

MISSION STATEMENT  
PENN ESTATES PROPERTY OWNERS ASSOCIATION

The Penn Estates Property Owners Association mission is to represent the needs of all property owners in managing, preserving community assets and providing protection and services for the community, as mandated by the Pennsylvania Non-Profit Corporation Law, Planned Uniform Community Act, Penn Estates declaration of protective covenants and the Penn Estates Property Owners Association By-Laws.

VISION STATEMENT

The Board of Directors of the Penn Estates Property Owners Association is committed to working together with Property Owners, Management, and the Community at large to establish policies, promulgate rules and regulations and provide direction to ensure implementation which supports continuing an improved quality of life through preserving facilities, recreation, security, buildings and grounds, roads, home and the environment.

VALUES

1. Living in harmony with nature.
2. Commitment to excellence.
3. Integrity and ethical standards.
4. Respect for rights and opinions in appreciation of differences.
5. Fair and equitable processes.
6. Courtesy in all actions.
7. Loyalty, dedication and team orientation.

IMPORTANT PHONE INFORMATION

Emergency – call 911

State you live in Penn Estates, give your name, lot and section and location of emergency.

Keep on the phone until told to hang up, turn on your outside light and have someone watch for emergency vehicle.

NOTE: LOT # AND SECTION NEEDS TO BE DISPLAYED AND BE VISIBLE FROM THE STREET.

PLEASE WEAR BADGES AT ALL TIMES AT ALL AMENITIES

GUESTS MUST BE REGISTERED AT HALLET ROAD ENTRANCE

GATE CARD MAY ONLY BE USED BY OWNER (S) ISSUED CARD

## PREFACE

This booklet contains the By-laws and Rules and Regulations of the Penn Estates Property Owners Association, a Pennsylvania Not-For-Profit Corporation.

The rules of the community represent a common sense approach to management, intended to ensure the safe and enjoyable use of the facilities and amenities in the community for the benefit of the entire membership, their visitors and guests.

It is the responsibility of each Property Owner to respect the rights of others as neighbors and to enjoy the community facilities available to all Property Owners as detailed in this booklet.

PENN ESTATES PROPERTY OWNERS ASSOCIATION

INITIAL BOARD OF DIRECTORS

January 6, 1990

SPERO MENTONIS -

Vacation Home Property Owner/Wholesale Business

MICHAEL CONLAN -

Permanent Home Property Owner/Financial Consultant

GEORGE WEHRLE -

Vacation Home Property Owner/Insurance Industry

CHARLES SCHULZ -

Rental Home Property Owner/Roofing Contracting Business

JOEL SAMUELSON, MD -

Permanent Home Property Owner/Physician

DENNIS MOONEY -

Rental Home Property Owner/Property Management & Business Manager for CHC

ROBERT BERISH -

Business Consultant/Financial, Computers, Accounting Industry, CPA

JOHN BOYLAN -

Property Management/Controller for CHC, CPA

JOHN BAYMOR -

Business Consultant for Property Management & CHC/Background in Finance & Banking, Real Estate

Penn Estates Board of Directors Elections

The Penn Estates POA Board of Directors is made up of 9 elected property owners in good standing. Directors serve 3-year terms. Each year there is an election for 3 positions on the Board.

Mailing Address:

Penn Estates Property Owners Association  
3445 Penn Estates  
East Stroudsburg, PA 18301  
Phone: 570-421-4265

Penn Estates Administration is located approximately two miles from the main entrance on Penn Estates Drive.

PENN ESTATES PROPERTY OWNERS ASSOCIATION

RULES and REGULATIONS  
SUPERCEDES ALL PREVIOUS VERSIONS

PREFACE

The following Rules and Regulations are the result of recommendations made by various committees acting under the Board of Directors of the Association.

The Board of Directors has approved these Rules and Regulations so as to (1) provide a healthful and harmonious environment for community living; (2) to protect and preserve property values; (3) to enable such action to be taken as may be necessary to prevent or abate conditions which may be inconsistent with the Declaration of Protective Covenants and Restrictions and with all applicable laws; and (4) to protect the health, safety and general welfare of all Property Owners at Penn Estates.

These rules are in addition to the Covenants and Restrictions contained in the various recorded deeds and in the By-Laws of the Penn Estates Property Owners Association.

Any violation of these Rules and Regulations could result in an appearance before the Appeals Committee established by the Board of Directors and could result in a suspension of privileges, a fine, or both, as well as institution of Civil Action to recover sums due for damages or injunctive relief, or other appropriate action.

## ARTICLE I

### Definitions

1. **ASSESSMENT:** Any such property owner charges or fees as established by the Board of Directors.
2. **ASSOCIATION:** The Penn Estates Property Owners Association, a Pennsylvania non-profit corporation. Said Association is successor and assignee of Cranberry Hill Corporation, for the Declaration of Restrictive Covenants as imposed upon Penn Estates as defined in the Restated Settlement Agreement of April 3, 1998. Address to be Association Office, 3445 Penn Estates, East Stroudsburg, Pennsylvania 18301 or Main Office shall be that location designated by the Board of Directors.
3. **BOARD:** The Board of Directors of the Association elected pursuant to provisions of the Declaration and of the By-Laws.
4. **BYLAWS:** The By-laws of the Association.
5. **COMMON AREA:** Any and all real property designated as such on a Plat and all real property acquired by the Association, whether pursuant to the Transition Agreement or otherwise, together, in each instance, with all improvements which may be at any time constructed thereon, including but not limited to roads, recreational, community facilities, lakes, parks and other real estate.
6. **DECLARANT:** Cranberry Hill Corporation, a Pennsylvania corporation, its successors and assigns.
7. **DECLARATION:** A Declaration of Restrictive Covenants, dated April 14, 1977, and subsequent amendments made by the Declarant and recorded in the Office for the Recording of Deeds in and for Monroe County, setting forth certain restrictive covenants, easements, etc., with respect to the Development, as the same may be amended or supplemented from time to time.
8. **DEVELOPMENT:** All of the real property comprising Penn Estates Development, located in Stroud and Pocono Townships, Monroe County, Pennsylvania, as shown on the Plats as provided in the Declaration, including any real property annexed thereto as provided herein.
9. **HOUSEHOLD:** One or more persons, each related to the other by blood, marriage or legal adoption, or a group of not more than four adult persons not so related, who, in each instance, regularly and customarily reside together in the same house or home as a principal residence.
10. **LOT:** Any numbered, named or lettered tract or real property within such boundaries as are shown on any Plat within the Development.
11. **PROPERTY OWNER:** Any person, persons or Corporation including Declarant, who holds fee simple title to any lot.

12. PLAT: A final subdivision map with respect to the Development, as recorded by Declarant in the Office for the Recording of Deeds in and for Monroe County. The term "PLATS" shall mean all of the final subdivision maps of the Development from time to time identified thereon as Plat Maps of Penn Estates Development, including any additions or revisions thereto.
13. RESERVED AREA: Any and all of the real property designated as such on a Plat, ownership of which may be retained by Declarant and which may be put to such uses as Declarant shall determine, including, but not restricted to, commercial enterprises and future subdivision.
14. ROAD: Any and all of the real property designated as such on a Plat.
15. SINGLE FAMILY DWELLING: A residential dwelling for one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than four adult persons not so related, together with his/her domestic servants, maintaining a common household in such dwelling.
16. GUEST: A person other than a Property Owner who has been authorized to enter Penn Estates Development by a Property Owner with the intention of staying at the Property Owner's address overnight.
17. GUEST/RENTER PASS: A dated auto identification card issued when entering Penn Estates Development which will allow access to the grounds, but does not permit use of any of the facilities.
18. GUEST FEE: A fee to cover the basic cost for providing the use of the amenities, excluding any facility where a separate posted fee is required. The fee is based on the philosophy that Guests of one Property Owner should not be subsidized by all Association Property Owners.
19. LANDLORD RENTAL REGISTRATION: An annual registration form signed by any Property Owner wishing to rent his premises.
20. RENTER: A person or persons renting or leasing a property at Penn Estates Development from a Property Owner.
21. RENTAL REGISTRATION FORM: A form identifying the Renter upon arrival, signed by the Property Owner and required in order to gain entry through Security.
22. VISITOR: A non-overnight person who was authorized to enter Penn Estates Development by a Property Owner, or a person who has been admitted through Security for an appropriate reason.

## ARTICLE II

### Membership Identification/Access Control

1. It is the policy of the Association that all Property Owners, Renter or Guests be properly identified when using any of the Penn Estates facilities. The purpose of this is to (a) provide control and the use of all facilities and limit the use to Property Owners in good standing, bonafide Guests and Renters, and (b) to provide adequate security and safety for the protection of the amenities and the persons using the amenities.
2. Upon payment in full of the annual assessment for dues, special assessments and any other applicable charges, Property Owner will receive badges, security stickers and/or other identification as may be designated by the Board of Directors from time to time, as may be necessary for the Property Owner and their families.
3. Renters and Guests must obtain a Renter's or Guest badge from the Property Owner who will be issued such badges after registration by the Property Owner of these Renters and Guests and the payment of any required fees. All badges must be secured prior to the usage of any amenities.
4. All property owners' vehicles must have identification as directed by the Association. All guest vehicles must display guest registration as issued and directed by the Association. 12/01
5. Visitors, Guests and Renters may be issued a dated, not to exceed a period of seven (7) days "Guest/Renter Pass" which is to be displayed as directed by security personnel and surrendered to the guard on completion of visit. 1/07
6. Owners of vehicles who cannot justify their presence in the Development will be detained, their identification verified and, if appropriate, escorted off the development. If the same person or persons are detained a second time, they will be subject to prosecution for Defiant Trespass, pursuant to the Laws of the Commonwealth of Pennsylvania.
7. All Property Owners, Guests, Visitors and Renters shall wear the designated identification and/or badge in a visible location on their person while using the amenities.
8. A new photo identification/access card may be issued to Property Owners in good standing and/or their tenants upon application. A fee set by the Board of Directors is required. No more than two (2)-deeded Property Owners may have their photo on one identification card. Property Owners, tenants, or extended family or guests can purchase a photo identification card at the Property Owner's request. When a fully paid Property Owner turns in an access control card assigned to their property, the card fee will be refunded and the card deactivated. When a Tenant turns in an access control card assigned one-half (1/2) the card fee will be refunded and the card deactivated. 12/01
9. Original cards issued prior to 12/31/01 will only be exchanged for those properties that meet Section #2, at no additional costs for a new photo identification/access card. Exchanges must take place during the six- (6) month period following implementation of the new system for the fee to be waived. 12/01

10. An annual photo identification card may be issued to contractors, realtors, and other service professionals who routinely access the community. A fee, as established by the Board of Directors, will be charged. Cards for contractors will be limited to specific time access in accordance with the community work hours (Article XXI, 52). Contractors with multiple vehicles will also be required to provide a vehicle registration for each vehicle and purchase a vehicle sticker at a nominal charge. 12/01

11. Governmental, public service agencies and school districts may be issued complimentary cards upon the approval of the Board of Directors or their designee with no photo identification. These agencies must report lost or stolen cards for deactivation. 12/01

12. Lost or stolen cards must be reported to the Administration Office. Lost or stolen cards may be replaced and Property Owners charged a fee as established by the Board of Directors. Broken or defective cards will be replaced at no charge. 12/01

13. Cardholders may request a photo replacement or update at a nominal fee, as established by the Board of Directors. 12/01

14. Access control cards will be deactivated (1) for non-payment of dues and/or assessments thirty (30) days after payment is due; (2) for non-payment of a fine forty-five (45) days after payment is due; and (3) for misuse or transferring of a photo identification/access card. 12/01

15. A fee, as established by the Board of Directors, will be charged to reactivate a photo identification/access card if the card has been deactivated for any valid reason. 12/01

16. Any Property Owner or any individual entitled under the rules to receive a photo ID access card is encouraged to do so. If such person(s) desire not to have their photo taken and entered into the computer database and/or attached to the access card, they may obtain a non-photo access card upon presenting a positive ID with a photo attached for examination and photocopying. The photocopy will be held in the Property Owner's or an individual's file in a controlled location approved by the Board of Directors. This copy will not be entered into the database and will not be used for any purpose except identification to determine ownership of the access control card. Said photocopy may be examined by an authorized employee or security provider of Penn Estates and will not be used for any other purpose. Registered Renters and/or Renters from paid up Property Owners will be entitled to a photo access ID card at a rate determined by the Board of Directors. Property Owners or renters who refuse to provide photo identification will not be entitled to a photo access ID card. They will be required to obtain a monthly hanger tag at the Welcome Center. 12/01, 3/02

17. Property Owners or renters not in good standing will be eligible to purchase a photo access card at a fee established by the Board of Directors.

18. Those without stickers must enter the community through the front gate only. Tampering of gate to allow entry is prohibited and punishable by citation and fine.

19. (a) No access card holder or guest access card holder may attempt to allow, or allow, access to the community of more than one vehicle through the same gate using the same access card within a period of time observed by a Security Officer or the Access Control System, even if the card holder is a driver or passenger in either or both vehicles. The Property Owner to whom the access card was issued would incur a fine of \$100.00 for a first offense and a \$500.00 fine for each subsequent offense.

