

LOT COMBINATION INFORMATION

Fellow Property Owners,

The time has come to decide on the issue of “lot combination”. If we want to maintain as much open green space and preserve our amenities as long a possible, we must allow our property owners to permanently combine adjacent lots together and give them some incentive to do so. When the lots are legally combined through the Township, it would be extremely difficult to separate the lots. It would involve the Township having to change existing ordinances. Another house cannot be built on that combined lot unless the Township further changed their ordinances. If Paupack Township changed their ordinances and allowed the separation of previously combined lots, they would have to change their zoning to allow homes on smaller lots.

Presently, well over 100 property owners own the lot or lots adjacent to their homes. All now pay full dues for their improved as well as their unimproved properties. With the exception of the 12 or so property owners who have built their home across the property line, or have built a garage on their adjacent lot, and have been required to combine the lots, these adjacent lots could be resold and possibly have another home built on them.

All property owners would benefit by lot combinations because, with a smaller population, there would be less pressure on our existing facilities, and a “hold” on having to immediately expand the existing facilities or perhaps, having to add new facilities as well.

The downside to decreasing dues for combining lots is the negative effect, although small, on our annual Association income. Much thought has been put into this aspect and the following details are listed:

1. We have calculated that, with the collection of a fee to the Association for the reduction of dues, the Association should not see a negative effect on actual income loss until the year 2005.
2. Presently there are approximately 40 lots available by the Wayne County Tax Claim Bureau. These lots have gone through the *Upset Tax Sale* and the *Judicial Sale* procedures with no bids made. These lots are now held in Repository waiting for someone to show interest by making a bid. The present owners of these lots seem to have abandoned them, as they did not protect their interest by paying their taxes and WLE’s assessments. There could easily be an incentive for property owners to purchase these lots should they be adjacent to their own.
3. The resale of lots should be more desirable to property owners wishing to increase their lot size.
4. WLE is rapidly approaching 1100 homes and, by the time we reach 1400 homes, we will need to address the final phase of our Sewerage Treatment Plant expansion. Lot combinations could result in either not having to expand the plant or being able to forestall the expansion.
5. As the community grows, it is apparent that the amenity areas and staffing will need to be increased. This may not be able to be avoided, but it will coincide with the amount of homes and users of the facilities.

What to expect when you initiate a lot combination:

1. The lots must be combined legally through Paupack Township and the lot plan must be recorded at the Wayne County Courthouse. This is considered a land subdivision; the property owner will need to contact a surveyor to perform the subdivision plan. The cost for a subdivision is currently averaging \$900.00; the Association is presently pursuing all avenues to reduce this cost and simplify the process. With the assistance of local surveyors and Paupack Township it may be possible to attain this reduction. We are working with Paupack Township to streamline the process, and therefore will allow the property owner 24 months to complete the combination process with the Township.
2. Annual fees (dues) for the combined adjacent lot will be 50% of the unimproved lot fees if the lot is kept vacant and green. Starting in the year 2004, this will be approximately a \$358.00 savings on owning a second lot. If the property owner wishes to extend the home across onto the adjacent lot or build a garage or erect a shed on the adjacent lot, the fees would be 67% of the unimproved fees. The adjacent combined lot will not have any voting rights, nor will amenity badges be issued to the property owner for that lot.

3. The Association will charge an upfront fee to the property owner for a lot combination. The fee will be \$500.00, subject to change over the years, as the Board shall solely determine. The upfront fee will offset any income loss for a few years. The sale of lots in Tax Repository and lots held by WLE could also offset any income loss, as these properties would return to the dues paying rolls.
4. There may possibly be a property tax reduction once the lots are combined. Due to the many variables of assessed value, it is impossible to say if the lots' assessed value is reduced and what, if any, the tax reduction might be.
5. More than two (2) lots can be combined, but structures of any type cannot occupy more than two (2) lots. We are proposing, in the resolution that up to three (3) lots can be combined by one property owner. Any structures placed on the adjacent lot(s) must be immediately adjacent to the single-family dwelling. The maximum square feet of coverage will be 20% of the combined lots.
6. A reduction of dues will be in effect immediately upon purchase or proof of ownership of the adjacent lot. By signing an affidavit to join the lots, a property owner will have twenty-four (24) months to have the lots combined with the Township and Wayne County. If, after twenty-four (24) months, the lots have not yet been combined, the property owner must reimburse the Association the difference of fees owed and the Association will refund the upfront fee. No improvements can be made on the adjacent lot until the lots are legally combined.
7. Property Owners will refer to the WLEPOA Building Rules and Regulations and other Board policies for any other requirements on lot consolidation.

Wallenpaupack Lake Estates is attempting to do the same as Townships, Counties, and States are doing, i.e. to maintain as much "green area" as possible and avoid overcrowding. Not all property owners will be able to take advantage of purchasing the adjacent lot, but all property owners will benefit from having more green area and fewer houses. The benefits will range from more open space and less people using the amenities, sewer & water, and roads to saving money on future expansions and staffing. A reduction of fees (dues) on an adjacent lot is not a new concept for private community associations. The longer a community waits to do it, the bigger impact it has on the budget. The Board of Directors is convinced that this will be good for the future of Wallenpaupack Lake Estates and now is the time to do it. WLE has stayed very active with home sales and the building of new homes.

