwise transfer property, subject to the provisions of this Certificate and the Declaration, and build, improve, operate and maintain parks, recreation areas, playgrounds, swimming pools, golf courses and other Common Areas ...."

20. Article FOURTH provides that "Class A Members shall be the Owners of unimproved Lots designated for residential purposes or the Owners of Living Units thereon when improved," and that Class B Members shall be the Owners of Non-residential Lots. Article FIFTH provides that "Class A members shall have one vote for each Lot owned," and gives Class B members one vote each. The Class D (Developer) membership terminated no later than January 1, 2003, and Article FOURTH provides that on that termination the Class D consent requirement is "deemed deleted." Lake Centerton Park contains ten residential lots. **Plaintiff does not plead the precise number of outstanding votes, and no relief sought in this complaint depends on it.** Whether the minor subdivision approved November 11, 2021 created a Non-residential Lot, and therefore whether the Mehaffey Defendants now hold a Class B vote created by the very conveyance Counts Two and Three attack, is a fact within the Association's records and not within plaintiff's knowledge; it is among the records demanded in Count Five. **What Counts Two and Three rest on is not a tally but an absence: no meeting of members was called for the purpose of the 2021-2022 conveyance, no notice of that purpose was given, no ballot was circulated, no written consent was solicited in the form N.J.S.A. 15A:5-6 requires, no vote of any kind was taken, and no offer of dedication was first made to Pittsgrove Township. Zero votes were cast, whatever the denominator.**

21. Article SIXTH provides that "The Board of Directors shall consist of five (5) persons," that after termination of the Class D membership "all directors will be elected by the Class A and B members, voting as a class," and that "Directors shall be elected for a term of one year and until their successors are elected and qualified."

22. Article SEVENTH, titled "Dissolution of Association and Disposition of Common Areas," provides in full:

> "The Association may not dissolve or sell, transfer or otherwise dispose of any of its property which is designated as Common Area or the General Plan of Development except to an organization conceived and established to own and maintain such Common Area, without first offering to dedicate such property to the municipality in which it is located, or to any other appropriate government agency which may be suggested by the Planning Board of such

municipality. > > Dissolution, dedication or other transfer of Common Area shall be permitted only with the approval of the Board of Directors and (i) the affirmative vote of two-thirds of the outstanding votes of Class A and B members, voting as a class, and the affirmative vote of a majority of the votes of the Class D member, at a meeting of members called upon due notice of the purpose of such meeting or (ii) the written consent of Class A and B members representing two-thirds of the votes thereof, as a class, and the written consent of the Class D member at that time."

23. Article ELEVENTH permits amendment of the Certificate only by the same two-thirds of the outstanding votes of the Class A and B members. Article EIGHTH provides that the Association's existence is perpetual.

B. The Declaration of Covenants and Restrictions (Exhibit B)

24. The Declaration of Covenants and Restrictions (the "Declaration") was made by the developer, Lake Centerton Park, Inc., on August 31, 1987 and was recorded in the Salem County Clerk's Office on November 18, 1987 in Deed Book 703, Page 1. It binds the lands described in its Exhibit A, which include Centerton Lake, the surrounding land, and the 1.63-acre dam and spillway tract at Muddy Run. The Declaration's own legal description of Tract No. 1 recites that the tract contains "an area of 114.0 acres, more or less (land area of 43.2 acres, more or less and area of Centerton Lake of 70.8 acres, more or less)" (Exhibit B, p. 17). **The recorded instrument therefore fixes the surface of Centerton Lake at 70.8 acres.** The Association's 2002 Regular Biennial Inspection Report, prepared for it by All Systems Engineering, L.L.C., records the lake's "Normal Surface (ac): 37 ac" (Exhibit FFF). The two figures do not conflict; they measure the same water at two different elevations. **The difference - roughly thirty-four acres, very nearly half the lake the Declaration describes - is the measure of the drawdown the Association has maintained, and it appears in a report the Association itself** [redacted]

25. The Declaration's preamble states that the developer "desires to provide for the preservation and enhancement of the character, amenities and opportunities of said property and for the maintenance of parks, playgrounds, open spaces and other community facilities," and that the association it creates is empowered "to own, acquire, lease, build, license, rent, sell, dedicate or otherwise transfer property, subject to the provisions of its Certificate of Incorporation and this Declaration."

26. Article III, Section 1 provides that "Every Owner ... shall be a member of the Association as provided in the Certificate of Incorporation thereof." Article III, Section 2 provides that "Every Owner shall have a right and easement of enjoyment in and to the Common Area, which easement shall be appurtenant to and shall pass with the

title to every Lot and Living Unit," subject to enumerated provisions, including "(d) the right of the Association to dedicate or transfer all or any part of the Common Area in accordance with its Certificate of Incorporation."

27. Article IV, Section 5 requires, for capital improvement assessments, "the affirmative vote of two-thirds of the outstanding votes of the Class A and B members, voting as a class ... at a meeting of members duly called with notice of such purpose or (ii) the written consent ... representing two-thirds of the votes."

28. Article VII, Section 1 provides that "The covenants and restrictions of this Declaration shall run with and bind the land." Section 2 provides that the Declaration may be amended only "with the approval of the Board of Directors of the Association and (i) the affirmative vote of two-thirds of the outstanding votes of Class A and B members ... at a meeting of the members called upon due notice of the purpose of such meeting or (ii) the written consent of the Class A and B members representing two-thirds of the votes thereof," and that "No such amendment shall be effective until recorded in every place where this Declaration is recorded." A search of the Salem County Clerk's land records made August 18, 2026 disclosed no recorded amendment of the Declaration in the thirty-eight years since it was recorded.

29. Article VII, Section 3 provides that "The Association, any member thereof, or the Developer, shall have the right to enforce, by any proceeding at law or in equity, any or all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration," subject to a proviso that a member give the Association written notice of his intention to bring such a proceeding and the nature of his claim at least 60 days before doing so, and that "Failure to enforce any covenant or restriction herein contained ... shall in no event be deemed a waiver of the right to do so thereafter."

30. Article VII, Section 5, "Dam Special Provisions," provides: "(a) Ownership of the dam will vest in the Centerton Park Community Association, which shall be responsible for the maintenance and operation of the dam. (1) as part of such operation and maintenance the Lake Centerton Park Community Association shall comply with the 'Emergency Notification Procedure' and 'Maintenance and Operations Procedures' which shall be determined from time to time. (2) In addition to the foregoing, the Lake Centerton Park Community Association will comply with 'Plan for Monitoring Lake Water Quality'. (b) The Lake shall be maintained at a maximum elevation of 86.8. (c) The portion of the premises known as Block 87, Lot 1, Pittsgrove Township Tax Map, will remain open and shall not be subdivided nor allowed to have residential structures thereon."

31. The elevation stated in Article VII, Section 5(b) is expressed on the datum used by the developer's engineer in 1987. The Association's dam records use a different reference: its 2002 Regular Biennial Inspection Report records

a normal reservoir elevation of 78.60 feet; the Association's engineer identified the historical normal pool as 79.06 feet and wrote on December 4, 2002 that "historically it would be elevation of 79.06 feet and not elevation of 77.0 feet (which has only been more recently used)"; and NJDEP's letter of April 2, 2003 directed operation at a maximum spillway crest elevation of 77 feet pending repairs (Exhibits FFF, GGG). Plaintiff pleads Section 5(b) as an obligation to maintain the lake at its full normal pool, on whatever datum, and not to eliminate the lake.

32. The land designated on the 1987 tax map as Block 87, Lot 1 is the land now designated Block 1503, Lot 73. The covenant in Article VII, Section 5(c) that it "shall not be subdivided" has never been amended and has never been released.

33. The Declaration refers to the association it creates as "Lake Centerton Park Community Association, Inc." The Certificate of Incorporation filed by the same developer in the same year names the corporation "Lake Centerton Park Homeowners Association, Inc.," and the developer's 2000 deed of the common land runs to "Lake Centerton Park Homeowners Association." The defendant Association is the association created by the Declaration and has at all times acted as such. A search of the records of the New Jersey Division of Revenue and Enterprise Services made on August 18, 2026 disclosed no entity named "Lake Centerton Park Community Association, Inc."; the only entity of record is Lake Centerton Park Homeowners Association, Inc., Entity ID [redacted] incorporated October 15, 1987.

C. The Deed of the Common Land to the Association (Exhibit C)

34. By deed dated March 29, 2000 and recorded April 11, 2000 in Salem County Deed Book 1037, Page 274, the developer, Lake Centerton Park, Inc., conveyed to "Lake Centerton Park Homeowners Association, 23 Lake Centerton Drive, Pittsgrove, NJ 08318," for consideration of one dollar, the developer's remaining lands at Lake Centerton Park in two tracts - the lands including and surrounding Centerton Lake, bounded in part "along the edge of said Centerton Lake at the high water mark," and a tract at Muddy Run at the Centerton-Bridgeton Road bridge (Salem County Bridge No. 1235) - excepting fifteen parcels previously conveyed, including the residential lots sold. The deed identifies the parcel as "Township of Pittsgrove Block No. 1503 Lot No. 73." It was executed in corporate form: signed by the developer's President, attested by its Secretary under corporate seal, and acknowledged on the recited authority of a resolution of its Board of Directors.

35. Block 1503, Lot 73 comprises Centerton Lake, the dam and spillway tract, and the remaining common land of Lake Centerton Park. It is Common Area within the meaning of the Certificate and the Declaration. The Association's own minutes refer to it as "the common lake property" and "the common property and dam" (Exhibit

X, paragraph 5(c)), and the Association's account statements to its members show Township taxes on "Block 1503 Lot 73" paid from members' dues (Exhibit EE) - but see paragraph 106: the 2024 taxes were not paid and the parcel was sold at tax sale on January 15, 2025. It is the Association's only real property and, on the Association's own financial statements to its members, all or substantially all of its assets: the Association reported a bank balance of $857.94 on July 16, 2024 (Exhibit X) and $5,600.17 on May 4, 2026 (Exhibit Y).

D. The By-Laws and Book of Regulations (Exhibit E)

36. Two versions of by-laws are in plaintiff's possession, neither signed or dated on its face: a printed stock-corporation form (three directors, annual meeting on March 1) and a 2004 word-processing version (six directors, staggered terms). Under both, written notice of the time, place and purpose of every meeting of members must be given not less than ten nor more than sixty days before the meeting; action without a meeting requires the written consent of all members entitled to vote; and the Board may exercise only those powers of the corporation "as are not by statute or by these By-Laws directed or required to be exercised or done by" the members. Neither version purports to authorize the Board to sell, dedicate or transfer real property. Which version, if either, was ever adopted is a fact within the Association's records, which it has refused to produce (paragraphs 109-110 below).

37. A "Book of Regulations" dated June 2004, prepared by the Board, states that the Board may spend "up to $500" in Association matters without member approval and that "A majority (6) of the LCPHA owners must approve association business or decisions for any expenditure over $500."

38. Under N.J.S.A. 15A:2-8(a)(7), 15A:5-12(a) and 15A:6-1, the Certificate of Incorporation controls over any inconsistent by-law, and a greater voting requirement in the Certificate controls over the statute's default.

E. The Planned Real Estate Development Full Disclosure Act and the DCA regulations

39. Lake Centerton Park is a planned real estate development and the Association is its association within the meaning of the Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq. ("PREDFDA"). Under N.J.S.A. 45:22A-43(a), the governance provisions of the Act apply to the Association regardless of the development's date of establishment. Under N.J.S.A. 45:22A-43(c), membership in the association is comprised of each owner within the development.

40. N.J.S.A. 45:22A-44(a) provides that, "Subject to the master deed, 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." N.J.S.A. 45:22A-44(c) provides that "The 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."

41. N.J.S.A. 45:22A-46(a) requires that "all meetings of the executive board, except conference or working sessions at which no binding votes are to be taken, shall be open to attendance by all association members," that "adequate notice of any such meeting shall be given to all association members," and that "minutes of the proceedings shall be taken, and copies of those minutes shall be made available to all association members ... before the next open meeting."

42. The Department of Community Affairs' regulations implementing the Act, N.J.A.C. 5:26-8.1 et seq., require among other things that meetings of the executive board at which binding votes are taken be open to all association members (N.J.A.C. 5:26-8.12(a)); that the association post an annual schedule of open meetings including their locations (N.J.A.C. 5:26-8.12(b)); that at least seven days' notice of each open meeting, stating its time, date and location and, to the extent known, the agenda, be given to all members (N.J.A.C. 5:26-8.12(c)); that minutes be taken (N.J.A.C. 5:26-8.12(f)); and that meetings required to be open to all owners be held at a location within the development or, if there is no suitable meeting room within the development, at a suitable meeting room elsewhere in the municipality or in an adjoining municipality, large enough to accommodate a reasonable number of owners who might wish to attend (N.J.A.C. 5:26-8.2(d)). N.J.A.C. 5:26-8.14(d) permits an owner to seek relief in the Superior Court without first exhausting the Department's complaint process.