(b) Should either of the vehicles not be properly registered with the Community Security Company and displaying proper vehicle identification, an additional fine of \$50.00 shall be incurred for failure to properly register a vehicle located within the community. (10/04)

## ARTICLE III

### Emergencies

1. Property Owners should know their nearest main intersections so that persons reporting or responding to an emergency can readily know their exact location.
2. If it is suspected that an intruder or trespasser is in or about your property or that of another, or if you observe a person acting in a suspicious manner, immediately inform security and/or police so that corrective measures can be taken.
3. Emergency Procedure. It is the responsibility of the Property Owner, their family, Guests, Visitors and Renters to familiarize themselves with emergency procedures.
4. If a situation of emergency nature takes place, call 911. Then call Security at 424- 8803.

## ARTICLE IV

### Guest Policy

1. The Association recognizes that their private residential community will be used on many occasions by Property Owners who will invite Guests periodically, and it is assumed that some control will be exercised in the use of the facilities by the Guests.
2. Rules and Regulations regarding Guest usage are established, and it is expected that the Property Owner will comply with these Rules and Regulations. The Association insists that Property Owners who do not comply or attempt to circumvent these rules will be subject to punitive action.
3. When a Guest is to arrive, they will be admitted after identifying the Property Owner and the address of which they are a Guest. They will be issued a Guest pass, which must be visibly displayed above their dashboard during their entire visit at Penn Estates.
4. Before entry to the grounds, the invitation of the Guest/Visitor by the Property Owner must be verified by Security. To avoid delay upon arrival, Property Owner must leave name of Guest/Visitor with Security at the Welcome Center. Property Owners are encouraged to use voice mail to register Guests. Property Owners should call Welcome Center Guest registration voice mail at 421-4705 at least one hour prior to Guest arrival. Caller will be prompted to provide Property Owners' full name, lot number and section letter, Guest's full name date and time of arrival. For the safety of all, Security will not admit Guests without verification.
5. If Guests wish to utilize amenities, a guest badge will be required. Badges may be secured by a Property Owner in person through the Administration Office prior to the arrival of their Guests at Penn Estates. Badges will be issued subject to availability and payment of a fee.
6. The full use of all Penn Estates recreational facilities will be available to guests of Property Owners by daily, weekly, monthly or seasonal guest badges.
7. A badge is issued for one person and may be used only by one person.
8. A Property Owner whose privileges have been suspended for violations of the By-Laws and/or Rules and Regulations of the Association may not be a Guest of another Property Owner in the use and enjoyment of the amenities and facilities established by the Association for the health, convenience and recreation of its Property Owners.
9. Property Owners or registered renters, in good standing may purchase up to 4 Guest Access Cards at a cost as set by the Board of Directors. Cost of each card purchased is refundable upon surrender of the access cards. Guest access cards will be issued inactive and will be activated at the property owners' or registered renters request for a period not to exceed 30 consecutive days. Cards must be purchased at the Administration Office during normal business hours. Activations must occur 24 hours prior to guest's arrival to avoid delays. Guest must enter through the Hallet Road entrance and will receive vehicle identification as determined, which must be displayed at all times the vehicle is in Penn Estates. 6/03

10. Property Owners, registered renters or guests without an access card will only be entitled to use the Hallet Road entrance. 6/03

## ARTICLE V

### Rental Policy

1. Property Owners wishing to rent their home must first complete an Annual Landlord Rental Statement and Rental Registration Form, available at the Administration Office and pay an annual rental registration fee as established by the Board.
2. The Annual Landlord Rental Registration Statement shall include, but not be limited to, the following information: (a) Property Owner (Landlord), home address and phone number; (b) Additional party to contact in the event of an emergency; (c) rental property address or identification (lot/section); (d) approximate rental availability (e) maximum sleeping capacity; (f) maximum off-street parking capacity; (g) confirmation of trash removal services; and (h) Property Owner's (Landlord) signature.
3. The Property Owner and/or Renter must complete a Rental Registration Form which shall include, but not be limited to the following: (a) Renter name and current address; (b) Renter phone number; (c) Number of persons in rental party; (d) Renter vehicle identification; (e) rental dates; (f) address or identification of rental address; (g) maximum sleeping capacity in rental property; (h) executed copy of lease; (i) signature of Renter; and (j) signature and home phone number of Property Owner.
4. Annual Landlord Rental Statement and Rental Registration forms will be mailed to the Property Owner with the annual maintenance billing. Additional forms will be available to Property Owners through the Administration Office.
5. The original and one (1) copy of the Rental Registration form, along with the fee established by the Board, must be received at the Administration Office not later than five (5) days before the arrival of the Renter to avoid unnecessary delay in admitting the rental party.
6. Renters will not be admitted unless they possess and show their Rental Registration form at the Welcome Center.
7. Property Owners must provide Renters with a copy of the Association Rules and Regulations, along with a map showing the location of the home.
8. Renters, as well as Property Owners, are financially responsible to the Association for any damage caused to the amenities or common areas by the actions of the Renters.
9. Renters must adhere to all Rules and Regulations of the Association and will be subject to disciplinary action if they violate any such Rules and Regulations. Property Owners will be responsible for the Renter's actions.
10. Renters are entitled to use the recreational facilities only if the Property Owner is current in all fees. Property Owner relinquishes their right to use the facilities for the length of the lease.

11. The Property Owner is always responsible for association dues, fees and assessments, fines, insurance deductibles or any other charges the Board may assess.
12. A Renter may not sublet the property as a unit or any part thereof.
13. The lease agreement must grant the Association the power to evict a Renter by amicable confession of ejectment should the Renter violate the Rules and Regulations of the Association.
14. Any home that is rented must be rented in its entirety and may not be occupied in any part by the Property Owner during the rental period.
15. Badges must be worn by the Renters at all times when using the facilities.
16. Renters must maintain proper attire and decorum at all times while using the facilities.
17. Property Owners are not permitted to use the amenities during the rental period, except as a Guest. Property Owners with more than one lot shall be able to use the facilities, provided those lots are not rented.

## ARTICLE VI

### Motor Vehicle Rules

1. All Pennsylvania motor vehicle statutes and ordinances are to be strictly observed, as well as the rules of the Association.
2. Speed limit on all Development roads is 25 M.P.H. unless otherwise posted.
3. All motor vehicle operators are to be licensed and insured. All motor vehicles must show current state inspection and registration. All guest vehicles must show guest registration hang tag. Non-licensed recreational vehicles are not permitted on PEPOA roads. ATV's are prohibited.
4. The owner of any licensed motorcycle, moped or similar vehicle must take measures to assure that the noise emitted from such vehicle shall not be a disturbance to the Development. Written notice of such disturbance can be made by any Property Owner to the security guard or the Association giving vehicle identification number, description, time and place of disturbance, Property Owner and/or operator's name and any additional information as may be obtained. The Property Owner shall be subject to a citation.
5. The Property Owner is required to prove that measures have been taken to control the noise emitted before the licensed vehicle shall be permitted to be used in the Development.
6. If a licensed motorcycle, moped or similar vehicle cannot be operated without causing a noise disturbance, and then it may not be operated in the Development.
7. All contractors and their employees must register their vehicles annually with the Association.
8. State licensed and registered motor vehicles must be registered with the Administration Office and a security permit must be obtained for each vehicle. Two (2) permits will be issued to the Property Owner without charge. Additional permits may be purchased at a fee to be established by the Board.
9. Any violation of these motor vehicle rules can result in a citation and a fine, suspension of the Property Owner's privileges or the filing of an appropriate complaint in Magistrates Court or Court of Record for a violation of any law of the Commonwealth of Pennsylvania, or the filing of a complaint in any Court for "Defiant Trespass". Under Title 15, PA CSA Sec. 5502, the Association has the power to adopt rules and regulations. The Association also has the power to impose charges and levy reasonable fines for violations of its By-laws, Rules and Regulations.
10. Card owners must be present in the vehicle. Use of card to access community for more than one vehicle at a time is prohibited. Violators will be cited and fined. Cards will be deactivated if used by other than the card owner until the fine and reactivation fees are paid. 12/01
11. Vehicles approaching a stop sign must come to a complete stop before proceeding into the intersection. Should the view be obstructed, the vehicle must then proceed slowly until a complete view of the intersection can be seen. Before

entering the intersection, the vehicle must again come to a complete stop, checking for traffic in both directions, and then proceed slowly into and through the intersection. Rolling stops are not permitted. 1/06

12. Battery operated wheelchairs/scooters used by registered handicapped persons are authorized on Penn Estates roads.

## ARTICLE VII

### General Rules

1. The Association, through its Board of Directors, or a committee so duly established to hear same, shall have the power to suspend, discipline or otherwise take action against any Property Owner for conduct which in its opinion may endanger the welfare, interest or character of the Association or for any conduct in violation of these Rules and Regulations or the By-Laws of the Association.
2. The Association premises are restricted solely to Penn Estates Owners, Renters and Guests. Amenities are restricted for use only by Property Owners, Renters and Guests as prescribed herein, who are not in violation of the Covenants, By-Laws or these Rules and Regulations and are otherwise in good standing.
3. The obligations of ownership shall include, without limitation: (a) compliance at all times with these Rules and Regulations, policies and By-Laws of the Association and to be responsible for like compliance by family members, Renters, Guests and Visitors; (b) payment of all dues, fees, assessments, fines and other charges levied pursuant to the authority granted in the By-Laws of the Association, including interest and any legal costs; and (c) responsibility for all damages attributed to the Property Owner, his or her family, Renters, Guests and Visitors.
4. A Property Owner who has been suspended for violation of either the Covenants, By-laws or Rules and Regulations of the Association shall be barred from exercising his or her privileges of ownership, regardless of the number of lots owned.
5. Disorderly Conduct - Any personal behavior that is detrimental to the interest, character and/or welfare of the community and its membership is prohibited. This includes is not limited to conduct that is contentious or turbulent in character or is clearly offensive. This also includes, but is not limited to abusive or otherwise disturbing behavior of a verbal or physical nature directed toward PEPOA Staff, Security Personnel, Board Members, Community Volunteers, PEPOA member or guest; upon or in any place owned or maintained by Penn Estates POA such as:
  1. engaging in fighting or threatening to fight, or other violent or tumultuous behavior;
  2. making disruptive noise;
  3. use of obscene language or making an obscene gesture; or
  4. creating a hazardous or physically offensive condition by any act, which serves no legitimate purpose of the actor.
6. Fleeing or Attempting to elude Security Officer – When given visual or audible signal to bring a vehicle to a stop, the driver of a motorized vehicle must bring his /her vehicle to a stop and may not flee or attempt to elude a pursuing Security Officer (s). The signal given by a Security Officer may be given by hand, voice, emergency lights or siren.
7. Alcoholic beverages are prohibited in all pool, beach areas and all other common property. Open containers of alcohol and the consumption on any waterway or roadway are also prohibited. Alcoholic beverages are permitted during select events sanctioned by the Association.

Those individuals, under the legal drinking age (21), violating this rule will be released to their parent/legal guardian and/or the local Police Department.

Any person that appears on any common area under the influence of alcohol to the degree that he/she may endanger their self or other person's property or annoy persons in his/her vicinity shall be cited for Public Drunkenness. 8/06

## ARTICLE VIII

### Pool Regulations

1. Pool badges are required for pool entrance. Current Property Owners must wear badges. Guests must pay guest fees.
2. No one is permitted in the pool enclosure except during scheduled hours and only when lifeguards are on duty.
3. The Aquatics Supervisor on duty may close the pool during scheduled hours for reasons of safety, weather or maintenance.
4. No running, dunking, pushing or other horseplay will be permitted. Always enter the pool with caution.
5. No china, glassware, food, smoking or beverages (except water in plastic containers) of any kind is permitted in the pool enclosure unless otherwise designated. Trash must be deposited in containers provided. 7/03
6. Children under twelve (12) years of age are not permitted in the pools or pool enclosure unless accompanied by a responsible person 16 years or older who shall be responsible for the child's behavior and conformance to all pool rules.
7. Small children must use plastic pants. Children wearing diapers are not permitted in the pool.
8. No diving will be permitted in the shallow end of the pool. No flips, back dives or other stunts will be permitted off the sides.
9. Only appropriate swim attire may be worn in the pool. Street clothes, underwear or cut-offs are not allowed. The Aquatic Supervisor or designee, in their sole discretion shall determine compliance with this rule. 7/03
10. Deep-water areas of the pool are limited to individuals who can swim the width of the pool in a satisfactory manner. Qualification is at the discretion of the pool staff and verification may be requested at any time.
11. No sitting or hanging on ropes and no swinging on ladders will be permitted.
12. Gum chewing is not permitted in the pool enclosure. Please make appropriate use of trash receptacles.
13. Only radios equipped with and used with headphones shall be allowed in the enclosed pool area. 7/03

14. Flotation devices and skin diving equipment are prohibited in the pool and beach areas, unless permission has been granted by the Aquatics staff.
15. No articles of any kind may be thrown into the pool.
16. The primary responsibility of the lifeguards is the safety of the swimmers. They have the authority to order any offender of the rules out of the pool for any portion of the day or longer in their sole discretion. Chronic pool offenders may be suspended for a day, week, season or any portion thereof, and subject to other disciplinary action or citation. 7/03
17. Socializing with or distracting lifeguards while they are on duty is prohibited. No loitering or congregating will be allowed. No loitering or congregating will be allowed around the lifeguard or guard station.
18. Individual lounges and chairs are permitted in the pool enclosure at the discretion of the Aquatics staff, but may not be stored in the pool area. Association owned lounges and chairs are available on a first come first served basis.
19. Swimming at the pool while unsupervised by Association personnel is prohibited.

