

DECLARATION OF PROTECTIVE COVENANTS AND AGREEMENTS

THIS DECLARATION OF PROTECTIVE COVENANTS AND AGREEMENTS, made this 12th day of July, 1968, by COLONY DEVELOPERS, INC., a corporation organized and existing under and by virtue of the laws of the state of North Carolina, hereinafter called Developer, and as amended by the owners of two-thirds of the original lots as certified by Linda Sharp, Certified Public Accountant, this 3rd day of August 1992;

WITNESSETH

WHEREAS, Developer is the owner of the real property described in Article II of this declaration and desires to create thereon a residential community with permanent parks, playgrounds, open spaces, and other common facilities for the benefit of the said community; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said parks, playgrounds, open spaces and other common facilities; and, to this end, desires to subject the real property described in Article II together with such additions as may hereafter be made thereto (as provided in Article II) to the Covenants, Restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof, and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and enforcing the Covenants and Restrictions and collecting and disbursing the assessments and charges hereinafter created, and

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WHEREAS, Developer will incorporate or cause to be incorporated under the laws of the State of North Carolina, as a non-profit corporation, the Colington Harbour Association, for the purpose of exercising the powers and functions aforesaid;

NOW THEREFORE, the Developer declares that the real property described in Article II and such additions thereto as may hereafter be made pursuant to Article II hereof, shall be transferred, sold, conveyed and occupied subject to the Covenants, Restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

**ARTICLE I
DEFINITIONS**

Section 1. The following words when used in this Declaration or any Supplemental Declaration

(unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Colington Harbour Association.

(b) "the properties" shall mean and refer to all lands described herein and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II, hereof.

(c) "common properties" shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and designated thereon as common properties and intended to be devoted to the common use and enjoyment of the owners of the properties and specifically including the lands designated as or owned by the Colington Harbour Association.

(d) "original lot" shall mean and refer to any plot of land shown upon any original recorded subdivision map of the properties with the exception of common properties as heretofore defined.

(e) "owner" shall mean and refer to the equitable owner whether one or more persons or entities holding any original

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(f) lot, whether such ownership be in fee simple title or as land contract vendee, and shall not mean or refer to a mortgage.

(g) "member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERETO

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located on Colington Island, Atlantic Township, Dare County, North Carolina, and is more particularly described as follows: Included are all of the sections in plats of Colington Harbour as prepared by Quible & Charlton, Registered Engineers and Certified Land Surveyors No. L1157, and filed in the Public Registry of Dare County, North Carolina at various times. Certain lots in Sections J, K and Q have been excepted from these restrictions.

Section 2. Additional lands may become subject to this Declaration as follows:

(a) The Developer, its successors and assigns, at any time prior to December 31, 1978, shall have the right to bring additional lands into the scheme of this Declaration. Such proposed additions, if made, shall become subject to assessment for their share of Association expenses. The common properties within all such additions shall be devoted to the common use and enjoyment of all owners of properties, which are subject to this Declaration. The Developer's rights to bring additional lands into the Declaration shall not be held to bind the Developer, its successors or assigns, to make the proposed additions or to adhere to the scheme in any subsequent development of the lands described herein or additional lands. The additions authorized under this and the succeeding subsections shall be made by filing of record a

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Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the Covenants and Restrictions of this Declaration of such property. Such Supplementary Declarations may contain such complimentary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration revoke the Covenants established by this Declaration on the properties described herein.

(b) Other Additions. Upon approval in writing of the Association

pursuant to a vote of its members as provided in the Articles of Incorporation, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereto.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration within the Existing Property together with the Covenants and Restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the Covenants established by this Declaration within the existing property except as hereinafter provided.

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Section 1. Membership

(a) Every person or entity who purchases an equitable interest or an undivided equitable interest in any original lot whether as land contract vendee or fee holder being subject to these Covenants and to assessment by the Association shall be a member of the Association provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

(b) Persons not holding an interest in any lot may become nonvoting members of the Association under terms and conditions prescribed by the Board of Directors.

The Association shall have one class of voting membership. Voting members shall be all those members who hold the interests required for Membership in Article III in Section 1(a) above. When more than one person holds such interest or interests in any original lot, all such persons shall be members and the vote for such lot shall be exercised as they among themselves determine. In no event shall more than one vote be cast with respect to any such original lot.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment Subject to the provisions of Article IV in Section 3, every member shall have a right and easement of enjoyment in and to the common properties and such easement shall be appurtenant to and shall pass with the title to every original lot.

Section 2. Title to Common Properties The developer may retain the legal title to the common properties until such time as, in the opinion of the Developer, the Association is able to maintain the same and to meet any existing obligations which may be a lien thereon, TC

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notwithstanding any provisions herein, the Developer hereby covenants, for itself, its successors and assigns, that it shall convey the common properties to the Association not later than January 1, 1978. At the time of such conveyance title to land and improvements, if any, shall pass to the Association subject to such encumbrances as may have been placed upon said

properties for purposes of the Association. Properties designed as common properties are for the mutual enjoyment of property owners of the sub-division known as Colington Harbour and said rights are subject to the terms and conditions of this Declaration

Section 3. Extent of Members' Easements.

