

**LAKE HARMONY ESTATES
PROPERTY OWNERS ASSOCIATION**



BOOK OF GOVERNANCE

OCTOBER, 2009

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Section I: Introduction

This *Lake Harmony Estates Property Owners Association Manual* provides pertinent information to each Property Owner, guest and tenant as it relates to their living in Lake Harmony Estates.

Specifically, this *Manual* is designed to provide the information necessary to ensure that the Lake Harmony Estates Property Owners Association achieves the following objectives:

- assist in the improvement and promotion of Lake Harmony Estates, which is designed for healthful and harmonious residential and recreational single-family living;
- promote, assist and encourage the collective interest of all Property Owners in Lake Harmony Estates;
- assist Property Owners of all lots in Lake Harmony Estates, whether improved or unimproved;
- promote and maintain the natural beauty and physical environment of Lake Harmony Estates;
- promote and maintain the value of all common property, all residential lots and their improvements;
- prevent harm to the environment or to property values or other adverse effects by nuisances or other conditions detrimental to the health and welfare of all Property Owners;
- authorize actions as may be desirable and necessary to prevent or abate any conditions that are inconsistent with the Deed, LHEPOA By-Laws and Rules & Regulations, government requirements, Deed restrictions and applicable law;
- aid and cooperate with Property Owners in the enforcement of applicable LHEPOA Rules & Regulations, governmental requirements, Deed restrictions and applicable law as now exist, or as may be adopted in the future;
- exercise any and all rights, privileges and authority that may be delegated to the LHEPOA Board, the managing agent, or Committees of the Board from time to time by the Association; and,
- in general, do everything necessary and proper for the accomplishment of the purposes set forth in this Manual.

Each Property Owner must keep a copy of this *Manual* at their residence in Lake Harmony Estates, for quick referral by the Property Owner, guests and tenants (if applicable).

Association Remedies for Non-Compliance

Failure to abide by the Deed Restrictions, the By-Laws or Association Rules & Regulations will subject the Property Owner to corrective remedies where applicable and/or fine as established by the Board of Directors.

If a Property Owner determines that a violation exists, the Property Owner should notify the LHEPOA, via the managing agent, immediately so that a remedy may be suggested.

Obligations or violations of a Property Owner to adhere to Association Rules & Regulations do not cease with the sale or transfer of the property, but will automatically transfer to the new owner. Consequently, any violations that exist are to be corrected before ownership is transferred.

The Association provides an appeal process for any Property Owner who feels that a citation or violation notice is in error. All such requests are to be made "in writing" and addressed to the LHEPOA Board of Directors, via the managing agent.

Questions Regarding This Manual

The purpose of this *Manual* is to give all Property Owners in Lake Harmony Estates a clear understanding of their duties, responsibilities and rights as members of the Association. The Lake Harmony Estates Property Owners Association is a not-for-profit motivated Association existing to meet the environmental, architectural and recreation and leisure needs of all LHEPOA Property Owners/Members-In-Good-Standing.

Questions regarding the *Manual* or its provisions may be directed to the LHEPOA managing agent during normal business hours. Correspondence may be mailed to the LHEPOA in C/O Appletree Management Group, Inc., PO Box 866, Moscow, PA 18444. Electronic communication is available via phone at (570) 842-0321, via fax at (570) 842-4445, via e-mail at apptree@aol.com, or via website at www.appletreemanagement.com.

Section II: Definitions

Application and Interpretation

Certain words and phrases have a very precise meaning when used in the Lake Harmony Estates Deed, the LHEPOA By-Laws, and the Rules & Regulations adopted by the Board of Directors. The Definitions provided here are intended to help LHEPOA Property Owners properly understand these documents – and comply with the responsibilities of ownership within Lake Harmony Estates.

It should be noted that the appearance of a defined term in this Definitions Section does not mean that it is allowed.

For the documents to which they apply, the following are assumed:

- Words used in the present tense include the future tense.
- The words *used* or *occupied* as applied to any land or building include the words *intended*, *arranged*, and *designed to be* used or occupied.
- The word *lot* includes *plot* and *parcel*.
- A singular number includes the plural, and a plural the singular.
- The masculine gender includes the feminine.
- The word *street* includes *road*, *highway*, *drive* and *lane*.

Defined Words and Phrases

Abandon: Desert, surrender, forsake or cede. Relinquish or give up with intent of never again resuming one's right or interest. Give up or cease to use. Give up absolutely; forsake entirely; renounce utterly; relinquish all connection with or concern in; desert. It includes the intention and also the external act by which it is carried into effect.

Abut: Where two lots physically meet/touch. (The term implies a closer proximity than Adjacent – because there is no intervening land.)

Access: A means of approach or entry to or exit from a property.

Accessory Building/Outbuilding: A building that is detached from the Principal Building and

used for other than housing (e.g., unattached garage or shed).

Addition: An extension of, or increase in, floor area or height of a Building or Structure.

Adjacent: Lying near or close to; contiguous; neighboring. (Adjacent implies that the two objects are not widely separated though they may not actually touch.)

Alteration: (Applied to a building or structure) a change or rearrangement in the structural parts or existing facilities, or an enlargement, whether by extending on a side or by increasing in height, or the moving from one location or position to another.

Approved Color: A color that is substantially similar, or identical, to a color that has been pre-approved by the Board, for which a sample showing color and value is available from the managing agent hired by the Board.

Architectural Quality: Comparable in quality of design and detail as would be produced by a registered architect.

Architecture/Construction/Maintenance Committee (ACMC): The Members-In-Good-Standing appointed by the Board or President, under paragraph 4.1 of Article V of the Deed Restrictions.

ACMC Approval: Authorization by the Architecture/Construction/Maintenance Committee to construct, alter, landscape or otherwise modify properties according to plans it has accepted as satisfying LHEPOA Rules & Regulations.

Architectural Control Officer: The individual or company appointed by the Board to work with the ACMC in implementing and monitoring the architecture/construction/maintenance Rules and Regulations of the Association.

Assessment: Common expense costs to be paid by Property Owners.

Association: Lake Harmony Estates Property Owners Association, its successors and assigns.

Attic: The part of a building that is immediately below, and wholly or partly within, the roof framing.

Basement: The portion of a building that is partly or completely below grade.

Board: The Board of Directors of the Association, elected pursuant to the LHEPOA By-Laws.

Building: Any structure having a roof supported by walls and intended for shelter, housing or enclosure of people, pets or personal property.

Building, Front of: The main walls of the Principal Building that face the street.

Building Height: The vertical distance measured from the average elevation of the accepted or approved finished grade at the front of the building to the highest point of the roof.

Building, Principal: A permanent, single-family dwelling.

Building, Rear of: The main walls of the principal building that face the rear lot line.

Carport: An open space for the storage of one or more vehicles in the same manner as a private Garage, which may be covered by a roof supported by columns or posts except that one or more walls may be the walls of the Principal Building to which the carport is an Accessory Building.

Cellar: (See Basement.)

Clearing: Removal of trees, soil, rock or other natural growth on a property done in contemplation of, or in connection with, construction. (Clearing does not include removal of brush or debris from a lot for aesthetic purposes.)

Closed-Container Fire: Any outdoor fire set in, and confined to, a noncombustible container covered with a noncombustible lid and located at least 15 feet from all structures, property lines and other combustible materials.

Commercial: Something owned, operated and supported by private individuals or a corporation, on a profit basis, for the use or benefit of the general public or for some part of the general public.

Commercial Vehicle: Any vehicle that, by virtue of its weight, height and/or length, is designed for commercial use only and is therefore different from vehicles normally used for personal transportation. Examples include, but are not limited to:

- Pickup trucks with a load capacity in excess of one ton in weight;
- Any truck, tractor or combination having a height of greater than nine feet or a length of greater than 30 feet or a weight in excess of 20,000 pounds;
- Buses, moving vans, cement trucks, roofing trucks and refrigerated trucks.

Community: Lake Harmony Estates.

Construction: Construction, reconstruction, renovation, repair, extension, expansion, alteration or relocation of a structure.

Covenants: The applicable Declaration of Covenants, Conditions and Restrictions recorded in the office of the Recorder of Deeds. (Covenants typically is used interchangeably with the word Declaration.)

Coverage: That portion or percentage of a lot area covered by structures.

Deck (Attached): A platform, with or without railings, but without a roof, projecting out from a wall of a Principal Building and intended to be used as an area for seating, dining or recreation.

Deck (Unattached): A platform without railings and roof that is not attached to a Principal Building and is intended to be used as an area for seating, dining or recreation.

Deed Restrictions: The applicable Declaration of Covenants, Conditions and Restrictions recorded on each residential lot in the office of the Carbon County Recorder of Deeds.

Development: (See Community.)

Driveway: A path for cars, from a street to a Garage or Principal Building.

Dues, Assessments and Fines: Those amounts charged by the Association to all Property Owners, such as annual lot servicing fees, Association dues, and road assessments, or to individuals, such as fines for traffic

violations or failure to comply with LHEPOA Rules & Regulations. (The examples of dues, assessments and fines are not intended to, and do not, limit the definition to the examples given.)

Dwelling: A building designed or used as the living quarters for a single family. As such, it does not include tourist homes, motels or hotels.

Dwelling Type:

- **Duplex:** A building containing, or used as, two separate single-family dwelling units.
- **Mobile Home:** (See Mobile Home.)
- **Multi-Dwelling Unit:** Two or more dwelling units accommodating two or more households, which are located one over the other or attached by the use of common party walls.
- **Residential Conversion Unit:** To be a conversion, any proposed alterations must be confined to the interior of an already-existing structural shell. (Any proposal to extend the sides or increase the height of an existing structure shall not be considered a conversion.)
- **Single-Dwelling Unit:** A dwelling unit accommodating a single family.
- **Group Residence:** A dwelling unit that is shared under congregate living arrangements by two or more persons who are residents of the dwelling unit by virtue of their need to receive supervised services limited to health, social and/or rehabilitative services provided by: a person or persons or their licensed or certified agents; a governmental agency or their licensed or certified agents; a responsible corporation or their licensed or certified agents; a partnership or limited partnership or their licensed or certified agents; or any other legal entity. (A group residence does not include a boarding home and/or personal care boarding home.)

Dwelling Unit: (See Building, Principal.)

Excavation: Any act by which earth, sand, gravel, rock or any other material is placed, pushed, dumped, pulled, transported or moved.

Family: (See Single Family.)

Fence: A barrier enclosing an open space, used to prevent entrance or exit.

Fine: A financial penalty imposed on a Property Owner, (caused by the Property Owner, family member, guest and/or tenant and pet) for violation of the Lake Harmony Estates Deed and/or the LHEPOA By-Laws or Rules & Regulations.

Fiscal Year: January 1 through December 31.

Floor: The part of a room on which you stand, which is the part of a structure that divides a building into stories or ½ stories.

Floor Area: (See Living Area.)

Foundation: (See Permanent Foundation.)

Garage: A structure to house motor vehicles and other personal property.

Grand-Fathered Structure: An existing structure that does not meet current LHEPOA Rules & Regulations but did meet the LHEPOA Deed Restrictions and the Rules & Regulations in effect at the time of placement, and for which a permit had been obtained from the LHEPOA Board. (NOTE: A structure that is altered, moved or removed is no longer grand-fathered.)

Grantee: Any Lake Harmony Estates property owner.

Harmonious: The state of being architecturally and environmentally compatible, and in compliance, with the LHEPOA architecture/construction/maintenance Rules & Regulations.

Height: (See Building Height.)

Home-Based No-Impact Business: A Home Occupation that includes no customer, client, or patient traffic (whether vehicular or pedestrian), pickup, delivery, or removal functions to or from the premises in excess of those normally associated with residential use.

Home Occupation: A business, profession, occupation or trade conducted for income or profit by one or more persons residing in a Principal Building. The Home Occupation is accessory, incidental and secondary to the use

of the Principal Building for dwelling purposes and does not alter the exterior of the property or affect the residential character of the neighborhood by the introduction of noise, fumes, obnoxious odors, increased traffic, or such other nuisances associated with a Home Occupation.

House Guest: A person, other than a Property Owner's immediate family, and other than a tenant, who is invited to reside in a Property Owner's Principal Building on a temporary basis.

House Pet: (See Pet.)

Immediate Family: The spouse, brother, sister, child, parent, grandparent or grandchild of a Property Owner – as well as the spouse of any of the named relatives.

Impervious Surface: Those surfaces that do not absorb water. They consist of all structures, parking areas, driveways, roads, sidewalks, and any areas of asphalt.

Improved Lot: A lot on which a single-family Principal Building has been constructed.

In Good Standing: In compliance with the Lake Harmony Estates Deed and the LHEPOA By-Laws and Rules & Regulations.

Inspector: (See Architectural Control Officer.)

Junk: Scrap iron, scrap tin, scrap brass, scrap copper, scrap lead or scrap zinc and all other scrap metals and their alloys; bones, rags, used cloth, used rubber, used machinery, used tools, used appliances, used fixtures, used utensils, used lumber, used boxes or crates, used pipe or pipe fittings, used tires; abandoned vehicles, whether motorized or not; other manufactured goods, any of which are so worn, deteriorated or obsolete as to make them unusable in their existing condition, but are subject to being dismantled or processed for reclamation, salvage or recycling; any other item commonly thought of as unusable.

Licensed Motor Vehicle: (See Motor Vehicle.)

Livestock: Farm animals such as cattle, horses, sheep, hogs or goats.

Living Area: The net enclosed, weather-tight, heated, usable residential Floor area. It

excludes garages, decks, patios, porches, outside stairs or storage areas.

Lot: A Kidder Township-approved, numbered residential property in Lake Harmony Estates.

Lot Area: The total area within the lot lines, excluding any area within a street right-of-way, but including any easement area.

Lot, Corner: A parcel of land at the junction of, and abutting on, two or more intersecting streets.

Lot Depth: The mean horizontal distance between the front and rear lot lines. Measurement is from the street property line to the rear property line.

Lot Frontage: That side of a lot abutting on a street.

Lot, Interior: A lot other than a corner lot.

Lot Line: Any boundary line of a lot.

Member-In-Good-Standing: (Referred to in Association documents as "MIGS".) A Property Owner who has paid all outstanding and payable Dues, Assessments and Fines on all properties owned as of the day in question. MIGS also include the Property Owner's spouse, if any.

Mobile Home: A transportable, single-family dwelling intended for permanent occupancy, contained in one unit or in two or more units designed to be joined into one integral unit capable of again being separated for repeated towing, which arrives at a site complete and ready for occupancy except for minor and incidental unpacking and assembly operations, and constructed so that it may be used without a permanent foundation.

Modular Home: A non-transportable, single-family dwelling intended for permanent occupancy contained in one or more units designed to be joined into one integral unit not capable of again being separated.