43. On April 24, 2012, Edward R. Hannaman, Esq., of the Department of Community Affairs, Association Regulation, determined in writing that "the provisions of the Planned Real Estate Development Full Disclosure Act apply to your association," stated that he had "called the association attorney to apprise him of our position," and stated: "We expect compliance in the future." (Exhibit L.) The Association did not appeal that determination. Every act of the Board alleged in this complaint was taken with that knowledge.

F. The Nonprofit Corporation Act

44. Under N.J.S.A. 15A:10-11(a)(2), a sale, lease, exchange or other disposition of all, or substantially all, the assets of a nonprofit corporation with voting members, if not in the usual and regular course of its activities, may be made only if (a) the board recommends the disposition and directs that it be submitted to a vote at a meeting of members; (b) written notice is given not less than 20 nor more than 60 days before the meeting to each member of record, accompanied by a statement summarizing the principal terms of the proposed transaction; and (c) the disposition is

approved by two-thirds of the votes cast at the meeting, "subject to such greater ... requirements as are adopted pursuant to section 15A:5-12."

45. Under N.J.S.A. 15A:5-12(a), where the certificate of incorporation requires a greater proportion of votes than the Act, "the provisions of the certificate of incorporation ... shall control." Under N.J.S.A. 15A:5-12(d), "Any action required to be authorized by a vote of the members greater than a majority shall be rescinded or modified only by a like vote."

46. Under N.J.S.A. 15A:5-6, action of members without a meeting requires written consents in the manner and with the notice and waiting periods the statute prescribes; for a sale of assets under chapter 10 the waiting period after notice to non-consenting members is 20 days. Under N.J.S.A. 15A:6-7, the Board acts only by the vote of a majority present at a Board meeting at which a quorum is present, or by the unanimous written consent of all directors filed with the minutes.

47. Under N.J.S.A. 15A:3-2(a), a member may bring a proceeding against the corporation "to enjoin the doing of any act or the transfer of real or personal property by or to the corporation" for want of capacity or power, and, if the act is to be performed under a contract and all parties to the contract are before the court, the court "may ... set aside and enjoin the performance of the contract."

48. Under N.J.S.A. 15A:5-2, if no provision for a required meeting of members is set forth in the certificate of incorporation or bylaws, the meeting to elect trustees shall be held annually; and if there is a failure to hold an annual meeting for 30 days after the designated date, or for 13 months after the last annual meeting where no date is designated, "the Superior Court may, upon the application of a member, summarily order the meeting or the election, or both, to be held at a time and place, upon notice and for the transaction of business as may be designated in the order." Under N.J.S.A. 15A:5-24, the corporation must keep books and records of account and minutes of the proceedings of its members and board; must, on the written request of any member, mail that member its year-end balance sheet and statement of income and expenses; and the Superior Court may compel production of books and records for inspection on proof of a member's proper purpose. Under N.J.S.A. 15A:6-14, trustees discharge their duties in good faith and with the care an ordinarily prudent person in a like position would use under similar circumstances.

49. Under N.J.S.A. 15A:12-12(a), the Superior Court may appoint a custodian for a nonprofit corporation on the application of one or more members where, among other grounds, "(1) the members are so divided that they have failed to elect successors to trustees whose terms have expired or would have expired upon the election of their

successors, at a time when two consecutive annual meetings of members were or should have been held," or "(4) the trustees or those in control of the corporation have looted or wasted the corporate assets, have persistently and materially breached their fiduciary duties, or have otherwise acted in an illegal, oppressive or fraudulent manner." A custodian appointed under that section exercises the powers of the corporation and its officers until removed by the court or by a majority of the members.

FACTS

A. 2001-2018: background and knowledge, not claims

The facts in this Part A are pleaded under paragraph 16 as background and as evidence of the defendants' knowledge. No claim is asserted upon them.

50. The Association is a small community. Its own records show ten member households in 2005 (Exhibit G) and eight households in attendance at its 2024 meeting (Exhibit X).

51. Before Yarbrough purchased 11 Lake Centerton Drive in 2001, the real estate agent referred him to defendant Rossi for questions about the lake and the dam, and Yarbrough met with Rossi at Rossi's place of business, Allied Insurance in Vineland, about the management of the Association. Rossi assured him that the dam and spillway were maintained and that the lake would be preserved. Yarbrough purchased in reliance on that assurance and on the recorded Declaration.

52. **The Association's own engineer told it in 2002 that the dam was at the end of its service life, and the State ordered it to act in 2003 and again in 2004.** At plaintiff's request letter of October 22, 2002, All Systems Engineering, L.L.C. performed the regular biennial inspection on November 26, 2002 and reported to the Association on December 4, 2002, to plaintiff's attention as the Association's representative at the inspection. Russell D. Cipolla, P.E., wrote that the spillway was "in a constant state of deterioration"; that timber structures "have a lifespan of about 45 to 50 years in this type of use and environment" and "You are there, with this 50-year-old structure"; and recommended "the total replacement of the spillway and reconstruction of the dam embankments... within say, a five year or sooner capital improvement plan" (Exhibit FFF). The inspection report itself concluded that "the owner should undertake a 5 year plan to replace the entire dam and spillway structures" (Exhibit FFF). On April 2, 2003 the Manager of NJDEP's Bureau of Dam Safety and Flood Control ordered the Association under the Safe Dam Act to retain a licensed professional engineer and prepare plans, and directed that it "should operate the Centerton Lake Dam at a maximum spillway crest elevation of 77 ft" pending repairs. NJDEP wrote again to Wheaton by name on May 19, 2003, setting a compliance schedule due June 16, 2003. No schedule

was submitted. On September 18, 2003 the same Manager wrote to Wheaton by name that, "under the provisions of the Safe Dam Act (N.J.S.A. 58:4-1 et seq.), the Lake Centerton Park Homeowner's Assoc., Inc. is hereby ordered to either submit a Dam Safety Compliance Schedule Form for all outstanding repairs and studies or provide this office with a plan to temporarily lower the lake until all of the required repairs are addressed by October 15, 2003." That letter warned that failure to comply "will result in the referral of this matter to the New Jersey Attorney General's Office for adjudication," and that Safe Dam Act violations "may result in the assessment of penalties of up to $5,000 for each violation," each day constituting "an additional, separate, and distinct offense." Copies went to the Pittsgrove Township Engineer and Clerk and to the Salem County Engineer. On June 1, 2004 NJDEP wrote to Wheaton by name that the Association had complied with none of its orders of April 2, 2003, May 19, 2003 and September 18, 2003, and repeated both warnings (Exhibit GGG). Nothing was ever built. The neglect alleged in this complaint did not begin in 2010 or in 2018; the Association has known since 2002 what the dam required.

53. In January 2003 [redacted] signed as President of the Association (Exhibit JJJ). On June 5, 2003 Yarbrough wrote to [redacted] Wheaton, then an officer of the Association: "Please consider this a formal request for all information related to insurance coverage of the Lake Centerton Park Homeowners Association." (Exhibit JJ.) The Association never answered. It has never answered that request, and it has never disclosed the identity of its directors and officers carrier to plaintiff.

54. From the earliest records in plaintiff's possession, the Association has conducted its meetings in the private homes of its officers: a directors' meeting on October 16, 2001 at 23 Lake Centerton Drive (Wheaton's residence); a directors' meeting on November 3, 2003 at 26 Lake Centerton Drive (Rossi's residence) (Exhibit F); the annual meeting of members on March 19, 2005 at the residence of [redacted] and [redacted] (Exhibit G); a special meeting of members called by notice dated September 11, 2006 for September 15, 2006 to be held outdoors "in front of Cliff and [redacted] Wheaton's house (23 Lake Centerton Drive)" (Exhibit EEE); a meeting called for April 27, 2013 at [redacted] the [redacted] residence (Exhibit RR-2); a meeting held June 15, 2022 at the same address (Exhibits SS, TT); and the meeting of members on July 16, 2024 at the Rossi residence (Exhibit X).

55. At the November 3, 2003 Board meeting at Rossi's residence, the Board "reviewed the information gathered about organizations that we could donate or possibly sell the lake and dam to," and recorded advice that "our best option would be to first approach the Township of Pittsgrove and then if the Township was not interested we could approach the State Green Acres group." (Exhibit F.) The Board thus knew in 2003 that disposition of the lake was a matter to be taken first to the Township.

56. At the March 19, 2005 annual meeting at the [redacted] residence, with Yarbrough recorded as absent, those present set dues, re-elected officers (President [redacted] Vice President Rossi, Secretary/Treasurer Wheaton), elected directors including [redacted] Wheaton, so that the Wheaton household held two of the Board's seats, reviewed a State dam-restoration loan approved at $1,081,000, decided "not [to] proceed with the 2% loan alternative until we have something more firm from Green Acres relative to how and when they will be getting involved with our lake," heard that Green Acres "is still very interested in acquiring our lake" but had appraised it at approximately $500,000 against an estimated $1,000,000 dam replacement cost, and made "[a] decision ... to start the process of foreclosing on Ron's property on July 1, 2005 if he does not pay his dues in total by that time." (Exhibit G.) Yarbrough has no record of, and does not recall receiving, notice of that meeting or notice that foreclosure of his property would be considered at it.

57. Between January 2003 and May 2005, [redacted] then Vice President (2003) and President (2004) of the Association, was a State employee on assignment to the Office of Employee Relations in the Office of the Governor and maintained an office in the State House. On March 27, 2006 the New Jersey State Ethics [redacted] entered a Consent Order, Agency Docket No. 18-05, In the Matter of [redacted] (Exhibit H). The Consent Order recites, in paragraph 3, that [redacted] became the Vice President of the Association in 2003, and its President in 2004," and that "The Association owns Lake Centerton and its accompanying dam." It recites, in paragraph 12, that "During 2003, one of the homeowners in the Association was engaged in a dispute with the Association and began to withhold his Association dues. [redacted] in his role as an officer of the Association, used his State e-mail account and an OER fax machine to communicate with the Association's attorney, the homeowner, the homeowner's business, the homeowner's bank and other Association members regarding the homeowner's arrears." It records the [redacted] position (paragraph 18) that [redacted] use of his State House office, e-mail system, business cards and fax machine in connection with the business of the Association violated N.J.S.A. 52:13D-23(e)(3) and (7), and [redacted] agreement to make a civil payment of [redacted] (paragraph 21). Paragraph 20 states that the Consent Order is entered in settlement and is not a finding or admission of guilt or liability. Yarbrough was the homeowner referred to in paragraph 12, and he was the complainant whose March 29, 2005 complaint led to the [redacted] investigation. Plaintiff pleads the Consent Order as background to the Association's choice of meeting venues, not as an adjudication.

58. Yarbrough stated the grounds of his dispute with the Association in writing, to the Association or its counsel, in 2004, 2005, 2006, 2010, 2012 and 2013. On June 22, 2004 he wrote to the Association's attorney, Robert J. Casella, Esq., that "Payment will continue to be withheld until the LCHPA meets it Sunshine obligations," and that the way to resolve the dispute was for the Association "to respond to my earlier request for all documents related to the

Centerton Lake Dam and the State Regulatory Authorities" (Exhibit AAA). On March 28, 2005 he wrote to [redacted] that "No dues payments will be made until complete disclosure of the documents related to the Dam are received," and asked for "a copy of the Centerton Lake Homeowners Associations ADR procedures" (Exhibit BBB). On March 10, 2006 he wrote to his then attorney, Michael A. Hoffman, Esq., objecting to meetings held at the [redacted] residence, invoking N.J.S.A. 45:22A-46, and requesting "all future meetings be held in a public facility in with a neutral setting" (Exhibit CCC). On October 11, 2006 he wrote to the Hoffman Law Office that "I have the right to Dispute Mediation prior to the Association litigating against me" and "I have the right to Open Public Meetings and until I am afforded those rights no funds will be released" (Exhibit DDD). On January 9, 2007 the Association recorded a lien on his property for $5,341.30 (Salem County Book 69, Page 309). On April 23, 2007 he wrote to [redacted] Wheaton objecting to late notice of a meeting.

59. On September 5, 2006 [redacted] wrote to the Association's attorney: "Please inform Hoffman (Ron's attorney) that Ron won't be allowed to participate in the LCPHA meeting tentatively scheduled September 15, 2006 in the Pittsgrove Township Municipal Building unless his debt to the association of $5,080.00 is paid in full." By notice dated September 11, 2006 - four days before the meeting - the meeting was moved out of the Municipal Building and called to be held outdoors in front of the Wheaton residence, the notice stating: "To provide a place of public forum, the meeting will take place in front of Cliff and [redacted] Wheaton's house (23 Lake Centerton Drive)." (Exhibit EEE.) The Board thus knew in 2006 that a municipal facility was available to it, chose a private yard instead, and proposed to bar a member from a members' meeting over money.

60. Yarbrough proposed resolution of the parties' disputes in writing on January 20, 2010 (Exhibit QQ-1) and again on April 23, 2010 (Exhibit QQ-2). The January 20, 2010 proposal stated that the issues "can only be resolved with the participation of a Neutral" combined with "an Alternate Dispute Resolution (ADR)." The April 23, 2010 letter to Wheaton stated, "I have suggested mediation through alternate dispute resolution (ADR) procedures," and proposed that Yarbrough "promptly set aside the sum $4,600.00 to be held in trust by a mutually agreed upon CPA Firm," that the parties agree on an accredited mediator within 30 days, and that they proceed "under N.J.S.A. 45:22A-44 which requires associations to provide fair and efficient means for unit owners to resolve disputes" if mediation did not resolve it within 90 days. Wheaton acknowledged the proposal by email on April 26, 2010, writing that he had "reviewed your Proposal to Resolve Dispute letter" and could "bring your proposal up with the other Board Members." (Exhibit J.) The Association never accepted either proposal, never named a mediator, and never provided the alternative dispute resolution N.J.S.A. 45:22A-44 requires. Because the proposal was never accepted, the $4,600 was never placed with a CPA firm in trust.