The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Developer and of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the common properties and in aid thereof to encumber said properties. The members' rights and easements in the common properties shall be subordinate to any deed of trust given to the Developer or Association as security for funds borrowed for the said improvements. Any indebtedness, which shall be created for the purpose of making improvements to the common properties, shall be an obligation of the Association. In the event of a default upon any such indebtedness, the holders of the notes or the trustee under the deed of trust shall have all the rights afforded under the deed of trust or security agreement and under the laws of the State of North Carolina, including the right after taking possession of the properties, to charge admission and other fees as a condition to continued enjoyment by the members, and if --- > necessary to open the enjoyment of such properties to a wider public. If the mortgage indebtedness is satisfied and possession of the properties returned to the Association, all rights of the members hereunder shall be restored; and

(b) The right of the Association to take such steps as are reasonable

and necessary to protect the above described properties against foreclosure; and

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(c) The right of the Association, as provided in its Articles and By-Laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties, in addition to Membership Fees.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments Each subsequent owner, as provided in Article III, Section I herein, by acceptance of a conveyance for a lot within the subdivision, whether or not it shall be expressed in any such deed or conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, in Section 9 of this Article, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell

due.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used

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by the Association exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the properties and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the common properties and of the homes situated upon the properties, including but not limited to, the payment of taxes and insurance thereon, and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof. j

Section 3. Basis and Amount of Assessments. An annual assessment, using the FY 2002/2003 assessment of \$165.94 as a base, shall be increased each fiscal year (FY) for inflation, beginning with the FY 2005/2006 assessment (exception: begin FY 2007/2008 for modular section and lots outside gate). Any increase will be based on an average of the latest federal Consumer Price Index and the Dare County Outer Banks Chamber of Commerce Annual Cost of Living Average, but is limited to a **maximum** of 5 percent a year. The total assessment shall be rounded up to the next whole dollar. The Board may, after consideration of current costs and future needs of the Association, fix the actual assessment for any year at a **lesser** amount.

Section 4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in an assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common properties, including the necessary fixtures and personal property related thereto, provided any such assessment shall have the affirmative of two-thirds (2/3) of the votes of all voting members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of

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which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Actual Assessments.

Subject to the limitations of Section 3 hereof, and for the periods therein specified, the Association may change the maximum and basis of the assessment fixed by Section 3 hereof, prospectively for any such period provided that any such changes shall have the assent of two-thirds (2/3) of the voting members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in

advance, and shall set forth the purpose of the meeting, provided further that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article II, Section 2, hereof.

Section 6. Quorum for any Action Authorized under Sections 4 and 5.

The Quorum required for any action authorized by Sections 4 and 5 shall be as follows:

At the first meeting called, as provided by Sections 4 and 5 hereof, the presence at the meeting of members or of proxies, entitled to cast sixty (60) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments Due Dates.

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The annual assessments provided for herein shall commence on the first day of May 1967. The assessment for each succeeding year shall become due and payable on the first day of May each year. No adjustments or pro-rations of assessments shall be made by the Association. For purposes of levying the assessment, assessments shall be considered as paid in advance and shall be levied against any property, which is subject to this Declaration or Supplementary Declarations. The due date of any special assessment under Section 4 hereof shall be fixed in the Resolution authorizing such assessment. »

Section 8. Duties of the Board of Directors.

The Board of Directors of the Association shall prepare a roster of the

properties and assessments applicable thereto at least thirty (30) days in advance of such assessment due date. Such assessment roster shall be kept in the Office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto. The Association shall upon demand at any time furnish to any owner liable for the assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment herein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment. The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon becoming a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his

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personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the due date, a penalty fee of \$25.00 shall be added thereto and from that date, interest at a rate of one and one-half percent (1-1/2%) per month shall be added to the delinquent balance and penalty and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property. There shall be added to such assessment, delinquent fee and interest, the cost of preparing and filing Complaint in such action and in the event that Judgment is obtained, such Judgment shall include interest on the total amount as above provided and reasonable attorney's fee to be fixed by the court together with the costs of the action. The Developer and/or Association shall establish a registered office where a determination may be made of the amount of any unpaid fees and charges hereunder and the failure to do so within ten (10) years from the date of this instrument shall terminate the obligation, if any, of the purchases for value of lot in said subdivision from being encumbered by such delinquent fee.

There shall be a fee of \$25.00 charge for a returned check. Such fee shall be in addition to the above delineated penalty charges.

Section 10. Subordination of the Lien to Mortgages The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, not from the lien of any such subsequent assessment.

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Section 11. Exempt Property The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein:

(a) All properties to the extent of any easement or other interest

therein dedicated and accepted by the local public authority and devoted to public use.

(b) All common properties as defined in Article I, Section 1 hereof.

(c) All properties exempted from taxation by the laws of the State of North Carolina, upon the terms and to the extent of such legal exemption.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charge or liens.

ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE

Section 1. Review by Committee. No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board or its designated committee fail to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, or in any event, if no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this Article shall be deemed to have been fully complied with.

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Contractors are responsible for the repair, replacement, or monetary compensation for any damage to roads, curbs, utility lines, property itself (both common and privately owned), or structures thereon, caused by an act or material men during the construction or improvement of property in Colington Harbour. 'r

See COMMUNITY STANDARDS OF ARCHITETURAL CONTROL, ARTICLE I, DEFINITIONS for all Definitions of Community Standards.

ARTICLE VII BUILDING AND USE LIMITATIONS

Section 1. All lots in the properties, other than those lots excepted from Section J, K and Q, described in Article II, : Section 1, hereof, of Colington Harbour shall be limited to residential use as zoned in Dare County. No building shall be erected, altered, placed or permitted to remain on any residential lot other than one family dwelling and private garages or outbuildings incidental thereto. All dwellings must have a minimum enclosed area of 1,200 square feet* exclusive of open porches or attached garages. All structures shall be completed on the exterior within six (6) months from start of construction. No structure of a temporary nature, trailer, basement, tent, shack, garage, barn or other out-building shall be occupied or stored on any residential lot either temporarily or permanently. No resident structure shall be located nearer than twenty-five (25) feet to the front property line, nor nearer to the roadway than the set-back line which is indicated on the recorded plat. No residence structure shall be located nearer than eight (8) feet from any side lot line. No sign, billboard, or advertising structure of any nature shall be placed on or be exhibited from any land or structure in the subdivision except one (1) non-illuminated sign (a second sign on the canal/waterfront side of a structure or lot in the case of waterfront property) of not more than four (4) square feet (no side greater than two (2) linear feet on which the name of

the occupant and/or address/phone number of the property is displayed, or (2) optional wording on such sign(s)

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containing the words "For Rent" or "For Sale" and information about or the logotype of the Broker, Owner or Builder of the lot or property. A sign shall be attached directly to the structure, if any, or on empty lots a sign may be attached to no more than two stakes with either bottom corner of the sign not more than eighteen (18) inches above ground level. No sign may contain moving parts. Freestanding signs shall conform to the more Restrictive Covenants or zoning building line setbacks and shall be placed parallel to the roadway and the waterfront bulkhead.

(a) Any reduction in the elevation, height or contour of a sand dune as defined herein is considered a sand dune alteration. No sand dune alteration shall begin until after a permit is obtained from the Community Manager. Application for a permit shall be on a form approved by the Board of Directors which shall be submitted by the Applicant to the Community Manager with a fee not to exceed fifty dollars (\$50.00) as determined from time to time by the Board to defray the cost of administration, and with drawings, site plans or plats correctly showing "before" and projected "after" elevations indicating finished slopes to a run-off receiving area contained on the lot being altered or to an abutting road or street right of way. The finished slope ratio shall be no greater than one (1) foot vertical to four (4) feet horizontal, unless the Board of Directors by majority vote of the members at a duly constituted meeting approves otherwise for septic systems, gardens and special landscaping.

*Article VII, Section 1 as it applies to Sections W and X, provides for a minimum enclosed living area of 500 square feet and specifically permits mobile homes.

Section 2. No animals, livestock or poultry of any kind shall be raised or kept on any lot except dogs, cats or other household pets provided that they shall not be so maintained for commercial purposes. Trash, garbage or any other waste material shall be kept in sanitary containers or incinerators. Equipment for the

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storage or disposal of such materials shall be kept in a clean and sanitary condition. All structures intended for occupancy must be equipped with plumbing facilities. All sanitary plumbing, and disposal of waste, shall conform with the minimum requirements and be approved by the Health Department of Dare County, North Carolina. No well water shall be connected to the in-house water system as long as the property is being supplied public water by the Dare County Water Department. Use of well water is restricted to outdoor use only.

Sections. Easements. Easements are reserved unto the Developer for the purpose of conveying to public utility companies the necessary easements for utilities along and within ten (10) feet of the front line, rear line and side lines of all original lots in the subdivision for the construction and perpetual maintenance of conduits, poles, wires and fixtures for electrical lights, telephones and other public and quasi-public utilities and drainage and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines with right of ingress to and egress from and across said premises to employees of said utilities. Said easement to also extend along any owner's side, rear and front property lines in case of fractional lots. The person owning more than one lot may build on such lot line and the easement shall be inoperative as to said line provided that such building shall be placed thereon prior to the instigation or use of this easement for one of the foregoing

purposes. It shall be considered a violation of the provision of easement if wires or cables carried by such pole lines pass over some portion of said properties not within the ten (10) foot wide easement as long as such lines do not hinder the construction of buildings on the property. All buildings, trees, or other improvements now on said premises, or hereafter made or placed thereon shall be a part of the security for the performance of Declaration and may not be removed there from. Developer reserves the right to do grading, excavating, under brushing, tree cutting and trimming on the subject property including the right to disturb top soil where in

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Developer's opinion such work is advantageous for the improvement of this subdivision.

Section 4. No original lot or group of lots may be re-subdivided without the written consent of the Developer.

