Case# 2026-CV03097-24 Received at Monroe County Prothonotary on 09/15/2026 3:48 PM, Fee = 0.00. The filer certifies that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.

IN THE COURT OF COMMON PLEAS OF THE 22ND JUDICIAL DISTRICT
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF WAYNE

JASON RIVETTE, Plaintiff,	:	
VS.	:	
PAUPACKAN LAKE ASSOCIATION, INC., ET AL., Defendants.	:	NO: 168 – CIVIL – 2025

OPINION & ORDER

This dispute arises from a Rule banning short-term rentals (STRs) that was adopted by Paupackan Lake Association, Inc.'s Board of Directors. Language regarding the prohibition on STRs was formally incorporated into Article X of the Associations' Rules and Regulations. Plaintiff Jason Rivette filed a Motion for Judgment on the Pleadings in the Nature of Declaratory Relief for Counts I, II, IV, and V of Plaintiff Jason Rivette's Amended Complaint and a Memorandum of Law in Support on December 3, 2025. The Court issued a Rule Returnable on December 15, 2025, requiring Defendants to file Answer within twenty (20) days from the date the Rule was served on Defendants and scheduling Argument on Plaintiff's Motion for February 5, 2026. Defendants filed their Response in Opposition to Plaintiff's Motion for Judgment on the Pleadings along with their Memorandum of Law in Support of its Response on January 6, 2026. Argument occurred on February 5, 2026. The Court issues the foregoing.

Pa. R. Civ. P. 1034 permits entry of judgment on the pleadings after the relevant pleadings have closed, but within such time as not to unreasonably delay trial. A motion for judgment on the pleadings is similar to a demurrer, and it "may be entered when there are no

CERTIFIED FROM THE RECORD
MAR 18 2026
EDWARD G SANDERCOCK
PROTHONOTARY & CLERK

EXHIBIT "F"
[To Motion for Judgment on the Pleadings]

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disputed issues of fact and the moving party is entitled to judgment as a matter of law." *Rubin v. CBS Broadcasting Inc.*, 170 A.3d 560, 564 (Pa. Super. 2017) (citing *Kelly v. N'wide Ins. Co.*, 606 A.2d 470, 471-72 (Pa. Super. 1992)). When determining if there is a dispute as to the facts, a court is required to "confine its consideration to the pleadings and relevant documents." *Id.* (citing *Kelly*, 606 A.2d at 471-72).

COUNT I: ENFORCEMENT OF DEED COVENANTS

Count I of Plaintiff's Amended Complaint seeks enforcement of the Deed Covenants and a striking, setting aside, and declaring unenforceable the Association's Rule banning STRs. Plaintiff's Amended Complaint asserts that the Deed Covenants do not limit, restrict, or encumber the inherent property right of the Lots Owners, including Plaintiff, to rent each of their respective Lots. Plaintiff maintains that the Rules and Regulations are subordinate to the Deed Covenants, and that the Rule banning STRs violates the unrestricted rental rights of the Lot Owners. Defendants maintain that Plaintiff's Motion for Judgment on the Pleadings is premature, asserting that the factual record has not been developed and that the Court's inquiry cannot be confined to a "few select words viewed in isolation." Defendants assert that Pennsylvania law requires examination of the Deed Covenants as a whole, including the intended and actual "use" of property. Defendants maintain that the Plaintiff has failed to establish uncontested facts to support his Motion for Judgment on the Pleadings, claiming that if the Board followed the proper adoption process, it would directly undermine Plaintiff's theory that prohibiting STRs constitutes a breach of the Deed Covenants. Defendants assert that the mere act of adopting a ban on STRs does not constitute a breach without clear definitions of "single family," "dwelling," and "residential purpose."

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The Pennsylvania Superior Court has explained the following regarding the interpretation of restrictive covenants:

> The interpretation of any contract is a question of law for the Court. As a general rule of contract interpretation, the intention of the parties at the time the contract is entered into governs. The same is true in interpreting restrictive covenants. However, there is an important difference in the rule of interpretation as applied to restrictive covenants on the use of land. Restrictive covenants are limitations on a person's "free and unconstrained use of property." They are not favored by the law, yet they are legally enforceable. **As such, they are to be strictly construed against persons seeking to enforce them and in favor of the free and unrestricted use of property.**
>
> As a matter of law, nothing short of a "plain disregard" of the restrictive covenant's express terms can create violation of the covenant. In deciding whether there has been a "plain disregard" of a restrictive covenant, the Court must rely upon the ordinary meaning of the language used in the covenant to ascertain the parties' intent, and cannot enlarge by implication a restraint on the use of land.
>
> In order to ascertain the intentions of the parties, restrictive covenants must be construed in light of: (1) their language; (2) the nature of their subject matter; (3) the apparent object or purpose of the parties; and (4) the circumstances or conditions surrounding their execution. **Pennsylvania Courts will enforce a restriction if a party's actions are in clear defiance of the provisions imposed by the covenant.** The Courts will also enforce a restrictive covenant where it is established that the restriction is still of substantial value to the owners of the restricted tract.
>
> When the restrictive covenant is unambiguous, the Court's review is limited to the confines of the covenant. However, when ambiguity exists, every doubt and ambiguity in a restrictive covenant's language will be resolved in favor of the owner.