## ARTICLE IX

### Lake and Beach Safety Rules

1. Property Owner badges must be worn at the lake and beach areas. Current Property Owner identification is needed for all recreational activities.
2. Children under sixteen (16) years of age are not permitted to use boats at the lake unless accompanied by an adult who shall be responsible for the child's behavior in conformance to all lake and beach rules and regulations. 7/03
3. Picnicking is limited to the designated areas and all trash should be placed in the provided containers.
4. Do not overcrowd any boat. Be sure that all crafts are equipped with a U.S.C.G. approved flotation device for each occupant. Questions regarding these regulations should be directed to the Aquatics Supervisor.
5. No running, pushing or other horseplay is permitted.
6. No china or glassware of any sort is allowed at the beach.
7. No diving or swimming from boats will be permitted.
8. Respect and obey, without fail, the instructions of the Aquatics Supervisor. Mountain lakes are famous for dangerously squally weather. Sailing or boating during thunderstorms is not permitted. Boats must be docked at the first signs of a storm.
9. Swimming at the beaches while unsupervised by Association personnel is prohibited.
10. Children under twelve (12) years of age are not permitted in the lake or beach area unless accompanied by a responsible person 16 years of age or older who shall be responsible for the child's behavior and conformance to all lake and beach rules.

## ARTICLE X

### Fishing Rules

1. Fishermen must comply with the State Fishing Laws and Regulations. They must possess and display a Pennsylvania license if sixteen (16) years of age or older.
2. Fishing is not permitted from the beach or boat dock.
3. Ice fishing is permitted at participant's own risk. Holes drilled must be properly marked.
4. All fishermen must wear their ownership badge.

## ARTICLE XI

### Tennis Court Rules and Regulations

1. Courts are for the use of current Property Owners, Renters and Registered Guests only. Property Owner badges must be worn.
2. Players must wear proper tennis attire and shoes.
3. Players may reserve courts one (1) day in advance. Sign up for court time is in the Administration Office.
4. No one should be within the tennis enclosure unless they are actually playing tennis.
5. All players should follow tennis courtesies and regulations.
6. There is a limit of one (1) hour daily sign-up. Court reservations expire ten (10) minutes after the hour.
7. Adults have preference in reserving court time on Saturdays, Sundays and holidays. Players under 14 must be playing with an adult during these times.
8. All tennis play will be restricted to one (1) hour for singles or doubles. All play will begin and end on the hour. All players must give up their courts on the hour, unless there are no waiting players. The Association office will have final authority on all reservations.

## ARTICLE XII

### Equipment Rental Rules

1. Current Property Owner identification must be presented for rental privileges.
2. Bicycles are only to be parked in designated areas.
3. Guests may be permitted to use the equipment on a daily basis upon request of a Property Owner who must first register them. Fees will be charged for equipment use as established by the Board.
4. All equipment used must be signed and paid for and returned at the designated time period to the equipment attendant.
5. Property Owners' privileges will override Guest privileges on available equipment.

## ARTICLE XIII

### Resort Club Rental

1. Property Owner shall be responsible for actions and damages caused by Guest. Children must be controlled at all times. Children are not allowed on deck areas outside Oak Room.
2. Closing time of all events shall be no later than 1:00 am. All activities including clean up must be completed by that time.
3. No helium balloons or other decorations that can float to ceiling are allowed.  
2/02
4. No tacks or staples may be used for decorating. Only masking (not transparent tape) may be used.
5. Clean up shall include removal of decorations, consolidating trash into trash bags in trashcan provided and depositing it in designated location in cans provided. All areas must be cleaned of litter, spills and food products.
6. Clean up deposit will be used to restore building and equipment to condition prior to its rental to sponsor, less normal wear.
7. Rental does not include use of any equipment or supplies except as specifically approved and initialed. Use without permission shall subject sponsors to forfeit deposit and possible other disciplinary measures.
8. No ice shall be deposited in the bar area cooler; it is for cooling beverages only.
9. The Resort Club is a NO SMOKING AREA. This rule must be obeyed. Smoking allowed only on outside. Please use Receptacles provided.
10. Building will be inspected the day following the event prior to release of security deposit.
11. The PEPOA is not responsible for personal articles left in the Resort Club after closing of rental.
12. Employees may rent Clubhouse, same terms and cost.
13. Stove available only with presence of supervisor (people renting Club responsible for payment of supervisor salary).
14. Reservations are on first come first served basis. Request must be made on forms at Administration Office complete with rental fee and deposit fee as approved by the Board of Directors.

## ARTICLE XIV

### Kydz Kamp Rules

1. Current ownership in good standing.
2. Kydz Kamp is for children ages 4 to 7 only.
3. All attending children must be registered by parent and applicable fees paid.
4. Children must be picked up promptly after session.
5. Guest children must pay non-member fees as established by the Board.
6. Parents must be available on property in case of need or emergency.

## ARTICLE XV

### Teen Rules for Activities

1. Teens must be registered with the coordinator by parent.
2. Teens must wear proper attire for respective activity.
3. Transportation is to be provided by parent unless noted otherwise.
4. Teens under 18 must be accompanied by a responsible adult, 21 years or older; who shall be responsible for their behavior when in the Resort Club Complex and common areas.
5. Curfew in the Community Center Complex and common areas for all unchaperoned teens under 18 years of age is 10:30 p.m., except in the case of an Association approved or sponsored chaperoned function.
4. No loitering, congregating, loud music or misconduct is allowed in any common area.
7. Children twelve (12) years of age or under must wear a helmet when riding a bicycle or scooter on community property. 2/02
8. Rollerblading is not permitted on community roads. 2/02
9. Anyone under the age of eighteen (18) shall not roam (on foot or bicycle) around the Penn Estates Community after eleven (11:00PM) o'clock unless accompanied by a responsible adult, 21 years or older, from Memorial Day through Labor Day. Non compliance to this edict will be deemed a violation of the Community's Curfew Rule. Additionally, anyone under the age of eighteen shall not roam around Penn Estates after ten (10:00PM) o'clock unless accompanied by a responsible adult, 21 year or older, from Labor Day through Memorial Day (except as noted in #4). 8/03

## ARTICLE XVI

### Rules for Pets

1. All pets in Pennsylvania after six (6) months of age must have a Pennsylvania license or other state license. Pet tags must be displayed and vaccination record produced upon request by Security.
2. All pets must be confined to the Property Owner's property or walked on a leash. Any and all pet excrement must be picked up when deposited outside the confines of the pet owner's property. 12/01
3. A dog, cat or other household pet is allowed, provided that they are not kept, bred or maintained for any commercial purpose. No exotic animals, livestock or poultry of any kind shall be raised, bred or kept on any lot.
4. No dogs, cats or other animals referred to, as household pets will be permitted at the lakes, pools, beaches, picnic areas or any other places designated as recreational areas.
5. All household pets must be kept under the Property Owner's control at all times. Ongoing barking, which disturbs or interferes with the peace, tranquility and comfort of others; behavior that is perceived as menacing to others or behavior that damages property will subject Property Owner to fines.
6. Willful and obvious disregard for safety of others, by permitting pets to roam freely in community will be punishable by fine. Fines are set at \$100 first offense plus costs, \$250 second offense plus costs and \$500 third and any subsequent offenses plus costs. 2/02
7. Any pet found roaming freely in the community can be picked up and detained for a reasonable period of time (48 hours) at a designated-penned area, before being released to the local SPCA. All costs shall be the responsibility of the Property Owner. 11/03

## ARTICLE XVII

### Firearms

1. No hunting is permitted within the confines of Penn Estates Development.
2. The public display, carrying, pointing or brandishing of a loaded firearm (pistol, rifle, shotgun, air gun, flintlock, black powder, BB Gun, Pellet Gun, Bow and arrow and any other comparable weapons not specifically mentioned or any other device capable of propelling a projectile of any kind) within the confines of Penn Estates Community is prohibited. 12/05
  - 2a.** All fireworks, as defined are specifically prohibited in Penn Estates. That is any combustible or explosive composition prepared for the purpose of producing a visible or an audible effect by combustion, explosion, deflagration or detonation. This includes, but is not limited to, sparklers, smoke bombs, firecrackers, skyrockets, roman candles, aerial fireworks or other fireworks of like construction, and any fireworks containing any explosive or flammable compound".
3. Discharging any such firearms within the confines of Penn Estates Development is strictly prohibited.
4. Any person in possession of any firearms must be in compliance with the laws of the Commonwealth of Pennsylvania.
5. Any person found to be in violation of this article is subject to a fine as established by the Board.
6. If any violation of these rules occurs, the Association offers a reward of Five Thousand \$5,000.00 Dollars for information, which leads to the arrest and conviction of those responsible for those actions committed in 2005 and beyond. 12/05
7. The transportation of any type of firearms as defined by these rules must meet the requirements of the Commonwealth of Pennsylvania in addition, the firearms must be unloaded and carried in the trunk of a vehicle or at least in a locked case and not transported in the passenger section of a vehicle. 12/05
8. All firearms are prohibited on Association Common Property or Buildings, except for Law Enforcement Officers working in an official capacity within the Association, including Private Security Personnel. 12/05

## ARTICLE XVIII

### Parking Rules

1. Licensed vehicles (including mopeds and motorcycles) may only be parked in designated areas at the pools, beaches, Community Center Complex and common areas.
2. Persons launching boats will do so as quickly as possible and remove vehicle to a designated parking area. Vehicles left in the boat launch area are subject to a citation and/or fine.
3. Bicycles must be parked in the bicycle racks provided or in a designated parking area.
4. Any vehicle parked on the street, which impedes vehicular traffic in any way, will be removed at the Property Owner's expense.
5. The Owner of any illegally parked vehicle will be responsible for any damages, which may be incurred.
6. No on-street parking will be permitted unless authorized by Security in writing.
7. Any person found to be in violation of this article is subject to a fine as established by the Board.
8. No standing or parking of any motor vehicle allowed near an intersection as follows: Within 30 feet of an intersection with a stop sign. Within 20 feet of an intersection without a stop sign. 2/02

## ARTICLE XIX

### Health and Sanitation Rules

1. No lot or other area within the boundaries of Penn Estates Development shall be used as a dumping ground for rubbish.
2. Trash, garbage and other waste shall be kept in plastic bags, which are to be placed in suitable containers properly secured to avoid animals from unsettling and scattering the debris. If maintenance men must be sent to clean it up, the Property Owner will be charged a fee as established by the Board.
3. No trash or garbage will be conveyed to or deposited in the containers at the beaches, picnic, recreational, mail or any other common areas.
4. Garbage and trash collections will take place at roadside. Containers may be placed at the roadside the day before contracted pickup and removed prior to 11:59PM on the day of pick-up. It is the responsibility of the Property Owner to provide trash pick-up for his property. 2/02
5. Outside fires other than cooking fires are not allowed.
6. Any person found to be in violation of this article is subject to a fine as established by the Board.

## ARTICLE XX

### Environmental Rules

1. All lots shall be used for single-family residential purposes only. No building shall be erected, placed or permitted to remain on the premises other than one (1) detached single family dwelling, not to exceed two and one-half stories in height, and a private garage for more than three (3) cars, which shall be attached to the dwelling. The dwelling must contain a minimum of 1,175 square feet of living space or as provided for in the Deed of Conveyance from Declarant.
2. No building may be constructed or occupied on any lot of the subdivision before the sewerage system and water system serving the lot are constructed and operable
3. No building, structure or fences shall be erected without first obtaining the approval, in writing, from the Architectural Review Board as to location, elevation, plan and design. Any exterior structure or construction must be completed within six (6) months after same is started.
4. The Architectural Review Board shall review all improvements, structures, alterations or adjustments by the Property Owner prior to commencing work. Approval shall be granted to Property Owner only upon written application in the manner and form prescribed by the Architectural Review Board, along with the fees required and established by the Board.
5. Any building erected on the premises shall be subject to all governmental regulations relative to construction, in addition to the covenants, easements, reservations, charges and conditions provided for. In the event of a conflict of the provisions of these covenants with any local subdivision or zoning ordinances, the more restrictive of the two shall apply.
6. The premises hereby conveyed are under and subject to the following minimum building setbacks: thirty-five (35) feet for front yard, fifty (50) feet for rear yard and twenty (20) feet for each side yard. If the premises hereby conveyed constitutes a corner lot, it is under and subject to a sight and roadway easement over a triangle the legs of which are fifty (50) feet measured along the street right-of-way lines from their point of intersection, or as noted on the recorded plot plans.
7. Permanent easements for drainage and utilities are established for each lot: five (5) feet inside and along side lot lines; ten (10) feet inside and along rear lot lines; and ten (10) feet inside and along front lot lines unless otherwise noted on the plans.
8. Except as permitted by the Architectural Review Board, no person except Grantor shall erect and maintain upon any lot or improvement any sign or advertisement. The Property Owner is required to remove any signs within five (5) days after notice. In the event same are not removed within five (5) days, the Board has the right to enter onto the premises for the purpose of removing such signs, and the Property Owner must pay the reasonable cost of such removal and subsequent storage of same.

9. The exterior of all structures located on any lot shall be maintained by the Property Owner in good repair and appearance. If any Property Owner shall fail to do so, the Board may, at its option and on not less than sixty (60) days written notice to the Property Owner, go upon the lot and take such action as may be deemed necessary to put the structures thereon in a state of good repair and appearance.

10. Each Property Owner, who is the owner of any lot, whether improved or unimproved, occupied or unoccupied, shall maintain the grounds and all improvements thereon in a good and clean condition and in a reasonable safe manner. Weeds, grass and other ground cover vegetation, other than shrubs or trees, will not exceed 12 inches in height. Upon the failure of the Property Owner to do so, the Board may, on not less than thirty (30) days written notice to the Property Owner, unless emergency dictates otherwise, enter upon the lot as often as the Board deems necessary to maintain, repair and restore same, including, without limitation, to cut down weeds, grass and other vegetation thereon and remove hazardous trees therefrom.