Motor Vehicle: A licensed small-, mid-, or large-sized car, family mini-van, SUV, van carrying no more than nine people, or a pick-up truck, motorcycle, or moped that is used for leisure or family travel and routine work travel. (Snowmobiles and all-terrain vehicles (ATVs),

also commonly referred to as 3-wheelers or 4-wheelers, are not included in the definition of Motor Vehicle and are not permitted in Lake Harmony Estates.)

No-Impact Home-Based Business: (See Home-Based No-Impact Business.)

Open Fire: Any outside fire that is not a Closed-Container Fire.

Outbuilding: (See Accessory Building/Outbuilding.)

Owner: (See Property Owner.)

Parcel: (See Lot.)

Patio: A ground-level structure without railings or walls and open to the sky that is attached, or adjacent to, a building but not a part of the building, and intended to be used as an area for seating, dining or recreation outdoors.

Permanent Foundation: Support for a structure consisting of poured concrete, concrete blocks, cinder block, brick, pressurized wood or stone to form a horizontal pad or vertical wall on which the structure is placed¹ is intended to remain indefinitely. 1

Permit: Authorization(s) to build, improve, alterations, etc., issued by appropriate governmental agencies having jurisdiction and/or by the LHEPOA.

Pet: An animal that is domesticated and kept as a companion.

Porch: A covered area projecting from a Principal Building.

Principal Building: (See Building, Principal.)

Principal Use: (See Use, Principal.)

Property Owner: Person(s) and/or entity(ies) owning interest in one or more parcel(s) of real property within Lake Harmony Estates, Kidder Township, Lake Harmony (Carbon County), PA.

Rental Property: A property which is offered to individuals, groups, entities and/or others in exchange for financial or other consideration. The word property shall encompass the physical

property as well as any and all structures located thereon.

Renter: (See Tenant.)

Resale Certificate: All information required to be supplied by the current Property Owner to a prospective purchaser pursuant to §5704 of Pennsylvania's Uniform Planned Community Act (68Pa.C.S.A. §5407).

Residential: Approved for use as a single-family Principal Building.

Rules & Regulations: The body of Rules & Regulations for the LHEPOA, adopted by the Board.

Screen Planting: A vegetative material of sufficient height and density to conceal certain structures from view.

Screening, Acceptable: Screen Planting or other Board-approved material.

Shed: An Outbuilding used only for the storage of personal property.

Single Family: One or more persons who hold title in Lake Harmony Estates (but not more than three persons unrelated to each other by blood or marriage) who live together, with their immediate family and domestic servants, and who jointly maintain a common household. (A single family does not include residents of a group home, boarding house, and/or personal care home.)

Single-Family Residence: A Principal Building occupied by a single family.

Story: That part of a building between the surface of any floor and the next floor above it or, in its absence, the finished ceiling or roof above it, which covers more than 60% of the floor space below it. (Any floor that covers 60% or less of the floor space below it is a 1/2-story. A basement is counted as a story if it averages more than five feet above grade.)

Structure: Any man-made object having an ascertainable, stationary location on or in land or water, whether or not affixed to the land or water. It includes, among other things, principal buildings, garages, decks, patios, sheds, carports, storage bins, fences, railings,

swimming pools, hot tubs and recreational equipment.

Swimming Pool: Any private swimming pool permanently excavated in the ground, and containing, or normally capable of containing, water to a depth at any point greater than 1 ½ feet.

Temporary Use: (See Use, Temporary.)

Tenant: Any individual(s) or single family who temporarily occupy, via a lease, a Principal Building of a Lake Harmony Estates Property Owner.

Travel Trailer: A vehicular, portable structure built on a chassis, designed to be used as a temporary dwelling for travel, recreational and vacation use, permanently identified "travel trailer" by the manufacturer of the trailer and, when factory-equipped for the road, having a body width not exceeding eight feet and being of any length provided its gross weight does not exceed 4,500 pounds, or being of any weight, provided its body length does not exceed 29 feet.

U-Shaped Driveway: A single driveway that has two separate entrances/exits.

Use: The specific purpose for which land or a structure is designed, arranged and intended, or for which it is or may be occupied or maintained.

Use, Principal: The main use on a lot.

Use, Temporary: The use of land or a structure located on a lot for a limited time, as regulated by the LHEPOA Board.

Variance: An exception to the LHEPOA Rules & Regulations granted by the Board, which, however, is consistent with the Lake Harmony Estates Deed, covenants and LHEPOA By-Laws and Rules & Regulations.

Walkway: An uncovered passageway that provides pedestrian access from a structure or point to a deck, parking area or other structure or point.

Yard: An open, unoccupied space open to the sky, on the same Lot with a Principal Building.

Yard, Front: A Yard extending from the street lot line to the main walls of that portion of the Principal Building that faces the street lot line, extending the full width of the Principal Building projected to the side lines of the Lot.

Yard, Rear: A Yard extending from the rear lot line to the main walls of that portion of the Principal Building that faces the rear lot line, extending the full width of the Principal Building projected to the side lines of the Lot.

Yard, Side: A Yard that is neither a front yard nor a rear yard.

Section III: Deed & Covenants

Subject, nevertheless, to the following express covenants, conditions and restrictions, which shall run with the land:

1. The premises hereby conveyed shall be used for residential purposes only. No building shall be erected, altered, placed or permitted to remain on the premises hereby conveyed other than one detached single family dwelling, not to exceed two and one-half stories in height, and a private garage for not more than two cars.

2. No building shall be located on any lot nearer than 90 feet to the front lot line, or nearer than 20 feet to any side street line, or nearer than twenty feet to an interior lot line. Easements for the maintenance of and installation of utilities and drainage facilities are reserved over the front and rear 15 feet and each side 10 feet of each lot.

3. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any lot at any time as a residence, either temporarily or permanently. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary containers. No signs for advertising purposes shall be erected or maintained on the premises.

4. An individual water supply system and a sewage disposal system shall be constructed and equipped in accordance with the recommendations of the Pennsylvania Department of Environmental Resources, and the local health authorities. Should a water and/or a sewage system be installed in the development of which this lot is a part, the grantee, for himself, his heirs and assigns, expressly agree to discontinue the use of water from his individual supply, and use of the individual sewage system and become connected with the development utilities.

5. No building, structure, well or sewage disposal system shall be started, constructed or erected upon the premises hereby conveyed without first obtaining the approval in writing of Lake Harmony Estates as to location, elevation, plan or design. Plans drawn to scale must be submitted in duplicate for approval. They should show the dimensions of lot; lot and section number; location of building with respect to lot lines; locations of well and septic tanks and tile fields on lot and their locations with respect to wells and septic tanks and tile fields on adjoining lots if any, and such other information as Lake Harmony Estates or authorized association may from time to time require. Lake Harmony Estates or authorized association shall approve or disapprove the said proposed construction within 30 days after the same has been submitted.

6. An association of property owners may be formed by Lake Harmony Estates and designated by such name as may be deemed appropriate and when formed, the Grantee covenants and agrees that he, his executors and assigns shall be subject to the payment of annual fees and assessments, and restrictions in compliance with by-laws, rules and regulations to be promulgated by aforesaid association. The grantee agrees not to sell, rent, lease, or to permit the premises hereby conveyed, to be sold, rented, or leased, except to persons first approved for membership in the aforementioned; nor shall signs for advertising, sale or rental purposes be erected or maintained on the premises.

7. The portion of the lands of Lake Harmony Estates laid down on the map as streets are not dedicated to public use and title thereto shall remain in Lake Harmony Estates subject to the right to convey to the association aforementioned with reservations, subject to the right of the Grantee and those claiming under them to use the same for ingress and egress to and from the public roads by the most direct course over the streets shown on the map, and if and when dedicated for public use shall be made subject to the right of Lake Harmony Estates to maintain or grant the right to maintain water mains, sewer pipes, street mains, gas mains, fixtures for street lighting, telephones and electric poles, within the lines of such roadways.

8. At any time in the future Lake Harmony Estates, its successors and assigns, shall have the right to purchase said premises if Grantee desires to sell. If, at any time Grantee, his heirs, executors or administrators, or assigns, receive a bona fide offer for the premises and Grantee, his heirs, executors, administrators or assigns, decided to accept such offer, he shall first give notice to Lake Harmony Estates, its successors and assigns, which shall have the right within thirty days of receipt of such within written notice of purchasing said premises at the price and the same terms offered by such other party.

9. It is further mutually agreed that the aforesaid conditions and restrictions shall run with the land and that in any deed of conveyance of the premises hereby granted and conveyed or any part thereof, said conditions and restrictions shall be incorporated in such deed or deed of conveyance as fully as they are set forth in this indenture, and said restrictions are intended to bind the entire piece or parcel of land of which the above described is a part, it being intended to benefit the owners of the entire tract of land or any part thereof. In keeping with the purposes of these restrictions to maintain a desirable residential neighborhood, Lake Harmony Estates hereof reserves the right to alter, add or delete from time to time, any restrictions to the remaining properties of which the above described is a part.

10. The Grantee, its successors and assigns, agree to pay annually that sum of money, proportionately with all other lot owners in the subdivision of which the herein is a part, necessary to maintain the private streets, roads, and recreation areas, laid out in the development known as Lake Harmony Estates as recorded in Map Book No. 1 Page 106. In the event the said roads and streets are accepted by the Association, the said Grantee agrees to pay to the Association the assessment necessary for said maintenance. In the event the roads are not accepted by the Association but they remain private roads, the Grantee, its successors and assigns, agree to pay said assessment to Lake Harmony Estates or its designated representative on the first day of July of each year, that assessment made for said purposes.

11. The Grantee, for himself, his successors or assigns, recognize, that the

certain public lands, lake and recreation areas designated in said plan of Lake Harmony Estates as recorded in Map Book No. 1 Page 106 are the sole and exclusive property of Lake Harmony Estates. Lake Harmony Estates acknowledges a present license to use the said facilities and the Grantee acknowledges that said license is revocable at will of Lake Harmony Estates.

12. The Grantee, for himself, his successors, heirs, personal representatives, and assigns, agrees and does hereby release, indemnify and save harmless the Grantor and any and all employees or agents of the Grantor, it and their heirs, personal representatives, successors and assigns against any and all actions, claims, liabilities, damages, injuries and demands whatsoever that may result from any perc tests done, sewage permits issued or sewage systems installed on the premises, the Grantee, his heirs, personal representatives, successors, and assigns, realizing and understanding that it is his or their sole and absolute responsibility, duty and obligation to comply with all State and Local Sewage and Septic Rules and Regulations.

NOT WITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY OR CONTAINED IN PRIOR DEEDS OF RECORD, GRANTEE HEREIN, OR HIS/THEIR SUCCESSORS OR ASSIGNS, ACKNOWLEDGES THAT ANY USE OF THE RECREATION FACILITIES OR PUBLIC AREAS AS LAID OUT IN THE PLAN OF LAKE HARMONY ESTATES, AS RECORDED IN MAP BOOK VOLUME 1, PAGE 106 IS A USE BY LICENSE WHICH MAY BE TERMINATED AT THE WILL OF YAMULLA TRUCKING AND EXCAVATING COMPANY, THE ORIGINAL DEVELOPER, HIS SUCCESSORS AND ASSIGNS, AND UPON SAID TERMINATION NO FURTHER RIGHT TO USE OF SAID FACILITIES REMAINS WITH THE GRANTEE, HIS SUCCESSORS OR ASSIGNS. THIS COVENANT SHALL RUN WITH THE LAND. GRANTOR GRANTS THE CONTINUING LICENSE IN SAID PROPERTIES SO LONG AS THE ANNUAL ASSESSMENTS AS HERETOFORE MENTIONED ARE PAID.

Section IV: LHEPOA By-Laws

ARTICLE I: NAME AND PURPOSE

1. The name of the Association is Lake Harmony Estates Property Owners Association (the "Association" or "LHEPOA").
2. The official address of the Association is:
PO Box 321
Lake Harmony, PA 18624
3. The Association is the Successor and Assignee, by written agreement with the Developer of Lake Harmony Estates, Yamulla Trucking and Excavating Company, Inc.
4. The Association is organized under the Commonwealth of Pennsylvania Nonprofit Corporation Act of 1988, as amended (15 Pa. Cons. Stat. Ann., Sec. 1501, et seq.). Its purpose is to promote a single-family living environment, as specified in the Lake Harmony Estates Deed. This includes promoting safety, recreation, and the general welfare of the community and such other charitable or educational activities that the Association elects to pursue.

ARTICLE II: DEFINITIONS

1. Refer to definitions document for the meaning of terms used in these by-laws.

ARTICLE III: ANNUAL CALENDAR

1. JANUARY: Start of fiscal year; appoint committee members; announce election results; elect Board officers.
2. SPRING MEETING: Start nomination process; hear committee reports.
3. FALL MEETING: Receive nominating committee report; approve budget; review Dues, Assessments and Fines structure.
4. DECEMBER: End of fiscal year; elect Board for following year; select auditor; set work in motion for the new year.

ARTICLE IV: MEMBERSHIP

1. Property Owners comprise the membership of the Association, by underlying deed. Membership in the

Association is coexistent with ownership of real property in Lake Harmony Estates. Each Property Owner is entitled to a single membership, which is shared by all record title owners appearing on the most recent deed(s) for the lot(s) recorded with the Carbon County Recorder of Deeds.

2. Each Property Owner who has paid all dues, assessments and fines in full is a MIGS and, as such, is entitled to vote at membership meetings. Each Property Owner who is a MIGS has a maximum of one vote, regardless of the number of properties owned, and regardless of whether the property is owned individually, jointly, by an entity or by any combination thereof. If a Property Owner who is a MIGS owns a percentage of two or more properties, but joint ownership is with different co-owners for each property, the properties in question collectively count as one vote. In a situation where ownership is in joint name, the MIGS are eligible to collectively cast one vote. Disputes with regard to voting rights must be resolved prior to any vote. If the MIGS cannot resolve their differences, such vote will be forfeit – the LHEPOA Board will not resolve differences.
3. For purposes of calling a Special Meeting (pursuant to Article V, 3.), a Property Owner's vote will be counted toward the 30 necessary signatures only if the Property Owner is a MIGS at the time the request for Special Meeting is submitted to the Board.
4. Membership in the Association is transferred upon the recording of a deed with the Carbon County Recorder of Deeds indicating a transfer of property in Lake Harmony Estates.
5. The rights and privileges of MIGS with regard to the operation of the Association include, and are limited to:
 - a. electing and removing directors;
 - b. amending the By-Laws;
 - c. bringing grievances;
 - d. attending membership meetings;
 - e. speaking and voting at membership meetings;
 - f. voting on the annual budget, dues and special assessments as set forth in these By-Laws

- (not fines and penalties, which are established by the Board);
 - g. rights granted by the Lake Harmony Estates Deed and these By-Laws; and,
 - h. serving on Committees, as set forth in these By-Laws.
6. MIGS are entitled to use the facilities and amenities of the Association. Association services and facilities will be offered on the same terms to all MIGS. The right to use Association facilities and amenities will be extended to family members and house guests (including renters) of MIGS, subject to any terms and conditions prescribed by the LHEPOA Board of Directors.