Section 5. It is understood and agreed and represented by the Developer, and the deeds issued to purchasers from the Developer take subject to this representation, that, insofar as the lots which may be included in the sections herein brought under the general Declaration of Protective Covenants and Agreements, are situated or located upon a creek, lake, canal or other waterway, and a bulkhead has been or is being constructed thereupon by the Developer, that the maintenance of such bulkhead structure and the lands fronting thereon is a liability of each individual lot owner and the declarant owner assumes no maintenance liability therefore. Bulkheads must be in a good state of repair before approval will be granted for construction of a new home or addition or remodeling of an existing home.

Section 6. Variance.

The purpose of the foregoing Building and Use Limitations being to

insure the use of the properties for attractive residential uses, to prevent nuisances, to prevent impairment of the attractiveness of the property, to maintain the desirability of the community and thereby secure to each owner the full benefits and enjoyments to his home with no greater restriction upon the free and undisturbed use of his property than are necessary to insure the same advantages to other owners. Any reasonable changes, modification, or addition to the foregoing shall be considered by the Developer and the Association and if so approved, will then be submitted in writing to the abutting property owners and if so consented to in writing, shall be recorded and when recorded, shall be as binding as the original Covenants. The foregoing Building and Use Limitations shall not apply to the Common Properties.

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**ARTICLE VIII GENERAL
PROVISIONS**

Section 1. Duration. Subsequent changes to the Covenants and restrictions shall not be made unless approved by an affirmative vote, either in person or by proxy, by a MAJORITY OF THE THEN OWNERS OF AT LEAST 1,200 LOTS. Provided, however, that no such change shall be effective unless made and recorded ninety (90) days in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every owner at least ninety (90) days in advance of any action. Attorney Dwight Wheless has completed the paperwork with Dare County in recording the change and it has been recorded, and the owners notified by mail, and become effective on 10 August 2000. -

Section 2. Notices. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears at a member or owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any Covenant or Restriction, either to restrain violations or to recover damage, and against the land to enforce any lien created by these Covenants; and failure by the Association or any owner to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. ••>•?

Section 4. Severability. Invalidation of any one of these Covenants or Restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect. f

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**COMMUNITY ORDINANCES PART 1
GENERAL**

ARTICLE1

DEFINITIONS

The following terms as used in these Community Ordinances are defined as follows:

(a) "Colington Harbour Association, Inc." hereinafter referred to as the "Association" means the Association of owners of properties in the community known as Colington Harbour.

(b) "Board" means the Board of Directors of the Association.

(c) "By-Laws" means the By-Laws of the Association, which establish the form and methods of government of this Association.

(d) "common property" means those areas and other parcels of property, including lakes and roads, together with any buildings or other improvements thereon or thereto owned, maintained, acquired, or brought under the jurisdiction of the Association.

(e) "Community Ordinances" means the rules and regulations adopted by the

membership of the Association to govern operation of the community.

(f) "Declaration" means the Declaration of Restrictive Covenants and Agreements, dated 12 July 1968, amended 1976, 1980, 1985, 1988, 1992, 1999, 2001, and 2003, and

duly recorded in Book 1488 at Page 316 in the Public Registry of Dare County, North Carolina.

(g) "lot" means any original lot within the community as defined by Section letter and lot number or by metes and bounds description on the plats defining the community.

(h) "owner" means any person or entity that purchases an equitable interest or an undivided interest in any original lot whether as land contract vendee or fee holder being subject to the assessment by the Association.

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ARTICLE 2 PURPOSE

These Community Ordinances supplement the Declaration of Restrictive Covenants and the By-Laws of the Association, and the current law of North Carolina and Dare County. They assure to each property owner the full benefits and enjoyment with no greater restrictions upon the free and undisturbed use of his property than are necessary to ensure the same benefits to other owners.

ARTICLE 3 NOTICES

Any notice required to be sent to any owner or tenant shall be deemed to have been delivered when mailed, postpaid, to the last known address of the person who appears as an owner or tenant on the records of the Association at the time of such mailing. It is the responsibility of the owner or tenant to keep the Association informed of any changes in mailing address.

ARTICLE 4 PROCEDURES

The Board of Directors shall present recommended changes, additions, or deletions to these Ordinances including the following:

(a) Recommendations relative to security, fire protection/ traffic, boat operations and general conduct.

(b) Recommendations relative to legal proceedings against violation of state and county laws in the name of the Association.

(c) Recommendations for legal or restraining injunction submitted to the court in the name of the Association.

(d) Recommendations for changes to the Declaration of Restrictive Covenants and By-Laws.

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ARTICLES ENFORCEMENT

Section 1. Enforcement

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Enforcement of the Community Ordinances is the responsibility of the Board of Directors. This responsibility may be delegated to other officials of the Association. These officials will seek voluntary compliance. Thereafter, enforcement will be by Board action or legal means.