11. The Association may advance funds to the Architectural Review Board to cover these expenses.

12. The Property Owner of any lot upon which the Board shall perform service or supply materials pursuant to numbers 8, 9 or 10 hereof, shall, upon demand, reimburse the Association for the cost thereof with interest thereon to the date of payment at the maximum legal rate of which costs and interest thereon and all costs of collection thereof including a reasonable attorney's fee, shall be the personal obligation of the Property Owner and a charge and continuing lien upon all lots of living units of the Property Owner and shall be enforceable in the same manner as assessments are levied hereunder.

13. All Property Owners shall cut down weeds and other undesirable vegetation on their lots along any street, which may interfere with the visibility or the safety of pedestrian traffic. The Board has the right to cut down such weeds and undesirable vegetation at any time and may enter upon such lot for this purpose.

14. During drought emergencies, all local, state and PUC rules shall apply pertaining to water usage.

15. No garbage, rubbish, junk, cuttings or other refuse shall be deposited or permitted to remain on any lot unless placed in a closed container suitably located. No building materials, clotheslines, similar apparatus or other items that would tend to degrade the Development shall be kept on the premises. The Property Owner agrees to remove any such items within five (5) days after notice from the Board. In the event same are not removed within five (5) days, the Board has the right to enter onto the premises for the purpose of removing such signs, and the Property Owner must pay the reasonable cost of such removal and subsequent storage of same.

16. No tent, trailer, mobile home or temporary type of structure of any kind shall be placed or used upon the property at any time. The Property Owner agrees to remove any such tent, trailer, mobile home, or temporary structure within five (5) days after notice from the Board. In the event same are not removed within five (5) days, the Board has the right to enter onto the premises for the purpose of removing

such items, and the Property Owner must pay the reasonable cost of such removal and subsequent storage of same. The parking, as opposed to usage of licensed recreational vehicles, shall not be construed to be in violation of this article.

17. No open fires shall be started without a written permit from the Board and any other municipal permit as may be required.

18. No clearing of brush or trees or burning of any nature whatsoever, except after having first obtained the approval of the Board, in writing, as well as any other municipal permit as may be required. Such approval to specify the times and manner in which such clearing or burning shall be done.

19. No excavation shall be made on the premises except for the purpose of building and only at that time when building construction is to commence. No earth or sand shall be removed from the premises, except as part of such excavation, without the written consent of the Board.

20. No ground water or storm water from roofs; yards or other sources will be discharged into sanitary sewer systems.

21. In order to preserve the natural quality and esthetic appearance of the existing geographic areas within the Development, color enhancement or decorations of natural environmental elements such as rocks and trees is prohibited, all property lines shall be kept free and open and no fences shall be permitted on any lot or lot lines, nor hedges on lot lines, except where, in the opinion of the Board, a fence or other enclosure, as a structure or esthetic feature of a design concept, will contribute to and be in keeping with the character of the area.

22. Every fuel storage tank on any residential lot shall either be buried below ground or screened to blend in with the surrounding environment. A permit to do such will be required.

23. No Property Owner shall interfere with the natural drainage of surface water from his lot to the detriment of another Property Owner or to block any drainage ditch made to direct the flow of water from or along any street.

24. Culvert pipes, at least fifteen (15) inches in diameter, shall be used under all driveways where necessary to provide for water run-off from the street or other roadway.

25. Temporary driveways or work road clearings must include placement of culverts in ditches parallel to streets and laying of crushed rock gravel on driveways or work roads.

26. During the construction phase, straw bales and/or other preventive measures shall be used for erosion control to prevent soil from washing into any stream, lake, drainage ditch or any property.

27. Property Owner shall keep water and sewer services, drainage ditches and swales located on his lot free, unobstructed and in good repair and shall provide and install on his lot such culverts as may be reasonably required by the Board. If the Property Owner fails to do so within five (5) days after written notice from the Board, the Board has the right to enter onto the premises for the purpose of correcting such

violation and to do so as often as any violation occurs. Property Owner hereby releases the Board and any agent, employee or designee of the Board for any and all liability for such entry and correction.

28. No Property Owner shall build or permit the building thereon of any dwelling house that is to be used as a model home or exhibit.

29. No residence or other building shall be occupied until same has been substantially completed in accordance with approved plans and specifications, and an occupancy permit has been issued by the Architectural Review Board.

30. The use of outdoor clotheslines, clothes trees or any other similar apparatus for the outside drying of laundry is not permitted.

31. No garage sales, auctions or flea markets shall be permitted except as may be approved in an area designated by the ARB or Association.

32. No littering will be allowed. Fines of not less than ten (\$10.00) dollars nor more than three hundred (\$300.00) dollars, or a fine as established by the Board, will be levied for any offenses.

33. Property owners have the responsibility to identify lot number and section letter of their property. Letters and numbers should be visible from the street. Four (4") inch letters and numbers are recommended.

34. Residents are prohibited from feeding non-domesticated animals found within Penn Estates.

35. No pushing, shoveling or otherwise depositing snow upon the traveled portion of any road which is maintained by Penn Estates allowing same to remain thereon. Fine for 1<sup>st</sup> offense, warning; 2<sup>nd</sup> offense, \$50.00; 3<sup>rd</sup> offense, \$75.00 and thereafter, \$100.00

36. The current decibel level under township ordinance is 75dB at any given time. Therefore, any noise level in excess of this level arising from radios (car and home), stereo or any other music player, television or instrument, motorcycles, dogs etc. shall be terminated upon notification from any officer who takes a decibel reading and determines there is a violation. If the noise level is reduced below 75dB level then only a warning shall be given. If the violator fails to comply, any subsequent violations of the rules are noted emanating from the same violator or within a 40-foot radius of the original company, the fine will be \$50.00 per each subsequent occurrence when the officer is required to return. General quiet hours in the community are from 11:00PM to 7:00AM. Consideration for your neighbors should be observed at all times. The rule shall not apply to safety, security, and community sponsored functions and events or snow removal activities. 8/03

## ARTICLE XX.1

### General Rules

1. Vandalism of private property or common property of the Associations shall be punishable. Citation and fines plus the cost of repair, replacement, cleanup and legal costs will be imposed for each incident and each person cited.
2. Upon notification to Security, drive by house checks will be made once a day during normal patrol. If a more extensive house check is requested, there will be a fee of \$10.00 per check. Payment to PEPOA must be made in advance of service provided. 12/01
3. Property owners are solely responsible for the maintenance and repair of the driveway and culvert. This obligation includes keeping the culvert clear of dirt, stone, leaves or other material which impedes or blocks the proper flow of surface water and replacing the driveway culvert pipe when it deteriorates. 11/06

## ARTICLE XXI

### Property Development and Improvement Code

This code is to establish the rules and regulations to control and regulate the environment, drainage, aesthetics, and safety of property development and improvement. This code is intended to govern all structures whether or not covered by the Zoning and Building Codes of Stroud and Pocono Townships. This code incorporates all applicable declarations of covenants and provides for issuance of permits, inspections, and penalties for the violation of the foregoing code.

The procedures, requirements and recommendations contained herein express in detail the standards and conditions as set forth in the Declaration of Protective Covenants and Restrictions contained as recorded in the Office of the Recorder of Deeds, Monroe County, and Commonwealth of Pennsylvania.

This code is not intended to and shall not be construed to conflict with state or local building regulations. Those governmental regulations shall control.

The Architectural Review Board (ARB) as provided for and established by the Covenants shall operate and control the Property Development and Improvement Code for all improved and unimproved lots at Penn Estates.

#### 1. ORGANIZATION

The ARB shall consist of at least five (5) members, the majority of whom shall be appointed by Penn Estates Property Association (PEPOA), its successors and assigns. Three (3) members shall be appointed by PEPOA Board of Directors and two (2) members to be appointed by Cranberry Hill Corp. (CHC). All terms of the Transition and Restated Settlement Agreement of April 3, 1998 between CHC and PEPOA shall be applicable. The ARB shall meet periodically or as needed, depending on the activities and needs of the Development.

#### 2. DUTIES

The ARB shall designate an ARC and a Code Enforcement Officer who shall be responsible for processing applications, building permits, plans, inspections and maintaining the records and reports of the board. The ARC shall review and take action upon all applications within 30 days of the date of application receipt. The ARB shall consider any appeals and when necessary, submit appeals for further review to the PEPOA Board of Directors.

#### 3. CODE ENFORCEMENT OFFICER

The Code Enforcement Officer(s) shall: post permits approved by the ARC and notices of unsafe construction conditions; receive and review plans, applications and amendments thereto; issue notices of violations and pass upon questions relative to the mode, manner of construction or materials to conform to the true intent and meaning of the provisions of this Code and in accordance with the rulings of the ARB or ARC; prepare a monthly report of all permits issued and fees collected; and have the right to enter any property or building in the Penn Estates Development at reasonable hours and with reasonable notification for the proper performance of his

duties.

#### 4. PERMITS

A permit shall be obtained from the ARB prior to the development or improvement of any property except where permits are not required as defined in this code. Permits from the Association shall not be required for interior repairs, alterations, or improvements so long as there is no interference with the structural portions of the dwelling and so long as the work does not involve outside walls or stairways. Special permits are required for moving structures. The application shall designate the site to which the structure is to be moved, the time within which the move will be made and the roads to be traveled. Permits will be issued only to members in good standing. The ARB may make exceptions for property requiring maintenance and/or to correct hazardous conditions that adversely impacts community aesthetics, health, safety or habitability of a residence. Permits shall be valid for a period of up to six (6) months from the date of approval and issuance.

#### 5. APPLICATIONS

Applications for permits for any property development or improvement including construction shall be submitted to the ARB at its office on Penn Estates Drive. Permit applications that are not complete will not be accepted for processing. Permits for contracted work must be accompanied by proof of liability insurance with the Penn Estates Property Owner's Association (PEPOA) listed as a Certificate Holder.

Completed applications shall be approved or disapproved by the ARB within a period not to exceed thirty (30) days from the date of receipt of the complete application. Any disapproval will be made in writing stating the reason (s) for disapproval.

#### 6. FEES

The fee for each type of permit shall be established by the Penn Estates Board of Directors and shall be paid to PEPOA. No application or permit shall be valid until the required fees have been paid in addition to all other Association charges including but not limited to assessments.

Upon approval of the application, the property owner will be notified in writing of the approval. A permit will be posted at the job site in a prominent location and not removed until the project is complete.

#### 7. PROJECT INSPECTIONS

The number and type of inspections required will depend upon the type and size of the project. Normal inspections will be included in the permit fee. Where additional inspections are required due to owner or contractor's failure to adhere to this code, the ARB may impose additional fees to pay for the extra work required of the ARB.

#### 8. RIGHT of ACCESS to PROPERTY

The Code Enforcement Officer, the ARC, ARB or anyone authorized by PEPOA Management, so far as it may be necessary for the performance of their duties, shall have the right to access any property in Penn Estates at reasonable hours upon exhibiting identification supplied by PEPOA.

#### 9. CODE ENFORCEMENT OFFICERS LIABILITY

Neither the Code Enforcement Officer, the ARC, the ARB nor any person hired, appointed or employed by PEPOA when acting in good faith and without malice, shall be liable for damages by reason of anything done under provisions of this code.

## 10. CODE VIOLATIONS

The Code Enforcement Officer and the permit clerk shall keep a written record of all violations of this code. This written record shall show the date the violation was discovered, location of the violation, name and address of the person or persons responsible for the violation, date a notice of violation was issued and full information on subsequent inspections or other happenings related to the violation.

## 11. SERVICE of NOTICE

A notice of violation shall contain a description of the building, premises or property upon which the violation may exist, or which may be deemed dangerous or unsafe, or to which the notice shall refer. A notice of violation shall specify the dangerous or unsafe condition or other violation of the code complained of, and requires removal of any dangerous or unsafe conditions, and strict compliance with this code. A notice of violation may be served personally upon the person or persons liable for the violation, or by leaving a copy of the notice at the residence or place of business of such person or persons or by leaving notice with a member of the family over sixteen (16) years of age of such person or persons liable for the violation. If owner or other violator does not reside at Penn Estates, a notice may be served personally or by mail to the person's last known post office address.

## 12. APPEALS

A property owner shall have the right to appeal a decision of the Code Inspector, Permit Clerk, or the Architectural Review Committee (ARC) as it relates to a code violation. Within fifteen (15) days of the date of the decision the owner may appeal to the Architectural Review Board (ARB). The appeal request should be in writing and include the owner's name, lot and section, address, telephone number and specific reasons for the appeal.

Upon receipt of the written request for an appeal within the proper time period the ARB shall schedule a hearing within thirty (30) days from the date of receipt of the request.

The property owner requesting the appeal shall be notified of the date, time and place of the hearing. The property owner may be present in person and/or have presented any additional materials, documentation, testimonials or witnesses to substantiate the property owner's position.

The ARB shall communicate its decision to the property owner within fifteen (15) days of the closing of said hearing.

The property owner shall have the right appeal such decision to the PEPOA Board of Directors. A request for such appeal hearing shall be submitted in writing to the Board of Directors within fifteen (15) days of the date of the Architectural Review Board's decision.

The Board of Directors shall schedule a hearing on said appeal on the date of its next regularly scheduled meeting, or no later than the date of its following regularly scheduled meeting.