ARTICLE V: MEMBERSHIP MEETINGS

1. Membership meetings will be held in Kidder Township at a place chosen by the Board. The Board will preside at all meetings.
2. There will be two regular meetings – one held in the Spring and one held in the Fall. The Spring meeting typically will be held on the Memorial Day weekend and the Fall meeting typically will be held on a weekend in the October/November time frame. These meetings normally begin at 9:00AM. The dates and/or times of regular meetings will be determined by a majority vote of the Board of Directors and upon mailing written notice to Property Owners at least 30 days prior to the meeting date.
3. Special Meetings may be called at any time by:
 - a. a majority vote of MIGS who are in attendance at a regular or special meeting.
 - b. written request of a majority of the Board of Directors; or,
 - c. written petition signed by at least 30 MIGS.

All requests for Special Meetings must state the specific purpose of the meeting. Upon submission of a valid request for a Special Meeting, the Board will set a date and time for the meeting – which must be held not more than 45 days after receipt of the request. Business transacted at Special Meetings will be confined to those items stated in

- the request and matters germane thereto.
4. Written notice of every membership meeting – stating time, place and objectives – will be given by, or at the direction of, the Secretary to each Property Owner. Notification must be provided at least 30 days before the date set for the meeting, unless a greater period of notice is required. In the case of a Special Meeting, the notice will specify the nature of the business to be transacted.
 5. A duly-called membership meeting must have a quorum present in order to transact business. The presence in person of 10 percent of MIGS constitutes a quorum. The MIGS present at a meeting at which a quorum has been satisfied may continue to do business until adjournment, even if there is a withdrawal of enough MIGS to leave less than a quorum. If a meeting cannot be organized because a quorum does not exist, those present may adjourn the meeting to a later time and place. At the subsequent meeting those who attend – even if they number less than 10 percent of MIGS – will constitute a quorum for acting on any resolution or other matter stipulated in the notice of the meeting – provided the written notice of the meeting states that those MIGS who attend will constitute a quorum for acting on business and provided that notice is given to each MIGS at least five days prior to the date of the next meeting.
 6. Notice of membership meetings required under these By-Laws must be given by first-class mail, postage prepaid, sent to the last known addresses of the Property Owners.
 7. All meetings of the Association will be governed by the rules of order as prescribed in *Roberts' Rules of Order, Revised*, provided they are not superceded by Deed declarations or these By-Laws, and are applicable.
 8. The right to vote at a meeting may not be assigned. MIGS may not sell their votes for money or anything of value.
 9. If the right of any Property Owner to vote at a meeting is challenged, the

President or his/her designee will determine from the books and records of the Association whether or not the Property Owner in question paid all dues, assessments and fines in full. Receipt of payment of all outstanding dues, assessments and fines by cash, certified check or money order prior to a meeting makes the Property Owner a MIGS and, as such, entitles the Property Owner to vote at the meeting.

10. Unless otherwise provided in these By-Laws, voting may be by ballot, show of hands, or any reasonable means selected by the Board of Directors.
11. The Board may place reasonable time limits on discussion of particular matters at meetings.

ARTICLE VI: DUTIES OF PROPERTY OWNERS

1. All Property Owners are required to abide by the Lake Harmony Estates Deed, these By-Laws and all Rules and Regulations of the Association as adopted by the Board of Directors. Failure to abide by the foregoing may result in such things as fines, interest and late charges being assessed, as well as property liens, attorney's fees and court costs (if the Association is required to take the matter to court).

ARTICLE VII: BOARD OF DIRECTORS

1. The business and affairs of the Association will be managed by a Board of Directors, consisting of seven MIGS. The MIGS must be at least 18 years of age but need not be residents of the Commonwealth of Pennsylvania. Each director is selected for a three-year term and serves until his/her successor has been elected. The terms of the directors will be staggered so that one-third of directors, or as close thereto as possible, end each year.
2. A director who has served two consecutive elected terms of office, of any duration, must wait one calendar year before standing for re-election.
3. To qualify for a position on the Board of Directors, a person must be a MIGS with the Association. A spouse, parent, child or sibling of, or any person sharing joint

ownership of a lot in Lake Harmony Estates with, a current Board member may not serve on the Board of Directors simultaneously.

4. In addition to the powers and authorities expressly conferred upon them by these By-Laws, the Board of Directors may exercise all powers of the Association and do any lawful acts that are not prohibited by statute or which, by Deed declarations or these By-Laws, are required or directed to be exercised or done by the Property Owners – or which are otherwise prohibited.
5. Board meetings may be held at such times and in such places as a majority of the directors determines.
6. Written or oral notice of every meeting of the Board of Directors will be given to each director.
7. A majority of directors *in office* is necessary to constitute a quorum for transaction of business. Unless otherwise specified in these By-Laws or required by statute, the acts of a majority of the directors present at a meeting at which a quorum is present will be the acts of the Board of Directors as a whole. Any action that normally would be taken at a meeting of the directors may be taken without a meeting *if* a majority of directors confirms, in writing, agreement with the action taken.
8. The members of the Board of Directors will receive no compensation for their services as Board members.
9. A director may be removed from office, in accordance with the following procedures:
 - a. Any MIGS may present a written request to the Board calling for removal of a director. The written request must be accompanied by:
 - i. a written petition signed by at least 30 MIGS requesting removal of the director,
 - ii. a written complaint indicating specific acts of misconduct alleged against the director, including a summary of the facts supporting the allegations and the

particular violations of Deed declarations, the LHEPOA By-Laws, or LHEPOA Rules and Regulations. (If no specific violations are alleged, the Board may not take any action with regard to the complaint.) Only those directors not subject to the call for removal may determine whether specific violations are stated in the complaint. If the entire Board is subject to removal, the Association's legal counsel will make this determination.

- b. Upon receipt of a petition and complaint, the Board will schedule a Special Meeting of MIGS within 45 days to consider removal of the director. If the entire Board is subject to removal, the MIGS submitting the complaint must, within 10 business days of filing the complaint, arrange for the Special Meeting – to be held between 45 and 60 days from the date the complaint was submitted and to allow for notice to be sent to all MIGS. Failure of the submitting MIGS to fulfill this requirement nullifies the complaint.
- c. Before voting to remove a director(s), the MIGS proposing the resolution may address the membership and state the reasons allegedly justifying the director's removal. (If the complaint is brought by multiple MIGS, one of them must be designated to speak on behalf of all.) The director(s) sought to be removed also may address the membership before the vote is taken. The complaining MIGS and the director(s) will each be allowed to present no more than three witnesses, and whatever evidence they see fit.

The Board members not subject to the call for removal will preside over the meeting. If all Board members are subject to removal, legal counsel will preside.

- d. Any vote to remove a director will be by secret ballot of MIGS in attendance at the meeting. Ballots will be distributed during the meeting. The Board members not subject to removal will designate three judges of election to receive and count the ballots (such appointments will be made by legal counsel if the entire Board is subject to removal). A simple majority of the ballots voted at the meeting is required to remove a director from office. After the judges of election count the ballots, they will publicly announce the results of the vote.
 - e. If the vote is in favor of removal, the director will immediately, upon announcement of the decision, relinquish his/her seat on the Board. The Board then will fill the vacancy in accordance with Article XI of these By-Laws. If all members of the Board are removed, the MIGS will elect replacements at the same meeting to fill the unexpired terms of the Board members removed.
 - f. Any director removed from office is permanently ineligible to hold office as a Board member.
10. The Board of Directors may declare vacant the office of a director if he/she:
- a. is declared of unsound mind by an order of court;
 - b. is convicted of a felony;
 - c. within 60 days after notice of his/her election does not accept such office either in writing or by attending a meeting of the Board of Directors;
 - d. misses three consecutive meetings of the Board; or,

- e. is no longer a MIGS with the Association.
11. A director stands in a fiduciary relationship to the Association and is deemed to perform his/her duties in good faith, if he/she behaves in a manner he/she reasonably believes to be in the best interests of the Association, and acts as a person of ordinary prudence would act under similar circumstances. In performing his/her duties, a director may rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, prepared by any of the following:
 - a. officers or employees of the Association or the management company retained by the Board, whom the director reasonably believes to be reliable and competent in the matters presented;
 - b. legal counsel, public accountants or other "experts" on matters that are within their professional competence; or
 - c. a committee duly designated by the Board, on matters within the committee's authority.
 12. The Board of Directors may adopt and amend Rules and Regulations for LHEPOA, including a fine structure for violation of such Rules and Regulations.
 13. The Board must approve, by majority vote, all expenditures in excess of \$500 that are not in the approved budget. (Costs and expenses set forth in the annual budget adopted by the Association will be considered pre-approved by the Board, so the Board need not vote on such items separately.) In addition, the Board may not procure new goods or services that exceed the financial cap specified in the LHEPOA Rules and Regulations without first soliciting bids. The Board need not select the lowest bid, if it determines that selecting a higher bid is in the best interest of the Association.
 14. The Board may retain a management company or manager to provide counsel and advice about the affairs of the Association:
 - a. The management company must be a bona fide business entity with experience in managing common interest communities, including a minimum of two years experience in real estate community management. The management company must employ persons possessing a high level of competence in the technical skills needed to meet the Purpose of LHEPOA, including all areas of insurance, accounting, contract negotiation, labor relations and Association rules and regulations. The management company must be competent to advise the Board of Directors regarding administrative operations of the Association.
 - b. The management company will perform the duties and services directed by the Board of Directors, including duties that may be delegated by the Board regarding powers granted to the Board by these By-Laws. The management company will perform the obligations, duties and services relating to management of the Association in compliance with the provisions of the LHEPOA Deed, these By-Laws and any Rules and Regulations adopted by the LHEPOA Board.

If a management company is retained by the Board, the management company has no authority to make policy or to make decisions on behalf of the Board. If no management company is retained, the Board may assign duties to Association employees – including, but not limited to, office staff and maintenance employees. Duties of all personnel may be established and amended from time to time by majority vote of the Board.
 15. The directors of the Board will avoid any conflicts of interest in their service on behalf of the Association. Such prohibition includes, but is not limited to:
 - a. influencing Association matters that are likely to result in personal or

- financial benefit to the director or his/her spouse, children, siblings, parents or in-laws;
- b. displaying favoritism to certain Property Owners with respect to enforcement of the Lake Harmony Estates Deed, the LHEPOA By-Laws, or LHEPOA Rules and Regulations or with regard to employment, the awarding of contracts, or otherwise;
 - c. accepting a gift – whether or not monetary – or the promise of a gift, where it can be reasonably inferred that the gift or promise is in exchange for influence with regard to Association matters;
 - d. seeking employment or contracts from individuals or companies doing business or seeking to do business with the Association; or,
 - e. utilizing his/her Board position to secure personal privileges or advantages.

The director must, in such instances, recuse himself/herself from voting.

ARTICLE VIII: VOTING

1. Election of directors, fees in excess of the amount specified in Article XIV, and amendments to these By-Laws will be accomplished using a mail ballot. All other matters may be voted upon at the Spring or Fall membership meeting or at a Special Meeting.
2. Unless otherwise specified, a simple majority of votes cast by MIGS will determine the matter being voted upon.
3. Unless otherwise specified, all matters become effective immediately upon approval.

ARTICLE IX: ELECTION OF BOARD OF DIRECTORS

1. Election of directors is by mail ballot. Ballots will be mailed to Property Owners following the Fall Semi-Annual Meeting. The mailing of ballots may include other issues requiring a vote. To be counted, a completed ballot must be received at the Association's business office no later than thirty (30) days after mailing and the voting member must be in good standing. If there are more nominees for director than the number of directors to be elected, the

nominees receiving the highest number of votes for the number of vacancies to be filled will be elected – with the longest term(s) being filled by the director(s) receiving the greatest number of votes. Property Owners will be informed of the election results in a January mailing.

2. All voting will be conducted by closed ballot. The voting procedures of Article IV, 2 apply. Prior to the annual election, the Secretary will prepare, or direct the preparation of, a roster of all eligible Property Owners.
3. All newly-elected directors and officers of the Association will take office at the next following regular meeting of the Board of Directors, or an intervening Special Meeting, at which time the Board will select the officers of the Association.

ARTICLE X: OFFICERS

1. The officers of the Association will be chosen by the Board of Directors from among its ranks. Officers are a President, Vice President, Secretary, and Treasurer. They hold office for one year and have authority—and perform such duties—as are provided by these By-Laws and as may be prescribed by the Board of Directors. Only a single office may be held by the same director. The Board of Directors may secure the fidelity of officers by bond or otherwise.
2. The Board may elect to appoint the representative of the management company (if one exists) or a member of the office staff as Recording Secretary or Assistant Vice President of Legal Affairs—for purposes of representing the Association in legal matters and at court hearings.
3. An officer may be removed by the Board of Directors, by majority vote, when it determines that such action is in the best interests of the Association.
4. The **President** is the chief executive officer of the Association and has the general powers and duties of supervision and management vested in the office of President, including managing Association business. He/She is Chair of the Board of Directors, and conducts all meetings of the Board. He/She will execute bonds, mortgages and other documents requiring a seal, under the seal of the Association.

He/She is, ex-officio, a member of all committees of the Board.

5. The **Vice President** acts, in all cases, as President in the latter's absence or incapacity. He/She serves as Vice-Chair of the Board of Directors, and performs any duties assigned by the President or as otherwise may be required from time to time.
6. The **Secretary** records or causes to be recorded, in a book to be kept for that purpose, all votes of the Association and minutes of all transactions. He/She performs the same duties for all committees of the Board, when required. He/She gives, or causes to be given, notice of all meetings of the Board and performs any other duties assigned either by the Board of Directors or by the President. He/She keeps in safe custody the corporate seal of the Association and, when authorized by the Board, affixes the same to any instrument requiring it.
7. The **Treasurer** manages all corporate funds and securities and keeps full and accurate accounts of receipts and disbursements in books belonging to the Association. He/She keeps all monies of the Association in separate accounts to the credit of the Association. These accounts will include an interest-bearing checking account, which will hold sufficient funds to pay the normal expenses of the Association during the fiscal year. Any remaining funds, including reserve monies, should be invested in a way that optimizes investment return—provided that these investments are FDIC-insured or backed by the federal government. The Treasurer disburses, or causes to be disbursed, funds of the Association as ordered by the Board, taking proper vouchers for such disbursements. He/She renders to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions made. The Treasurer also is responsible for ensuring that an annual audit or review of the financial records and accounts of the Association is conducted at the close of each fiscal year. Such report will be presented to the Board, and then to Property Owners at the next following membership meeting. The Treasurer prepares, or causes to be prepared, an Operating Expense Budget for

review and approval through the Budget Committee—prior to submission to the Board before the Fall Regular Meeting. The Operating Expense Budget approved by the Board will be submitted for approval by MIGS at the Fall Regular Meeting. The Treasurer ensures that all persons collecting and/or disbursing Association funds or property are bonded.