61. In December 2009 the dam was significantly damaged in a large rainfall event, and NJDEP directed the Association to remove the spillway gates and keep the lake lowered (Exhibit Q, NJDEP memorandum of November 9, 2020). The lake has remained lowered since.

62. On July 14, 2011, NJDEP's Bureau of Dam Safety wrote to the Association, attention Wheaton, confirming the dam's hazard classification as Class II (Significant Hazard), reviewing the Association's engineer's hydrologic and hydraulic study for the dam's rehabilitation, and requiring the Association "to submit a completed permit application in accordance with the provisions of your loan agreement by October 15, 2011." (Exhibit K.)

63. By notice dated April 14, 2010, signed by Wheaton as Secretary/Treasurer, the Association called a meeting of the membership for April 24, 2010 at 9:00 a.m. "at the Pittsgrove Township Senior Center (743 Centerton Road)." The agenda included a review of finances, "Election of Officers and Board Members," "Ron and [redacted] to provide an update on the progress to rehabilitate the dam," and "Mike and [redacted] to provide an update on the application for funds from the State and County," with the statement: "A vote by the Homeowners will be required to formally approve moving forward with the application." (Exhibit I.)

64. The April 24, 2010 meeting was held at the Senior Center. Yarbrough attended and presented a dam-rehabilitation plan he had authored with [redacted] titled "Centerton Lake Dam Rehabilitation Project - April 24, 2010 Update" (Exhibit PP). At the meeting Rossi stated that he had his own plan to rebuild the dam and was in touch with a contractor; the membership went forward with Rossi's plan rather than Yarbrough's. The meeting was professional and cordial. On April 26, 2010 Wheaton wrote to Yarbrough: "I thought your presentation at the meeting on Saturday was well done and well received ...." (Exhibit J.) Plaintiff does not have the minutes of that meeting; they are among the records demanded and not produced (paragraphs 109-110).

65. **The April 24, 2010 meeting is the only meeting of the Association, from 2001 to the present, that plaintiff knows to have been called on ten days' written notice and held at a public facility.** It shows that the Board knew how to notice and hold a compliant meeting, that a suitable public facility exists within the community, and that the Board understood a member vote to be required for a decision concerning the dam.

66. On March 14, 2012 Yarbrough wrote to the Association's counsel disputing the lien and the officers' authority, demanding financial records and minutes, and conditioning payment of the withheld dues on the Association's holding its meetings in a public facility. Yarbrough filed complaints with the Department of Community Affairs in 2012 and renewed them in 2013.

67. On April 24, 2012 the Department issued the Hannaman determination quoted in paragraph 43 (Exhibit L).

68. By notice dated April 6, 2013, the Association called a meeting of members for April 27, 2013 at [redacted] the residence of [redacted] (Exhibit RR-2). Yarbrough marked the notice as received April 8, 2013, did not attend, and forwarded it to the Department of Community Affairs with his letter of April 17, 2013 (Exhibit RR), which renewed his objection that the Association's meetings were being called to a member's private home. The minutes of the April 27, 2013 meeting have never been furnished to him.

69. **No meeting of the Association at a public facility has been noticed or held since April 24, 2010.**

B. 2012-2021: the Board tells the State one thing and the members another

70. Beginning no later than September 2012, the Association's officers were in contact with the NJDEP Green Acres Program concerning State acquisition of the lake property; a Green Acres negotiator, Curt Gellerman, was assigned "when this project first started" (Exhibit BB, Brody email of November 12, 2025, referring to a September 2012 attendance sheet).

71. On July 28, 2015, NJDEP issued Dam Permit No. 1494 to "Lake Centerton Park Homeowners Assoc., Inc., 23 Lake Centerton Drive, Pittsgrove, NJ 08318" as applicant, granting permission to "rehabilitate the Centerton Lake Dam located across the Muddy Run within the Township of Pittsgrove," effective July 28, 2015 and expiring July 28, 2017 (Exhibit N). The permit was issued on an application filed October 20, 2014 with approved rehabilitation drawings and specifications prepared by the Association's engineer.

72. On October 25, 2015 a member, [redacted] wrote to NJDEP on behalf of the Association that "we have a DEP approved plan to rebuild the dam," that contractor bids of $2 million and $3 million had been received, that "We have already spent over $60,000 in engineering costs of our State loan of $1.25 million," and asked for the State's help in finding realistic bids and additional funding (Exhibit M). On July 7, 2016 a contractor retained by the Association to find cost savings wrote to NJDEP that construction was estimated at $3.0 million against a State loan approved at $1.2 million (Exhibit O). Neither the 2015 proposals themselves nor any record of their solicitation is in plaintiff's possession; they are among the records demanded and not produced.

73. No rehabilitation work was performed under Permit No. 1494. The permit expired by its terms on July 28, 2017.

74. In 2016 the Association, through Wheaton, sent a letter to Green Acres offering to donate the lake property to the State. NJDEP's engineer described that letter to Wheaton on January 28, 2020: "The last thing we have in the file is a letter from 2016 that you sent to Green Acres offering to donate the property." (Exhibit P.) The members were given no notice of the offer, no meeting considered it, and no vote authorized it.

75. On January 30, 2020 Wheaton wrote to NJDEP, copying Rossi and [redacted] Wheaton: "Since our conversation, I have had several others with some of our Homeowner members and can confirm that we have no intentions or desire to repair the dam. With that said, would you be able to provide me with the path to obtain the current regulations for [redacted] the dam?" (Exhibit P.) No meeting of members had been noticed or held on the question, and no vote of members had been taken.

76. On October 23, 2020 a Green Acres analyst wrote internally that "the Lake Centerton Park Homeowners Association has offered the former lake area (#D-1711005), now wetlands, as a donation to Green Acres," and that "now that the dam has been breached and area has reverted to wetlands, ... they've totally given up on having the dam rebuilt and their lakefront views restored." (Exhibit Q.) The members were given no notice of this second offer, no meeting considered it, and no vote authorized it.

77. On November 9, 2020, following a staff inspection on October 28, 2020, NJDEP's Director of the Division of Dam Safety and Flood Engineering reported internally that the "entire dam, spillway, and appurtenant works are in a severe state of disrepair and numerous potential liabilities remain for the owner of this structure," and advised "that the structure be formally [redacted] before the State of New Jersey considers taking ownership of the associated property." (Exhibit Q.)

78. On May 24, 2021 NJDEP wrote to the Association: "even though the Dam has been drained of its normal impoundment for several years, it remains a regulated structure under the Safe Dam Act (N.J.S.A. 58:4-1 et seq.). As such, the dam must be either repaired and brought into compliance with the Dam Safety Standards (N.J.A.C. 7:20), or officially [redacted] in accordance with the provisions of N.J.A.C. 7:20 1.7 (h). Since the above-referenced letter indicates that the Association does not intend to repair the dam, the owners of the dam are hereby directed to provide a schedule for [redacted] the Dam by July 31, 2021." (Exhibit R.)

79. On August 11, 2021 NJDEP granted the Association an extension to December 31, 2021 to submit a compliance schedule, warned that failure "may result in the issuance of a Notice of Violation and Offer of Settlement (NVOS) with corresponding monetary penalties," and reminded the Association "that the lake must remain lowered, and the spillway gate channels must be maintained clear of debris until such time that the dam is [redacted] or rehabilitated." (Exhibit S.)

80. None of the correspondence described in paragraphs 70 through 79 was reported to the members. Only two meetings of members were noticed in the fourteen years between April 24, 2010 and July 16, 2024 - one called for April 27, 2013 and one held June 15, 2022 - and both were called to the private residence of [redacted] 17

Dealtown Road. Neither meeting notice, and the minutes of the June 15, 2022 meeting, disclosed the Association's 2016 or 2020 offers to donate the property to the State, NJDEP's directives of May 24 and August 11, 2021, or the Association's January 30, 2020 statement to NJDEP that it had "no intentions or desire to repair the dam." (Exhibits SS, TT.) The Board's written communications to the members in this period were assessment demands - among them its letter of March 21, 2021 collecting the semi-annual State loan repayment for a rehabilitation it had already told the State it had no intention of performing (Exhibit YY).

C. 2021-2022: the Board subdivides the Common Area and conveys 12.97 acres of it, on silence

81. On April 25, 2021 Wheaton wrote to the members proposing the sale of "the 10 + acres of our land that is located on the west side of the lake" to the owners of the Parsonage Run Nursery for $20,000, enclosing a hand-marked subdivision map, inviting objections, and stating: "If I don't hear from you by April 30th, I will note that you also agree that our Association should move forward with the sale." (Exhibit UU.) That letter did not call a meeting of members. It did not state that a vote would be taken. It did not solicit affirmative written consent. It did not disclose the two-thirds requirement of Article SEVENTH, or the requirement that the property first be offered to Pittsgrove Township, or the covenant of Article VII, Section 5(c) that the land "shall not be subdivided." Plaintiff did not respond to it and never consented.

82. On November 11, 2021 the Pittsgrove Township Planning Board approved a minor subdivision of Block 1503, Lot 73, memorialized by Resolution No. 21-17 adopted November 23, 2021. No meeting of members was noticed or held on the subdivision application, no vote of members authorized it, and the covenant of Article VII, Section 5(c) that the land "shall not be subdivided" was not amended, released or disclosed to the Planning Board so far as plaintiff is aware. The Township's records of the subdivision application were requested under the Open Public Records Act on August 19, 2026 and had not been produced as of the date of this complaint.

83. By deed dated February 7, 2022 and recorded February 8, 2022 in the Salem County Clerk's Office at Deed Book 4621, Page 116 (Exhibit KK), the Association, the only signature for which is that of defendant Wheaton as "Secretary," conveyed 12.97 acres, more or less, of Block 1503, Lot 73 to the Mehaffey Defendants for a stated consideration of $20,000, "to be added to Lot 79," fronting on Deerfield Road. A companion deed of the same date, Association to Association, recorded at Deed Book 4621, Page 110 (Exhibit LL), re-describes the remainder of Lot 73 after the subdivision as containing 87.2 acres, more or less. **The April 25, 2021 letter had proposed the sale of "10 + acres." The deed conveyed 12.97.**

84. The deed recites no resolution of the Association's Board of Directors - the only resolution it recites is the Planning Board's Resolution No. 21-17 - no meeting of members, no vote of members, no written consent of members, no authority under the Certificate of Incorporation, the Declaration or any by-law, and no offer to dedicate the parcel to Pittsgrove Township or to any government agency. It bears no corporate attestation and no corporate seal; no second officer signs; and its acknowledgment is in the individual form, reciting only that Wheaton "was the maker of the attached deed" and "executed this deed as his or her own act." The remainder deed (Exhibit LL) is identical in every one of those respects.

85. The Association reported the application of the $20,000 to the principal of its State dam loan by letter to the members dated February 19, 2022, which enclosed a payment schedule showing the application (Exhibit VV), and again in its meeting notice of May 28, 2022 (Exhibit SS). What the Association has never produced or offered to the members is any evidence of its **authority**: no Board resolution authorizing the transaction, no record of a member meeting, vote or written consent, no offer of dedication to Pittsgrove Township, no subdivision application file, and no closing statement. Those records are among the records plaintiff demanded on May 20, 2026 (Exhibit Z) and seeks in Count Five.

86. The minutes of the June 15, 2022 meeting - the first meeting of members held after the conveyance - record the sale as an accomplished fact and record no vote of members upon it, before or after (Exhibit TT).

D. 2022-2026: the removal project, the enforcement order, and the sale

87. In 2022, Citizens United to Protect the Maurice River and Its Tributaries, Inc. ("CU Maurice River"), a nonprofit organization, secured grant funding and contracted the engineering firm Princeton Hydro to prepare a concept-level design and cost estimate for removal of the Centerton Lake dam. On January 24, 2023 Princeton Hydro's engineer wrote to NJDEP that "we are under contract with CU Maurice River, who secured the funding for our current scope of work," and that "We have had no direct interaction with the owners/HOA." (Exhibit T.)

88. By notice dated May 28, 2022 the Association called a meeting of members for June 15, 2022 at [redacted] the [redacted] residence (Exhibit SS). Its agenda item 1 was "Status review of our efforts with Citizens United to [redacted] the dam and preserve the Muddy Run stream." Yarbrough did not attend; he is not among the eleven households the minutes record as present. The minutes of that meeting record, at paragraph 5, that Rossi "reviewed our efforts with Citizens United to [redacted] the dam and preserve the Muddy Run stream," that "The NJ DEP Dam Safety has deemed the dam structure a public hazard and is requiring its removal," that "The HOA's intention is to work with CU Maurice River (CUMR), US Fish & Wildlife (USFW), Natural Resources

Conservation Recourses (NRCS), Pittsgrove Township, and other partners to ensure that the dam is removed and land is given into preservation," and that "The HOA submitted an application to NRCS's EQUIP Program in October 2021." (Exhibit TT.) **No vote of members on removal of the dam, or on any disposition of the property, was proposed at that meeting or taken at it.** The minutes record no such vote at any time.