Pocono Summit Realty, LLC v. Ahmad Amer, LLC, 52 A.3d 261, 269 (Pa. Super. 2012) (citations and quotations omitted) (emphasis added).

"Whether an ambiguity exists is a question of law subject to plenary review. However, resolution of conflicting parol evidence relevant to what the parties intended by an ambiguous

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provision is for the trier of fact." *PARC Holdings, Inc. v. Killian*, 785 A.2d 106, 112 (Pa. Super. 2001) (citations omitted). "A contract is not ambiguous if the court can determine its meaning without any guide other than a knowledge of the simple facts on which, from the nature of the language in general, its meaning depends; and a contract is not rendered ambiguous by the mere fact that the parties do not agree on the proper construction." *Baney v. Eoute*, 784 A.2d 132, 136 (Pa. Super. 2001) (citing *Samuel Rappaport Family P'ship v. Meridian Bank, 657 A.2d 17, 21-22 (Pa. Super. 1995)).*

The Deed Covenant in question reads: "The premises hereby conveyed shall be used for only one private single-family dwelling for residential purposes only. Private garages in harmony with the buildings may be erected." (See PLAINTIFF'S AMENDED COMPLAINT Exhibit C at 2). The Court finds that this language is unambiguous and will not read ambiguities into the language with the admission of any parol evidence. The Deed Covenant clearly limits the construction of any buildings on the premises to that of a single, private, single-family dwelling, though private garages may be erected in harmony with such a dwelling. Additionally, the Deed Covenant limits the use of the premises to residential purposes. The covenant does not list any further restrictions governing "residential purposes," and does not limit use of the property to owner-occupied residential purposes. Further, the covenant "declares that all of said lots are held and shall be held, conveyed, hypothecated or encumbered, **leased, rented**, used, occupied and improved subject to the following Restrictions." ID. at 1 (emphasis added). The right to rent or lease one's lot—subject to restrictions limiting construction on the property to one single-family dwelling and use to residential purposes—is inherent in the Deed Covenants.

The Paupackan Lake Association, Inc. (PLA) Rules and Regulations, states at Article X: "the PLA board determined that that [*sic*] short-term rentals are not permitted. Short term rentals

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are defined as rentals less than 30 days, which is [*sic*] inconsistent with the covenant and are not permitted in the Paupackan Lake Association." See PLAINTIFF'S AMENDED COMPLAINT Exhibit A. As the Deed Covenant itself does not restrict renting on the basis of the length of a rental, STRs are not inconsistent with the Deed Covenants governing the property. Additionally, the PLA board cannot unilaterally adopt provisions affecting property rights without the consent of the parties whose interests are thereby impaired. See *Schaad v. Hotel Easton Co.*, 87 A.2d 227, 230 (Pa. 1952); see *Huddleson v. Lake Watawga Prop. Owners Ass'n*, 76 A.3d 68, 71 (Pa. Cmwlth. 2013) (applying *Schaad*'s reasoning to a homeowner's association incorporated under the NPCL). Since the Rule and Regulation adopted by the Board implemented specific use restrictions beyond the terms of the Deed Covenants, the consent of each individual property owner was needed. At least in Plaintiff's case, such consent was not obtained. Accordingly, the Rule and Regulation prohibiting STRs is unenforceable.

COUNT II: BREACH OF THE DEED COVENANTS

Count II of Plaintiff's Amended Complaint seeks an award of damages for Defendants' alleged breach of the Deed Covenants, as Plaintiff alleges that the Deed Covenants protect Plaintiff's right to rent his property and that the Rule enacted by Defendants violates the Deed Covenants. Plaintiff maintains that the Defendants have willfully violated the Deed Covenants, and that Defendants' willful conduct was "done with a blackened heart and ill-will, such that punitive damages are warranted pursuant to 68 Pa.C.S. §§ 5114 and 5412." PLAINTIFF'S AMENDED COMPLAINT at 13.