8. All officers may delegate Association-related duties to the management company (if any) or to the office staff, after prior approval of the Board.

ARTICLE XI: VACANCIES

1. If the office of any officer or Board member becomes vacant for any reason, the Board may choose a successor, who will hold office for the remainder of the term.

ARTICLE XII: COMMITTEES OF THE BOARD

1. The Board of Directors will appoint the following standing committees:
 - a. Architecture, Construction & Maintenance
 - b. Beach
 - c. Boat Dock/Launch
 - d. Budget
 - e. Canoe
 - f. Nominating
 - g. Rental
 - h. Roads
2. Committees appointed by the Board will consist of as many MIGS as are needed to do the work of the committee. With the exception of the Architecture, Construction & Maintenance, Nominating, and Rental Committees, such committees are advisory only, and must present their recommendations to the Board for action. (The Architecture, Construction & Maintenance, Nominating, and Rental Committees have been delegated by the Board certain responsibilities for conduct of business of the Association.)
3. The **Architecture, Construction & Maintenance Committee** will consist of one Board member, a representative of the management company retained by the Board (if

any), and up to four other MIGS—at least one of which is a full-time resident. This committee will authorize issuance of construction permits and approvals that do not require a variance. If a variance is necessary, this committee will inform the Board and the Property Owner of the need for a variance in accordance with current operating procedures.

4. The **Beach Committee** will consist of up to five MIGS. This committee is responsible for arranging for distribution of beach badges, for beach supervision and maintenance, for establishing beach rules and regulations, and for hiring lifeguards and badge checkers.

5. The **Boat Dock/Launch Committee** (formerly known as the Marina Committee) will consist of up to five MIGS. This committee is responsible for arranging for the assignment of boat slips and access keys, for oversight and maintenance of the boat dock/launch area, and for establishing rules and regulations related to use of the boat dock/launch area.

6. The **Budget Committee** will consist of the Treasurer and four other MIGS—at least one of whom is not a LHEPOA director. This committee will discuss long-range plans with the Treasurer and also will be responsible for assisting the Treasurer in preparing an annual budget.

7. The **Canoe Committee** will consist of up to three MIGS. This committee is responsible for arranging for the assignment of canoe racks and canoe stickers, for oversight and maintenance of the canoe racks and the surrounding area, and for establishing rules and regulations related to the use of canoes in Lake Harmony Estates.

8. The **Nominating Committee** will consist either of two MIGS who are *not* directors and the immediate past President of the Association or (if the immediate past President declines to serve) three MIGS who are *not* directors. This committee is responsible for nominating candidates to stand for election to the Board.

9. The **Rental Committee** will consist of one Board member and up to five other MIGS—at least one of which does not rent out his/her property (whether owned solely, or jointly). This committee is responsible for maintaining a current list of rental properties in Lake Harmony Estates and providing this list annually to Kidder Township for rental inspections—for as long as Kidder Township conducts rental inspections. The committee will make recommendations to the Board regarding rules and regulations

applicable to rental properties. The committee is responsible for enforcement of rules and regulations adopted by the Board as they relate to rental properties, as well as informing the Board of recurring problems that may require the Board to fine property owners for non-compliance.

10. The **Roads Committee** will consist of one or two MIGS. This committee is responsible for maintaining all Association roads. It will conduct an inspection of all roads after the Spring thaw and as otherwise needed to check for potholes and other damage; it will arrange to have any such damage repaired. The committee will prepare a report to the Board that lists those roads requiring repaving the following year. Finally, the committee will maintain a historical record of all work done on Association roads.

11. **Ad hoc committees** may be established by the President to accomplish the general purposes, or special projects, of the Association. These committees will serve until December 31 following their appointments, unless dissolved at an earlier date.

12. The committee members may select a Chair from among their number. In addition to participating as a committee member, a Board director on a committee will serve as liaison to the Board.

13. Each committee of the Board, and any and all committee members, serve at the pleasure of the Board and may be removed by the Board at any time.

14. The Board may adopt rules and regulations for the conduct of committees and setting forth their duties.

ARTICLE XIII: BOOKS AND RECORDS

1. The Association will keep: record of proceedings of membership meetings and Board of Directors meetings; the Deed, By-Laws (including all amendments), and Association Rules and Regulations (including all revisions); and, a register of Property Owners, which includes the names of the directors, officers and the Property Owners and showing their respective addresses. The Association also will keep appropriate¹⁷ complete and accurate books or records account. These records will be kept at either the registered office of the management company retained by the Board (if any), or

at such other office as may be designated by the Board.

2. Each director and MIGS may request in writing, a demand to examine, during normal business hours, for any proper purpose, the books and records of account, and records of the proceedings of membership meetings and meetings of the Board of Directors, and to have a copy or extracts therefrom. All photocopies are subject to a per-page charge, plus a fixed administrative charge, as established by the Board. A "proper purpose" means a purpose reasonably related to the interest of the MIGS making the request. In any instance where an attorney or other agent is seeking the right to inspection, the demand must be accompanied by a power of attorney or such other writing, authorizing the attorney/agent to act on behalf of the director or MIGS. The demand should be directed to the registered office of the management company retained by the Board (if any), or at such other office as may be designated by the Board.

ARTICLE XIV: TRANSACTION OF BUSINESS

1. The Association may make no purchase of real property greater than \$10,000, nor may it sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a simple majority of votes cast by members in good standing voting either at a duly called meeting of the membership at which a quorum is present, or pursuant to a written ballot authorized by the Board of Directors and mailed to all members in good standing. The members must be provided at least thirty (30) days prior written notice of proposed sale, purchase, lease, mortgage or other action with respect to the Association property before a valid vote may be taken.
2. All checks or other demands for money, and notes of the Association, may be signed by such officers and/or Association employees as the Board of Directors may from time to time designate.
3. The Board of Directors may propose to continue or modify dues, fees, assessments, and fines as it deems appropriate to running the affairs of the Association. If the total change

from one year to the next is larger than 25%, it must be discussed by MIGS and voted on at the Fall regular membership meeting. At least 30 days notice of such proposed increase must be given to Property Owners, so they may attend the Fall meeting at which the increase will be voted.

4. The Board may impose a special assessment in emergency situations—such as to pay higher-than-normal snow removal costs not covered in the approved budget. The amount of the assessment must be based on the actual excess cost incurred and will be apportioned to all Property Owners proportionate to their ownership within Lake Harmony Estates.
5. All assessments will be apportioned by the Board as operating funds, as special purpose funds, or reserve funds.
6. Nothing in this Article invalidates existing or previously adopted dues, dues increases, or present or future assessments or fines. Nothing in this Article should be interpreted as giving MIGS approval of the fines assessed for violations of LHEPOA Rules and Regulations, which fines are adopted solely by the Board of Directors.

ARTICLE XV: ANNUAL REPORT

1. The Board of Directors will prepare a Spring annual report to Property Owners, verified by the President and Treasurer, showing—in appropriate detail—the following information:
 - a. The assets and liabilities, including trust funds, of the Association as of the end of the fiscal year immediately preceding the date of the report.
 - b. The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report.
 - c. The revenue and receipts of the Association, both unrestricted and restricted to particular purposes, ¹⁸ the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Association.
 - d. The expenses or disbursements of the Association, for both general

and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Association.

e. The number of Property Owners and the number of MIGS in the Association as of the date of the report, together with a statement of increase or decrease in such numbers during the year immediately preceding the date of the report.

This report will be filed with the minutes of the meeting of the Board of Directors at which the report is presented.

ARTICLE XVI: NOTICES

1. Written notice of Association meetings will be given to Property Owners either personally or by first class mail, postage prepaid, to the addresses appearing on the books of the Association. If the notice is sent by mail, it will be deemed to have been given to the person when deposited in the U.S. Postal Service mail. A notice of meeting will specify the place, day and hour of the meeting and any other information required by statute or these By-Laws. A notice of a Special Meeting will, in addition, summarize all matters that will be discussed at the meeting. When a Special Meeting is postponed, it is not necessary to give notice of the revised meeting date or of the business to be transacted at the postponed meeting—other than by announcement at the meeting at which such postponement is taken. The original notice of a Special Meeting may indicate the date and time of the next-scheduled meeting.
2. Whenever written notice is required to be given to Property Owners regarding urgent matters (e.g., imposition of a lien on a property or fines to be paid), such notice must be sent by both regular first class mail *and* by certified mail, return receipt requested.

ARTICLE XVII: INDEMNIFICATION

1. The Association will indemnify each of its directors, officers, and employees (including

independent contractors and professionals—e.g., attorneys, engineers, accountants, architects, etc.) who provide services to the Association, whether or not then in service as such (and his/ her executor, administrator and heirs), against all reasonable expenses actually and necessarily incurred by him/her in connection with the defense of any litigation to which the individual may have been a party because he/she is or was a director, officer or employee of the Association. The individual will have no right to reimbursement, however, for matters about which he/she is liable to the Association for negligence or misconduct in the performance of his/her duties, or was derelict in the performance of his/her duties as director, officer or employee by reason of willful misconduct, bad faith, gross negligence or reckless disregard of the duties of his/her office or employment. The right to indemnity for expenses also applies to the expenses of suits that are compromised and settled if the Court having jurisdiction of the matter approves such settlement. This right of indemnification is in addition to, and not exclusive of, all other rights to which a director, officer or employee may be entitled.

ARTICLE XVIII: DISSOLUTION OF THE ASSOCIATION

1. The Association will use its funds to accomplish the objectives and purposes specified in these By-Laws. Except for payments to employees of the Association for services rendered, no part of these funds may inure or be distributed to MIGS – except that, upon dissolution of the Association, all funds in whatever accounts will be totaled. After payment of all legitimate claims against the Association, any excess funds will be returned to the Property Owners who are MIGS. The allocation of such funds will be based on the number of parcels of real property owned by each Property Owner.

ARTICLE XIX: AMENDMENT OF BY-LAW:

1. Amendment of these By-Laws may be proposed in writing by either a special

By-Laws Committee or by a petition signed by 30 MGS. All By-Laws amendments will be reviewed by the Board. The Board may modify proposed amendments or accept the amendments as submitted, for subsequent discussion and vote by MGS. The Board may not unilaterally reject any proposed By-Laws amendment.

2. Once proposed amendments have been reviewed by the Board, the Board will authorize mailing the proposed amendments to Property Owners. The proposed amendments will be discussed at the next regular meeting of the Association, unless the Board authorizes a Special Meeting be held to discuss the amendments. The Board may or may not incorporate changes to the proposed amendments that are discussed at this meeting, at its discretion.
3. Given the significance of the Association By-Laws, all MGS will be asked to vote via special ballot on any proposed amendment. Ballots will be mailed to MGS no later than 30 days following the meeting at which any proposed amendment was discussed. To be counted as a vote, a properly completed ballot must be received at the Association's business office by the date specified on the ballot (which typically will be 30 days after mailing of the ballot).
4. To be adopted, proposed By-Laws amendments must be approved by a simple majority of ballots returned. Property Owners will be informed of the results of the vote by mail as soon as possible after the vote has been tallied.

ARTICLE XX- MISCELLANEOUS PROVISIONS

1. One or more directors may participate in a meeting of the Board of Directors via conference telephone or similar on-line communications equipment or other technology that enables all Board members to participate in the meeting. Participation in a meeting pursuant to this section constitutes presence in person for quorum and voting purposes.

Section V: Rules & Regulations Related to Living in Lake Harmony Estates

I. Purchase and Resale of Property

Lake Harmony Estates is a "Planned Community" as defined by Pennsylvania's Uniform Planned Community Act No. 180-1996, 68 PA C.S.A. S 5101 et. seq. By virtue of ownership in Lake Harmony Estates, a Property Owner is obligated by covenant, easement and/or agreement imposed on ownership interest to pay any assessment for real property taxes, insurance, maintenance, repair, improvement, management, administration or regulation of any real estate (common area) owned, controlled or managed by the Association.

Joining and Sub-Dividing Lots

Unless grand-fathered, each lot within Lake Harmony Estates must be a minimum of ½ acre.

A Property Owner who owns multiple abutting lots in Lake Harmony Estates may have them legally joined into a single lot by taking the necessary legal actions with Carbon County and Kidder Township. This will result in the Property Owner being responsible for payment of only a single maintenance fee and dues to the Association.

If the Property Owner later chooses to re-subdivide the lots, the Property Owner will be required to pay all unpaid past fees and past dues as if the lots had never been joined, in order to remain a MIGS.

No lot may be sub-divided into less than ½ acre.

Resale Certificates

Section 5407 of the PA Uniformed Planned Community Act No. 180 requires that, when a property is resold by a Property Owner, the Property Owner must furnish the prospective purchaser (*before execution of the contract for sale*) before conveyance: a copy of the Deed Restrictions; a copy of the LHEPOA Bylaws; a copy of the LHEPOA Rules & Regulations; and a Commonwealth of Pennsylvania Resale Certificate disclosing all fees, fines, charges and assessments owing to the Association at that current time (and prior, if not paid).

The Association's managing agent is available (for a fee) to prepare the resale certificate on the seller's behalf. However, the seller assumes all responsibility for satisfying the requirements of the resale certificate – including but not limited to all fees, charges and/or assessments owing to the Association before a contract of ownership is transferred.

The Association requires an inspection of the interior and exterior of the property (improved lots only) prior to transfer. This inspection will be conducted by LHEPOA's managing agent at the time the resale certificate is requested.

II. Use of Association Facilities

The Association issues to Property Owners badges for beach access and keys for Boat and/or tennis/shuffleboard court access. Fees for these amenities are established by the Board on an annual basis. Any Property Owner who loses or misplaces a beach badge or amenity key can acquire a new one, for a fee, from the Association's managing agent.

Note: Property Owner beach badges are not valid for tenants. (Separate badges must be purchased by the Property Owner for use by registered tenants.) If tenants are found to be using Property Owner badges, the tenants will be barred from the beach and the Property Owner will lose all Association privileges for a period of time to be determined by the Board of Directors.