(a) Procedures for fines and suspensions of planned community privileges or services. Unless a specific procedure for the imposition of fines or suspension of planned community privileges or services is provided for in the declaration, a hearing shall be held before an adjudicatory panel appointed by the Board to determine if any lot owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the Association. If the Board fails to appoint an adjudicatory panel to hear such matters, hearings under this section shall be held before the Board. The lot owner/tenant charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred fifty dollars (\$150.00) may be imposed for the violation and without further hearing, for each day after the decision that the violation occurs. Such fines shall be assessments secured by liens. Fines shall be paid within thirty (30) days, after which will incur an additional 1.5% per month interest, penalty, and lien filing charges. If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is satisfied.

(b) Establishment of fine structure. The Board will establish and approve specific fines for common violations.

(c) Recovery of legal fees. If the Board has to resort to legal action to enforce the provisions of the Association's regulatory documents or if they have to defend their enforcement actions in a court of law, and the Association receives a favorable ruling, the Association is entitled to

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(d) recovery of all attorney fees and court costs from the property owner and/or the tenant/renter.

Section 2. Complaints.

Complaints submitted to the Board or the Association shall be in writing and signed by the complainant. The Board will meet as required dependent upon the nature and volume of complaints to review said complaints and decide upon corrective action(s) and/or sanctions to be imposed upon such owners.

Section 3. Appeals.

Members and/or property owners may appeal in writing to the Board. Further appeals may be addressed to the Board for resolution at the next scheduled meeting of the Association.

Section 4. Failure to Act.

Failure by the Board or Association to act, or by any owner to comply with any Ordinance, shall not be deemed a waiver of the right to act or obligation to comply thereafter.

Community Ordinances are effective ninety (90) days after passed by property owners and recorded with the County.

**ARTICLE?
AMENDMENT**

These Community Ordinances may be amended upon approval by the Board, and adoption by the membership at an annual or special meeting or ballot mailing.

**ORDINANCE 1
REGISTRATION**

Section 1. Owner and Tenant List.
A current listing of all owners and tenants shall be maintained and kept current by the Colington Harbour Association secretary at the Association Office and at the guard house.

Section 2. Guest.
Owners and tenants shall ensure that any guest planning an extended stay (more than one night) register with the Security Guard. Such guest will be issued a vehicle pass. At final departure from Colington Harbour, the pass is to be deposited in the box provided at the guard house.

Section 3. Notification of Guest Arrival.
Owners and tenants should provide the security guard with the name of expected guest(s) and approximate time of arrival.

Section 4. Responsibility.
Owners and tenants are responsible for the behavior of their guests

and must ensure their guests are advised of applicable Regulations and/or Restrictions.

**ORDINANCE 2
VEHICLES**

Section 1. Vehicle Decals. A Colington Harbour decal will be provided to each property owner and registered tenant on an annual or bi-annual basis for each vehicle (to include motorcycles and mopeds) and trailer they own. A current valid vehicle registration must

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be presented to the Association Office. Decals shall be affixed to the left side of vehicle bumper or left side of windshield or displayed on the left side of dash so they are easily visible by security personnel to insure minimal delays at the gate. Trailers must have decal displayed on left side of frame within six (6) feet of the hitch. Display of decals is required by 1 March of the year change, or within 30 days of a vehicle

acquisition when brought into the Harbour. Any vehicle without a current decal must stop at the gate, confirm residence or reason for entry, and obtain and display a guest pass until the decal is obtained and displayed. Any vehicle or trailer not displaying authorization is trespassing and subject to fines and towing.

Section 2. North Carolina State and Dare County Laws. All automobiles, trucks, motorbikes, dune buggies, trailers, mobile homes, etc. will abide by North Carolina State/County Laws and Regulations. Registration, license plates, inspections and driver's license must be valid and current. , \ ; -

Section 3. Speed Limit. Maximum speed is 25 miles per hour on all roads within the Harbour. ?

Section 4. Off-Road Operation.

Off-road driving is permitted only on an individual's private property. v

Section 5. Unlicensed and/or Inoperative Vehicles.
Owners are required to keep such vehicles garaged or under cover on their own property; otherwise they are subject to being towed at owner's expense.

Section 6. Parking.
Vehicles shall not be parked on the paved surface of common roads or streets. Off-road parking on common property shall be limited to short-term parking and in no case shall a vehicle present a visual traffic obstruction.

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Section 1. Definition. Waterways covered herein consist of all canals, lakes, ponds, and lagoons located in Colington Harbour and extending to the outer limits of the breakwater at the harbor entrance.

Section 2. Wake Control.
Boats shall be operated in a safe, seamanship manner in such a way as to avoid dangerous and destructive wake conditions. The wake shall be controlled so as not to cause damage to bulkheads, docks and other boats. "No Wake and/or 5 Miles per Hour Speed Limit" applies to all waterways inside the outer marker to the harbor entrance.

Section 3. Boat Ramp.
Boats may be docked at the ramp only for a reasonable period of time, which does not interfere with the launch and recovery of other boats. As recognition of authorized use, boat trailers must be identified by a Colington Harbour Association current sticker.

Section 4. Boat Piers.
Rental slips are provided by the Association at nominal rental fees to members and their guest when available.