Respectfully,

Paul Cuskley
Secretary

ASSESSMENT ABATEMENT POLICY FOR LOT CONSOLIDATIONS

Whereas, the Board of Directors for the Association (Board) is developing a lot consolidation policy which will allow adjoining lots to be combined for promotion of natural, undeveloped community land and to lessen community congestion, while allowing limited development, improvement and use of the combined lots by their owners; and

Whereas, the reduction of assessments for lots would induce and foster official lot consolidations through the municipal land subdivision process to achieve such goals:

Now therefore, be it resolved as follows:

The Board for the Association may establish a lot consolidation policy for the community and determine the type and extent of development and use of combined lots for their eligibility for assessment reduction. The Annual Assessment for lots that are consolidated shall be reduced as follows:

Fifty (50%) percent reduction if the lot remains completely in its natural state, without any improvements, alterations or structures during the assessment year, except as may be permitted by the Board for the Association.

Thirty-three (33%) percent reduction if the lot is occupied or improved to any extent during the assessment year, except as may be permitted by the Board for the Association.

For purposes of applying the community plan and lot covenants, each combined lot shall otherwise remain and be treated as separate and uncombined, except as permitted by the Board. Each lot as initially plotted according to the Subdivision Plans for WLE shall accrue assessments notwithstanding any official lot consolidation.

The assessment reduction shall not inure to all of the combined lots. At least one of the combined lots shall accrue annual assessments at the full rate. No more than three (3) lots claimed or owned by any person, in any manner, or to any extent, may receive the benefit of an assessment reduction for any year.

Each lot consolidation must be approved by the Board for the Association. Detailed plans for the lot subdivision (consolidation), and any building/structures thereat or proposed thereat, shall first be presented to the Association for its review and approval. A \$500.00 fee for Board-approved lot consolidations shall be due upon a lot assessment abatement request for any of the joined lots. The Board is authorized to increase or decrease the fee without membership approval. The Board may approve rules for this policy, and shall have the discretion to construe, apply and otherwise implement this policy.

Should the lot consolidation be undone or the consolidated lots be re-subdivided, or if any of the combined lots are owned or titled independently, separately or differently from the others, or are titled or owned by person(s) other than those owning or titled to the other combined lots, or are transferred apart from the others and otherwise not in precise unity and common ownership with the others, then the assessment reduction for the combined lots shall end immediately.

A VOTE FOR IS RECOMMENDED BY YOUR BOARD OF DIRECTORS

RESOLUTION CONCERNING THE ASSESSMENT ABATEMENT POLICY FOR LOT CONSOLIDATION

FOR	AGAINST
()	()

ENCLOSE THE VERIFICATION ENVELOPE SEPERATELY FROM THE ELECTION BALLOT

WALLENPAUPACK LAKE ESTATES PROPERTY OWNER ASSOCIATION, INC.

APPLICATION FOR JOINDER OF LOTS & ASSESSMENT ABATEMENT

1. Name, address and telephone number of all owners/applicant

2. Identity of all Lots to be combined:

<u>Lot Number</u>	<u>Section Number</u>	<u>Recorded Plat Book/Page</u>	<u>Recorded Title instrument Book/Page</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. A copy of the recorded instrument of title (deed) for each lot is included herewith.
4. The administrative fee of \$500.00 is submitted herewith. _____
5. The lots will be officially joined of combined via the process of the governmental entities in jurisdiction. A copy of all lot consolidation plans and assessments thereto submitted to the governmental entity as part of the governmental application shall be furnished to WLEPOA within ten (10) days of their submission to the governmental entity. Final plans as approved by the governmental entity will be furnished to WLEPOA within ten (10) days of the official governmental approval.
6. All plans submitted to WLEPOA accurately depict and represent the lots and all its features and details including (without limitation) all building setbacks, easements, privileges, and appurtenances thereto, of any kind or extent, and any existing and proposed structures, buildings, or improvements.
7. The official lot consolidation must be conducted within 24 months from date of application approval. If the lots are not timely combined or the lot consolidation is abrogated or reversed or the lots are treated in any way as uncombined by their owners, then the owners shall reimburse WLEPOA the full amount of the assessment reduction saved by the owners or former owners within twenty (20) days from the expiration of the lot consolidation period.
8. If buildings, structures or lot improvements are proposed for any consolidated lot, they will be erected or placed as and where represented by the WLEPOA approved plans.
9. I will submit to WLEPOA an application and detailed plan of any structures, buildings, and other improvements proposed to be affixed, erected, or placed within each lot, which forms the consolidated parcels of land to existing features and details.
10. No more than two (2) of the combined lots shall be occupied with buildings or structures and otherwise developed, improved or altered, except as permitted by the Board. The total area of coverage of the combined lots by all buildings, structures, and property improvements, from their outermost perimeters,

shall not exceed 20%. I will otherwise comply with the WLEPOA's rules or guidelines for developing and improving consolidated lots and for erection and placement of buildings and structures thereat.

11. No easement, drainage ditches or facilities, or utility or public service lines or facilities shall be obstructed or interfered, without the consents in writing of the easement holders, or utility of public service providers and WLEPOA.
12. The lot owners, by their signatures or the signatures of their duly authorized representatives have reviewed and acknowledge and understand, accept, and agree to be bound by the terms of the policies and rules and regulations of WLEPOA, including the Resolution approved by its membership at the June 2003 annual membership meeting (attached hereto), which Resolution governs lot consolidations and assessment abatements therefore.
13. I will fully inform the successive owner; transferee of these lots about this Application.

I state and certify under oath that this application and the foregoing information and statements, and all documents and information submitted to WLEPOA as a part hereof or otherwise as required hereby, are true and correct.

Date:

Owner/Applicant Signatures:

Sworn to and subscribed before
me this _____ day of _____, 200__

Notary Public

For WLEPOA Use

Submissions (if applicable):

Initial Plans

Amendments

Unimproved lot consolidation plans:
(w/o existing or proposed improvements/structures)

Improved lot consolidation plans:
(existing or proposed improvements/structures)

Lots

% Reduction

Assessment reduction for Lots