The below recreational facilities and amenities are owned by the Association and provided for the recreational use of all Property Owners, guests and registered tenants provided that:

- the Property Owner is a MIGS;
- appropriate identification badge is purchased from the Association and shown at the beach;
- appropriate key is purchased from the Association to access the tennis court/shuffleboard court and/or Boat dock slips;
- hours for recreational facilities are observed as posted; and,
- users understand that all recreational facilities are used at their own risk.

Warning – Privileges for recreational facilities and amenities are for MIGS. Falling out of “good standing” will cause the Property Owner to lose the use of these facilities, as well as being deleted from any waiting list. Once “good standing” is restored, the Property Owner must request that his/her name be reinstated and the Property Owner will be placed at the end of any requested waiting list.

Beach House and Beach House Grounds

The Association owns and maintains a piece of property located on Lake Harmony. The Beach House and Beach House Grounds are to be used by owners only. There are a few rules that must be followed when in the Beach House or using the Beach House Grounds, as follows:

- **Access**
 - Members in Good Standing Owners only and their guests, no exclusive access for Beach House or Beach House Grounds renters.
- **Grounds Area**
 - Lawn chair use permitted
 - No active game playing allowed
 - No horseplay or loud noise allowed
 - Music playing permitted, but volume must be kept low
 - No storage of boats, chairs or other equipment permitted
 - Cutting, damaging or trampling vegetation not permitted
- **Food and Beverages**
 - Grilling and other cooking permitted on stone deck area only
 - Association grill and tables may be used by owners and guests
 - Alcoholic beverages permitted for responsible consumption only
- **Pets**
 - Dogs and other domesticated pets must be leashed or otherwise restrained and controlled

- Other pets not permitted
- Owner is responsible for the cleanup and proper disposal of pet feces

- **Dock**
 - Watercraft launching permitted
 - Power boat and PWC loading and unloading only; 1 hour docking limit
- **Swimming**
 - No swimming from dock or shoreline
- **Fishing**
 - Fishing no permitted when beach is open

Owners and Guests are responsible for the cleanup of trash and debris from the grounds and beach house.

- **Beach House:**
 - Not for owner use except during Association events or rentals
- **Lake-side and Street-side Porches**
 - For use by owners and guests only all year round

Beach and Swimming Area

Normal beach hours are as posted, and weather permitting. In the event of foul weather, the lifeguard will report at the regularly scheduled time, unless notified otherwise. If foul weather occurs after the beach is opened, the lifeguard will contact either the LHEPOA on-site coordinator, a member of the LHEPOA Beach Committee or the managing agent to discuss closing the beach.

If the beach is open and a certified lifeguard is not on duty, swimming is permitted only if a member of the Beach Committee is present and has the *Swim at Your Own Risk* sign displayed. In this case, all other Beach and Swimming Rules apply.

The lifeguard on duty is responsible for assuring a safe, sanitary and enjoyable experience by enforcing the Rules & Regulations established

for the beach area (provided below). In addition to the lifeguard, members of the LHEPOA Beach Committee, the LHEPOA Board of Directors, the LHEPOA on-site coordinator and representatives of the managing agent have the authority to enforce the Rules & Regulations related to the Beach and Swimming area. They also have the authority to close the beach at any time. Their decisions are final and must be followed at all times. If their decisions are not followed, they may insist that the offender(s) leave the beach for the remainder of the day. Any problems will be reported to the Association's managing agent and, **if necessary**, to the police.

The following Rules & Regulations apply to the Beach and Swimming area:

- Everyone age five or older who enters the beach must have a beach badge (which does not have to be worn) and must sign in. If there are more family members and guests of a Property Owner than there are purchased badges, there is a daily charge to use the beach, for each person without a badge.
- Children 12 and under must be accompanied by an adult.
- Pennsylvania law does not allow boats within 100 feet of the swimming area. Dropping off or picking up passengers at the dock from a boat is not allowed. Any boat that, in the lifeguard's opinion, is a threat to safety of swimmers will be warned off using a whistle or a bull-horn. The boat registration numbers will be noted on the daily log and reported to the Association's management office.
- Proper swimming attire must be worn at all times by all ages. Changing clothes on the beach is not allowed by anyone at any time. Anyone desiring to change clothes while at the beach may do so only in the port-a-potty.
- Throwing sand or rocks, or general horseplay, is not allowed. Holes dug in the sand must be filled in before leaving the beach.
- Swimming under, or beyond, the dock or outside the roped area is not allowed. Pushing off or doing flips off of the dock is not allowed.

- Ball-playing and use of large rafts in the swimming area are allowed only when the water is not crowded. The lifeguard or other authorized LHEPOA authority will determine when the water is too crowded.
- Non-swimmers are allowed in the water only to the level in which they can stand safely. (Personal flotation devices are recommended for all non-swimmers.)
- Radios must be kept at a minimal sound level.
- Trash/garbage/litter must be placed in a trash container, if available on the beach, or carried away upon leaving the beach.
- No one may tie a watercraft to, or fish off, the swimming dock at any time.
- Swim diapers are required for any child who is not potty-trained.
- Pets are not permitted on the beach at any time.

A. Loss of Beach Privileges and Fines

Repeated offenses of these Rules & Regulations may result in loss of beach privileges and fines, as follows:

- A Property Owner who supplies Property Owner beach tags to anyone other than family or guests, or who uses family beach tags in place of renter beach tags, will be fined for each occurrence and will lose beach privileges for the remainder of the season.
- If beach or swimming rules are violated, privileges may be suspended for a period of time. The decision for suspension, and the length of time of suspensions, will be made by two or more members of the Beach Committee *or* a member of the Beach Committee with one of the following:
 - the on-site coordinator;
 - a representative of the managing agent; or,
 - a member of the LHEPOA Board of Directors.
- Fines will be determined by the LHEPOA Board of Directors.

Boat Dock/Launch Area and Canoe Racks

A. Boat Fishing

Individuals are urged to use extreme caution while fishing from rowboats or canoes. Coast Guard-approved personal flotation devices are required for each occupant of all types of watercraft on all waters in the State. Boats using electric or gas motors must be registered with the PA Fish Commission. All PA boating and fishing regulations apply.

B. Canoe/Rowboat Racks

Racks are assigned to Property Owners by the Association on a first come basis. A second rack may be assigned only after any waiting list for a rack is exhausted. Once assigned, the canoe/boat/kayak must remain in the same rack position until a different location is requested and found. Any change must be made through the Boat Dock/Launch Committee. A rack *does not* transfer with sale of the property.

Canoes/row boats must be secured at both ends on the rack. Racks can be used throughout the

year. Any padding placed on the racks must be removed when the material becomes worn or unsightly or when the Property Owner relinquishes the rack. The LHEPOA is not responsible for loss or damage.

Failure to follow these rules will result in fines and place assignment of a rack in jeopardy.

Failure to use rack for two consecutive boating seasons will result in automatic forfeiture of the rack by the Property Owner. Such forfeited rack will be reassigned to the next Property Owner on the waiting list.

C. Boat Dock Slips/Launch Area

Slips are issued to Property Owners by the Association on a first come basis, and based on the size needed. Should a slip become available, the Boat Dock/Launch Committee reviews the waiting list. The next Property Owner on the waiting list is contacted. If the Property Owner waives the right to the available slip, he/she remains first in line for the next available slip.

Since slips are of different sizes, the Property Owner must not use a slip that is too small. Any damage done is at the expense of the assigned Property Owner. A slip *does not* transfer with sale of property.

A Property Owner may not sublease a dock slip. However, in unusual circumstances, the Boat Dock/Launch Committee may authorize temporary use of the slip by another MIGS.

Each user may place materials to protect the boat; however, these must remain in good condition and must be removed by November 1 of each year. When removed, there can be no nails or screws remaining in the slip area or on the dock. Users must remove anything dropped into the lake.

Failure to follow these rules will result in an assessment and result in loss of slip assignment.

Failure to use a boat dock for two consecutive boating seasons will result in automatic forfeiture of the slip by the Property Owner. Such forfeited slip will be reassigned to the next Property Owner on the waiting list.

Tennis and Shuffleboard Courts

The Association owns and maintains a tennis court and a shuffleboard court for use by Property Owners, guests and registered tenants. There are a few rules that must be followed when using the tennis court, as follows:

- the court does not require advance registration or reservation;
- if players are waiting, playing time for those already on the tennis court is limited to one hour;
- the tennis court may be used only for tennis, and proper footwear must be worn; similarly, the shuffleboard court may be used only for shuffleboard;
- courts are available for use from 8:00AM to dusk;
- entrance keys are not transferable; the courts must be locked after each use; and,
- individuals may not use the courts for private clinics, group lessons or tournaments.

Association Bulletin Boards/Solicitation

Use of the LHEPOA bulletin board (located at the entrance to the beach) is permitted only for Association approved notices.

No soliciting, posting, or distribution of promotional literature of any kind, is permitted within Lake Harmony Estates.

III. Property Signs

House and/or Lot Identification

Lot/street numbers must be displayed on all lots, including empty lots. This is necessary so the Rescue Squad/Fire Co. can locate homes/lots in the event of an emergency or fire. These rules must be followed when displaying numbers:

- Numbers must be easily visible from the street. They must be placed so that trees, shrubs or other obstructions do not block the line of sight from the street.
- Numbers should be no more than ten feet from the street front shoulder and within five feet of any driveway on the property.

- Numbers must be kept in good repair.
- Numbers must be at least three inches in height, 1/2 inch in width and a minimum of three feet from ground level to the bottom of the background sign.

Other Property Signs

All other signs placed on a property should not exceed four square feet and are limited to security/alarm signs, family crests or titles. The Property Owner must use earth-tone colors for these signs.

Note: For-sale signs and advertising signs are strictly prohibited in Lake Harmony Estates. A temporary contractor sign is permitted during construction, but it must be limited to 16 square feet in size.

IV. Deliveries and Owner Service Requests

Merchandise deliveries and contractors responding to Property Owner service requests may enter Lake Harmony Estates. Commercial vehicles must use designated parking spaces on the Property Owner's residence that is being serviced. They must avoid blocking entries and exits to other residences or to Association-owned common areas.

If possible, deliveries and service calls should be scheduled Monday through Friday, between the hours of 8:00AM and 5:00PM. (Emergency services obviously are excluded from this requirement.)

V. Holiday Decorations

Outdoor holiday decorations and lighting are permitted and may be placed UP TO 30 days prior to the holiday. Lighting should be illuminated with low-voltage lighting. Decorations and lighting must be removed no later than 30 days after the holiday.

Holiday decorations (including decorative lighting) determined by the Board to be a nuisance to neighbors or to the Association must be modified or removed at the Association's request.

VI. Trash

Kidder Township contracts with a local trash removal service for weekly pickup of Property Owner household trash. Fees for this service are billed annually by the Township to the Property Owner.

The following trash removal procedures must be followed by all Property Owners, as they are essential for maintaining a clean and aesthetically pleasing environment:

- Trash must be kept indoors until the evening before the weekly scheduled trash pickup.
- Every residence must have an adequate number of sanitary, sturdy trash containers, with latching covers to prevent animal entrance.
- Trash containers may only be left exposed at roadside (end of driveway) for 24 hours before and after collection.
- Spilled garbage is the responsibility of the Property Owner.
- A Property Owner (or guests or tenants) who will not be at the residence after trash collection must make arrangements with someone to clean up spilled garbage and/or return trash containers from the street to the residence.
- Trash bins are strongly recommended for a Property Owner who is not available to place trash containers out for collection the day of pickup. (A trash bin is generally constructed of pressure treated wood with locking top or front loading doors.) All trash must be placed in the trash bin(s).
- Under no circumstances are dumpsters of any kind permitted on private lots or Association property.

Unauthorized dumping of trash anywhere within Lake Harmony Estates is prohibited.

For special trash removal needs, the Property Owner should do the following:

- **Large Trash Items:** Handled in accordance with current Township requirements
- **Hazardous Items:** Batteries, propane tanks, motor oil, paint cans, etc. *must not* be put out as trash. Freezers and

refrigerators must have their doors removed, and may require an official tag certifying that the refrigerant has been removed, before putting them on the roadside. Contact the trash hauler for specific information regarding disposition of hazardous items.

- **Fireplace Ashes:** All ashes must be placed in metal containers.

Failure to follow these Trash procedures will result in fines, as established by the Board. Fines for failure to prevent, or promptly clean up, trash spills increase in amount with each subsequent violation.

VII. Traffic and Safety

Licensed Motor-Driven Vehicles on Lake Harmony Estates Roads

All Pennsylvania Motor Vehicle Code rules of the road apply within Lake Harmony Estates. No Motor Vehicle of any type may be driven or towed in a reckless manner on or along any road. All drivers of motor vehicles must observe speed restrictions and noise limitations established by the Association. No Motor Vehicle will be permitted upon any road within Lake Harmony Estates unless it is properly and currently licensed, inspected and registered pursuant to the laws of the Commonwealth of Pennsylvania (or other governing Commonwealth or State) and operated by licensed persons.

The maximum speed limit throughout Lake Harmony Estates is 20 miles per hour. Any vehicle operated above this speed will be deemed to be operating in a reckless manner.

The maximum speed limit in an amenity area (access roads, parking lots, etc.) is 10 miles per hour. Speed limits are posted on roadways and at facilities and amenities.

All vehicles are operated at the user's risk and may be driven only on the Property Owner's property, public roads or designated areas. Operation of any vehicle on Association common property or another Property Owner's property without permission is trespassing.

ATV's, snowmobiles and other non-licensed motor driven vehicles cannot be driven on Lake Harmony Estates roads.

Unsafe driving practices, including but not limited to, stop sign violations and speeding will be prosecuted to the fullest extent.

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Motor-Homes and Truck Campers

A motor-home or self-propelled truck camper is prohibited from parking within Lake Harmony Estates unless it is parked:

- within an approved garage structure; or
- on a Property Owner's property in a driveway or other improved area in a way that minimizes visibility from the roadway.

A truck camper (a camping unit on a pick-up truck) must be parked in an approved garage when not in use – unless it is the primary means of transportation.

Commercial Vehicles

A commercial motor vehicle owned by a Property Owner may be used in the routine work of the Property Owner (or registered tenant). It must be parked in a way that does not promote any specific business or service. Such a vehicle must be parked overnight inconspicuously in either the Property Owner's driveway or garage.

Prohibited Commercially Registered and Construction Vehicles

Vehicles such as dump trucks, tractor trailers (tractor or trailer), buses, commercial travel vans, heavy equipment, any and all construction vehicles or like vehicles are not permitted on Association roads or common areas, or Property Owners' properties, whether improved or unimproved, unless temporarily providing a service or picking up/dropping off people. All such commercial construction-type and heavy vehicles are specifically prohibited from operating, parking or otherwise using the roads or parking lots within Lake Harmony Estates unless working under a valid construction permit issued by the Association.