89. On January 29, 2023 Wheaton reported to NJDEP, copying Rossi: "Through CU Maurice River, we have been awarded the following grant money to fund the initial Feasibility Study for the dam [redacted] The Nature Conservancy [redacted] US Fish & Wildlife Service $35,000. CU Maurice River contracted with Princeton Hydro in Q3 2022," and identified Rossi as the Association's Vice President. (Exhibit T.) The Board reported the [redacted] effort to the members at the June 15, 2022 meeting, but it did not disclose the grants by name or amount at that meeting, it did not submit removal of the dam or disposition of the Common Area to a vote, and no vote of members has ever authorized either.

90. On April 6, 2023 Wheaton wrote to the members that the State dam loan had been paid in full with a final payment of $4,024.68, and that "Mike Rossi and I are still working with CU Maurice River, US Fish & Wildlife, Natural Resources Conservation Recourses and Pittsgrove Township to remove the dam and move the land into preservation." (Exhibit WW.) After April 6, 2023 there was no State loan installment to fund, and no assessment for loan repayment could have any basis.

91. On January 16, 2024 NJDEP's Bureau of Dam Safety issued an order to the Association as owner/operator of the dam under the Safe Dam Act, requiring submission of a dam safety inspection report by a licensed professional engineer by April 15, 2024, and stating: "Failure to submit this report to our office by the stated deadline will result in the issuance of a Notice of Violation and Offer of Settlement (NVOS) with corresponding monetary penalties. No further extensions will be considered. In addition to the imposition of monetary penalties, an Order to drain the impoundment and remove the dam may also be issued." (Exhibit U.) The members were not told of the order.

92. On November 12, 2025 the Green Acres Program's representative, Allie Brody, wrote internally to NJDEP's dam engineer asking about the dam's status and "your program's expectations for removal/remediation (timeline, impact on potential sale, etc.)," and reported that "The owner has submitted an application to NRCS for assistance with removing the dam, but it did not rank high enough." (Exhibit BB.) The minutes of the June 15, 2022 meeting record that "The HOA submitted an application to NRCS's EQUIP Program in October 2021" (Exhibit TT); no meeting was noticed to consider that application before it was made, and no vote of members authorized it. The members were given no notice of the later application Ms. Brody describes.

93. On February 6, 2026 Ms. Brody wrote to NJDEP: "USFWS Maintenance Action Team (MAT) has conducted an initial site inspection and have indicated that they will take next steps towards coordinating the work. ... This seems like a promising opportunity for the owners and ultimately the State to be able to acquire the property. USFWS will be coordinating all pre-permitting activity with your office. Since this work will be completed while under the current HOA ownership, I don't believe Green Acres will need to be involved until the work is complete ...." (Exhibit CC.) The United States Fish and Wildlife Service's New Jersey coordinator, Marc Virgilio, had reported on February 4, 2026 that his team met on site with the Maintenance Action Team coordinator to scope removal of the dam (Exhibit CC). On March 16, 2026 Mr. Virgilio wrote to NJDEP and to Karla Rossini of CU Maurice River: "As part of our ongoing discussions around removal of Centerton Dam and potential acquisition, I wanted to loop in Richard Tamagno with NJ Dam Safety." (Exhibit CC, email thread of March 18, 2026.)

94. On August 4, 2026, in reply to NJDEP's request that morning for "any updates regarding bringing the dam into compliance by either repair or [redacted] Wheaton wrote to NJDEP, copying Rossi and NJDEP's Bureau Chief (Exhibit DD):

> "Regarding our efforts to [redacted] / remove the dam, we are currently in the process of working with Green Acres to acquire the lake property. The steps are listed below. > 1. Two land appraisals have been completed and are currently being reviewed by Green Acres. > 2. With the appraisals, Green Acres will determine the Certified Market Value and an offer for the land will be presented to our HOA. > 3. If the HOA decides to accept the offer, Green Acres will order the survey and prepare the contract for review and signature by the HOA. > 4. The dam will need to be removed prior to Green Acres closing on the land. > 6. US Fish & Wildlife has determined that this removal project can be completed by their Maintenance Action Team at minimal charge to the HOA however there will be some design and permitting cost associated with the dam removal. > 7. We are hoping that the Green Acres offer for the lake property will likely be sufficient to cover the expense associated with finalizing the design and permitting to remove the dam. > 8. When the dam has been removed, Green Acres will be ready to close on the property. > We are hoping to get the offer from Green Acres by the end of this summer or sooner."

95. The Green Acres project is identified in NJDEP's records as No. D-1711005 and the property as Block 1503, Lot 73, Pittsgrove Township, Salem County (Exhibits Q, BB).

96. Plaintiff first learned of the proposed sale, the appraisals, the expected offer, and the plan to remove the dam before closing on August 7, 2026, when NJDEP produced its dam engineer's email correspondence file (72 files, 2012 through August 4, 2026) in response to plaintiff's request under the Open Public Records Act (Exhibit FF). No communication of the Association to its members, at any time, disclosed the donation offers of 2016 and 2020, the

appraisals, or the proposed sale to the State. The Association's communications about the removal of the dam - its notice of May 28, 2022, the minutes of June 15, 2022, and Wheaton's letter of April 6, 2023 - reported the effort as under way and never submitted it to a vote.

97. No meeting of the members has been noticed or held on the sale, dedication, transfer or donation of Block 1503, Lot 73, or on the removal or [redacted] of the dam. No vote of the members has been taken on any of those subjects, at a meeting or by written consent. To plaintiff's knowledge no offer of dedication of the property to Pittsgrove Township has been made - plaintiff requested the Township's records of any such offer, and of the 2021 subdivision, under the Open Public Records Act on August 19, 2026 - and no government agency has been suggested by the Township's Planning Board as a recipient. No Board resolution recommending a sale and directing that it be submitted to the members, and no notice to members with a summary of terms, has been given.

E. The 2024 meeting cycle: the relocation demand and the meeting at the Rossi residence

98. By email dated July 7, 2024 at 1:29 p.m., sent to eight member households including Yarbrough, Wheaton wrote: "This email is just a confirmation that we will be holding a homeowners meeting on July 16th at 5:00 pm at Mike and [redacted] Rossi's house - see attached agenda." The attached agenda, dated June 17, 2024, listed "Review of our efforts with Citizens United to [redacted] the dam and preserve the Muddy Run stream - Mike Rossi." A second email the same afternoon changed the time to 7:00 p.m. (Exhibit V.) The July 7, 2024 email was the first notice plaintiff received of the July 16, 2024 meeting; he did not receive the June 17, 2024 agenda before that email.

99. Between the April 6, 2013 notice and the July 7, 2024 email, the only notice of a meeting of the Association plaintiff received was the notice dated May 28, 2022 (Exhibit SS). He has no record and no recollection of receiving any notice of a meeting for 2011, 2012, 2014 through 2021, or 2023, and he has never received an annual schedule of the Association's meetings for any year.

100. On July 14, 2024, Yarbrough delivered a written demand to Wheaton, with copies to all member households (Exhibit W). It stated: "I have not received notices for meetings for several years and am unaware of any actions described, such as the [redacted] of the dam, as mentioned in the agenda." It quoted the Hannaman determination by name and date. It stated: "Meetings held at the residences of homeowners, such as those of [redacted] Rossi, or any other member, are unacceptable given the history of interactions and ongoing disputes among homeowners. Therefore, I demand that all future meetings be conducted at a neutral public facility, such as the Pittsgrove Senior Center or any other reasonable location, to ensure all homeowners can attend and participate

in the association's business." It enclosed a copy of the complaint Yarbrough filed with the Department of Community Affairs on July 15, 2024. One member's copy was returned undeliverable (Exhibit W).

101. The Board did not respond to the July 14, 2024 demand. It held the meeting on July 16, 2024 at 7:00 p.m. at the Rossi residence, 26 Lake Centerton Drive. Yarbrough did not attend.

102. The minutes of the July 16, 2024 meeting, dated July 21, 2024 and signed by Wheaton (Exhibit X), record eight households in attendance; a bank balance of $857.94; year-to-date expenses of $3,914.76 for "Township Taxes & Directors and Officers insurance policy premium"; a liability insurance premium "estimated at $1,500" for 2024; a review of "delinquent dues"; and, at paragraph 3(e), that "The homeowners also reviewed the letter sent by Ron Yarbrough on July 14, 2024 and decided it was not relevant to discuss or respond to Mr. Yarbrough since he has been delinquent with his dues since November 2018 and his past history of not showing up to meetings held in public forums at his request to do so." Those minutes were not furnished to plaintiff in finalized form until June 21, 2026, nearly two years after the meeting.

103. The same minutes record, at paragraph 4, that Rossi "reviewed the timeline of our efforts with Citizens United to [redacted] the dam and preserve the Muddy Run stream," that "A grant was awarded by US Fish and Wildlife Services to complete a feasibility study for the removal of the dam," that "The feasibility study was completed and the study determined that the cost to remove and [redacted] the dam would be [redacted] and that "We (Citizens United and LCPHA) are still working with the Natural Resource Conservation Services to fund the project." At paragraph 5(c) they record that "we would postpone paying any Township taxes on the common lake property in an effort to get the Township to take over the common property and dam." At paragraph 6 they record that "there should be no change to the current officers and board members": [redacted] President; Mike Rossi, Vice President; Cliff Wheaton, Secretary/Treasurer; [redacted] Board Member - a Board of four persons, where Article SIXTH requires five.

104. The minutes do not record any notice to members of, or any vote on, a donation, sale or transfer of the property. They do not mention the 2016 or 2020 donation offers, the NJDEP directives of 2021, or the NJDEP order of January 16, 2024.

105. Two further facts bear on why meetings in the homes of Association officers are not open to attendance in substance. First, Yarbrough did not attend the meetings held at the [redacted] residence because of [redacted] conduct toward him in 2004 and 2005 described in paragraph 57 and in the Consent Order, and because of telephone calls he received in that period from [redacted] Wheaton, then a member of the Board of Directors, blaming him for the

trouble [redacted] was in with the State over Yarbrough's complaint. Second, at a meeting of the Association held at the [redacted] residence, homeowner [redacted] listed as a Board member in the July 16, 2024 minutes, made comments to a homeowner couple that were taken as racial remarks; the couple left the meeting and, to plaintiff's knowledge, never attended another meeting of the Association. The couple were [redacted] and his wife. Plaintiff was not present; he learned of the incident from [redacted] then a member and neighbor, and pleads it on information and belief. Defendants Wheaton and Rossi have first-hand knowledge of the incident. The Certification of Ronald W. Yarbrough is submitted with this Verified Complaint.

F. 2024-2026: the tax-default strategy is carried out and the lake parcel is sold at tax sale in two consecutive years

106. The Board carried out the strategy recorded at paragraph 5(c) of the July 16, 2024 minutes. The Association did not pay the 2024 Township taxes on Block 1503, Lot 73. On January 15, 2025 the Tax Collector of Pittsgrove Township sold the parcel at public tax sale to Trystone Capital Assets, LLC, of Brick, New Jersey, for $2,326.60 (2024 taxes of $2,209.84, interest of $71.14 and costs of sale of $45.62), and issued Certificate of Sale for Unpaid Municipal Liens No. 25-00037, which bears redemption interest at 18 percent per annum and was recorded May 9, 2025 at Book 4728, Page 239 (Exhibit OO). No meeting of members was noticed or held on the decision to withhold the taxes, and no vote of members authorized it.

106A. The Association then did the same thing again. It did not pay the 2025 Township taxes on Block 1503, Lot 73 either. On January 14, 2026 the Tax Collector sold the parcel at public tax sale a second time and issued Certificate of Sale for Unpaid Municipal Liens No. 26-00018 in the amount of $5,192.02 (taxes of $4,613.87, interest of $478.15 and costs of sale of $100.00), likewise bearing redemption interest at 18 percent per annum. Neither sale was bid down: both certificates carry the statutory maximum rate of 18 percent and a premium of $0.00, meaning that at neither sale did any bidder compete for the parcel. No meeting of members was noticed or held on the decision to withhold the 2025 taxes, and no vote of members authorized it. The second sale took place while the Association's officers were, on their own account to the Department of Environmental Protection, actively pursuing the sale of the same parcel to the State.

106B. The Tax Collector's Lien Redemption Work Sheets for both certificates, dated August 24, 2026 (Exhibit HHH), identify the present holder of both certificates as Foundation Properties, LLC, of 181 Buck Road, Pittsgrove, New Jersey. As of that date the sum required to redeem Certificate No. 25-00037 was $3,108.68, and the sum required to redeem Certificate No. 26-00018 was $9,758.23 - a total of $12,866.91, increasing at $5.60 per day. The Association did not pay the 2026 first, second and third quarter taxes either; those taxes, totaling $3,690.35, were

paid on August 5, 2026 by the certificate holder and have been added to Certificate No. 26-00018 at 18 percent. The fourth quarter 2026 taxes, $1,223.08, fall due November 1, 2026.