In the event that the Board of Directors hears an ARB appeal, the ARB Secretary will prepare an information packet on the case and an ARB member will be present with their records to assist the Board of Directors.

## 13. PENALTIES

Any owner or owners of any property in Penn Estates under development or improvement that is in violation of this code or any contractor or other person who shall fail to comply with

any of the requirements or provisions of this code or who shall depart from the conditions of the approved plan and specifications shall upon the decision of the ARB or ARC be liable for a penalty. Work shall cease until penalties, fees and other costs are paid and all violations removed or corrected. Costs would refer to any related inspections or services.

#### 14. FILING PLANS

Applications for permits shall be submitted to the Architectural Review Committee (ARC) on the forms supplied by it and in the manner designated. The ARC shall provide a copy of development and improvement regulations and permit information to the applicant. All applications require a plot plan drawn to scale, showing all property lines, set-back lines, bearings and distance of property lines, street right-of-way lines, direction to North, proposed development or improvement locations, relation to the lot and street lines as well as location of pins and wooden stakes located or set during field operations along with additional services desired. The plan shall be prepared and certified by and under the seal of a licensed land surveyor of the Commonwealth of Pennsylvania. No change shall be made in the approved plans and specifications without the approval of the ARC.

#### 15. CHANGES to APPROVED PLANS

If after securing a permit, the owner desires to alter or deviate from the terms of the application, plans or specifications submitted at the time of securing the permit, notice of that intention shall be submitted to the Code Enforcement Officer or permit clerk and written approval obtained.

#### 16. RECORD of PERMITS

The Code Enforcement Officer and permit clerk will keep permanent records showing the number of each permit, lot number, date issued or denied, owner's name and fee charged for permit. The Code Enforcement Officer will keep a record of inspections including dates and results for each development project.

#### 17. CERTIFICATE of OCCUPANCY

It shall be unlawful for any person or persons to occupy for any purpose or use any building hereafter erected, altered or moved or suffer or permit any person to occupy for any purpose or use any building hereafter erected unless a written application shall have been made to the Code Enforcement Officer and a Certificate of Occupancy issued. No Certificate of Occupancy shall be issued unless the Township has issued a Certificate of Occupancy and the ARB has issued a Certificate of Occupancy which indicates the Code Enforcement Officer has deemed the lot, building and other structures to be in complete compliance with this code, the covenants, and with the requirements set forth in the permit.

#### 18. CHANGE of OCCUPANCY

It shall be unlawful for any person, firm or corporation to change the nature of occupancy from a single residential type building or from single-family residential use.

#### 19. UNOCCUPIED BUILDING

It shall be unlawful for any person, firm or corporation to occupy for any purpose or use any building or structure, in which the utilities have been shut off continuously for one (1) year, unless a written application supported by an affidavit, shall have been made to the ARC and a Certificate of Occupancy issued. A fee shall be paid to PEPOA upon issuance of a Certificate of Occupancy.

## 20. UNSAFE BUILDINGS

Where an owner is maintaining or causing to be maintained, what appears to be a dangerous structure, including, but not limited to, abandoned or unoccupied buildings or parts of buildings in a state of dilapidation or disrepair, the ARB shall notify the owner that a complaint is being filed with the Township. The ARB will notify the Township of an apparent dangerous structure.

The notification to the owner will include references to relevant Township ordinances concerning dangerous structures.

## 21. PROPERTY STATUS

Lots in Penn Estates are classified either as unimproved lots or improved lots. The classification of an unimproved lot changes to an improved lot when a building permit is issued by the ARB for construction of a residence on the lot and construction **actually** begins. An improved lot status will revert to an unimproved lot status when a house is totally destroyed by fire, and after a demolition permit is acquired, the demolition is completed, the water and sewer lines are capped, and final inspection is made.

## 22. EXTERNAL DESIGN

Building heights shall not exceed two and one-half (2 ½) stories in accordance with the Declaration of Protective Covenants and Restrictions.

No three (3) adjacent dwellings shall have identical front elevations or setbacks from the road.

Exterior materials, finishes and colors shall be compatible with and complimentary to the natural character of the environment.

No three adjacent dwellings are to be exactly alike in front design. Slight modification is required. The Building Inspector requires approval of any change

All decking should be treated with a preservative and designed in harmony with the dwelling.

## 23. UTILITY CONSIDERATIONS

Dwellings using propane or oil for domestic purposes shall locate storage tanks, where possible, in the rear of the building. Storage tanks are to be placed on a solid foundation and shall be screened with a lattice type structure designed to blend in with the house and/or environment.

All utility lines and services shall be located as to provide environmental protection, convenience of installation, maintenance and safety. Excavations must comply with Rule 27, Excavation, of this Code.

## 24. FUNCTIONAL RELATIONSHIPS

The total area of impervious surfaces to be built on any lot shall not exceed twenty-five (25%) percent of the total gross area of the lot. The term "impervious surfaces" means all building areas, cemented brick, stone or block patios, paved sidewalks, paved driveways and parking areas and covered storage areas.

There shall be no changes in elevations, grades, vegetation or other natural features that may cause damage or disturbance from the increased surface water run-off or

soil erosion to other lot owners, nor shall any structures be so located as to intrude, intercept or impede the function of a natural drainage way.

Driveways shall be located to provide safe access to the public road and shall have the longest available sight distance in each direction, combined with the flattest grade at the point of intersection.

Storage buildings, structures and areas shall be compatible and in keeping with the style and character of the residential building, and shall be located unobtrusively on the property.

Outside areas to be used for temporary storage of trash, garbage, waste materials or any unsightly debris shall be located where maximum protection can be provided against wind, precipitation, extreme temperatures, animals and other wildlife.

#### 25. CLEARING for SITE DEVELOPMENT

Stumps, debris or other excess natural materials shall not be stockpiled on the lot so as to cause damage to existing native growth, or in any manner or location, which will cause or result in erosion, sedimentation or disturb any natural drainage course or process. Trees five (5) inches or greater in diameter at breast height located over ten (10) feet beyond the exterior walls of proposed buildings, and four (4) feet from driveways and parking areas shall not be removed, nor shall trees, brush or other waste materials be burned without special permission from the ARB. Surface stone, rock and boulders may only be removed within the building and improvement areas by mechanical equipment. Felled trees should be left on the owner's lot. Trees should be cut and stumps removed, where necessary, with the proper excavating equipment. Where possible, trees should be felled onto the proposed building site rather than into the surrounding wooded areas damaging other trees and shrubs. Holes created by stump removal in areas other than the building site can be generally filled with natural material from basement and foundation excavations.

#### 26. SOIL

Soil and subsurface materials in quantities exceeding 3 cubic yards to be stockpiled more than 30 days, should be protected from erosion.

#### 27. EASEMENT

Owner shall keep water and sewer services, drainage ditches and swales located on his premises free and unobstructed and in good repair.

#### 28. BLASTING

Blasting of rock, boulders, shale, or hardpan shall be approved by the ARB or its designee and shall be done by qualified experienced demolition technician. All blasters will comply with all of PaDEP's regulations.

Anyone doing any blasting in Stroud Township will notify the Township Secretary at least forty-eight (48) hours prior to any blasting stating where they will be blasting and how long they will be there. They will also show their license to blast. They will notify all residents within one thousand (1,000) feet of such blasting at least twenty-four (24) hours prior to blasting and again the day of blasting.

Anyone violating this notification requirement shall be fined two hundred (\$200.00) dollars per resident dwelling within the notification area not notified and a further fine of two hundred (\$200.00) dollars if PEPOA is not notified. Penn Estates Community Administrative Office, Penn Estates Security, and Penn Estates Building Inspector must be notified at least twenty-four (24) hours in advance of any blasting.

#### 29. EXCAVATION

All excavations shall be made at the time when building operations or pipe or tank installations are to be done. Any excavation more than 2 feet in depth from natural ground level shall not be left unguarded overnight or unused for the purpose it was dug for more than 3 days. Materials removed from excavations shall be stockpiled in a safe manner and protected against excessive runoff and erosion. Excavation methods must adhere to all local and state regulations.

#### 30. DRIVEWAYS

Driveways are to be designed so they do not create any hazard, and the surface type must be clearly identified. Rock, shale or stones are acceptable. There shall be minimum obstruction caused by the driveway to the natural flow of surface water. Driveways require a permit and must be constructed as approved on the plot plan. Concrete driveways over 30 feet long shall contain expansion joints not more than 30 feet apart.

Excavations, fill and surface materials shall be made and placed in a manner that will not interfere with or intensify natural surface runoff, drainage or future maintenance operations of subsurface water and sewer lines. It is directed that drainage pipe made of approved material be of sufficient size and strength to provide resistance to normal traffic and deterioration.

Where driveways intersect with roadway drainage ditches, a pipe made of approved material shall be installed with a diameter capable of carrying surface water from the drainage ditch, but no less than 15 inches in diameter. The length shall extend a minimum of two feet beyond each edge of the driveway.

Prior to any excavation work, driveways and future parking areas should be cleared and made passable for contractor use to prevent random parking and damage to the natural character of the property. Depending upon the season, weather factors, topography, and soil conditions, it may be desirable to stabilize the driveway as soon as practical, except for drain pipe installation where the driveway meets the public road, which may be damaged from heavy equipment loads.

Surface materials used on driveways should be compatible with the natural character of the property. Local shale, stone or gravel mix is durable and will allow surface drainage. A paved surface should not be used unless adequate preparation is made including grading, subsurface drainage, and road base and shoulder protection.

It is directed that the drainage pipes be of sufficient size and type to provide sufficient strength, storm water capacity and useful life. Culvert pipe and headwalls must be installed in accordance with Township specifications.

When parking areas are built, there should be ample room allowed for vehicular positioning. Edge guards should be used to prevent rutting, erosion, and disintegration. If logs are used as edge guards, they should be set on stone or rock to lessen their decay.

CAREFUL ATTENTION SHOULD BE GIVEN TO THE SLOPE OR GRADE OF THE DRIVEWAY TO PREVENT EXCESS SURFACE RUNOFF AND WATER ACCUMULATION PROBLEMS.

Normally only one (1) driveway will be permitted for a residential property. Driveway approaches shall create minimum interference to roadways.

**31. SOIL EROSION and SEDIMENTATION CONTROL**

In accordance with Chapter 102 of the regulations of the Pennsylvania Department of Environmental Protection, all earth moving activities within the Commonwealth shall be conducted in such a way as to prevent accelerated erosion and resulting sedimentation. To accomplish this, an erosion and sedimentation control plan must be prepared prior to commencement of land clearing to effectively prevent accelerated erosion and sedimentation.

In general, the basic control methods during home construction shall consist of: limiting the size of land areas to be cleared and graded; diverting surface water away from project area; limiting velocity of storm water flow; stabilizing disturbed ground areas; and minimizing sediments leaving the site.

Lot owners shall prepare an Erosion and Sedimentation Control Plan before initiating site-clearing operations in the Development. This plan must be kept on the site at all times.

**32. WINTER BUILDING START RESTRICTIONS**

The builder must agree in writing to the procedures below:

1. Builder agrees to provide soil erosion control for possible frozen ground run off and to promptly re-grade or fill any settling in and around the foundation.
2. Builder agrees to winterize protection of all material to be used and daily clean up of all debris is required.
3. Builder agrees to provide for snow removal to gain access for subcontractors  
And materials. Snow is not to be plowed into the street.
4. Builder agrees that a certificate of occupancy may not be granted until the snow, frost and spring settlement have ceased.

**33. GENERAL REQUIREMENTS for AUXILIARY STRUCTURES**

A plot plan showing the existing house and stake out for proposed building or structure is needed. Unless otherwise permitted, the auxiliary building or structure must be in a buildable area. A completed ARB construction permit is required.

**34. GARAGES PERMITTED**

Only private garages attached to the dwelling will be permitted.

For those lots subject to the 1977 covenants, not more than a two-car garage is permitted.

For those lots subject to the 1989 covenants, not more than a three-car garage is permitted.

### 35. EXTERNAL DESIGN

Exterior materials, finishes and colors shall be compatible with and complimentary to the natural character of the environment. Buildings, structures and areas shall be compatible and in keeping with the style, color and character of the residential building and shall be located unobtrusively on the property.

### 36. PROTECTIVE COVENANTS and RESTRICTIONS

No building, structures or fences shall be erected upon the premises without first obtaining the approval, in writing, from the ARB as to the location, elevation, plan and design. Any exterior structure or construction must be completed within six (6) months after it is started. Any building erected on the premises shall be subject to all governmental regulations relative to construction, in addition to the covenants, easements, reservations, charges and conditions for Penn Estates. In the event of a conflict of the provisions of the covenants or the code with any local subdivision or zoning ordinances, the more restrictive of the two shall apply. No building shall be erected on any lot within thirty-five (35) feet of any road, nor within twenty (20) feet to the side or fifty (50) of the rear lines of said lot, except as may be specifically set forth on the plan of record.

### 37. PARAMETERS for a SATELLITE DISH

Although a permit is not required for a satellite dish, property owners should check with the Code Enforcement Officer as to the satellite dish's location prior to the actual installation. Satellite dishes cannot be placed on Association property or on Association easements. Trees may not be cut down to improve satellite dish reception.