Steel-tracked/cleated equipment may not be driven on any LHEPOA roadway. Such equipment, if needed for construction, must be

transported to the construction site and then unloaded (and re-loaded) on the Property Owner's lot. Penalties will be assessed to the Property Owner, including fines and restoration costs.

Street Parking

Street parking is not permitted in Lake Harmony Estates at any time.

Speed Limits

Motor vehicles share the roads in Lake Harmony Estates with a large number of pedestrians. Thus, the maximum speed on any road in Lake Harmony Estates is 20 miles per hour.

VIII. Outdoor Fires

Outdoor Open Fires are strictly prohibited in Lake Harmony Estates. However, small closed-container fires are allowed, provided they meet all requirements of current Kidder Township Ordinances.

Outdoor cooking is permitted provided it is done in or on a residential/commercial type cooking apparatus such as gas or charcoal grills.

A working water hose must be available for any closed-container fire and/or outdoor cooking.

IX. Firewood and Stored Materials

Property Owners are not permitted to cut or gather firewood on Association-owned property or on the lots of other Property Owners unless written permission is provided.

Firewood must be stacked and not create an unsightly appearance. Protective tarpaulins should be of earth tone colors (brown, black, gray) that blend with the house and foliage.

X. Hunting and Firearms

The discharge of any firearm, bow & arrow, BB gun or other projectile propelling device for hunting, target practice or recreation is strictly prohibited. Hunting of any kind is strictly prohibited within Lake Harmony Estates.

XI. Community and Home Safety/ Security Alarms

Property owners may choose to use Security/Fire alarm systems for their property. If installed, however, they must be registered with the Kidder Township and the Regional Communications Center. The Property Owner must maintain the system in proper working order to prevent frequent false alarms. T²⁶ Kidder Township Police Department incorporates nuisance response penalties for frequent false alarm calls.

XII. Animals/Livestock/Poultry

No animals, livestock or poultry of any kind are permitted in Lake Harmony Estates, except that a dog, cat or other house pet may be kept – provided the pet is not bred or maintained for a commercial purpose.

No dog, cat or other animal referred to as a house pet or domesticated animal is permitted on the beach or at the tennis/shuffleboard courts.

A dog must be on a leash while being walked. The Property Owner is responsible for cleaning up after a pet. No pet is permitted to be kept outdoors in a shelter, fenced area or on a “dog run” overnight. Excessive animal noise will result in fines to the Property Owner. State, county and/or township dog wardens will be notified when a pet is reported to be a nuisance.

XIII Nuisances

The LHEPOA and all Property Owners have an obligation to maintain both the common facilities and individually-owned properties in a condition that is aesthetically pleasing and that enhances the concepts of ecological and environmentally sound principals.

Loud and Irritating Noise

Excessive noise is prohibited at all times. Excessive noise includes, but is not limited to, loud sounds from radios, music, parties, pets, combustion noise, mufflers, etc.

Quiet hours in Lake Harmony Estates are from 11:00PM to 7:00AM. These hours are consistent with the Kidder Township Noise Ordinance.

For enforcement, the Property Owner, guest, or registered tenant should:

- call the Kidder Township Police (570-325-9111)
- report violations to the Association’s managing agent. (The report should include: location and time of violation; whether the Kidder Township Police were called; the Police response and actions taken.)

Violators will be fined. (If the violators are tenants, then the Property Owners will be fined.)

Unightly and Unkempt Conditions

A Property Owner is responsible for the following standards as it relates to individually-owned property.

A. Outside Storage

In order to maintain, preserve and promote an aesthetically pleasant environment within the Association, no outside storage is permitted for household materials; abandoned vehicles (motorized or non-motorized); lawn equipment; junk; or commercial vehicles of any kind.

Outside storage of seasonal equipment, such as boats, jet-skis, snowmobiles, and other recreational vehicles and/or their trailers, is permitted provided the following criteria are met:

- the equipment is not placed in the front yard;
- the storage location is naturally screened/covered and/or is out of sight as much as possible from any road or neighbor;
- the color of any cover is an Approved Color; and,
- the storage location is a minimum of 10 feet from the rear and side yard property lines.
- All such seasonal equipment is properly and currently licensed, registered, operable, mobile and further kept visually unobtrusive and in a state of good repair.

Note: Every effort should be made by the owner to store such equipment inside (i.e. garage) during the off-season.

Violators will be fined until the offense has been corrected.

B. Junk

In accordance with the Kidder Township Nuisance Ordinance, it is unlawful to store 27 dump junk outside on any property.

C. Damaged Structures

Damaged structures, including but not limited to, the Principal Building, Accessory Buildings, fencing, screening, etc. must be made secure and weather-tight by the Property Owner after damage occurs. Repair and removal of any debris from the loss must be completed within 30 days.

D. Dangerous Buildings

Buildings described as dangerous by Kidder Township include, but are not limited to, buildings that are dilapidated, decayed, unsafe, unsanitary or not able to provide either the amenities essential to decent living or the building's original intended purpose. Dangerous buildings are not permitted in Lake Harmony Estates and must be repaired or removed by the Property Owner within the notification period prescribed by the Township.

E. Unsafe Road Conditions

A Property Owner must refrain from:

- blowing or plowing snow onto Lake Harmony Estates roadways;
- blowing leaves onto Lake Harmony Estates roadways; and,
- leaving branches or brush along Lake Harmony Estates roadways.

F. Fallen Trees & Tree Cutting

A Property Owner must remove fallen trees when:

- a fallen tree is located in an Association easement or setback area; or,
- the fallen tree is considered a visual nuisance; or,
- the tree, limbs and associated brush present a fire hazard or invitation to undesired wildlife, rodents, etc.

Trees, whether alive or dead, may not be cut down without prior approval of the ACMC. The only exception to this rule is if a tree is an immediate threat to power lines, telephone lines, cable lines, other trees, a building (all or accessory) or other structures. In addition, if immediate approval of the ACMC cannot be obtained, the tree may be cut without prior approval – but the ACMC, through the managing agent, must be notified within 24 hours of cutting; justification for the cutting must be provided. Ideally, a photograph should be taken before cutting, to support the justification. If it is determined that a tree was removed unnecessarily, the appropriate fine will be imposed on the Property Owner.

XIV. Maintenance of Trees and Landscaping of Property

As mentioned above, no trees may be cut on any property in Lake Harmony Estates (with the exception of emergencies) until the ACMC has granted approval. Failure to adhere to this rule will result in significant fines to the Property Owner.

While the Board encourages the removal of dead trees, tree stumps, branches, etc. at any time in order to maintain the natural beauty of Lake Harmony Estates, this encouragement should not be interpreted as a waiver of the requirement to get prior approval. This is especially true if the Property Owner wishes to change the landscape of the property.

Landscaping should be used to enhance, restore, or maintain the natural appearance of the property as well as to conceal obtrusive objects such as exposed foundations and satellite dishes. Ground cover is a solution to steep hillsides or restoring areas disturbed by building construction. These must be shown on plot plans.

LHEPOA recommends that minimal landscaping be done on any lot. The goal of Lake Harmony Estates is the preservation of the beauty of the natural terrain. If landscaping is to be done around a home, native vegetation should be used. Also, the Property Owner should strive to use plantings that are both wildlife resistant and compatible with local weather conditions and geographical location.

Lawns

Lawns should be kept to a minimum size in order to maintain as much of the natural environment as possible, and to minimize the use of pesticides and fertilizers.

Lawn Decorations

To help keep Lake Harmony Estates in harmony with nature, the use of permanent lawn and/or yard decorations are limited to re-creations of animals, plants, flowers, etc. that appear naturally in the Lake Harmony Estates environment. In all cases, decorations must be of a natural coloration and construction. Plastic decorations are discouraged. If used, they must be harmonious in design, material, color and appearance with the natural, earth-tone environment and standards of the Association.

Holiday decorations must be removed no later than 30 days after the conclusion of the specific holiday.

Painting rocks and/or boulders is prohibited. (Regarding already-painted rocks and boulders, the paint must be removed, if possible; if removal is not possible, the rocks and boulders must be repainted to the natural color.)

A Property Owner should bear in mind visibility of gardens and ornaments from the street and the effect they have on abutting or attached neighbors. The Association emphasizes the life style of privacy in a forested area, and respect for neighbors is paramount. Personal taste should not be imposed on neighbors where that personal taste is inconsistent with the natural appearance of Lake Harmony Estates.

The Board reserves the right to demand removal of decorations that are inconsistent with the natural, earth-tone environment and standards of the Association.

Retaining Walls

Landscape retaining walls should be harmonious in design, material, color and appearance with the natural earth-tone environment and standards of the Association – such as fieldstone, rubble stone, landscape ties or landscape pavers.

XV. Fireworks

Fireworks are never permitted in Lake Harmony. Use of fireworks by a Property Owner, tenant will subject the Property Owner and suspension of amenities.

XVI. Home Business or Home Occupation

No professional or commercial business is permitted in Lake Harmony Estates. Similarly, a Home Occupation is strictly prohibited in Lake Harmony Estates, unless it is a Home-Based No-Impact Business. In addition to meeting the criteria included in the definition of a Home-Based No-Impact Business, such a business will be allowed in Lake Harmony Estates only if it meets the following:

- There is no outdoor storage, signage and displays of products and equipment.
- No external alterations or external construction features not customary in residential dwellings is made.
- There is no external evidence of work being done on the property.
- Only parking designated for residential purposes is permitted. On-street parking is prohibited. Any commercially-labeled vehicles must be parked in the garage.
- The Home-Based No-Impact Business must be registered with the Association. (There is no fee for this registration.)

XVII. Miscellaneous

Electric Meter

No property shall have more than one electric meter. Any Property Owner found in violation of this rule will be fined on a monthly basis until the violation is remedied.

Propane Tanks

Propane tanks used for heating a Principal Building are considered fuel tanks. See Section VII, VI. Utilities, for Rules & Regulations regarding placement of a fuel tank.

Propane tanks used for other purposes (e.g., gas-fueled fireplaces and hot tubs) must not be visible from the street. If such a tank is visible

from the street, the tank must be screened or buried.

Propane tanks for outdoor grills may not be stored in the front yard. They should be stored in the rear yard or side yard and not be visible from the street.

Satellite Dishes

A satellite dish may be installed on, or in the proximity of, the Principal Building on a lot provided that it is:

- 30 inches or less in diameter;
- placed as inconspicuously as possible; and,
- black or gray in color.

No trees may be cut down in order to install a satellite dish or other antenna.

Shrubbery or other landscaping/screening around a ground-level satellite dish or other antenna is required.

Playground and/or Recreational Equipment

Playground and/or recreational equipment (e.g. swing sets and sliding boards) must be placed in the rear yard and out of view from any street. If such equipment cannot be placed in the rear yard, the Property Owner may request a variance from the Board to place it in a side yard. If the Board grants such a variance, it will be granted with the stipulation that the equipment be placed as close to the rear yard as possible. (No such equipment may be placed in the front yard of a property.)

If playground and/or recreational equipment is visible from the street, or if it causes a nuisance to an abutting or adjacent Property Owner, the Board will require screening and/or other special adaptations of the equipment as a condition of issuing a permit.

Recreational equipment may be placed on top of sand or wood chips, if the natural terrain needs to be softened. The area on which sand or wood chips may be placed must be no more than one foot wider (on each side) and two feet deeper (on the front and back) than the size of the recreational equipment itself. *Under no circumstances* may macadam or asphalt be used as the base for any recreational equipment.

(Macadam or asphalt may be used for driveways only, as indicated elsewhere in these Rules and Regulations.)

Section VI: Rules and Regulations Related to Rental of Property in Lake Harmony Estates

I. Introduction

These Rules & Regulations provide the parameters under which rental of property in Lake Harmony Estates shall be governed.

In addition to the Rules and Regulations which pertain to all properties in Lake Harmony Estates, the following items are specifically relative to rental properties.

II. Summary of Property Owner Responsibilities with Regard to Rental of Property In Lake Harmony Estates

A current and valid certificate of occupancy shall be visibly posted certifying the property as a rental property by Kidder Township prior to any rental.

A current and valid Rental Registration Fee Permit shall be visibly posted certifying the property as a Rental Property by the Lake Harmony Estates Property Owners Association.

Property must be maintained in a safe and well kept manner.

Property Owner is responsible for all tenants, occupants, guests, visitors as well as anyone on the property and actions of same. Property owner reserves all rights to take action against tenants, occupants, guests, visitors, etc. for the violation of any and all rules and regulations contained herein including but not limited to the withholding of any security deposit, civil action and/or criminal prosecution.

It is the responsibility of the Property Owner to provide a copy of these Rules and Regulations to all tenants, occupants, guests, visitors, etc. Property Owner is completely and directly responsible for the actions of all tenants, occupants, guests, visitors, etc. while on the property, when in violation of the Rules and Regulations. Should the tenants, occupants, guests, visitors, etc. fail to follow these Rules and Regulations, a fine, assessment and/or service fee may be levied against the Property Owner.

The Property Owner shall provide an appropriate number and adequate amount of trash receptacles with secure lids which shall correspond to the number of tenants, occupants, guests, visitors, etc. on the property. Property Owner is directly and completely responsible for trash and proper containment of same.

A metal can for ashes with specific safety related instructions relative to fire and the prevention of fire shall be provided by Property Owner.

Property Owner shall conspicuously post the approved summary of the Lake Harmony Estates Rules and Regulations and the most recent up to date version of the Community fine schedule as an obvious way to communicate the most basic Rules and Regulations and fines currently in effect to all tenants, occupants, guests, visitors, etc.

Property Owners shall be aware and make sure that all tenants, occupants, guests, visitors, etc. must have beach tags specifically created for renters, and such badges shall state "Renter" thereon, and must be shown in order to utilize the LHEPOA private beach. It is herewith specified and understood that without aforementioned beach badges, renters will not have access to the LHEPOA private beach.

Property Owner shall maintain available parking on property which shall be directly related to and adequate for the number of tenants, occupants, guests, visitors, etc. on the property at all times.

Property Owner shall be responsible for and warrant that the number of tenants, occupants, guests, visitors, etc. shall not at any time exceed the reasonable capacity of the home. The general rule of reasonability in this case shall be two persons per bedroom/sleeping space.

Property Owner shall be responsible to insure that all tenants, occupants, guests, visitors, etc. adhere to these Rules and Regulations, including those relative to all amenities available within Lake Harmony Estates. Property Owner fully understands that they are ultimately responsible for the actions of all tenants, occupants, guests, visitors, etc.

III. Responsibilities of Tenants, Occupants, Guests, Visitors, Etc. While Renting Within Lake Harmony Estates

All tenants, occupants, guests, visitors, etc. are responsible to adhere to all Rules and Regulations of Lake Harmony Estates at all times.

