

August 9, 2021

To: Victory Lakes Community Members

Re: Obligation to Contribute to the Upkeep of the Lake and Dam

Dear Victory Lake Homeowner:

The Board of Trustees of the Friends of Victory Lakes Association, Inc (FVLA) has asked that I provide a legal opinion concerning the obligation of certain homeowners to contribute to the maintenance of the lakes and dams. The history of the Victory Lakes Community, as I understand it from a review of various documents (deeds, maps, plans, etc.) on file with the Gloucester County Clerk and from other sources, is as follows:

Throughout the late 1940's and the 1950s William and James Irish acquired a large number of contiguous properties in Monroe Township, Gloucester County. Within that combined property, they created three lakes, two of which were acquired by FVLA in 2004 – Upper Victory Lake and Sunset Lake. Irish then developed plans for a lakes community by subdividing the accumulated properties and marketing them as “Victory Lakes”. The advertisements for these properties included a promise that purchasers would have a right to use the lakes. The plans were submitted to the planning Board of Monroe Township and were approved by that body in a number of sections all designated as part of “Victory Lakes”. Some of those approved plans can be found online at i2e.uslandrecords.com.

Page 2

Once approval was obtained from the Township, Irish began selling the lots as individual building lots. The original deeds to those lots granted the purchasers the “**right and privilege of enjoying the use of the water of Victory Lakes for the purpose of boating, fishing, swimming, provided that all of these privileges shall be governed by such rules and regulations as may be prescribed from time to time by the grantors**”. Some of the lots were eventually sold to the Lehman family and then to the Victory Sunset Maintenance Corporation, however, upon spot checking several titles to the lots in the original Irish plans, it appears that the chain of title to all of the originally subdivided lots contained the “right and privilege” to use the lakes.

If you are receiving this letter, it is because that the FVLA believes that your property is one of the properties included in the lots that were originally created by Irish and which possesses the rights and privileges set forth in the chain of title as set forth above. As such, you have a legal and equitable obligation to contribute to the maintenance and upkeep of the lakes and dams. While you are invited to become a member of the Association and take advantage of the clubhouse and Association social activities, FVLA is not taking the position that you are required to be a member – you are only required to contribute to the maintenance and upkeep of the lakes and dam. The amount that non-members will be invoiced for is only each owners’ fair share of the cost of maintenance and upkeep of the lakes and dam.

Attached is a legal analysis of the issue and a list of those lots and owners which FVLA in good faith believes and asserts are part of the Victory Lakes Community (the “listed owners”). It would be unreasonable and financially irresponsible for the Association to do complete title searches of all of these properties - the list is compiled based on the original plans for the community referred to above

Page 3

and other available documents. It is possible that there is no such “right and privilege” to use the lakes attached to *your* chain of title, and, upon receiving proof thereof, the Association would certainly abandon any effort to collect from you. However, until such time as the FVLA is provided with proof that their good faith belief that an owner is subject to contributions is inaccurate, the Association is going to pursue collection efforts against anyone who does not pay the assessments.

Hopefully, the information being provided here will demonstrate to you the strength of FVLA’s legal position and you will abandon any objection to pay the assessments sent out to you. The more money the Association must spend on legal bills, the higher the assessments will be. Many of you are familiar with Collings Lakes for whom this firm does the collection work. That case was litigated for 10 years and in the end, every single owner in the community is court ordered to pay assessments for the upkeep of the lake and the construction of the dams. The case law on the responsibility of lake community property owners is now well established and therefore, I respectfully suggest that the community needs to pull together, cooperate, and keep the assessments as low as is reasonably possible. If FVLA is not able to pay back the loan for the dam construction, the Township will move in and repay the loan by way of tax assessments on all of the homes. So, either way, you are going to contribute - cooperating with FVLA is no doubt the less expensive avenue.

Sincerely,

HILL WALLACK, LLP
Gregg A. Shivers, Esq.