The Court has already determined that the Rule enacted by Defendants violates the Deed Covenants governing Plaintiff's property, as the Rule prohibiting STRs was enacted without Plaintiff's consent. However, there have been hardly any facts pleaded regarding the amount of

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damages sustained, and certainly issues of fact regarding the appropriateness of punitive damages and attorneys' fees still remain. Since issues of fact still remain, entry of judgment on the pleadings as to Count II at this stage is inappropriate.

COUNT IV: RELIEF PURSUANT TO 68 PA.C.S. § 5101-5414

Count IV of Plaintiff's Amended Complaint seeks relief pursuant to 68 Pa.C.S. §5101-5414. The Pennsylvania Uniform Planned Community Act ("PUPCA") establishes a statutory model for planned communities. Plaintiff asserts a laundry list of alleged violations under the PUPCA, maintaining that individual Board Members and Board of Directors (1) breached their duty of care through continued reliance on and "blatant misapplication of the *Slice of Life* case[;]" (2) willfully and/or recklessly ignored legal advice to justify its Rule besides knowing it was inapplicable; (3) enacted the Rule without a single vote from Lot Owners in violation of the Deed Covenants; and (4) failed to act with good faith or with the best interests of the Association, or with reasonable inquiry, or with ordinary prudence as required by Section 5303. Citing Section 5114, Plaintiff seeks remedies to these alleged wrongs, requesting that the Court strike or set aside the Rule at issue, order that Plaintiff be compensated for lost rental income, order the disgorgement of all fees paid to the Association, and award Plaintiff attorneys' fees and punitive damages pursuant to Section 5114.

The Court has already determined that the Rule enacted by Defendants violates the Deed Covenants governing Plaintiff's property, as the Rule prohibiting STRs was enacted without Plaintiff's consent. However, there have been hardly any facts pleaded regarding the amount of damages sustained or the conduct of individual Board Members/Directors or the Board itself. Since issues of fact still remain, entry judgment at the pleadings as to Count IV at this stage is inappropriate.

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COUNT V: DECLARATORY JUDGMENT (PURSUANT TO 42 PA.C.S. § 7531, ET SEQ.)

Count V of Plaintiff's Amended Complaint seeks declaratory judgment pursuant to 42 Pa.C.S. § 7531, *et seq*. Plaintiff requests a declaration striking, setting aside and declaring as unenforceable the Rule banning STRs. Further, Plaintiff seeks a declaration that the right to rent is an inherent right that cannot be restricted, and that the Lot Owners have the unencumbered and unlimited right to rent their individual Lots limited only by the terms of the Deed Covenants.

A declaratory judgment "determines the rights, status, and other legal relations 'whether or not further relief' can be claimed." *Chan v. Association of Property Owners of the Hideout, Inc.*, 323 A.3d 92, 102 (Pa. Commw. Ct. 2024). The purpose of awarding declaratory relief "'is to finally settle and make certain the right or legal status of the parties.'" *Id.* (citing *Geisinger Clinic v. Di Cuccio*, 606 A.2d 509, 519 (Pa. 1992).

The Court has already determined that the Rule enacted by Defendants violates the Deed Covenants governing Plaintiff's property, as the Rule prohibiting STRs was enacted without Plaintiff's consent. However, Plaintiff's request that the Court declare that the Lot Owners have the unencumbered and unlimited right to rent their individual Lots limited only by the terms of the Deed Covenants is premature with the limited facts contained within the pleadings. Accordingly, entry of judgment on the pleadings at this stage is inappropriate.

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AND NOW, this 18 day of March, 2026, upon consideration of Plaintiff's Motion for Judgment on the Pleadings, Defendant's Answer in Opposition, the parties' respective memoranda of law, and after Argument, it is hereby **ORDERED** that:

1. Plaintiff's Motion for Judgment on the Pleadings as to Count I of Plaintiff's Amended Complaint is **GRANTED**;

2. Plaintiff's Motion for Judgment on the Pleadings as to Count II of Plaintiff's Amended Complaint is **DENIED**;

3. Plaintiff's Motion for Judgment on the Pleadings as to Count IV of Plaintiff's Amended Complaint is **DENIED**; and

4. Plaintiff's Motion for Judgment on the Pleadings as to Count V of Plaintiff's Amended Complaint is **DENIED.**

BY THE COURT

MATTHEW L. MEAGHER
JUDGE
22nd JUDICIAL DISTRICT

cc: Eric B. Smith, Esq.
Vincent R. Cocco, Esq.
Renee L. Harris, Esq.
Mark. C. Stephenson, Esq,
Court Administration

AS