Tenants, occupants, guests, visitors, etc. shall conduct themselves in an appropriate manner, acting in a socially accepted way with respect and care for all surrounding individuals, wildlife, trees, plants, property, etc.

Failure of all tenants, occupants, guests, visitors, etc. to adhere to any of these Rules and Regulations, as well as any act deemed to be disrespectful, unlawful, uncaring, reckless, and/or inappropriate may result in the removal of said individual(s) which may result in monetary, civil and/or criminal penalties.

All tenants, occupants, guests, visitors, etc. are to strictly adhere to the time frames listed in any lease issued to them, entering and exiting as per the inception and termination times of said lease. Any person found within Lake Harmony Estates without a credible reason to be present may be deemed an act of trespassing.

All tenants, occupants, guests, visitors, etc. must have available a fully executed rental agreement for inspection by any LHEPOA Board member at all times.

All tenants must readily identify themselves and the address of the property which they are renting to any LHEPOA Board member who request such identification and/or verification.

All properties in general, and specifically, all rental properties must be maintained in a good, safe and well kept manner by all tenants, occupants, guests, visitors, etc. or risk loss of privileges and face possible enforcement action.

Failure to adhere to these rules and regulations may result in the suspension and/or revocation of all amenity privileges.

Section VII: Rules & Regulations Related to Construction in Lake Harmony Estates

I. Introduction

These Rules & Regulations provide the parameters under which the Architecture/Construction/Maintenance Committee (ACMC) reviews and approves construction ("Construction" includes construction of a new Building or Structure as well as renovation, repair, extension, expansion, alteration or relocation of an existing building or other structure in Lake Harmony Estates.) They are written to be consistent with the LHEPOA Deed Restrictions, Subdivision Ordinances and the Association By-Laws. The following architecture/construction/maintenance Rules & Regulations must be observed by a Property Owner prior to the start of any work.

The Property Owner and any contractor hired to work for a Property Owner should become familiar with *Article #5 of the Lake Harmony Estates Deed*. Following the guidelines listed in Article #5 will answer many questions as well as save time and, perhaps, money.

Summary of Property Owner Responsibilities with Regard to Construction in Lake Harmony Estates

Simply put, no Structure may be constructed, erected or placed in Lake Harmony Estates, or modified in any way, without the prior approval of the ACMC. The Property Owner must contact the managing agent retained by the Board to request a construction permit and approval from the ACMC. For all construction, a permit is required from the LHEPOA – in addition to permits that may be required from Kidder Township, Carbon County, and/or the Commonwealth of Pennsylvania. In fact, a Property Owner is well advised to obtain LHEPOA permits first, because LHEPOA Rules & Regulations are more stringent than Township, County, and Commonwealth requirements.

While a permit is not required for repainting the exterior of structures, prior approval of the color to be used must be obtained from the ACMC. Recognizing that quick response often is required for repainting, the ACMC has established a special approval process – the Property Owner can call the managing agent retained by the Board to arrange for the On-Site

Coordinator (who is a MIGS) to visit the property within 48 hours to determine if the color is an Approved Color.

Details of all architecture/construction/maintenance Rules & Regulations are provided in this document. If a Property Owner has any questions or concerns about these Rules & Regulations, he/she should contact an ACMC member, through the managing agent retained by the Board. Failure to follow these Rules & Regulations will result in fines and other penalties to the Property Owner.

Summary of Role of LHEPOA Board of Directors with Regard to Architecture, Construction & Maintenance

With regard to architecture, construction and maintenance, the LHEPOA Board is responsible for ensuring that everything is done to support the LHE single-family residential and recreational community in a way that is harmonious in design, material, color and appearance with the natural, earth-tone standards of the Association. It has authority to enforce the Deed, By-Laws and Rules & Regulations related to architecture, construction and maintenance in Lake Harmony Estates, including establishing fines and other penalties for non-compliance.

The Board appoints an Architecture/Construction/Maintenance Committee (ACMC) to authorize issuance of construction permits and approvals that do not require a variance. The ACMC reviews all plans submitted for construction of new homes, additions/modifications to existing structures, and utilizes the services of the Architectural Control Officer to inspect worksites before, during, and after construction. The Architectural Control Officer will recommend to the ACMC whether a permit should be issued. The Architectural Control Officer also may issue "stop work" orders, where necessary. (While the request for a permit or approval is made by the Property Owner to the managing agent retained by the Board, the managing agent or Architectural Control Officer alone cannot authorize the issuance of permits or give approvals.) Once the ACMC grants the permit or approval, it will instruct the managing agent to send the permit or approval to the Property Owner.

Only the Board has the authority to grant variances in accordance with current LHEPOA Rules and Regulations. It may not grant variances as to size, materials or number of structures. It is the burden of the Property Owner to demonstrate a hardship. If a variance is approved by the Board, it must be granted only to the minimum required to relieve the hardship on the Property Owner. In considering a variance, the Board must evaluate whether the variance will create a hardship on any abutting or adjacent Property Owner and may require screening and/or other special adaptations to a structure as part of the variance, if such is deemed necessary. Once a variance has been approved, the Board will authorize the managing agent to send the permit with the specific variance to the Property Owner.

Conflicts of Interest

With regard to conflicts of interest related to architecture, construction, and maintenance of properties, an ACMC member must abstain from voting if a permit application is submitted for a property owned by the ACMC member or a property that abuts, or is adjacent to, a property owned by the ACMC member.

Likewise, a Board Member must abstain from voting if a request for a variance is submitted for a property owned by the Board Member or a property that abuts, or is adjacent to, a property owned by the Board Member.

II. Approvals and Permits

Before construction of any kind (i.e. new structures as well as additions, alterations or modifications to existing structures) and installation or replacement of recreational equipment may begin, the Property Owner must receive approval to proceed from *both* the Association and Kidder Township. Approval, if granted, will be in the form of a permit from each entity. A permit should first be obtained from the Association, to avoid unnecessary expense to the Property Owner.

When requesting a permit from the Association, *two copies* of the following information must be submitted:

1. The name, address and contact person of any contractor hired by a Property

- Owner to do the work (such contractor must be licensed in Kidder Township);
2. An architectural-quality plot plan showing location of the proposed Principal Building, well and (if applicable) septic system. The plot plan also must show any area in which trees must be removed for construction as well as an approximate location for any driveway and all walkways. Topography in areas where grades exceed 10% must be shown, with erosion control indicated. The plan must have all necessary dimensions to allow for an accurate review;
3. All blueprints that will be used for construction and their complementing specifications (all construction documents must conform to International Building Codes.); and,
4. A check payable to the Lake Harmony Estates Property Owners Association, in the amount specified by the LHEPOA Board – to serve as a security deposit and application fee. This cost will vary depending on the work to be done.

Permits are required for routine maintenance (which includes exterior painting, landscaping and exterior decorations) the approval of the ACMC is required before such maintenance may begin. The Property Owner should call, e-mail, fax or mail the request to perform routine maintenance to the managing agent for prompt action by the ACMC. There is a fee involved.

Timing Considerations

Construction Permits

The ACMC will approve or reject all written requests for permits within 30 days of the date a completed submission is received by the ACMC.

All new structures or additions must be enclosed – with all exterior finishes, doors and windows completed – within nine months of the date the permit is issued. All initial landscaping must be completed within 12 months of the start of construction. The ACMC may revoke permits it grants if these timing requirements are not met.

Any deviations from originally-approved blueprints or specifications must be submitted, in duplicate, for review and approval before the change can be incorporated. The submission

must point out how the revision differs from the originally-approved blueprints or specifications.

If approval is not granted, the ACMC will provide a written explanation of the reason(s) the permit was denied. At that time, the ACMC will return the security deposit to the Property Owner. The application fee is not refundable.

Maintenance Approvals

The ACMC will approve or reject all routine maintenance requests (i.e. colors for painting/re-painting or installation of vinyl siding) within 24 hours of receipt of the request.

If approval is not granted, the ACMC will explain the reason(s) for the denial and provide recommendations on acceptable alternatives.

III. Construction of Structures

A lot may have only one Principal Building. The lot also may contain one shed and one garage – attached or unattached – no larger than a two-car garage. Unattached garages and sheds are considered Accessory Buildings (also called Outbuildings).

Construction Hours

All major construction in Lake Harmony Estates must be done between the hours of 7:00AM and 6:00PM, Monday through Friday and 8:00AM and 6:00PM, Saturday. No major construction is allowed on Sundays and nationally-observed holidays.

Please note that *Section V, Rules & Regulations Related to Living in Lake Harmony Estates* stipulates “quiet hours” between 11:00PM and 7:00AM every day.

Use of Equipment

Steel-tracked/cleated equipment may not be driven on any LHEPOA roadway. Such equipment, if needed for construction, must be transported to the construction site and then unloaded (and re-loaded) on the Property Owner’s lot. Penalties will be assessed to the Property Owner, including fines and restoration costs.

Maintaining Clean Work-Site

All lots must be kept as clean as possible during construction. The contractor must make

arrangements to place a dumpster on-site for the daily collection of construction debris. The dumpster shall be located on the lot being improved and outside of any LHEPOA right-of-way, easement, parking or street. Surrounding areas should be policed by the contractor as required to keep those areas clean.

During construction, no structure of a temporary nature, including but not limited to, a trailer, basement, tent, shack, garage, barn or any other Outbuilding may be used as a residence, either temporarily or permanently, on any lot, at any time. In addition, no supply storage vehicles are permitted on any property during construction without all required registrations.

No burying, burning, dumping, or otherwise disposing of construction debris is allowed anywhere throughout Lake Harmony Estates. Important details about dumping, debris, dumpsters, signs, nuisances & hazards, fires and contractors’ vehicles are detailed in *Section V, Rules & Regulations Related to Living in Lake Harmony Estates*.

The ACMC reserves the right to inspect all construction sites during and after construction. Any violations may result in a stop-work order. If damage is caused to common areas (roads, parking, etc.) during construction, the Property Owner will be responsible for repairs and restoration, and will be assessed fines.

Size and Use of Principal Building

The Principal Building may not exceed 2 ½ stories, with a maximum height of 35 feet – excluding chimneys, skylights and vents. The *minimum* living area in the Principal Building is 1,200 square feet. No living accommodations are allowed above the uppermost story of the Principal Building.

A. Specifications for Principal Building Exceeding 1-Story

A Principal Building that is higher than 1-story must be constructed so that the first or main floor is no higher than four feet above the lowest natural ground level along the Principal Building exterior walls. In addition, the main floor must have at least 50% of the total floor area designated for, and finished as, the living area. The ½-story of a 1-½ or 2-½ story Principal Building must be finished and located

wholly or partly within the roof frame and must have a floor area at least half as large as the main floor.

A 2-story Principal Building must have upper and lower floor levels, with each designed and finished wholly or partly as living accommodations. (For this purpose, a "split-level" design is considered a 2-story Principal Building.)

Actual floor space square footage measurements are taken to the outside of exterior walls – and *exclude* any attached garage, carport space, breezeway, deck, porch and areas of similar appendages.

B. Placement of Principal Building on Site

The Principal Building must be located on the lot *no nearer* than:

- 90 feet from the front property line (i.e. the property line on the main roadway);
- 20 feet from the side property lines;
- 20 feet from the rear property line (it should be noted that Kidder Township currently requires 30 feet); and,
- 20 feet from any side street.

C. Soil, Erosion, Stormwater Drainage

It is the responsibility of each owner and their contractor to prevent (1) soil erosion during the construction period and (2) to develop and implement a stormwater drainage plan that prevents stormwater from draining into the property of others. This is usually accomplished through but not limited to: proper grading, restoration of ground cover, installation of dry wells for gutters, properly sized culverts.

D. Removal of Trees for Construction, Additions, Alterations, and in General.

At all times, attempts to preserve and protect trees shall be undertaken. Only Trees that are in the area of construction and within 15 feet of the principal building foundation may be removed, and only after approval to remove said trees has been obtained. In addition, trees in the direct line where the driveway, sewer line, decks and porches are to be built may be removed with

the proper permission and permit to do so. Every possible attempt shall be made to workaround existing trees when placing the

building on the lot as well as placement of the driveway, decks and porches.

Before the clearing of **any** trees, the contractor must mark all trees to be cleared with orange tape. Trees may not be removed outside 15 feet from the building footprint. An inspection by the ACMC must then take place. **NO TREES MAY BE CUT** until the ACMC has granted approval. The property owner must provide a **Tree Replacement Plan (TRP)**, acceptable to and approved by the ACMC before any construction permit is issued. No tree may be removed without an approved TRP in place. (Dead trees need to be determined as such by the ACMC before removal). The Board encourages the removal of all dead trees and stumps as part of the construction process once said permit is issued. For Construction, Additions, Alterations the property owner shall place a deposit of \$1000.00 which shall be held in an escrow account and specifically earmarked for tree replacement until such time as the requirements of the TRP have been satisfied. All requirements of the TRP must be met not later than 12 months after the TRP is approved. Upon the satisfaction of the TRP the deposit shall be refunded/credited. The deposit may be used to satisfy the requirements of the TRP if not met with the property owner being responsible for any difference between the deposit and the actual cost of replacement, based upon the approved TRP. Topping of trees is discouraged and trimming of trees should be only done to the extent necessary.

All trees cut down must either be removed from the lot in their entirety or cut into firewood sized logs and stacked neatly on the lot. There shall be absolutely no dumping, burning or burying of brush, Trees, stumps or other refuse anywhere within Lake Harmony Estates.

At no time whatsoever, may any tree be cut or removed without the prior approval of the ACMC, and/or appropriate designee of the Board of Directors. The only exception to this shall be in the event of a dire emergency in which life and/or serious and significant property damage might result if the tree is not expeditiously removed. Even in this most severe case the homeowner must notify the ACMC and make all attempts to have the tree inspected. Only if a swift inspection of the tree in question cannot be expeditiously arranged, may the homeowner secure photographic and witness evidence, such

that it shall be clear as to the severity of the emergency situation and shall provide clear and convincing evidence that the only plausible solution was to cut the tree to prevent a catastrophic event.