106C. Under N.J.S.A. 54:5-86(a), the holder of a tax sale certificate may bring an action to foreclose the right of redemption two years after the date of sale, or sooner under N.J.S.A. 54:5-86(b) if the parcel is certified abandoned. That two-year period expires on January 15, 2027 as to Certificate No. 25-00037 and on January 14, 2028 as to Certificate No. 26-00018. Unless both certificates are redeemed and the taxes kept current, the Association's only real property, and the Common Area in which every member holds an appurtenant easement, is exposed to loss by tax foreclosure - a second route, independent of the sale to the State, by which the lake and the common land would be lost. Plaintiff holds neither certificate. The only relief this complaint seeks touching the certificates is an order that the Association redeem them and keep the taxes current. Redemption pays the holder the full statutory amount - principal, interest at 18 percent, the statutory penalty and costs - and the holder has no right to refuse it (N.J.S.A. 54:5-54, 54:5-55). No relief is sought against Foundation Properties, LLC, no wrongdoing is alleged against it, and its interest is not impaired by the relief sought; it is therefore not a necessary party under R. 4:28-1(a). Should the Court conclude otherwise, plaintiff will join it on notice.

106D. On August 24, 2026, plaintiff telephoned the principal of Foundation Properties, LLC and offered to purchase both certificates by assignment, at their full redemption value plus a premium. The holder declined, stating that he buys tax sale certificates to hold as investments, is not looking to sell, and sells only occasionally, at his own choosing. An assignment of the certificates is accordingly not available. Redemption by the Association under N.J.S.A. 54:5-54 - which pays the holder the full statutory amount and which the holder has no right to refuse - is the only route by which the tax liens on the Common Area can now be cleared.

G. 2026: the assessment by letter, the May 20 demands, and the Association's silence

107. By letter dated May 4, 2026 (Exhibit Y), Wheaton wrote to the members that beavers were damming Muddy Run above the spillway; that "Mike Rossi and I feel that outside professional help is needed"; that a tree service had quoted $5,704.43; that the account held $5,600.17; and that "What Mike and I propose we do, is collect each Homeowner's August $500 biannual dues payment now and add an additional $200 to these dues for a total of $700 from each homeowner." It continued: "If anyone has objections to moving forward with making a $700 dues payment now in order to safely dismantle the beaver dam, please email or call Mike Rossi or me with your concerns by no later than Monday May 11, 2026. ... If we don't hear any objections by May 11, 2026, we will give Hingewood Tree Service the approval to proceed with the beaver dam removal and I will send each homeowner a

dues notification letter." The letter did not mention that appraisals of the property for a sale to the State were then underway.

108. By letter dated May 14, 2026 (Exhibit Y), Wheaton wrote that "the members of the HOA have decided to move forward" with the work and directed each member to send a check for $700. No meeting was called, no notice of a meeting was given, and no vote was taken. On May 20, 2026 the Association had the work done; Wheaton reported to NJDEP on August 1, 2026 that "On May 20, 2026 we contracted with a tree removal service company to also clear the beaver dam upstream from the spillway." (Exhibit DD.) **This is the same device used on the Common Area sale five years earlier: a proposal by letter, a deadline, and silence counted as agreement.**

109. On May 20, 2026 plaintiff sent Wheaton three letters by certified mail, return receipt requested, mailed May 21, 2026 (Exhibit Z):

(a) a Notice stating that "No meeting of the Association was called. No agenda was sent. No vote was taken. No minute exists. A homeowner's silence on an emailed proposal is not an Association decision," refusing consent to the $700 assessment, and demanding "that the Association hold open public meetings, properly noticed, at a neutral public facility, and that all documents concerning LCPHA - including correspondence and records with NJ DEP, Citizens United, counsel, and any other regulatory or business matter - be made available to the membership";

(b) a Written Request for Alternative Dispute Resolution under N.J.S.A. 45:22A-44(c), asking for a copy of the Association's ADR procedure or a written statement that none exists, identifying two disputes (approval by non-response; meetings at private residences after written objection), and requesting a written response within fourteen days; and

(c) a Request for Production of Association Records under N.J.S.A. 15A:5-24 listing 29 categories, including NJDEP correspondence since January 1, 2024; the Citizens United agreement, feasibility study and correspondence; Pittsgrove Township correspondence; bank statements, budgets, general ledger and checks since 2018; directors and officers and general liability insurance policies and premium invoices since 2018 (items 13 and 14); counsel engagement letters and invoices; all meeting notices, agendas and minutes since July 16, 2024; all Board votes or written resolutions treated as binding action since January 1, 2024; the adopted By-Laws and the member-vote records adopting them; election records since 2018; and the member roster; with a response requested by June 19, 2026.

110. The Association has not responded to any of the three letters. It has not produced a single document. It has not identified any ADR procedure or offered ADR. It has not stated that any requested document does not exist. No

response of any kind had been received as of the date of this Verified Complaint.

111. On May 27, 2026 the Department of Community Affairs, Association Regulation Unit, received plaintiff's Supplement to his July 15, 2024 complaint, with attachments including the May 20, 2026 letters, the May 4 and May 14, 2026 letters, the July 14, 2024 demand, paragraph 3(e) of the July 16, 2024 minutes, and the Hannaman determination (Exhibit AA). By letter dated June 11, 2026 the Unit acknowledged the complaint and described its process. The complaint has not been reviewed on its merits. Under N.J.A.C. 5:26-8.14(d)(1), the filing of this action places that complaint in abeyance; plaintiff accepts that consequence.

112. Between the Association's receipt of plaintiff's May 20, 2026 letters and Wheaton's August 4, 2026 report to NJDEP, the Association's officers continued the sale process with Green Acres, including completion of two appraisals, without disclosing it to plaintiff or, on information and belief, to any member.

H. The August 18, 2026 letters

113. On August 18, 2026, plaintiff sent the Board, through Wheaton, in his own name, (a) a written demand that the Board give immediate notice of plaintiff's claims and this anticipated action to every insurer of the Association, including Selective Insurance and the carrier of its directors and officers policy, and confirm within seven days that it had done so; (b) a supplemental written notice under Article VII, Section 3 of the Declaration of plaintiff's intention to bring this action and the nature of his claims, naming the proposed sale of Block 1503, Lot 73 and the removal of the dam, and asking the Board to confirm within seven days whether any offer, option, contract or agreement had been signed and that it would take no further step without a member vote at a properly noticed open meeting; and (c) a request under N.J.S.A. 15A:5-24(b) for the Association's year-end balance sheet and statement of income and expenses and under N.J.S.A. 15A:5-24(a) to inspect the record of members (Exhibits GG-1 through GG-3). No response had been received from the Board, Wheaton or Rossi as of the date of this Verified Complaint.

113A. Also on August 18, 2026, plaintiff submitted a records request under the Open Public Records Act to the New Jersey Department of Environmental Protection for the Green Acres acquisition file for Block 1503, Lot 73 (Green Acres project D-1711005), in six items, including the two appraisals, the Certified Market Value determination, and any resolution, vote tally, certificate of incumbency or attorney opinion submitted by the Association to Green Acres evidencing its authority to convey the parcel (request No. 404058). On August 25, 2026 the Department denied the request in full, all six items, producing nothing, on the stated ground that "the requested records are Green Acres, Blue Acres or Natural Lands Trust land acquisitions records that are confidential pursuant to N.J.S.A. 47:1A-9 & N.J.A.C. 7:1D-3.2(c)" (Exhibit KKK). N.J.A.C. 7:1D-3.2(c) withholds such records while a land transaction or

active project is actively under negotiation and no binding contract has been executed. The State's denial thus confirms, as of August 25, 2026, that the acquisition of the parcel is active and that no binding contract has yet been executed - and that the appraisals of the members' common property, and the evidence of the Association's claimed authority to convey it, are inspectable neither by the members nor by the public.

114. On August 18, 2026, plaintiff gave written notice of the dispute over the Board's authority to the Green Acres Program (Allie Brody), to the United States Fish and Wildlife Service (Marc Virgilio), and to CU Maurice River (Karla Rossini), asking each to take no further step toward the conveyance or the dam removal until the question of authority is resolved (Exhibits GG-4 through GG-6). On August 19, 2026 Ms. Brody replied for the Green Acres Program: "Confirming receipt of your 8/18/26 letter. Please refer to Michael Rossi or Cliff Wheaton for any questions regarding this matter as they are the authorized representatives for the above referenced transaction." (Exhibit GG-8.) The State thus treats the Individual Defendants as the Association's authorized representatives for a transaction of which the members have never been told. No response had been received from the Fish and Wildlife Service or CU Maurice River as of the date of this Verified Complaint.

I. Insurance

115. The Association's account statements to its members show payments to "Selective Insurance" for "Liability Insurance Premium" of $688.00 (April 23, 2023), $1,420.00 (November 12, 2023) and $1,501.00 (November 12, 2024), and payments to "Arthur J Gallagher" for "Directors & Officers Policy" of $1,401.98 (April 17, 2023) and $1,537.65 (April 18, 2024) (Exhibit EE). The Association has never disclosed to plaintiff the identity of the directors and officers carrier, the policy forms, or the producer of record, despite his written request of June 5, 2003 and his request of May 20, 2026 (items 13 and 14).

116. Rossi is a licensed New Jersey insurance producer (New Jersey license no. 8011097, first licensed in 1969, with property, casualty and other lines of authority, business address Centerton, New Jersey 08318) (Exhibit HH). Whether any insurance of the Association has been placed through Rossi or through any agency in which he has held an interest is a fact within the Association's records, which it has refused to disclose since 2003. Plaintiff reserves the right to amend this complaint on production of the policies and applications.

J. The assessments imposed since 2018, and the 2023 lien claim

117. Membership in the Association follows ownership of a lot (Certificate, Art. FOURTH; Declaration, Art. III, sec. 1; N.J.S.A. 45:22A-43(c)). Yarbrough's membership does not depend on the Association's assertion, in its 2024 minutes, that he is delinquent in dues.

118. On February 14, 2023 the Association recorded in the Salem County Clerk's Office, at Book 4657, Page 19, a Notice of Lien Claim dated December 20, 2022 against Yarbrough's property, Block 1503, Lot 66 (Exhibit MM). It is signed by [redacted] as President and attested by Wheaton as Secretary, and the notary's certificate recites that it was authorized by a resolution of the Board of Directors - a resolution the Association has never produced. Its Schedule A, headed "Overdue Assessments," lists biannual dues of $500 for each of eight periods from January 2019 through August 2022 and nine charges styled "Damn Loan Repayment" [sic] from November 2018 through November 2022 (eight of $365.45 and one of $324.85), for a subtotal of $7,248.45, plus attorney's fees of $2,416.15 and a recording fee of $60, for a stated total of $9,724.60 as of December 20, 2022. The same day the Association recorded lien claims, prepared by the same counsel, against two other members, [redacted] A. [redacted] (Book 4657, Page 23) and [redacted] (Book 4657, Page 28) (Exhibit NN). The lien claim against Yarbrough remains of record.

119. **The "Damn Loan Repayment" charge that makes up nine of the seventeen line items on Schedule A was never adopted at any meeting of members or of the Board.** Wheaton fixed its amount unilaterally by letter to the membership, allocating each semi-annual State loan installment among the homeowners he treated as current - $365.45 when he counted eight paying households, $324.85 when he counted nine - as his loan billing letters show, including those dated October 7, 2019, April 4, 2020, October 4, 2020, March 21, 2021, October 3, 2021, April 21, 2022, October 15, 2022 and April 2, 2023 (Exhibit YY). The $500 biannual dues were confirmed at the June 15, 2022 meeting (Exhibit TT), which was noticed to Yarbrough but held, over his standing written objection, at the private residence of [redacted]

120. The Association's counsel, The Ritter Law Office, L.L.C., transmitted the lien claim package to the Salem County Clerk for recording under cover letters dated January 9, 2023 and February 9, 2023, each of which shows Yarbrough as a copy recipient, and both packages are in his files (Exhibit XX). Plaintiff did not learn until August 18, 2026, from the County Clerk's records, that the lien claim had in fact been **recorded** on February 14, 2023 at Book 4657, Page 19; no recorded copy was ever sent to him.

121. The Association has sent plaintiff its biannual dues invoices and its State loan billing letters continuously since at least 2019, and an account spreadsheet on August 6, 2023 (Exhibits YY, ZZ, EE). It has never sent him minutes of a meeting at which any of those charges was adopted, because no such meeting was held.

K. Harm

122. Plaintiff purchased and has held his lakefront home in reliance on the recorded Declaration, which promises the maintenance of the Common Area, ownership and operation of the dam by the Association, that the lake be

maintained, that the common land not be subdivided, and an appurtenant easement of enjoyment in the lake and the common land, and on Rossi's assurance in 2001 that the dam and spillway were maintained and the lake would be preserved (paragraph 51). The lake has been lowered since 2009 and the dam has been left in disrepair. Removal of the dam would end the possibility of restoring the lake. Conveyance of the parcel to the State would extinguish plaintiff's appurtenant easement of enjoyment in the Common Area and the Association's covenant to maintain it.