### 38. PARAMETERS for a STORAGE SHED

1. Storage sheds must be located within the buildable area of a lot and at least ten (10) feet from the house.
2. Storage sheds cannot be located between the house and an adjoining road. For most property owners, this means that sheds cannot be located in the front yard. For property owners with corner lots, sheds cannot be located on the two sides of the house next to a road.
3. The ARC prior to delivery and/or construction of the shed must approve the location of a storage shed.
4. The storage shed must be placed on a suitable foundation as approved by the ARC.
5. Storage sheds cannot be used to house any motor vehicles. Consequently, shed doors must not be more than four (4) foot wide. However, power equipment such as a snow blower or power lawn mower can be stored in a shed.

### 39. POOLS

Definition: Swimming Pool or Pool. (1) A body of water having a depth at any point greater than two (2) feet intended to be used for personal swimming or bathing, (2)

the physical structure intended to hold the water and (3) all other associated structures and systems.

Permit Required: The ARB, where on-site conditions allow, may permit one private outdoor pool as an accessory structure on any residential lot in Penn Estates that is improved with detached single-family dwelling. All new pools and all material changes to existing pools require an ARB permit. The lot owner must apply to the ARB for a pool permit in the manner and form prescribed by the ARB. The ARB will review the design, location, elevation and landscape plan of the pool for compliance with this Article. The ARB shall issue a pool permit only if all requirements are met.

Where the ARB requires a pool permit, the Township will too. The Township has a pool ordinance that must be followed. In addition, the Pennsylvania state law requires the use of the ICC International Residential Code on swimming pools, Chapter 41 and Appendix G.

All pools must be constructed in the rear of dwellings *only*, not in front of dwellings. All parts of a pool structure must be a minimum of twenty (20) feet from the applicable side lot lines and rear lot lines. All pools must be constructed and operated appropriately for the safety of all the users by the lot owner at the sole risk of the lot owner.

Not all lots in Penn Estates are of a size, configuration or location that would meet the requirements for construction of a pool. Certain lots, for example, have limitations like steep slopes, rock outcroppings, or wetlands that would preclude issuance of an ARB permit for a pool.

Only the family occupying the dwelling and the family's personal guests may use the private swimming pool. The construction and maintenance of the pool facility and the use of the pool must meet or exceed all applicable requirements for the environment and construction of pools in the Penn Estates Rules and Regulations, the Penn Estates Building Code, the Township Ordinances and zoning regulations, the Pennsylvania Uniform Construction Code and all other laws and regulations that apply.

Fencing: Every in-ground pool must be enclosed entirely by a fence or other appropriate means to assure the pool area is safe and secure. Fences shall be permanent and complete. For in-ground pools, fencing must be at least four (4) feet high. For above ground pools, all sides of the pool must be at least four (4) feet above the lowest ground level. The outside of a dwelling or an approved accessory building may be used as part of a fence with the approval of the ARB. The fence shall be structurally suitable to deter a person's gaining access to the water in the pool. Fencing shall also comply with all other PEPOA Rules and Regulations for fences including, but not limited to, location, materials, color, and aesthetics.

All above ground pools and related accessories proposed for locations that could be readily viewed by neighbors or passing traffic must be screened appropriately by an approved fence or by low-growing plantings that provide a natural visual barrier.

Electrical outlets and lights are normally prohibited inside the pool security enclosure or fence including the deck. The maximum depth of all above ground pools shall be five feet five inches (5' 5"). Professional contractors with appropriate experience in pool construction are recommended to construct pools in Penn Estates. However,

homeowners may construct a pool if they have the appropriate knowledge and experience to construct a pool that will be properly built and safe to operate.

Whenever a lot owner must drain a pool, all water from the pool must discharge into existing surface water drainage swales or into roadside drainage ditches. No pool water

whatsoever may be discharged into the community sewer system or be allowed to flow onto any adjacent residential lots.

#### 40. MINIMUM FLOOR AREA REQUIRED

For those lots subject to the 1989 covenants, each dwelling constructed on a foundation shall have fully enclosed, habitable floor area of not less than 1,175 square feet.

For those lots subject to the 1977 covenants, each dwelling constructed on a foundation shall have fully enclosed, habitable floor area of not less than 975 square feet.

#### 41. EXCAVATION GUARDING

Excavations shall be properly guarded and protected to prevent the same from becoming dangerous to life or limb, and where necessary, shall be sheet piled and braced to prevent the adjoining earth from caving in by the person causing this excavation to be made. If blasting is required, anyone within a thousand feet is to be notified 24 hours before the blasting and again on the day of the blasting, and adequate protection provided against flying debris and rock. (See Rule 26/Blasting).

#### 42. BACK FILL and GRADING

Lots shall be graded so as to drain surface water away from foundation walls. Surface drainage shall be diverted to Association's storm water collection system and may not drain onto any neighboring lot. Where necessary, all drains and swales must be constructed to comply with this article.

Backfill shall be consolidated so as to minimize settlement. No wood, trash, or rubble shall be covered by backfill around the foundation walls or be buried anywhere on the property.

#### 43. PRECAUTION AGAINST FREEZE-UP

All homes constructed in Penn Estates shall be required to have adequate protection against freeze-up of water lines, pressure reducing valve, and water meter. Property owner and builder acknowledge that adequate protection, including but not limited to, insulation and space heaters in crawl space or acceptable alternatives will be provided.

#### 44. GUTTERS, DOWNSPOUTS and DRYWELL CONSTRUCTION

All roof gutters and leaders from dwellings are required and shall be piped to one or more drywells to be constructed on each lot. A drywell shall be an excavated pit; filled with 1 1/2 inch to 2 inch size crushed stone or clean gravel. Approximate dimensions of the pit shall be 6 feet by 6 feet by 3 feet 9 inches deep, providing a total minimum capacity of 5 cubic yards.

In exceptional cases, where in the opinion of the ARB, drywells will not be effective, water from gutters and leaders may be piped to the Association drainage system.

#### 45. LOT and SECTION SIGNS

Dwelling signs are not permitted larger than 9" x18" and not nearer than 8 feet from the paved road. In any event, signs should not be located on Association property or easements used for utilities. Signs are not to be nailed to trees; they should be hung independently on posts or ornamental columns. Except as permitted by the ARB, no person shall erect and maintain upon any lot or improvement any sign, commercial or non-commercial.

#### 46. FRONT YARDS

The front area of any dwelling is to be free of stacked firewood piles. Stacking is desirable in the rear or side of the dwelling. No building, landscaping, household or any type material can be stored, stacked or placed in the front yard.

#### 47. EXTERIOR FINISH

Exterior finishes are to be compatible with the immediate areas. Natural finishes are recommended. Foundation covering may be required.

#### 48. FENCES

In order to preserve the natural quality and aesthetic appearance of the existing natural areas within the Development, all property lines shall be kept free and open and no permanent fences of any type shall be permitted on any lot or lot lines, nor hedges on lot lines, except where, in the opinion of the ARB, a fence or other enclosure, as a structure or aesthetic feature of a design concept, will contribute to and be in keeping with the character of the area.

Chain link, electrified wires or fences, any other type of wire fence, stone walls, barriers of any type, natural or otherwise are prohibited. No obstructions shall be permitted in or on any drainage or utility easement.

No deer fences will be allowed by the ARB if they do not blend in with the property as to color and construction. No snow fences will be allowed.

No fences shall be erected without first obtaining the approval, in writing, from the ARB as to location, elevation, plan, and design.

#### 49. COMMERCIAL SIGNS

No commercial signs are permitted in the residential sections with the following exceptions: A builder's sign may be permitted upon request within the home while it is under construction, provided it is only visible after entry into the home. Said sign is to be removed at the time of final inspection. One real estate "for sale" sign may be displayed in the window of a home for sale.

#### 50. OUTDOOR BURNING

Outdoor burning is not allowed.

#### 51. MODULAR AND METAL HOMES

Modular or metal structured pre-fabricated homes must conform to all requirements of Penn Estates. The proposed unit must generally be in accord with community-wide architectural standards.

#### 52. RESPONSIBILITY of BUILDING CONTRACTOR

Contractors are to clean up the immediate construction area after dwelling is completed and before Certificate of Occupancy is issued.

Building contractor is to provide for temporary sanitary facilities for all employees or sub-contractors when building is started and until dwelling is completed. The facilities shall be maintained in a sanitary condition.

#### 53. LIABILITY

Property owners and/or building contractors shall, during the entire period of work, keep in full force and effect a policy of public liability and property damage insurance with respect to the construction site and the community in which the limits of public liability shall be not less than \$100,000 per person and \$300,000 per accident, and in which the property damage liability shall be not less than \$50,000. The policy shall contain a clause that the insured will not cancel or change the insurance without first giving the ARB ten (10) days prior written notice. The insurance shall be with an insurance company duly authorized and licensed with authority to conduct such business in the Commonwealth of Pennsylvania. A copy of the policy or Certificate of Insurance shall be filed with the ARB.

Property owners, builders and contractors shall indemnify and hold harmless the ARB, the ARC, the Association and their representatives and save them harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury, or damage to property arising from or out of any occurrence in, upon or at the construction site, the Development or any part thereof, or occasion wholly or in part by any act of omission of builder, contractor, their agents or employees. In case the ARB, ARC or Association shall, without fault on its part, be made a party to any litigation commenced by or against the builder or contractor, then builder or contractor shall protect and hold the ARB, ARC or Association harmless and shall pay all costs, expenses and reasonable attorney fees incurred by the ARB, ARC or Association in connection with such litigation. The builder or contractor shall also pay all costs, expenses and reasonable attorney fees that may be incurred or paid by the ARB, ARC or Association in enforcing the declaration of covenants, agreements and requirements of this code.

In the application and use of this code, PEPOA, its employees, its volunteers and independent contractors are to be indemnified and held harmless of any liability by the owner and the building contractor.

#### 54. CONSTRUCTIONS and SAFETY ACT

All equipment and construction operations shall comply with the regulations set forth by OSHA standards for each phase of construction, equipment, and personnel. Any deficiency in or violations of OSHA standards may result in work stoppage and/or cancellation of the permit.

#### 55. CHANGES in PLANS

Written approval must be obtained from the ARB to alter or deviate from the plans and specifications as submitted at the time of obtaining original Permit approval.

#### 56. ROAD CROSSING and OPENING

It is not permitted to cross over or under or open any road for any purpose whatsoever without prior approval. The procedures to be used when lateral cuts are made across Penn Estates' roads for the purpose of excavating trenches for the

installation of water or sewer lines or drainage culverts shall be as follows:

Work zone traffic control shall be provided in compliance with regulations established in the Pennsylvania Department of Transportation Publication Number 203.

Breaking and cutting paved road: All pavement cuts shall be made with an asphalt saw. The edges of the pavement cuts shall be parallel with each other. The trench width shall be minimized to fit the job requirements. If the asphalt along either edge of the road cut is broken or damaged during the excavation of the trench, another cut must be made across the road to clear the damaged portions of the original cut. The width of the extra cut must be sufficient to allow the cut edge of the existing road to bear on undisturbed soil.

Back-fill material for roads: Back-fill material must be able to be well compacted by mechanical vibrating equipment. Excavated materials and earth shall not be used as bedding or backfill. The road excavation shall be back-filled using aggregate material of 2A modified stone as specified in the Pennsylvania Department of Transportation Publication Number 408 or an equivalent aggregate. The excavator must remove excavated material from the site.

Back-filling and restoring excavation: All excavations of road trenches shall be back-filled in 8 inch lifts and each lift compacted with vibratory compacting equipment as specified in the Pennsylvania Department of Transportation Publication Number 408. The compacted aggregate material shall be placed to a final depth of three (3) inches below the road surface. The surface of the road cut shall consist of ID-2 bituminous asphalt mix placed and compacted to a depth of three (3) inches.

Temporary pavement restoration may be accomplished utilizing cold bituminous asphalt mix appropriately tamped to a depth equal to the finished road level. Temporary pavement shall be removed and replaced at the earliest opportunity with a hot mix ID-2 bituminous asphalt mix. Temporary pavements shall be maintained by the permittee to provide an adequate, safe road surface. Shoulder areas shall be reconstructed to conform to the existing cross slope utilizing 2A modified stone or its equivalent and utilizing vibratory compacting equipment. All joints between the road surface and the trench surface pavement are to be free of loose and foreign material and sealed utilizing hot fiberized asphalt cement, class AC-20 as specified in the Pennsylvania Department of Transportation Publication Number 408.

The opening of roads surfaced only with oil and chips shall comply with excavation and backfilling procedures hereunder. The road surface course shall be considered temporary and may be accomplished by utilizing cold bituminous asphalt mix at least two (2) inches in depth and rolled to match the finished grade. Temporary pavement of this nature shall be maintained by the permittee to provide an adequate, safe road surface for a period not to exceed two years.

Requirements: No excavation shall extend beyond the centerline of the road before being back-filled and the road surface temporarily restored. No excavation shall be undercut or have greater width at the bottom than at the top. In the case of slips or slides of the excavation, the same shall be trimmed to earth and the top surface cut back to match the bottom width before any back filling is commenced. When necessary or required by OSHA, the sides of the trench shall be sheathed, braced and rendered secure until the construction has been laid therein and the trench back-filled. The bedding and laying of culvert pipe and all other types of services

requiring road cuts shall conform to the specifications and requirements of the applicable sections of the Pennsylvania Department of Transportation Publication Number 408. The tops of other pipes, conduits, wires, or lines shall not be less than twelve (12) inches below the finished grade of the road.

Inspections: The Penn Estates Utilities, Inc. and its successors shall be responsible for the installation, bedding, connection, maintenance and repair of residential water and sewer lines and their inspection.

The ARC shall be responsible for overseeing the back-filling operation of all types of open road trenches. The contractor in charge of the trenching operation shall notify the designated ARC representative at least twenty-four (24) hours in advance of the time the back-filling operation is to take place.