Trees are to be replaced at the following ratio:
Trees removed from within the construction envelope and during the construction process must be replaced at The ratio of 3:1. That is, three trees for every one removed. Trees which are alive and still have a definable level of life to them (green leaves, buds, etc). shall be replaced at the ratio of 3:1 That is, three trees for every one removed. Trees which have been verified as dead and/or badly diseased shall be replaced at the ratio of 2:1. That is, two trees replaced for every tree removed. While the replacement of trees is encouraged on the same lot/property, if this is not feasible or possible, the property owner may satisfy the replacement requirements by replacing trees on another lot/property after receiving the approval of the Board. In all cases of tree removal, a Tree Replacement Plan (TRP) shall be required **and approved** before any permit to remove any tree is issued. All TRP's shall clearly show the type and size of the replacement Tree(s), as well as the placement on the lot/property. All TRP's shall have the street address of the property printed thereon and an estimated date of planting. A Tree Replacement Plan (TRP) may be hand drawn or sketched, as long as it contains all of the required information. All TRP's must be acted upon and completed within 12 months of approval. Failure to comply with any TRP will result in fines and penalties to the property owner. Trees which have been replaced must remain alive for a period of at least five years from the date of planting or be deemed to have not been replaced. Replacement Trees which fail to survive and grow must be replaced at the appropriate replacement ratio. Failure to comply with the TRP will result in fines and penalties to the property owner.

Replacement trees are to be large (six to eight foot MINIMUM) evergreens, or other acceptable species/type. Replacement Trees shall be of equivalent height and diameter to those being removed. The replacement trees should be placed to enhance privacy. Deciduous trees may be substituted for evergreens provided that they

are : of adequate size ; indigenous to Lake Harmony Estates; and approved in advance by the ACMC as to type, size, and location. The ACMC reserves the right to reject any TRP and/or not approve the removal of certain trees

The removal of trees for any purpose other than described above also requires approval by the ACMC. Trees removed without approval will result in fines being assessed to the property owner. Causing significant damage to any Tree compromising it's ability to live or survive shall also result in fines being assessed to the property owner. Removed trees must be replaced in accordance with the specifications outlined above. Failure to comply with any provision of this section shall result in the immediate loss of MIGS status and significant fines and penalties.

Size and Use of Accessory Buildings and Structures

By definition, an Accessory Building or Accessory Structure is not attached to the Principal Building and may not be used for housing, even on a temporary basis. An Accessory Building or Accessory Structure may not be placed on a lot where there is no Principal Building.

Accessory Buildings are limited to unattached garages and sheds. Mobile homes, storage trailers, free-standing carports or similar structures are not permitted, except for temporary periods as approved by the LHEPOA Board.

A. Placement of Accessory Building on Site

An Accessory Building must be located no closer to the Principal Building than the minimum distance required by the building code of Kidder Township (currently three feet).

B. Specifications for Unattached Garage, Deck and/or Patio

The following specifications apply to the construction and location of an unattached garage:

1. Only one unattached garage may be constructed on a lot regardless of the size of the lot *and provided that* no attached garage is part of the Principal Building;
2. It is constructed with approved materials and color;
3. It is located on the lot *no nearer than:*
 - a. 90 feet from the front property line (i.e., the property line on the main roadway);
 - b. 20 feet from the side property lines;
 - c. 20 feet from the rear property line (it should be noted that Kidder Township requires a rear property line setback of 30 feet for structures over 125 square feet);
4. It is no larger than a two-car garage; and,
5. It has a roof peak height no higher than the roof peak height of the Principal Building itself. (If the Principal Building is 1-story, a 1-½ story garage – to a maximum height of 15 feet – may be built.)

The following specifications apply to the construction and location of an unattached deck:

1. It is the same material and color as an attached deck, if there is one;
2. It is a maximum of 12 inches from the ground; and,
3. It is no closer than 70 feet from the front yard property line or 10 feet from a rear or side yard property line.

The following specifications apply to the construction and location of a patio:

1. It is constructed of stone, flagstone, brick, paver or natural wood (concrete or asphalt materials are not allowed);
2. It is colored to complement the Lake Harmony Estates emphasis on natural fall or earth tone colors that are harmonious in summer as well as winter; and,
3. It is no closer than 60 feet from the front yard property line or 10 feet from a rear or side yard property line.

No railing will be approved for any unattached structure, except for access by the physically handicapped.

C. Specifications for a Shed

The following specifications apply to the construction and location of a shed:

1. Only one shed is allowed on a property, regardless of the size of the lot.
2. The material used must *not* be plastic or metal.
3. A shed must be placed in the rear yard and out of view from any street, if possible. If a shed cannot be placed in the rear yard, it may be placed in a side yard – but it must be placed as close to the rear yard as possible. (No shed is permitted in the front yard of a property.)
4. If a shed is visible from the street, or if it causes a nuisance to an abutting or adjacent Property Owner, the ACMC will require screening of the shed as a condition of issuing the permit. A shed must be located at least 10 feet from the rear yard and side yard lot lines.
5. *A shed that is 125 square feet or less* will have a maximum height of 11 feet and must be located at least 10 feet from the rear yard and side yard lot lines.
6. *A shed that is larger than 125 square feet* will have a maximum height of 18 feet and must be located at least 30 feet from the rear yard lot line and 20 feet from the side yard lot line.

Additions/Alterations to Buildings and Structures

Any addition or alteration to an existing Building or Structure must complement the form, size and shape of the existing Building or Structure.

If the existing Building or Structure does not meet current Rules & Regulations, the Board will require that the addition/alteration include efforts to ameliorate or correct the deficiencies. No addition/alteration will be approved that exacerbates a non-conforming condition of an existing Building.

A garage may be attached to an existing Principal Building provided that the garage:

- complies with all set-back provisions;
- is either a one-car or two-car garage;
- is a color that is harmonious with the fall or earth tone colors that are the standards of the LHEPOA community; and,
- has a roof peak height no higher than the roof peak height of the Principal Building itself. (If the Principal Building is 1-story, a 1-½ story garage, to a maximum of 15 feet, may be built.)

A deck may be attached to an existing Principal Building provided that the deck:

- complies with all set-back provisions;
- is of natural wood or trex-type (synthetic composite) construction;
- is a color that is harmonious with the fall or earth tone colors that are the standards of the LHEPOA community; and,
- has a railing height the same height as the *minimum* height of the building code adopted by Kidder Township (currently 36 inches) – if a railing is part of the deck.

It should be noted that an existing garage and/or deck that is not considered harmonious or that is not an Approved Color will be required to be harmonious and have an Approved Color when replacement or repainting is required.

A railing may be approved for an attached deck, for access by the physically handicapped to any Building or Outbuilding, and for landscaping purposes. Railings for an attached deck must be the same height as the *minimum* height of the building code adopted by Kidder Township (currently 36 inches). Railings are not permitted for patios, unattached decks or terraces.

Approved Materials and Colors

All structures within Lake Harmony Estates must be harmonious in design, material, color and appearance with the natural, earth-tone environment and standards of the Association. To ensure compliance with this requirement, the following building materials must be used:

- siding must be a natural wood, hardi-plank or wood grained vinyl.
- trim must be a natural wood or wood grained vinyl material matching the siding or complementing an Approved Color.
- roofing must be shingles, wood shakes, metals or composites. (If an asphalt or fiberglass shingle is used, it should look as natural as possible and comply with the below color requirements.)

All exterior colors must have the approval of the ACMC prior to the start of construction, alterations, and/or maintenance. This includes, but is not limited to, siding, trim, roofing, paint, and stain used in original construction as well as for on-going maintenance. Only Approved Colors – those determined to be natural fall or earth tone colors that are harmonious in summer as well as winter – may be used on exteriors. Under no circumstance is a Structure to be painted in white, including trim. (A Property Owner should request the chips of Approved Colors from a member of the ACMC, as well as take note of existing colors to see what works with the existing landscape.)

Any exposed foundation must be painted, stuccoed or covered with stone or other allowable material, as described above.

Note: All construction applications require that color samples be submitted with the actual paint, stain or vinyl color requested for all exterior materials. The ACMC must approve the colors to be used *before* this phase of construction begins.

Variances to Building Requirements

If a Property Owner can demonstrate to the Board's satisfaction that these Rules & Regulations create a hardship, the Board will consider granting a variance. Examples of hardship include position of Principal Building, boulders, wetlands, slope of lot and drainage.

Under no circumstances does the Board have the authority to grant an exception as to size, use of structures, number of Accessory Buildings/Outbuildings or their height and square footage.

Any approved variance will be the minimum required to relieve the hardship. Any approved variance may not create a hardship on any abutting or adjacent Property Owner. In granting a variance, the Board may require use of screening and/or other special adaptations if it alleviates a hardship on an abutting or adjacent Property Owner.

IV. Fencing

Fencing within Lake Harmony Estates is not allowed for landscaping or decoration purposes. It is permitted only for purposes of safety and protection. It is the burden of the Property Owner to prove the need for fencing to the LHEPOA Board before a permit will be issued. (Examples of need include: confinement of household pets; protecting gardens; surrounding an in-ground swimming pool; or addressing safety issues in the rear or side yard – such as the steep slope of a lot.)

Location/Maintenance of Approved Fencing

Fencing is not permitted in the front yard. Approved fencing should be placed in the rear yard and out of view of any street, if possible. Also, fencing should be installed: as far from the front yard property line as possible; no closer than three feet from the rear yard property line; and no closer than 10 feet from any side yard property line.

If existing fencing is judged by the ACMC to be in poor condition, it must be repaired to the satisfaction of the Board, or removed. If the ACMC determines that more than 50% of existing fencing is in poor condition, the fencing must be removed and may not be replaced – subject to ability of the Property Owner to prove the need for new fencing. (In other words, existing fencing is not a grand-fathered structure.)

If a Property Owner removes an existing fence, or any portion of an existing fence, it may not

be replaced or repaired without the prior approval of the ACMC.

The ACMC may require screening and/or other special adaptations for fencing that is visible from the street or that creates a hardship on an abutting or adjacent Property Owner. (Screening consists of evergreens that are, or grow within five years to, a height of at least five feet.)

Standards and Specifications

The following standards and specifications apply to fencing within Lake Harmony Estates:

1. Chain link and other wire fencing are prohibited, except for an approved dog run no more than six feet high and no larger than 100 square feet in area. An approved dog run must be located in the rear yard and, if possible, must not be visible from any street.
2. Except for an approved dog run, all fencing must be wood or composite plastic designed to resemble wood. It must be an Approved Color.
3. All fencing must be open in nature – such as post and beam, split rail, or open picket. Stockade, board-on-board, and other solid or near-solid fencing is prohibited. (The only exception will be fencing surrounding an in-ground swimming pool, which may be solid but must be no more than 15 feet from the edge of the swimming pool – and otherwise in compliance with these Rules & Regulations.)
4. Fencing must be no more than four feet high, except for:
 - a. an approved dog run – as set forth in Item 1, above; and
 - b. an in-ground swimming pool – the *maximum height* of which must be the minimum height required by Kidder Township.(While not technically considered fencing, man-made stone walls of no more than four feet are permitted.)
5. Fencing must be installed no closer than one foot from rear and side yard boundaries and no closer than 20 feet from the center line of all adjoining streets and roadways.

Current fencing and dog runs that have not been approved (and therefore are not grand-fathered) and that do not meet the standards established herein must be brought into compliance by July 1, 2005. A Property Owner maintains the right to petition the Board for a variance, if a case for a variance can be made.

V. Driveways

Only one driveway is permitted on a property in Lake Harmony Estates. Except for corner properties, U-shaped driveways are not permitted. If a corner property has a U-shaped driveway, only one entrance/exit per street is allowed. (A U-shaped driveway installed before October 27, 1996 is grand-fathered – but any improvement to said grand-fathered driveway must be in compliance with current LHEPOA rules.)

Driveway gates and/or chains are prohibited in Lake Harmony Estates.

Violators will be fined annually, until the offense is cured.

Materials and Dimensions

A driveway must have a minimum of six inches thick base of shale or comparable material. The driveway should be finished in stone, tar and chip or asphalt pave. Concrete is not allowed for any driveway.

The driveway may be no more than 15 feet wide.

If a driveway crosses a drainage ditch or stream, a culvert pipe that complies with Kidder Township requirements must be installed. The culvert pipe will be installed at the Property Owner's expense.

Location

A driveway must be located a safe distance from any street intersection. It is recommended that the driveway follow the natural contour of the site without undue grading. It is also recommended that the driveway, when sited, provide both privacy to the home and a natural, undeveloped look – to be in conformity with the look of Lake Harmony Estates.

VI. Utilities

Water System

State and local permits for all individual water supply systems are required for all building sites. All systems must be located, constructed and equipped in accordance with the requirements, standards and recommendations of the Commonwealth of Pennsylvania and/or local public health authorities.

Sewage Disposal

Lake Harmony Estates is in the process of converting to a Township sewer system. Until that happens, all private individual sewage disposal systems must be permitted for any lot or building site. Such a system must be designed, located and constructed in accordance with the requirements, standards and recommendations of the Commonwealth of Pennsylvania and/or local public health authorities. All sand mounds must be seeded to blend in with the natural surroundings and maintained (groomed) as needed.

Fuel Tanks

Above-ground fuel tanks, including propane tanks used for fuel (or other purposes), must be placed in the rear yard, if possible. If a fuel tank cannot be placed in the rear yard, it may be placed in a side yard – but it must be placed as close to the rear yard as possible and not visible from the street. If the tank is visible from the street, screening must be used to block the visibility.

Only if a fuel tank cannot be placed in the rear yard or side yard will it be allowed to be placed in the front yard. However, if the tank is placed in the front yard, it must be buried.

VII. Outdoor Swimming Pools/Hot Tubs

Above-ground swimming pools are prohibited in Lake Harmony Estates. (Existing above-ground swimming pools must be removed by April 1, 2005. If an above-ground swimming pool is not removed by that date, the Property Owner will be fined monthly until it is removed.)

While discouraged, in-ground swimming pools are allowed, but must receive the prior approval of a variance from the LHEPOA Board. Fencing

surrounding an in-ground swimming pool is subject to the fencing standards and specifications set forth in these Rules & Regulations (as well as those established by Kidder Township, Carbon County and/or the Commonwealth of Pennsylvania).

The location of an outdoor hot tub must be approved by the Board. In considering approval, the Board will evaluate such issues as whether it is built into a deck and where it is placed. The Property Owner should bear in mind the visibility of a hot tub from the street and the effect it has on abutting and adjacent neighbors. Appropriate landscaping and screening must be used and the hot tub must have a safety cover.

VIII. Exterior Lighting

Flood and High-Intensity Lights

The use of flood lights or other forms of high-intensity lighting are limited to fixtures that may be affixed to the Principal Building and/or garage. Such lighting may be used to light walkways, decking or other immediate pedestrian traffic areas. All lights must be shielded, if necessary, to eliminate shining onto a neighbor's property.

Low-Level Lighting

Use of low-level lighting is limited to the driveway, exterior walkways and landscaped areas. Such lighting must be ground level and may not exceed an installed fixture height of four feet. All lights must be shielded, if necessary, to eliminate shining onto a neighbor's property.

Security Lighting

Security lighting may be affixed to the Principal Building, garage or driveway area provided:

- it is on a working timer and triggered by movement; and,
- once triggered, the lights are on only for a period not to exceed five minutes.