Section 5. Boat Parking and Storage.
Parking and storage for boats and Personal Watercraft (PWC) and/or their trailers is permitted on the east end of the lower parking lot with maximum storage parking time, without prior Association permission of three days (72 hours). Longer parking storage times must be arranged in advance with the Association Office, and will be considered on a case by case basis. The maximum parking/storage

time allowed, WITH Association permission, will be two weeks. Maintenance work on boats, PWCs, or their trailers shall not be performed in the

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parking lot area. The Association assumes no responsibility or liability for boats, PWCs, or trailers parked/stored in the parking lot. Violators are subject to towing at owner's expense.

Section 5. Disposal of Trash and Waste.

The type of toilets aboard boats and their operation shall comply with current federal standards. No dumping is allowed in waterways. Oily bilges shall not be cleaned or flushed into waterways.

Section 7. Boats as Dwellings.

The Association will permit use of boats as dwellings not to exceed a total of seven (7) days when the operator is either a resident of Colington Harbour or a guest of such resident, provided:

- (a) The boat is tied up to a pier at the listed residence or is legally using a rental pier (Section 4 above).
- (b) The boat is a registered or documented vessel.
- (c) The boat is equipped with a marine toilet that meets and is operated in accordance with current federal standards.

Section 8. Water Skiing,

Water skiing is prohibited. PWCs may not be operated in a manner creating a wake or hazard.

Section 9. Fishing Nets.

Fishing nets are not permitted in any canal or waterway. Crab pots must be tied to the owner's bulkhead.

Section 10. Septic/Effluent Discharge.

Discharge of septic or laundry effluent is regulated by federal, state, and county regulations and is, therefore, not permitted by Colington Harbour Association regulations.

Section 11. Sunken Boats.

Boats which have sunk shall be re-floated or removed within seven (7) days by owner, tenant or owner's guest at their

expense. Any danger of contaminating the canals with oil or other fluids and material shall be cared for immediately.

ORDINANCE 4 ANIMALS AND PETS

Section 1. Nuisance. State and county regulations and enforcement shall apply. No animal shall be permitted to become a nuisance to other property owners. Animals shall not be allowed to run free on any property except the owner's. When off the owner's property (such as for exercise), the animal shall be under restraint or immediate supervision. No member, lessee of member, guests of member or contractors shall violate any local, state or federal rule, law or regulation regarding animals and pets.

Section 2. License and Inoculation. Dare County requirements apply.

Section 3. Dare Ordinances.

A complete copy of the Dare County Ordinance, Chapter 91 (Animals) is on file in the Colington Harbour Association Office for examination.

Section 4. Responsibility of Owner.

The owner is responsible for the care, actions, and behavior of his animal. A summary of the principal content of Dare County Ordinance 91 (Animals) related to dogs follows:

(a) 91.03 Vicious Animals. It shall be unlawful for any owner to keep any vicious, fierce or dangerous animal within the county unless it is confined within a secured building or enclosure.

(b) 91.45 Inoculation Required. It shall be unlawful for an owner to fail to provide current inoculations against rabies for his dog.

91.15 Collar and Tags Required. It shall be unlawful for any

dog owner to fail to provide his dog with a collar or ,

(c) harness to which current vaccination and identification tags are securely attached.

(d) 91.16 Stray Dogs. It shall be unlawful for any person in the county knowingly and intentionally to harbor, feed, or keep in possession by confinement any dog which doesn't belong to him.

(e) 91.17 Behavior of Dogs Constituting Public Nuisances. It shall be unlawful for any dog owner to allow his dog to habitually or repeatedly chase, snap at, attack or bark at pedestrians, bicyclists, or vehicles, turn over garbage pails, damage gardens, flowers or vegetables, or to permit a female dog to run at-large while in heat.

(f) 91.18 Barking Dogs. It shall be unlawful for any dog owner to keep or have within a densely populated area a dog that habitually or repeatedly barks.

(g) 91.21 Running at Large Prohibited Within Colington Harbour and Martins Point. Within the area described herein, no owner or keeper of any dog shall permit such animal to run at large.

**ORDINANCES
HOUSEKEEPING**

Section 1. Undeveloped and Common Property.

The Association shall perform periodic grass cutting only on property (private and common) on which houses have not been erected or started (i.e., no material on property). The grass will not be cut once building is in progress.

Section 2. Developed Property.

Owners of property on which a house is under construction or has been erected are required to keep said property and house in a neat, presentable appearance, i.e., periodic lawn mowing, removal of undergrowth and removal of junk or debris, including building materials.

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Section 3. Drying of Laundry. Use of decks and railings for drying is discouraged. Outside drying should be accomplished in as concealed a location as possible at ground level.

Section 4. Television Antennas. n Antenna masts will be secured in such a way as to preclude damage to adjoining houses in event of collapse due to high winds. TV dish installations must be approved by the Architectural Control Committee.

Section 5. Garbage and Trash.

(a) Garbage and trash shall be placed in containers as stated in county ordinances. Plastic bags and other debris outside containers are not allowed.