Should any deficiencies be noted while the work is progressing or at final inspection, the ARC will serve a written notice to the permittee specifying such deficiencies. The permittee shall be responsible for correcting such deficiencies within five (5) days of notification or such time period as agreed to with the ARC. Should the finished paved road opening settle or deteriorate within a two (2) year period from the completion of the excavation, the permittee shall be informed in writing and held responsible for making repairs to the road opening. Should the permittee fail to make repairs within an agreed on time limit, PEPOA reserves the right to repair the road opening and invoice the permittee for the cost thereof. 12/05

#### 57. WORK SCHEDULES

Construction activities on the site or on the exterior of any building shall not be permitted on holidays or Sundays, and shall not be permitted before 8:00 am on Saturdays during June, July and August. Normal weekday starting time is 7:00 am. Work must cease

before dusk. In the event of any complaint rendered due to Saturday construction activities, such work shall cease. Holidays observed will be: New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

#### 58. COMPLETION of CONSTRUCTION

Every improvement, once begun, shall be completed within six months from the date of approval of the Property Improvement Permit. Written approval must be obtained from the ARB or its designee at least 15 days prior to the expiration date of the permit for any extension thereof. In the event a written extension is not obtained, a new application complete with fee, plans, specifications and any other data as may be required, shall be submitted to the ARB or its designee for review and approval subject to any and all requirements effective as of the date of the new application.

#### 59. FINAL RESTORATION

The building site must be kept clear of waste materials, garbage, trash, cartons and other debris on a daily basis by use of dumpsters, garage storage, or the daily hauling away of unsightly materials.

Upon completion of construction work, all excess materials, debris, containers and any other trash or waste resulting from any phase of construction activity shall be removed from the site within one (1) week. Failure to comply within the allotted time shall result in a fine of the builder or general contractor responsible for having obtained the approved permit.

#### 60. PROPERTY OWNER'S, BUILDER'S or CONTRACTOR'S VIOLATIONS

Property owners, builders and contractors responsible for violating, misuse or not

adhering to any code or deed restriction will be identified as being in violation of the PEPOA ARB standards and as such the Association or ARB will not grant any permits or services until the violation is cured and all fees and costs are paid. A second offense will cause increased violation fees and costs and possible suspension. Any additional violations will result in suspension of the builder, contractor or property owner from performing any work or services in the Development.

#### 61. LIABILITIES

Property Owners, Builders and Contractors stipulate that the PEPOA Board of Directors, the ARB or their designees have absolutely no connection with, nor do they endorse any particular builder and consequently have no responsibility or liability regarding the intended construction by said builder. This waiver of liability, site improvements includes but is not limited to the actual quality of workmanship, performance, guarantees, and/or adherence to all current or future regulations.

#### 62. AMENDMENTS

This Code may be amended, expanded or modified from time to time in the best interest of the Development. Such changes shall be recommended by the ARB with approval of the PEPOA Board of Directors. Notice of any changes will be sent to all active builders and contractors and posted in its regular place of business.

#### 63. VARIANCES

The ARB will hear requests for variances where it is alleged that the provisions of the Penn Estates Property Development and Improvement Code inflict unnecessary hardship upon the applicant. The ARB may grant a variance provided the following findings are made where relevant in a given case:

- (a) That there are unique physical circumstances or conditions, including irregularity, narrowness or shallowness of lot size or shape, or exceptional topographical or other physical conditions peculiar to the particular property, and that the unnecessary hardship is due to such conditions, and not the circumstances and conditions generally created by the provisions of the regulations in the neighborhood or district in which the property is located.
- (b) That because of such physical circumstances or conditions, there is no possibility that the property can be developed in strict conformity with the provisions of the regulations and that the authorization of a variance is, therefore, necessary to enable the reasonable use of the property.
- (c) That such unnecessary hardship has not been created by the applicant.
- (d) That the variance, if authorized, will not alter the essential character of the neighborhood or district in which the property is located, nor substantially or permanently impair the appropriate use or development of adjacent property, nor be detrimental to the public welfare.
- (e) That the variance, if authorized, will represent the minimum variance that will afford relief and will represent the least modification possible of the regulation in issue.

In granting any variance, the ARB may attach such reasonable conditions and safeguards, as it may deem necessary to implement the purposes of this act and regulations.

#### 64. SCHEDULE of FINES

First violation	Not more than \$100*
Subsequent violations	Not more than \$200* each

\* Plus the cost of inspections, repair, replacement, violation cure, and legal fees.

A subsequent violation fine will be assessed for each month a violation remains uncured.

In addition to the above fines, for each tree cut down without a permit the property owner will be liable for a penalty of not more than \$10 per inch diameter measured at the stump. The property owner must cure the violation by planting, on his property, two native trees of at least four-foot height, species, size and location to be approved by the ARB, for every tree cut down.

### ARTICLE XXII

#### Enforcement of Rules

1. The Public Safety Department and authorized personnel, including lifeguards on duty, are responsible for enforcement of all Rules and Regulations.
2. Any violation of these Rules and Regulations will result in a citation.
3. Any violation could result in a suspension of privileges, a fine, or both, as well as the institution of a Civil Action to recover sums due for damages or injunctive relief Criminal Action or other appropriate action under the circumstances.
4. Violations can and should be reported by any person, whether Owner, Guest, Renter or Visitor, to the Public Safety Department with as much information as can be obtained.
5. The Public Safety Department will complete a written Complaint Report on any and all violations or reports of alleged violations and undertake appropriate action.

6. All State, County and Municipal law enforcement agencies have authority to enforce all applicable State, County and Municipal Statutes, Laws, Ordinances and Regulations within the Penn Estates Development, which, by reference hereto are herewith incorporated within these Rules and Regulations.

7. Suspension of privileges may occur for the following:

(a) Any period, during which Association assessment fees, charges or other obligations, as provided for in the Declaration or By-laws, remains unpaid.

(b) Any period of any continuing violation by such Owner of provisions of the Declaration or By-Laws after the existence thereof shall have been declared by the Board.

(c) A period to be determined by the Board, for repeated violations of the Declaration, By-Laws or the Rules and Regulations of the Association.

8. Appeals procedures are as follows:

(a) A complaint against any Property Owner may be reported by another Property Owner or management staff of Penn Estates Development to Security for an investigation by the Public Safety Department and possible citation. It will be filed with the Secretary or Officers of the Association as the Board may from time to time designate. The cited Owner may bring the matter to the attention of the Appeals Committee within fifteen (15) days after receipt of the citation.

(b) Should cited property owner fail to appear or give notification of an inability to appear at a scheduled appeals hearing, Property Owner will be judged in default and fine plus administrative costs will remain without further opportunity for appeal of citation.

(c) If the complaint involves repeated violations or infractions of the Declaration, Association By-Laws, Rules and Regulations or misconduct then a hearing shall be held by the Appeals Committee. An opportunity will be given to the cited Property Owner to present their case.

(d) The Appeals Committee, upon completion of the hearing, and the appellant and/or the witnesses excused, the Committee Chair or its designee shall poll the members present for a decision to uphold, dismiss, or defer on a case-by-case basis.

(e) The Appeals Committee may, by the affirmative vote of the majority of its members, impose the following sanctions on the named Property Owner.

1. Request an apology and/or reparation.

2. Suspension of the privilege to use Common Areas for a period of time as the Board may deem just, but not to exceed three (3) months where the misconduct is of a repeated nature and is such as to be considered disorderly, injurious or hostile and against the best interests or objectives of the Association and its Property Owners. Failure to apologize or make

reparations may be deemed sufficient grounds for the suspension of the Property Owner.

3. Imposition of a fine as established by the Board.
4. All of the above.

(f) The named Property Owner shall have the right, within ten (10) days of the receipt of the notice of the decision of the Board, to appeal, in writing, to the Board for a review of the decision. On the appeal, the Board shall limit its inquiry to a review of the regularity of the proceedings, whether they were conducted in good faith, and whether or not the named was accorded a full, fair hearing. In its sole and absolute discretion, the Board may, for good cause shown on such appeal, modify the judgement of sanctions previously rendered.

## ARTICLE XXIII

### COMMUNITY ALARM RULES

#### ALARM RULES

##### Residential

1. All residential alarm systems shall be registered with the appropriate Township Authority.
2. All existing alarm systems shall be modified (if necessary) and all new alarm systems shall be installed in such a way that the audible alarms will shut off after no more than ten (10) minutes of operation.
3. Any Property Owner who, after receiving written notice from the Association or Security department that an emergency department (ambulance, fire or police) and/or Security Department Officer responded to three (3) false and/or nuisance alarms during any three (3) month period, shall thereafter pay a fine of \$25.00 for each false and/or nuisance alarm. This fine imposed by the Association is in addition to any penalties imposed by the Township Authority.

##### Vehicle

1. All existing vehicle alarm systems shall be modified (if necessary) and all new vehicle alarm systems shall be installed in such a way that the audible alarms will shut off after no more than ten (10) minutes of operation.
2. Any Property Owner who, after receiving written notice from the Association or Security Department that an emergency department (ambulance, fire or police) and/or Security Department Officer responded to three (3) false and/or nuisance alarms during any three (3) month period, shall thereafter pay a fine of \$25.00 for each false and/or nuisance alarm. This fine imposed by the Association is in addition to any penalties imposed by the Township Authority.

##### Definitions

~ False Alarm – shall mean the activation of an alarm system caused by other than the intended purpose for which the alarm system is designed.

~ Nuisance Alarm – shall mean an audible alarm at the site of installation of an alarm system, which fails to automatically shut off its audible alarm within ten (10) minutes after the activation of such audible alarm.

~ Note – Activation of an alarm system caused by a malfunction, which in turn is caused by violent natural catastrophic conditions, including electrical storms and power outages, shall not constitute a false alarm.

## ARTICLE XXIV

### RESALE CERTIFICATES

1. All Property Owners selling property in Penn Estates must comply with PA Act 180 Uniform Planned Community Act Section 5407. Request from Property Owner, Realtor, abstract company, or Agent etc., must be in writing.
2. ARB violations, other property deficiencies or fines shall be included with any outstanding violations and/or fines.
3. Certificate shall be forwarded to Property Owner or their designated agent.
4. Property Owner or their Agent will be obligated to provide information to Buyer as provided in the Act.
5. Property Owner shall be obligated to pay fees as established by the Board of Directors.

ARTICLE XXV

Protective Covenants & Restrictions

1. Cranberry Hill Corporation Penn Estates Protective Covenants and Restrictions as recorded April 5, 1977.
2. Cranberry Hill Corporation Penn Estates Stroud Township Protective Covenants and Restrictions as recorded March 21, 1989.
  1. Cranberry Hill Corporation Penn Estates Pocono Township Protective Covenants and Restrictions as recorded March 30, 1989.

## ARTICLE XXVI FINANCES

The Board of Directors has established rules and regulations of the Association under which the Board shall oversee the preparation of the annual budget and manage the finances of the Association.

1. **ANNUAL BUDGET:** The Association's Annual Budget shall contain three parts: (1) an Operating Budget; (2) a Capital Improvement Budget; and (3) a Capital Replacement Budget. Each part shall be itemized as to expenditures, revenues, and reserves. The Budget shall be based upon a calendar year.
2. **BUDGET DEVELOPMENT:** The Executive Vice President/Community Manager, in a process overseen by the Finance Committee, shall prepare a draft Budget for the upcoming calendar year to be presented formally by July 15, each year to the Finance Committee for review, modification and recommendation to the Board of Directors. The draft Budget shall include operating expenses, capital expenses, revenues and reserve funds. Before the draft Budget is formally submitted to the Finance Committee, the Finance Committee shall, in conjunction with the Executive Vice President/Community Manager and the Treasurer, conduct at least two quarterly work sessions on significant elements of the budget, soliciting comments from the other committees and from Property Owners in good standing of the Association. Notification of these meetings shall be posted at the Administrative Office and on the Penn Estate Web site. The Finance Committee and the Treasurer shall then review the draft Budget as submitted by the Executive Vice President/Community Manager and make changes as the Finance Committee and Treasurer deem necessary. The Finance Committee shall by September 1 of each year submit through the Treasurer its preliminary Budget to the Board of Directors with the Committees' recommendations. The Board shall vote to approve a final Budget for the next year during the month of November.
3. **PUBLICATION OF THE PRELIMINARY BUDGET:** Following the approval and recommendation of the preliminary Budget by the Finance Committee to the Board of Directors, the Board of Directors shall publish the preliminary Budget in the Community Newsletter and post the preliminary Budget at the office of the Association for a fifteen (15) day public comment period. All property owners' comments shall be submitted in writing to the Finance Committee. The posted and published copies of the preliminary Budget shall include the same instructions to the property owners about making written comments. The Board shall conduct a Property Owners' forum on the proposed budget prior to the approval of the final budget. At this forum, the Board shall receive written and verbal comments from property owners in good standing on Budget issues.
4. **ADOPTION OF BUDGET:** After receiving input on the Preliminary Budget as noted in Section 3 at least 45 days prior to the end of the calendar year, the Board shall by majority vote adopt the final Budget for the Association. This resolution shall also establish and levy the annual common expense assessments for the next calendar year, set late fees and establish any other policies applicable to the Budget.
5. **IMPLEMENTATION OF THE BUDGET:** All operating funds spent by the Association may not exceed the approved Budget. No Capital Budget line items may be

exceeded at all unless the expenditures are first reviewed and agreed to by the Finance Committee and approved by two-thirds of the Board. If any unbudgeted expenditure results from or is incurred because of an occurrence that involves the health or safety of the community, a simple majority vote of the Board Members in attendance will suffice. The Board should not approve the transfer of funds from one Budget line item to another Budget line item unless the Finance Committee has been notified, has reviewed the proposal and has made a recommendation.