123. The loss of the lake diminishes the market value of plaintiff's property, which was purchased and is assessed as lakefront property. The amount of that diminution is a matter for expert appraisal proof and plaintiff asks that it be tried on the plenary track.

124. Removal of the dam is scheduled to precede the closing of any sale. Once the dam is removed, it cannot be restored except at a cost that would make restoration impracticable. Money damages cannot restore a lake or a recorded easement in unique land. The tax sale certificate exposes the same parcel to loss by foreclosure if it is not redeemed.

L. The pattern

125. Since August 22, 2018, and consistently with a practice reaching back two decades, the Board has (a) held every meeting of members in the private homes of its officers; (b) noticed only two meetings of members in the fourteen years between April 24, 2010 and July 16, 2024, both at the private residence of an officer, and none since July 16, 2024; (c) taken binding action - setting dues, retaining counsel and authorizing liens against three members, imposing a loan-repayment charge by letter, applying to NRCS, subdividing and conveying 12.97 acres of the Common Area, withholding the Township taxes, [redacted] appraisals and negotiating a sale, and imposing the 2026 assessment - without noticed open meetings and, twice, by treating members' silence as agreement; (d) not answered a single written demand from plaintiff for insurance information, mediation, records, a public-facility venue or ADR; (e) conveyed 12.97 acres of the Common Area to private buyers by a deed signed by Wheaton alone, without the member action Article SEVENTH requires and against the covenant of Article VII, Section 5(c) that the land not be subdivided; (f) withheld the Township taxes on the lake parcel as a stated strategy and allowed it to be sold at tax sale; and (g) told the State, in writing and repeatedly from 2016 through August 4, 2026, of donation offers, a decision not to repair, a funded removal project and a pending sale, while telling the members none of it - the Board's only written communications to the members in that period being assessment demands, including its letter of March 21, 2021 collecting the State loan repayment for a rehabilitation it had already told the State it had no intention of performing. Plaintiff pleads these facts as showing that the exclusion of members from the Association's decisions was knowing and deliberate, not inadvertent.

COUNT ONE

Enforcement of the Recorded Declaration
(Declaration Art. VII secs. 1, 3 and 5; Art. III sec. 2)

126. Plaintiff repeats the foregoing paragraphs.

127. The Declaration is a contract among the Association and the owners and a servitude that runs with the land. Article VII, Section 1 provides that its covenants and restrictions "shall run with and bind the land." Article VII, Section 3 gives "any member thereof" the right to enforce them "by any proceeding at law or in equity."

128. The Declaration has never been amended. No amendment has been recorded in the thirty-eight years since November 18, 1987, and Article VII, Section 2 provides that no amendment is effective until recorded.

129. Article VII, Section 5 obliges the Association to maintain and operate the dam, obliges that the lake "be maintained," and provides that the common land "shall not be subdivided." Article III, Section 2 gives every owner an easement of enjoyment in the Common Area appurtenant to and passing with the title to his lot.

130. Plaintiff gave the Association written notice under Article VII, Section 3 of the nature of his claims concerning open meetings, records and the assessment on July 14, 2024 and May 20, 2026, and of the sale and dam-removal claims on August 18, 2026 (Exhibits W, Z, GG-2). To the extent the Court holds that the 60-day proviso of Article VII, Section 3 applies to any Count of this complaint and has not yet run, plaintiff asks that the Count be held rather than dismissed, because the Association concealed the facts giving rise to it until August 7, 2026 and because the harm it addresses is imminent; plaintiff will supplement the record on the sixty-first day.

131. Plaintiff is entitled to a judgment declaring that the covenants of Article VII, Section 5 and Article III, Section 2 are valid, subsisting and enforceable by him against the Association and against any successor in title, and to specific enforcement of them.

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT TWO

Violation of the Covenant that the Common Land "Shall Not Be Subdivided" ### (Declaration Art. VII sec. 5(c); Art. VII secs. 1-3)

132. Plaintiff repeats the foregoing paragraphs.

133. Article VII, Section 5(c) of the Declaration provides that the land now designated Block 1503, Lot 73 "will remain open and shall not be subdivided nor allowed to have residential structures thereon." That covenant runs with the land, binds the Association as owner, and has never been amended or released.

134. In 2021 the Association applied for and obtained a minor subdivision of Block 1503, Lot 73 from the Pittsgrove Township Planning Board, and on February 7, 2022 it conveyed 12.97 acres of the subdivided land to the Mehaffey Defendants (Exhibits KK, LL). The subdivision and the conveyance breached Article VII, Section 5(c) on their face.

135. The Mehaffey Defendants took title by a deed that recites the Declaration's chain and the Association's 2000 deed, and the Declaration was of record in the Salem County Clerk's Office at Deed Book 703, Page 1 at all times. They took with record notice of the covenant.

136. Plaintiff is entitled to a judgment declaring that the 2021 subdivision and the February 7, 2022 deed at Deed Book 4621, Page 116 were made in violation of Article VII, Section 5(c), declaring that deed void, and directing that the 12.97 acres be restored to Block 1503, Lot 73 and to the Common Area, with such adjustment of the $20,000 consideration as equity requires.

WHEREFORE plaintiff demands judgment against the Association and the Mehaffey Defendants as set forth in the Prayer for Relief.

COUNT THREE

Violation of Article SEVENTH of the Certificate of Incorporation - the 2022 Conveyance and the Pending Sale ### (Certificate Art. SEVENTH and THIRD(a); Declaration Art. III sec. 2(d); N.J.S.A. 15A:10-11, 15A:5-12, 15A:5-6, 15A:6-7, 15A:3-2(a); N.J.S.A. 2A:16-50 et seq.)

137. Plaintiff repeats the foregoing paragraphs.

138. Block 1503, Lot 73 is Common Area and is all or substantially all of the Association's assets. Its sale, dedication or other transfer is not in the usual and regular course of the Association's activities.

139. Under Article SEVENTH of the Certificate of Incorporation and Article III, Section 2(d) of the Declaration, the Association may not dedicate or transfer the parcel or any part of it without (a) first offering to dedicate it to Pittsgrove Township or to a government agency suggested by the Township's Planning Board, and (b) the approval of the Board and the affirmative vote of two-thirds of the outstanding votes of the Class A and B members at a

meeting of members called on due notice of that purpose, or the written consent of members holding two-thirds of those votes.

140. Independently, under N.J.S.A. 15A:10-11(a)(2), the Association may not sell or otherwise dispose of all or substantially all of its assets without a Board recommendation, written notice to every member of record 20 to 60 days before a meeting with a summary of the principal terms, and the required member vote at that meeting; and under N.J.S.A. 15A:5-12(a) the Certificate's two-thirds-of-outstanding-votes requirement controls. Any action by written consent in lieu of a meeting must satisfy N.J.S.A. 15A:5-6. Any Board recommendation must be adopted at a Board meeting or by unanimous written consent under N.J.S.A. 15A:6-7 and, under N.J.S.A. 45:22A-46(a) and N.J.A.C. 5:26-8.12, at a noticed open meeting.

141. **The February 7, 2022 conveyance satisfied none of those requirements.** No offer of dedication was made to Pittsgrove Township. No meeting of members was called on notice of that purpose. No vote was taken. No written consent complying with Article SEVENTH or with N.J.S.A. 15A:5-6 was solicited or obtained: the April 25, 2021 letter asked for nothing, disclosed nothing, and proposed to treat silence as agreement, which is the opposite of the affirmative written consent the Certificate requires. No Board resolution was adopted or recited. The deed was signed by one officer alone, without attestation or seal, and acknowledged in the individual form.

142. Because the conveyance was beyond the Association's power as its Certificate fixes that power, the deed at Deed Book 4621, Page 116 is void, and plaintiff is entitled under N.J.S.A. 15A:3-2(a) and N.J.S.A. 2A:16-50 et seq. to a judgment so declaring and setting it aside.

143. **The pending sale to the State is on the same course.** The Board has caused two appraisals to be completed, expects an offer and a contract for the Association's signature, and has arranged for removal of the dam before closing - and has done so without an offer of dedication to the Township, without a Board resolution, without notice to a single member, and without a vote. Unless restrained it will convey the remainder of the Common Area exactly as it conveyed the 12.97 acres.

144. Removal of the dam is not maintenance or operation of the dam under Article VII, Section 5(a) of the Declaration; it is the abandonment of a recorded covenant that runs with the land, which may be accomplished only by an amendment approved by two-thirds of the outstanding votes and recorded under Article VII, Section 2.

145. An actual controversy exists between plaintiff and defendants concerning the Board's authority. Unless restrained, defendants will cause irreparable harm: the removal of the dam, which cannot be undone, and the execution of a contract of sale of unique land in which plaintiff holds a recorded appurtenant easement.

WHEREFORE plaintiff demands judgment against the Association, the Individual Defendants and the Mehaffey Defendants as set forth in the Prayer for Relief.

COUNT FOUR

Open Meetings - Failure to Conduct Association Business at Noticed Open Meetings; Action by Letter and Opt-In by Silence ### (N.J.S.A. 45:22A-46(a); N.J.A.C. 5:26-8.12(a), (b), (c), (f) and 5:26-8.2(d); By-Laws)

146. Plaintiff repeats the foregoing paragraphs.

147. The Association is required to conduct all Board business at which binding votes are taken at meetings open to all members, on adequate notice stating time, date, location and agenda, at a suitable location, with minutes taken and made available before the next meeting, and to post an annual schedule of its meetings.

148. The Association has not done so. Since August 22, 2018 it has noticed exactly two meetings of members - June 15, 2022 and July 16, 2024 - and has held none in the thirteen months since. It has held no meeting at a public facility since April 24, 2010. It has never posted or distributed an annual schedule of meetings. Minutes of two of the four meetings it noticed in twenty-five years were never furnished to plaintiff at all, and the July 16, 2024 minutes were not finalized until June 21, 2026.

149. Both of the meetings it did notice were called to the private residence of an officer, after plaintiff had objected in writing - to the Association in 2006, to the Department of Community Affairs in 2013, and to the Board again on July 14, 2024 - that he could not attend a meeting there. When he made that demand in writing in 2024 the Board recorded that it "was not relevant to discuss or respond to." A meeting held in the private home of an officer, after such an objection, and where the Board has itself used and can use a free public facility within the community, is not "open to attendance by all association members" within the meaning of N.J.S.A. 45:22A-46(a), and is not held at a suitable location within the meaning of N.J.A.C. 5:26-8.2(d).

150. The decisions that matter were never on any agenda: the 2016 and 2020 donation offers, the January 30, 2020 statement to NJDEP, the NJDEP directives of 2021, the subdivision and the 2022 conveyance, the NJDEP order of January 16, 2024, the decision to withhold the Township taxes, the two appraisals, and the pending sale.

151. Twice the Board substituted silence for a vote: the April 25, 2021 letter on the sale of the Common Area, and the May 4, 2026 letter on the $700 assessment. Action taken by written proposal and silence is not a binding vote taken at an open meeting under N.J.S.A. 45:22A-46(a), is not action by written consent under N.J.S.A. 15A:5-6 or the By-Laws, and is void.

152. Plaintiff is entitled to a declaration that the Association's practices violate N.J.S.A. 45:22A-46(a) and N.J.A.C. 5:26-8.12 and 8.2(d), and to a mandatory injunction requiring compliance as set forth in the Prayer for Relief.

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT FIVE

Books and Records - to Plaintiff and to Every Member
(N.J.S.A. 15A:5-24; N.J.A.C. 5:26-8.10, 8.11, 8.12(f))

153. Plaintiff repeats the foregoing paragraphs.

154. Plaintiff is a member with a proper purpose: to determine the Association's assets and the votes outstanding for purposes of Article SEVENTH and N.J.S.A. 15A:10-11; to learn what the Board has done concerning the dam and the property; to learn on what authority 12.97 acres of the Common Area were subdivided and conveyed; to learn whether the 2025 tax sale certificate has been redeemed; to determine what insurance exists; and to verify the amounts the Association claims from him.

155. Plaintiff's written request of May 20, 2026 under N.J.S.A. 15A:5-24 has gone unanswered for more than 30 days. The Association has produced no minutes, no financial statements, no policies and no roster. Plaintiff's request of August 18, 2026 under N.J.S.A. 15A:5-24(b) for the year-end balance sheet and income statement (Exhibit GG-3) had not been answered as of the date of this Verified Complaint.

156. The records plaintiff seeks are records the members paid for. More than $60,000 of the State loan was spent on engineering for a rehabilitation that was never built; grants of $25,000 and $35,000 funded a removal design; two appraisals have been completed. **No member has seen any of it.** Plaintiff therefore asks not only that the records be produced to him but that the Court direct the Association to furnish them to every member, which is the only relief that cures the violation for the community rather than for one litigant.