(b) Property owners are encouraged to place containers at street side on collection days only; on other days, store containers in the least visible area around or under the house.

(c) It is recommended that non-permanent residents, on the day of departure, store empty containers around or under the house in the least visible area.

(d) It is the responsibility of the owner to clean up trash outside container or it will be disposed of by the Maintenance personnel, at owner's expense (\$25.00 minimum per visit).

Section 6. Building Materials and Other Refuse. Building materials and their wastes, grass clippings, brush, mounds of dirt, sand, gravel, household furnishings, appliances, etc., shall not be placed at roadside. They should be removed from owner's property as soon as possible or placed out of view. If the owner does not comply after written notification by the Association, an outside contractor will be hired at owner's expense to remove said materials.

TRESPASSING

Section 1. Trespassing.

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All property, except that designated as common property is privately held and reserved exclusively for the owner's use. Fishing from bulkheads is considered trespassing unless permission has been granted by the owner.

Section 2. Soliciting.

Soliciting is prohibited unless written approval is obtained from the President of the Colington Harbour Association or his/her designee.

ORDINANCE? HUNTING AND FIREARMS

Section 1. Hunting.

Hunting is prohibited.

Section 2. Firearms.

Use of firearms will not be tolerated. Activities involving the use of firearms (such as a turkey shoot) must be approved by the President of the Colington Harbour Association or his/her designee.

Section 3. Fireworks, Firecrackers, Etc.

Fireworks, firecrackers or similar devices which create explosive sounds or explosions or potential fire hazards or noise disturbance across a property boundary or public space when fired into the air or on the ground are strictly prohibited.

ORDINANCES RENTAL PROPERTY

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Section 2. Obligation of Owner.

Owners are responsible for notifying their tenants, whether directly or through their agent, that they must comply with these Ordinances and other applicable regulations. When notified of a violation, property owners are also responsible for taking immediate corrective action, which includes removal of the tenants from the property if necessary.

Section 3. Obligation of Colington Harbour Association.
The obligation of the Association is limited to enforcement of existing Ordinances with property owners and not to notification of short or long-term tenants.

Section 4. Newsletter.
The "Newsletter" or other appropriate correspondence should be furnished by the owner or agent to the tenant.

Section 5. Regulation Availability.
Owners and tenants may request copies of appropriate regulations from the Association Office.

**ORDINANCES
ZONING**

Section 1. Colington Harbour was zoned single family residential (R4) in 1985 by Dare County and is subject to that designation under the Zoning Ordinances of Dare County. Any business or construction which does not conform to this designation is prohibited.

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COMMUNITY STANDARDS OF ARCHITECTURAL CONTROL

**ARTICLE
I**

DEFINITIONS

The following definitions apply to these Community Standards of Architectural Control:

- (a) "Colington Harbour Association, Inc.", hereinafter referred to as "Association" means the Association of the owners of properties in the community established as Colington Harbour. ^
- (b) "Board" means the Board of Directors of the Association.
- (c) "Declaration" means the Declaration of Protective Covenants and Agreements, dated 12 July 1968 (latest amendment 2005) and duly recorded in the Public Registry of Dare County, North Carolina.
- (d) "By-Laws" means the By-Laws of the Association, which establish the form and method of government of the Association.
- (e) "common property" means those areas and other parcels of property, including lakes and roads, together with any buildings or other improvements thereon, or thereto owned, maintained, acquired or bought, otherwise, under the jurisdiction of the Association.
- (f) "lot" means any original lot within the community as » defined by section letter and lot number, or by metes and bounds description on the plats defining the community.

(g) "sand dune" means a rounded hill or ridge of loose, gritty grains of disintegrated rock heaped up by the wind. A sand dune may not be covered by vegetation or trees.

(h) "owner" means any person or entity who purchases an equitable interest or an undivided interest in any original lot, whether as land contract vendee or fee holder, being subject to the assessments of the Association.

(i) "Architectural Control Committee", hereinafter referred to as the ACC, means the Committee appointed by the Board to approve all construction in Colington Harbour.

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(j) "Community Standards of Architectural Control" means the rules adopted by the Board governing construction or other improvements on any lot, lake or waterway in the community, except the common property.

(k) "construction approval" and "building permit" are used interchangeably, as are "request" and "application".

ARTICLE II PURPOSE, AUTHORITY AND SCOPE-

Section 1. Purpose.

(a) To establish uniform standards and procedures for control and regulation of construction in Colington Harbour, other than on the common properties.

(b) To specify procedures for obtaining Architectural Control Committee approval.

(c) In addition to the Community Standards herein established, it is the Committee's prerogative to disapprove construction requests if the proposed construction is not in keeping with its criteria of external design and location in - * relation to surrounding structures and topography.

Section 2. Authority.

(a) The ACC has absolute approval authority over all construction in Colington Harbour, subject only to review by the Board.

Section 3. Scope. "

(a) ACC approval is required for all construction which includes, but is not limited to, homes, decks, porches, garages, sheds, other out-buildings, docks, piers, swim platforms, walls, fences, bulkheads, pilings (moorings), groins, jetties or modifications, additions or major repairs thereto.