**A.** Any line item exceeding the Budget Projections by twenty (20%) plus or minus, must be brought to the attention of the Board of Directors in written form for their action on a quarterly basis. 12/05

6. **CAPITAL FUNDS:** The Board may appropriate unexpended funds, up to a maximum of ten percent (10%) of the current year's budget, for a Capital Fund, which shall be invested prudently. The Funds shall be withdrawn only upon approval by a majority vote of the Board of Directors in compliance with the Association's Reserve Fund Policy, as amended. Any surplus in the current year's budget must be added to the Capital Reserve Fund at the end of each fiscal year.
7. **ANNUAL DUES:** The Board shall set annual dues, which are intend to be levied as common expense assessments as defined in the Uniform Planned Community Act. Dues shall be charged uniformly on a per lot basis as described below. Annual dues are intended to support the annual Budget after considering all outlays, including both operating and capital, non-dues income and all other available funds.
  - A. The common expense assessment or dues per unimproved lot shall be called the unimproved lot dues; the common expense assessment or dues per improved lot shall be called the improved lot dues. The unimproved lot dues and the improved lot dues are established on an annual basis by the Board Directors. The aggregate sum of all currently collectible dues and other anticipated revenue must equal the net revenue needed to fund the annual Budget and Capital Reserve requirements.
  - B. The Board may approve all Special Assessments of dues required to cover unbudgeted expenses that otherwise are not provided for in the Budget, including but not limited to approved overspending on budgeted line items, and unusual or non-recurring special projects or services. All Special Assessments of dues in one fiscal year shall not exceed five percent (5%) of the total Association Budget without approval of an absolute two-thirds of the Board of Directors.
  - C. Annual dues are for the calendar year January 1 to December 31. The Association invoices for dues should be mailed to all improved and unimproved lot owners prior to November 25<sup>th</sup>. Unless otherwise decided by the Board, dues shall be payable in one installment on or before February 15<sup>th</sup>. The Board may grant a discount for payments received for dues earlier than the due date. Dues shall be delinquent if not paid within 30 days after the due date. The Board may impose a late fee of one and one-half percent (1½%) per month for delinquent dues, which fee shall continue until all assessed charges and all other charges due under the Uniform Planned Community Act are paid in full. Late fees are also due on all delinquencies

of Property Owners making payments under any special payment schedules. All property owners shall remain personally responsible for these payments despite the property owner's failure to use the Common Facilities or abandonment of the lot. The Treasurer shall provide to the Board a quarterly Delinquency Report listing the delinquent Property Owners during the prior quarter and current delinquents, plus the status of collection of the delinquent accounts.

8. **DELINQUENT ACCOUNTS:** In addition to all other rights of the Association, the Association may bring suit to collect any owner's delinquent account and may foreclose the Association's statutory lien on any delinquent owner's lot. The Association may also collect all late fees, late charges, administrative expenses, costs of collection, attorney's fees and other claims as permitted by the Declaration, by the Bylaws, or by statute.
9. **ACCOUNTING PRINCIPLES:** The Association shall employ accrual basis accounting for annual report purposes. For cash management purposes, monthly cash basis actual to budget reports shall also be maintained. All accounting and controls shall comply with industry guidelines. The Association shall implement internal accounting controls regarding accounting duties. Disbursement by check from the general operating account shall require two authorized signatures for all disbursements other than for payroll, and one signature for payroll checks as well as for checks drawn on the Board-approved Manager's Imprest Account. No facsimile signature shall be used. The Association shall make no petty cash disbursements in excess of Five Hundred Dollars (\$500.00).
10. **COMMINGLING OF ACCOUNTS:** Cash accounts shall not be commingled with other accounts except for joint investments, and then only on the condition that the Association's books shall reflect each account's contribution to the investment.
  - A. All funds of the Association shall be (1) kept in depositories approved by the Board and insured by the Federal Deposit Insurance Corporation (FDIC) or the Securities Investors Protection Corporation (SIPC) or (2) otherwise invested in accordance with this paragraph 10. No change of depository or classes of investments shall be made without the approval of the Board.
  - B. All funds in any depository in excess of the statutory insurance limit set by the FDIC or SIPC, funds not needed for immediate use by the Association, and funds in excess of the Association's cash flow requirements shall be invested by the Treasurer in investments as shall be approved by category by the Board. The investments shall only be made in (a) Discounted United States Treasury or Agency instruments guaranteed by the full faith and credit of the United States Government or (b) in money market accounts or similar investments that substantially (1) are invested in U.S. Treasury and U.S. Government Agency instruments and securities or (2) are directly secured by U.S. Treasury and U.S. Government Agency instruments and securities. Investment funds or other investment vehicles shall be controlled or managed by banks or securities brokerage firms chosen by the Board of Directors of the Association.

11. ANNUAL REPORTS: Before the end of the fiscal year, the Board shall engage an independent CPA firm as auditor to audit the books and records, prepare tax returns and certified financial statements, and submit written comments and suggestions for improving Association financial practices. Audited financial statements with footnotes and the auditor's opinion shall be delivered to the property owners within 180 days of the close of the calendar year.
12. CONTRACTS: In compliance with the following requirements, the Board of Directors may contract with third parties to furnish goods and services for a term of one year or less, unless subject to a specific exception from bidding. In addition where allowed in Section F, certain types of contracts may be made for terms of up to three years. Otherwise, all Association purchases of goods and services in excess of Five Thousand Dollars (\$5,000.00) shall be advertised for public bid and awarded to the lowest responsible bidder as determined by the Board of Directors.
  - A. Requests for proposals must be advertised in public notices appearing at least two (2) times (one day each) in a newspaper of general circulation in Monroe County published no later than fifteen (15) days before the announced due date for the bids. The request shall require sealed bids that comply with stated terms and specifications. The request shall describe what is sought, tell where and when bids are due and contain detailed specifications. The specifications shall detail, using reasonable industry practices, the nature and amount of the work to be performed or the goods or services to be provided together with the form of contract to be executed. For construction contracts, each successful bidder shall also deliver a performance bond to the Association if and when determined by the Board of Directors.

At the time a bid is due, the Executive Vice President/Community Manager shall unseal the bids, record their contents and transmit them to the Finance Committee for approval before being presented to the Board of Directors for approval. Before any routine bid approval by the Board, the Finance Committee must review all bids, and must provide recommendations and findings to the Board through the Treasurer or the Treasurer's designee.

- B. In any contract requiring bidding plus an initial advance of funds by the Association on awarding the contract, the Board may also require that a bid bond accompany each bid submitted to the Association. The bond shall be in an amount not less than the total funds to be advanced by the Association. In contracts extending beyond a single fiscal year, a bid's security shall be equal to ten percent (10%) of the first year's contract amount. Only Sureties acceptable to the Association and qualified to do business in the Commonwealth of Pennsylvania shall issue bid bonds. The Executive Vice President/Community Manager shall deliver all bids received with comments and recommendations to the Board as for award.
- C. If all bids received are deemed to be unreasonable as to price or terms, no contract or purchase may be entered into unless the Association notifies each prior bidder of its intention to negotiate; each bidder has a reasonable opportunity to negotiate with the Association; and the negotiated price is lower than the lowest rejected bid price. The Board by a two-thirds vote may elect to waive the bid bond and performance bond requirements if those requirements are deemed by the Board to be inappropriate for a particular industry or a particular contracting process (such as contract management or

design-build contracts), or if the payment for goods and services is held until after all commitments have been met.

- D. In applying rules regarding dollar limits, Association expenditures must reflect the total project cost. Those costs may not be divided into smaller projects or service segments in order to fall technically below the dollar threshold.
  - E. Exceptions – no Bidding. As exceptions to all other requirements of these Association financial rules and regulations, the Board may solely by its own authority purchase goods or services in the best interest of the Association after receiving proposals from the qualified sources for the following: (1) professional services and related costs; (2) services of Association employees; (3) prepaid casualty or liability insurance policies effective for up to three years provided they allow unrestricted cancellation by the insured; (4) election and Annual Meeting expenses of the Association; (5) actual emergencies affecting Property Owner health, safety, or security; and (6) contract awards after review by the Executive Vice President/Community Manager and Finance Committee and approval by the Board, on occasions in which no bids were been received pursuant to any advertised request for proposals.
  - F. Exceptions – Term. The Board may also bind the Association for up to three years in a management contract or in a contract with a public utility for the shortest term available at the regulated rates.
12. BORROWING: The Board is authorized to borrow for capital projects approved in the budget and for operating expenses for cash flow purposes only provided the cash flow debt can be liquidated by anticipated receipts during the applicable fiscal year.
13. INSPECTION OF FINANCIAL BOOKS AND RECORDS: The Covenants, Bylaws, property owners' register, books of account, audited financial statements, approved minutes of Property Owner meetings, approved minutes of the Board of Director meetings and committee meetings (other than executive session) shall be made available for inspection and copying at a reasonable cost by any Property Owner in good standing at any reasonable time during normal business hours and for a proper noncommercial purpose related to the property owner's interest in the Association, at the office or other places the Board may prescribe. Association documents may not be removed from their normal locations. Property Owners must submit a written request, under oath, on a form provided by the Association in compliance with state law to inspect records.
- A. The Board shall establish reasonable rules governing a Property Owner's notice to be given to the record's custodian; hours and days of the week when inspections may be made; and payment of the costs of reproducing the records.
  - B. A director shall have the right, at any reasonable time, to inspect books, records, documents and Association physical property, including the right to make extra copies at the Association's expense, if the inspection is related to Association affairs, and so long as the Director has no personal conflict of interest regarding the materials to be viewed.

14. CONTRACTS WITH OTHER ASSOCIATIONS: With the unanimous approval of all Directors, the Association may enter into common management, operational or other agreements with trusts, condominiums, cooperatives, planned communities or other neighborhood homeowners' or residents' associations, both within and without the Community.

15: MISCELLANEOUS: The Treasurer may reimburse Directors and employees for valid and exclusively association-related expenditures incurred for the benefit of the Association, subject to compliance with generally accepted accounting principles and approval.

VIOLATIONS OF  
PENN ESTATES PROPERTY OWNERS ASSOCIATION  
RULES AND REGULATIONS

SCHEDULE OF FINES  
(except as noted)

First Offense	\$50 plus costs
Second Offense	\$75 plus costs
Subsequent Offenses	\$100, suspension of privileges, or both plus costs

Specific Violations:

Passing School Bus – Loading/Unloading	\$100 per offense
Littering or dumping trash on roadside	\$10 - \$300 (@ \$10/bag plus labor)
Household trash left at Lake, Resort Club and Mailboxes	\$100/occurrence
No clothesline rule	\$10/occurrence
Parking on roadside (9pm – 7am)	\$10 – first offense \$25 – second offense \$50 each subsequent offenses
Speeding in excess of posted limit	1 <sup>st</sup> offense – Equal to speed up to 10 miles over posted limit. Speeds in excess of ten mile per hour over limit \$100. 2 <sup>nd</sup> offense – Two times speed up to 10 miles over posted limit. Speeds in excess of ten mile per hour over limit \$200. 3 <sup>rd</sup> offense - \$300 4 <sup>th</sup> offense - \$400 5 <sup>th</sup> offense - \$500

The violator becomes “whole” again if he/she does not violate our speeding rules within a 365-day period from time of last offense.

Motor vehicle

–Article VI – Unless specified above \$50 – first offense -- \$75 – subsequent

Disorderly Conduct

-Article VII, #5 \$100 first offense  
\$250 second offense  
\$500 third and subsequent offenses

Fleeing/Eluding

-Article VII, #6 \$500 first offense  
\$1,000 second offense and subsequent offenses  
-Article VII, #7 \$100 first offense  
\$250 second offense  
\$1,00 third and revoked privileges

Pets – Article XVI

Pets – Article XVI, Sec. 6, \$50 – first offense -- \$75 – subsequent  
\$100 – first offense + costs, \$250 second offense + costs, \$500 – third and subsequent offense + costs

Recovery/Storage of Captured Roaming

Dogs, Article XVI, #7 \$25. per day plus costs

Fire Arms – Article XVII –	\$500 each offense plus cost of repair, replacement, cleanup and legal costs of prosecution
Fire Arms – Article XVII- Sec 2	\$10,000. (ten thousand dollars)
Hunting	\$500 each offense plus cost of repair, replacement, cleanup and legal costs of prosecution
Environmental – Article XX –	\$50 – first offense -- \$75 – subsequent
Gate Tampering	\$500 each offense plus cost of repair, replacement, cleanup and legal costs of prosecution
Gate Access (Use of gate card by guest, use of gate card for others private and commercial not issued the card)	\$100 – 1 <sup>st</sup> offense
	\$500 – Subsequent offenses
Vandalism	\$100 – 1 <sup>st</sup> offense + costs detailed below
	\$250 – 2 <sup>nd</sup> offense + costs detailed below
	\$500 – 3 <sup>rd</sup> and subsequent offense + costs detailed below

Plus costs of repair, replacement, cleanup and legal costs of prosecution.

The schedule of fines can be amended at any time by the Board. Costs may include, but are not limited to, administrative, legal, inspections and fees.

*The above fines shall be imposed per day for those offenses that are of an ongoing nature.*

11/03