157. Plaintiff is entitled to an order under N.J.S.A. 15A:5-24(d) compelling production of the Association's books and records of account; the minutes of all meetings of members and the Board; the record of members; the documents identified in the May 20, 2026 request; all engineering studies, permits and permit applications; every bid solicitation and every bid received, including the 2015 proposals of Castle and of Marine Maintenance; the State loan file with drawdowns; all correspondence with NJDEP, the Green Acres Program, the United States Fish and Wildlife Service, NRCS, CU Maurice River, Princeton Hydro and Pittsgrove Township; both appraisals; the Princeton Hydro removal design and the authorization for it; every grant or funding application made or considered; the subdivision application, any Board or member authorization, and the closing statement for the February 7, 2022

conveyance; and the records of the 2025 tax sale and any redemption; and to an order that the Association mail the year-end financial statements required by N.J.S.A. 15A:5-24(b).

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT SIX

Failure to Provide Alternative Dispute Resolution After Written Demand ### (N.J.S.A. 45:22A-44(c); N.J.A.C. 5:26-8.2(c))

158. Plaintiff repeats the foregoing paragraphs.

159. N.J.S.A. 45:22A-44(c) requires the Association to provide a fair and efficient procedure for the resolution of disputes between owners and the association, readily available as an alternative to litigation.

160. Plaintiff demanded ADR in writing on May 20, 2026, identified the disputes, asked for the Association's procedure or a statement that none exists, and asked for a response within fourteen days. The Association did not respond. That demand was not the first: plaintiff asked [redacted] for "a copy of the Centerton Lake Homeowners Associations ADR procedures" on March 28, 2005, proposed a neutral and ADR on January 20, 2010, and on April 23, 2010 proposed mediation "under N.J.S.A. 45:22A-44," which Wheaton acknowledged by email three days later and the Board never answered. **Twenty-one years after the first request, the Association has never adopted or offered any ADR procedure.**

161. Plaintiff is entitled to a declaration that the Association has failed to comply with N.J.S.A. 45:22A-44(c), to an order that it adopt and provide a compliant procedure, and to a determination that the Association may not invoke ADR as a bar or condition to this action.

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT SEVEN

Invalid Assessments ### (N.J.S.A. 45:22A-46(a); N.J.A.C. 5:26-8.12; Declaration Art. IV; Certificate Art. SEVENTH; By-Laws)

162. Plaintiff repeats the foregoing paragraphs.

163. An assessment binds the members only if it is adopted by the body authorized to adopt it, acting in the manner the governing documents and PREDFDA require. A charge fixed by one officer's letter is not an assessment.

164. **The "Damn Loan Repayment" charge was never adopted at any meeting of members or of the Board.** Wheaton fixed its amount by letter to the membership, dividing each semi-annual State loan installment among the households he treated as current, and varying the per-household figure with the number of payers - $365.45 when he counted eight, $324.85 when he counted nine (Exhibit YY). Nine such charges were included in the lien claim recorded against plaintiff's property. The State loan was paid in full on April 6, 2023 (Exhibit WW), and no such charge could have any basis after that date.

165. **The $700 charge of May 2026 was never adopted at any meeting either.** It was proposed by the letter of May 4, 2026, imposed by the letter of May 14, 2026 on the statement that "the members of the HOA have decided to move forward," and spent on May 20, 2026. No meeting was called, no notice was given, no vote was taken, and no minute exists. The Board's own Book of Regulations states that "A majority (6) of the LCPHA owners must approve association business or decisions for any expenditure over $500."

166. Plaintiff is entitled to a declaration that the "Damn Loan Repayment" charges and the 2026 special assessment were not validly adopted, that sums collected on account of the 2026 assessment be credited back to the members who paid them, and that no charge never adopted at a noticed open meeting may be enforced against him or against any member.

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT EIGHT

Breach of the Maintenance Covenant - the Dam and the Common Area ### (Declaration Art. VII sec. 5(a); Art. III sec. 2; preamble)

167. Plaintiff repeats the foregoing paragraphs.

168. Article VII, Section 5(a) makes the Association "responsible for the maintenance and operation of the dam." The preamble and Article III [redacted] the Association to maintaining the Common Area for the use and enjoyment of the members. The obligation is continuing, and it is breached anew every day the dam is left as it is.

169. The Association has known what the dam required since its own engineer told it in 2002 (paragraph 52). It was ordered by NJDEP to act in 2003 and was in default of that order by 2004. It obtained a State loan of $1.25 million and a State permit in 2015 to rehabilitate the dam, spent more than $60,000 of the loan on engineering, and built nothing. It let the permit expire in 2017. Since August 22, 2018 it has told the State that it has "no intentions or desire to repair the dam," has twice offered to give the property away, has allowed the dam to fall into what the

State describes as "a severe state of disrepair," and has arranged for the dam's removal - all without ever putting the question to the members.

170. The Association has also failed to pay the Township taxes on Block 1503, Lot 73, as a stated strategy "to get the Township to take over the common property and dam" (Exhibit X, paragraph 5(c)), and has allowed the parcel to be sold at tax sale (paragraph 106; Exhibit OO). Failure to pay the taxes on the Common Area is a further breach of the obligation to maintain it.

171. Plaintiff has performed his obligations under the Declaration and has been damaged by the breach as set forth in paragraphs 122-124.

WHEREFORE plaintiff demands judgment against the Association for specific performance of Article VII, Section 5(a), for an injunction against removal or breach of the dam except as required in writing by NJDEP for public safety, and as set forth in the Prayer for Relief.

COUNT NINE

Preservation of Block 1503, Lot 73 Against Tax Foreclosure ### (Declaration Art. VII sec. 5; Art. III sec. 2; N.J.S.A. 54:5-86; N.J.S.A. 15A:6-14)

172. Plaintiff repeats the foregoing paragraphs.

173. The Board resolved on July 16, 2024 to "postpone paying any Township taxes on the common lake property in an effort to get the Township to take over the common property and dam," carried that resolution out, and allowed the Common Area to be sold at tax sale on January 15, 2025 (Exhibits X, OO). It then allowed the same parcel to be sold at tax sale a second time, on January 14, 2026, and did not pay the 2026 first, second or third quarter taxes either (Exhibit HHH). No meeting of members was noticed on any of those decisions and no vote authorized them.

174. Unless both certificates are redeemed and the taxes kept current, the Common Area - the subject of plaintiff's recorded appurtenant easement - may be lost to foreclosure of the right of redemption under N.J.S.A. 54:5-86, independently of the sale to the State.

175. Plaintiff is entitled to an order requiring the Association to redeem Certificate of Sale No. 25-00037 and Certificate of Sale No. 26-00018 and to keep the Township taxes on Block 1503, Lot 73 current pending final judgment, and, if the Association does not, permitting plaintiff or any member to redeem either or both certificates and to be reimbursed, or to take an assignment of and hold either or both, without prejudice.

WHEREFORE plaintiff demands judgment against the Association and the Individual Defendants as set forth in the Prayer for Relief.

COUNT TEN

Breach of Fiduciary Duty and Duty of Disclosure - Wheaton and Rossi ### (N.J.S.A. 15A:6-14; N.J.S.A. 15A:3-2(b); common-law fiduciary duty of directors to members)

176. Plaintiff repeats the foregoing paragraphs.

177. As directors and officers of the Association, Wheaton and Rossi owe the Association and its members duties of good faith, care, loyalty and candor, and a duty to act only within the authority conferred by the Certificate, the Declaration, the By-Laws and Title 15A.

178. Since August 22, 2018 Wheaton and Rossi breached those duties by, among other things: (a) conducting the Association's business concerning the dam and the property with the State - including the 2020 statement that the Association would not repair the dam, the second donation offer, the removal project, the NRCS applications, the appraisals and the sale negotiations - without disclosing any of it to the members and without any member authorization; (b) not disclosing to the members the NJDEP directives of 2021 or the enforcement order of January 16, 2024, or the resulting exposure of the Association and its members to penalties and to an order to remove the dam; (c) causing the Association to subdivide the Common Area and to convey 12.97 acres of it by a deed Wheaton signed alone, against the express covenant that the land not be subdivided and without the member action Article SEVENTH requires, after soliciting the members by a letter that counted silence as agreement; (d) holding the Association's meetings in their own homes and in the home of a fellow officer, refusing a written demand to move them to a public facility, and recording that the demand was "not relevant"; (e) imposing and spending an assessment in 2026 by the same silence device; (f) fixing the "Damn Loan Repayment" charge by letter and causing a lien to be recorded against a member's property for charges never adopted at any meeting; (g) not answering plaintiff's written requests for insurance information, records and ADR; (h) withholding the Township taxes on the lake parcel as a stated strategy and allowing the Association's only asset to be sold at tax sale; and (i) proceeding toward a sale of that asset, and toward removal of the dam, without the authority required by the Certificate and by N.J.S.A. 15A:10-11.

179. These acts were outside the Individual Defendants' authority and were not the exercise of business judgment on a matter within their power. They were taken with knowledge, since the Hannaman determination of April 24, 2012 and plaintiff's written demand of July 14, 2024, that PREDFDA's open-meeting requirements apply to the

Association, and with knowledge, since the Board's own 2003 minutes and its 2010 notice, that disposition of the lake was a matter for the Township first and for a member vote.

180. As a direct result plaintiff has suffered the harm described in paragraphs 122-124, and the Association has been exposed to liability, penalties and the loss of its principal asset.

WHEREFORE plaintiff demands judgment against Wheaton and Rossi, jointly and severally, for compensatory damages, for an accounting, and as set forth in the Prayer for Relief.

COUNT ELEVEN

Accounting ### (N.J.S.A. 15A:5-24; N.J.S.A. 15A:6-14; the Court's general equitable jurisdiction)

181. Plaintiff repeats the foregoing paragraphs.

182. The Association has collected assessments from its members since 2018 that were never adopted at any meeting; has received and applied $20,000 from a conveyance it had no authority to make; has spent grant money and loan money on engineering and design; has paid counsel to record liens against three of its ten members; has paid insurance premiums to carriers it will not identify; and has allowed its only asset to be sold for unpaid taxes. It has produced nothing in answer to a written demand made under N.J.S.A. 15A:5-24 more than ninety days ago.

183. Plaintiff is entitled to an accounting by the Association, Wheaton and Rossi of the Association's receipts, expenditures, insurance placements, and dealings concerning the property and the dam - including the authority for and the proceeds of the February 7, 2022 conveyance, the State loan and its drawdowns, the grant funds, the counsel fees charged to the members' accounts, and the 2025 tax sale - from January 1, 2018 to the present.

WHEREFORE plaintiff demands judgment against the Association, Wheaton and Rossi as set forth in the Prayer for Relief.

Counts Twelve through Fourteen are pleaded and proved on the same documents, and plaintiff does not seek relief on any of them by Order to Show Cause.

COUNT TWELVE

Appointment of a Custodian - Pleaded, Not Applied For on the Emergent Track ### (N.J.S.A. 15A:12-12(a)(1) and (a)(4))

184. Plaintiff repeats the foregoing paragraphs.

185. **Plaintiff does not seek the dissolution of the Association and does not seek any sale of its assets. He seeks the opposite.** The relief sought under this Count is the appointment of a custodian, or of a provisional trustee, to convene the meetings, give the notices, produce the records and hold the elections that the Board has not. Any custodian appointed would be bound by Article SEVENTH of the Certificate of Incorporation exactly as the Board is, and would have no more power than the Board to convey Common Area without an offer of dedication to the Township and a two-thirds vote of the members. Plaintiff asks that any order under this Count say so expressly.

186. N.J.S.A. 15A:12-12(a)(1) applies. The Association has failed to elect successors to trustees whose terms have expired at a time when two consecutive annual meetings "were or should have been held." Article SIXTH requires five directors elected annually for one-year terms. The Association has noticed four meetings of members in twenty-five years. The last was July 16, 2024, at which those present agreed that "there should be no change to the current officers and board members" - a Board of four, one short of the five the Certificate requires - without a noticed election. No annual meeting has been held in the more than thirteen months since.

187. N.J.S.A. 15A:12-12(a)(4) applies. Those in control of the Association have persistently and materially breached their fiduciary duties and have acted in an illegal and oppressive manner, as set forth in Count Ten and in paragraph 125.

188. **Timing.** Plaintiff asks that this Count be pleaded and preserved and that no custodian be appointed unless and until the defendants fail to comply with an order of this Court for production of records, for open meetings, or for an election. If a custodian is appointed, plaintiff asks that the custodian's compensation be raised by a special assessment on all ten lots under the Association's own assessment power.

WHEREFORE plaintiff demands judgment against the Association as set forth in the Prayer for Relief.

COUNT THIRTEEN

Damages - Diminution in Value and Loss of the Appurtenant Easement of Enjoyment ### (Declaration Art. III sec. 2; Art. VII sec. 5; N.J.S.A. 15A:3-2(b))

189. Plaintiff repeats the foregoing paragraphs.

190. Plaintiff holds, appurtenant to his lot, a recorded right and easement of enjoyment in the Common Area, including the lake, and the benefit of the Association's covenant to maintain and operate the dam and to maintain the lake. Defendants' breaches have deprived plaintiff of the lake and threaten to deprive him of it permanently, and threaten to extinguish the easement by conveyance of the Common Area.

191. Plaintiff's property has been and will be diminished in value by the loss of the lake and of the easement, and plaintiff has lost the use and enjoyment of the Common Area. Plaintiff's loss is distinct in kind from the loss to the membership generally because his lot is lakefront and the easement is appurtenant to his title. The amount of plaintiff's damages will be established by expert appraisal proof, and plaintiff asks that the quantum of damages proceed on the plenary track after the Court decides the equitable claims. Plaintiff seeks no money relief on the emergent track.

WHEREFORE plaintiff demands judgment against defendants for compensatory damages in an amount to be proven, with interest and costs, and as set forth in the Prayer for Relief.

COUNT FOURTEEN

Punitive Damages - Wheaton and Rossi Individually
(Punitive Damages Act, N.J.S.A. 2A:15-5.9 et seq.)

192. Plaintiff repeats the foregoing paragraphs.

193. The acts of Wheaton and Rossi described in Counts Three, Seven and Ten were undertaken with wanton and willful disregard of the rights of plaintiff and the other members. In particular: (a) they continued for more than a decade after the Department of Community Affairs told the Association in writing that PREDFDA applies and that compliance was expected; (b) they concealed from the members, while disclosing to the State, the decision not to repair the dam, an offer to donate the property, a funded removal project, an enforcement order, and a pending sale; (c) they subdivided and conveyed 12.97 acres of the Common Area against an express recorded covenant, on a letter that counted silence as agreement, and conveyed 12.97 acres where the letter had said "10 +"; (d) they continued after plaintiff's written demand of July 14, 2024, which they recorded as "not relevant"; (e) they continued after plaintiff's written demands of May 20, 2026 for open meetings, ADR and records, which they ignored; (f) they used the same silence device again in May 2026 to impose and spend an assessment; and (g) they withheld the Township

taxes on the lake parcel as a stated strategy and allowed the Association's only asset to be sold at tax sale, and, on information and belief, have not told the members that a tax sale certificate has been sold and recorded against it.

194. Under N.J.S.A. 2A:15-5.12, the duration of the conduct and any concealment of it are factors bearing on the award of punitive damages. Plaintiff seeks punitive damages against Wheaton and Rossi individually, in an amount to be determined at trial, upon proof of compensatory damages. Plaintiff seeks no punitive relief on the emergent track.

WHEREFORE plaintiff demands judgment against Wheaton and Rossi individually for punitive damages and as set forth in the Prayer for Relief.

PRAYER FOR RELIEF

Paragraphs A through I are the relief plaintiff seeks preliminarily, by Order to Show Cause. Paragraphs J through R are sought on final hearing only. Plaintiff seeks no money relief of any kind on the emergent track.

WHEREFORE plaintiff demands judgment against defendants as follows:

A. Declaring that the covenants of Article VII, Sections 1, 3 and 5 and Article III, Section 2 of the Declaration of Covenants and Restrictions recorded at Salem County Deed Book 703, Page 1 are valid, subsisting, unamended and enforceable by plaintiff;

B. Declaring that the Board of Directors of the Association has no authority to sell, dedicate, transfer, contract to transfer, or otherwise dispose of Block 1503, Lot 73, Pittsgrove Township, or any part of it, and no authority to authorize, permit or consent to the removal, breach or [redacted] of the Centerton Lake dam, unless and until (i) the Association has first offered to dedicate the property to Pittsgrove Township or to a government agency suggested by the Township's Planning Board, and (ii) the members have approved the transaction by the affirmative vote of two-thirds of the outstanding votes of the Class A and B members at a meeting of members called on written notice of that purpose given not less than 20 nor more than 60 days before the meeting and accompanied by a summary of the principal terms, or by written consent of members holding two-thirds of those votes in compliance with N.J.S.A. 15A:5-6, and (iii) as to the dam, the members have approved and recorded an amendment of Article VII, Section 5 of the Declaration in compliance with Article VII, Section 2;

C. Preliminarily and permanently enjoining the Association, Wheaton, Rossi, and all persons acting in concert with them, from executing, delivering or performing any offer, option, agreement of sale, contract, deed, easement, dedication or other instrument transferring or agreeing to transfer any interest in Block 1503, Lot 73, and from authorizing, permitting, contracting for or consenting to any removal, breach, drawdown or [redacted] work on the Centerton Lake dam other than emergency measures required in writing by NJDEP for public safety, until the member action described in paragraph B has occurred; and, if any such contract has been executed, declaring it unauthorized and setting aside and enjoining its performance under N.J.S.A. 15A:3-2(a) upon joinder of the other parties to it;

D. Enjoining the Association from calling or holding any vote of members on the removal of the dam or on any disposition of Block 1503, Lot 73 until the records ordered produced under paragraph F have been in the hands of every member for not less than sixty days;

E. Ordering the Association to disclose to every member, within ten days, every offer, appraisal, draft contract, application, grant agreement, and communication with the Green Acres Program, the United States Fish and Wildlife Service, CU Maurice River, Princeton Hydro, NRCS, Pittsgrove Township and NJDEP concerning the disposition of the property or the removal of the dam;

F. Ordering the Association, under N.J.S.A. 15A:5-24, to produce for inspection and copying, to plaintiff **and to every member of the Association**, the records identified in paragraph 157 of this complaint, and to mail plaintiff its year-end balance sheet and statement of income and expenses;

G. Ordering the Association to conduct all meetings of its Board and members at which binding action is taken as open meetings at a neutral public facility (such as the Pittsgrove Township Senior Center or a municipal building), on written notice to every member of not less than ten nor more than sixty days stating the time, date, location and agenda; to post and distribute an annual schedule of its meetings; to take minutes and furnish them to every member within thirty days and before the next meeting; and to take no binding action by email, telephone, letter, or objection-by-silence;

H. Ordering the Association to redeem Tax Sale Certificate No. 25-00037 (sold January 15, 2025; recorded May 9, 2025, Book 4728, Page 239) and Tax Sale Certificate No. 26-00018 (sold January 14, 2026), both presently held by Foundation Properties, LLC, and to keep the Township taxes on Block 1503, Lot 73 current pending final judgment, and providing that if it does not, plaintiff or any member may redeem either or both certificates and be reimbursed by the Association, or take an assignment of and hold either or both, without prejudice to any claim;

I. Declaring that the assessment imposed by the letters of May 4 and May 14, 2026 was not validly adopted and that sums collected on account of it be credited back;

J. Declaring that the 2021 subdivision of Block 1503, Lot 73 and the deed dated February 7, 2022 recorded at Deed Book 4621, Page 116 were made in violation of Article VII, Section 5(c) of the Declaration and of Article SEVENTH of the Certificate of Incorporation and without compliance with N.J.S.A. 15A:10-11; declaring that deed void; directing that the 12.97 acres be restored to Block 1503, Lot 73 and to the Common Area; and making such adjustment of the $20,000 consideration as equity requires;

K. Declaring that the "Damn Loan Repayment" charges reflected in the Notice of Lien Claim recorded February 14, 2023 were never validly adopted, and that no charge never adopted at a noticed open meeting may be enforced against plaintiff or any member;

L. Declaring that the Association has failed to provide the alternative dispute resolution procedure required by N.J.S.A. 45:22A-44(c), ordering it to adopt and provide one, and declaring that ADR is not a bar or condition to this action;

M. Ordering the Association, under N.J.S.A. 15A:5-2, to hold an annual meeting of members and an election of five directors in accordance with Article SIXTH of the Certificate of Incorporation, at a time and place, upon notice, and for the transaction of business designated by the Court;

N. Ordering specific performance of Article VII, Section 5 of the Declaration;

O. Ordering an accounting by the Association, Wheaton and Rossi as set forth in paragraph 183;

P. Awarding plaintiff compensatory damages against defendants, jointly and severally, in an amount to be proven, and punitive damages against Wheaton and Rossi individually under N.J.S.A. 2A:15-5.9 et seq., the quantum to be tried on the plenary track;

Q. Awarding plaintiff his costs of suit, and such fees as may be permitted by law or rule;

R. Retaining jurisdiction to enforce the judgment, including under R. 1:10-3; and

S. Granting such other relief as the Court deems equitable and just.

NO JURY DEMAND

Plaintiff does not demand trial by jury. The action is brought in the Chancery Division and the primary relief sought is equitable.

DEMAND FOR PRODUCTION OF INSURANCE AGREEMENTS (R. 4:10-2(b))

Pursuant to R. 4:10-2(b), plaintiff demands that each defendant produce, within the time permitted by the Rules, copies of every insurance agreement or policy under which any person or firm carrying on an insurance business may be liable to satisfy part or all of a judgment that may be entered in this action or to indemnify or reimburse for payments made to satisfy the judgment, including declarations pages, policy forms, endorsements, and applications, for the period January 1, 2018 to the present, and any reservation-of-rights or disclaimer letters concerning the claims in this action.

CERTIFICATION PURSUANT TO R. 4:5-1(b)(2)

Plaintiff certifies that the matter in controversy is not the subject of any other action pending in any court or of a pending arbitration proceeding, and that no other action or arbitration proceeding is contemplated by plaintiff, except as follows: on May 27, 2026 the New Jersey Department of Community Affairs, Association Regulation Unit, received plaintiff's Supplement to a complaint filed by plaintiff on July 15, 2024 concerning the Association's open-meeting, ADR and records practices; that administrative complaint has not been decided and, under N.J.A.C. 5:26-8.14(d)(1), will be held in abeyance upon the filing of this action, of which plaintiff will notify the Unit. Plaintiff further certifies that, to his knowledge, the following persons should be joined in this action or are subject to joinder because of potential liability to any party on the basis of the same transactional facts, but are not presently joined: (1) the State of New Jersey, Department of Environmental Protection, Green Acres Program (Project No. D-1711005), the [redacted] purchaser of Block 1503, Lot 73, which is not joined because, to plaintiff's knowledge, no contract has been executed, and which plaintiff will move to join under N.J.S.A. 15A:3-2(a) and R. 4:28-1 if a contract is executed; (2) the United States Fish and Wildlife Service, which proposes to perform the dam removal, and (3) Citizens United to Protect the Maurice River and Its Tributaries, Inc., which funded the removal design; neither has a contract with the Association known to plaintiff, and each has been given written notice of this dispute; and (4) Foundation Properties, LLC, of 181 Buck Road, Pittsgrove, New Jersey, identified by the Township Tax Collector on August 24, 2026 as the present holder of Tax Sale Certificate No. 25-00037 and Tax Sale Certificate No. 26-00018 on Block 1503, Lot 73, which is not joined because the only relief sought touching those certificates is an order that the Association redeem them, which pays the holder in full according to law and impairs no interest of its own, and which plaintiff will move to join if the Court directs. Plaintiff will amend this certification if the facts change.

CERTIFICATION PURSUANT TO R. 1:38-7(c)

Plaintiff certifies that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with R. 1:38-7(b).

CERTIFICATION OF VERIFICATION (R. 4:67-2(a); R. 1:4-4(b)) - RONALD W. YARBROUGH

I, Ronald W. Yarbrough, of full age, certify:

1. I am the plaintiff in this action. I have read the foregoing Verified Complaint.

2. The facts stated in the Verified Complaint are true to my personal knowledge, except as follows, as to which I believe them to be true: paragraphs 70 through 79, 87, 89, and 91 through 96 and 112, which are stated on the basis of documents produced by the New Jersey Department of Environmental Protection under the Open Public Records

Act, true copies of which are attached as exhibits; paragraphs 82, 83, 84, 106 and 118, and the first sentence of paragraph 120, which are stated on the basis of instruments recorded in the Salem County Clerk's Office or in the records of the Pittsgrove Township Planning Board, true copies of which are attached as Exhibits KK, LL, MM, NN and OO; paragraphs 106A and 106B, which are stated on the basis of the Tax Collector's Lien Redemption Work Sheets attached as Exhibit HHH and her statements to me described in my Certification; paragraph 52, which is stated on the basis of the Association's engineering reports and the NJDEP correspondence attached as Exhibits FFF and GGG; paragraph 53, first sentence, and paragraph 116, which are stated on the basis of the documents attached as Exhibits JJJ and HH; and the searches described in paragraphs 28 and 33, which were made on my behalf on August 18, 2026. Where a paragraph states that a fact is asserted on information and belief, I believe it to be true.

3. The exhibits referred to in the Verified Complaint and listed in the Exhibit List are true copies of the documents they purport to be, as kept in my files or as received by me from the public agencies identified.

4. Two exhibits require a word about how I hold them. **Exhibits CCC and JJJ are printed from the word-processing files in which those letters were prepared in my office, which I have kept since they were written. I do not have executed or postmarked copies of them.** My letter of March 10, 2006 to Michael A. Hoffman, Esq. (Exhibit CCC) and my letter of January 10, 2003 to the New Jersey Division of Fish and Wildlife (the second letter in Exhibit JJJ) I wrote and sent myself. The Association's letter of January 7, 2003 to the Division of Fish and Wildlife, over the signature of [redacted] as President of the Association (the first letter in Exhibit JJJ), was typed in my office by my employee Judi [redacted] at Mr. [redacted] request, and I mailed it on the Association's behalf. Each of those exhibits is a true cop[redacted] letter as [redacted]en and sent.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: August 27, 2026

Ronald W. Yarbrough

SIGNATURE

Dated: August 27, 2026

Ronald W. Yarbrough, Plaintiff Pro Se
11 Lake Centerton Drive, Pittsgrove, NJ 08318
[redacted]