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ARTICLE III CONSTRUCTION REGULATIONS

Section 1. Building Set Back Lines.

The set back lines are applicable to all buildings, including stairs, decks and porches, as well as docks, piers, swim platforms and

moorings. In the event of conflict with Dare County Regulations, whichever is more restrictive shall prevail.

(a) Front Line (Road side of property). This set-back is designated on Colington Harbour Association, Inc. recorded master plat sheets.

(b) Rear Line. Restricted to 20% of the depth of the lot.

(c) Side Line. Minimum of eight (8) feet to adjoining lot. Roof may not overhang this set-back by more than two (2) feet (see Section 4).

Section 2. Residential Structure (Limitations).

(a) The minimum allowable heated living space dimensions (width or length) for a residential structure, excluding extensions, porches, docks and stairs is twenty-four (24) feet. This does not apply to Sections W and Y where mobile homes are specifically permitted.

(b) Houses on nearby lots shall be of distinctive design as to be individual and avoid appearance of row houses.

Section 3. Construction (General).

(a) Open Space. Open space, if any, below residential structures (mobile homes excluded) will be enclosed with lattice, slatting, or skirting, except for vehicle openings. Space between lattice strips or slating shall be no greater than the width of the material used (maximum 4").

(b) Public Utility and Quasi-Public Lines. Electric, telephone, cable TV, etc., must be underground from the utility pole

(c) Temporary Structures. Motor homes, vans, campers, tents, trailers, other temporary structures and boats may not be used for living purposes. Contractors may not use similar vehicles or structures for office or storage space. One

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advertising sign may be posted by the prime contractor during construction, but must be removed upon completion. Such sign to be set back so as not to be on community property. Sanitary devices (porta-potty) must be removed promptly upon completion by the contractor. Builders shall notify Dominion NC Power to disconnect temporary service within ten (10) days after completion of the home.

(d) Unattached Buildings. No unattached garage, shed, or other structure may be erected on any lot until a residential home (including mobile home) has been placed on the lot.

(e) Lot Preparation and Final Grading. These actions must be approved by ACC and Dare County. Preliminary grading, excavating, and removal of vegetation must be held to a minimum in order to preserve the natural beauty of Colington Harbour. The lot must be properly graded immediately after construction is completed. Preparation that adversely affects, or may affect, adjacent property

owners, shall be the liability of the contractor.

(f) Trash Control. Contractors are responsible for containing trash, excess material and scraps, and its removal, on a regular basis, as well as upon completion of construction. Neither the Association dumpsters nor eroded areas behind bulkheads, may be used for this purpose. Burning of trash is prohibited. Failure of contractors to observe this regulation will, after due notice, result in the Association removing the offending trash from the areas affected, at the contractor's expense.

(g) Parking. A concrete or asphalt paved driveway or a parking pad for a minimum of two cars must be included for all residential structures and its location indicated on the site plan submitted. Paving must be continuous with the roadway.

(h) Dogs/Pets. Dogs or other pets may NOT be brought into Colington Harbour by contractors or their sub-contractors.

Section 4. Lots Bordering on Water. Lots bordering on water in Colington Harbor are subject to special rules and regulations administered by the Office of Coastal Management (CAMA), which must be followed when

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building any structure thereon. These rules and regulations apply to docks, piers, and bulkheads. In addition, the following Community Standards also apply: •

(a) Bulkheads must meet professionally established Association Standards. Copies of

standards are available at the Office.

(b) No dock, pier or swim platform shall be closer than eight (8) feet to the extended side lot lines, and must not interfere with water approach to the other clocking areas.

(c) None of the structures in (b) above (including exterior pilings) shall extend further into any waterway than one-half the distance remaining after thirty (30) feet have been deducted from the total width as a navigation channel, and in no event, further than forty (40) feet.

(d) Owners of adjoining lots wishing to build a common dock must apply jointly in writing for approval.

(e) Every pier, dock and swim platform must include a "water exit" ladder. Exterior pilings must be marked with a red or yellow reflector of no less than 2-1/2 inches in diameter at least twenty-four (24) inches above the high water line. Davits for small boats are permitted, but boat slips and ramps that cut through a bulkhead are not.

(f) No dock or pier, or any portion thereof, shall be enclosed with sidewalls, roof, or screening on any lots located on bulkheaded canals.

(g) Plans and specifications for construction or repair of bulkheads, groins, and jetties are available in the Colington Harbour Association

Office for those who wish to use them. Although they are not the only solution to bulkhead repair or construction, they will be used as minimums of the Architectural Control Committee when reviewing permit applications.

ARTICLE IV REQUEST FOR PERMIT

Section 1. Submission. All requests for approval of construction must be submitted on ACC Form Number 1 (available at the Association

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Office), signed by the property owner and his contractor. Requests must contain the following minimum information and technical data.

(a) Name, address, and phone number of owner and contractor.

(b) Identification of Section and Lot number(s).

(c) One copy of a certified survey site plan prepared by a Registered Surveyor or Registered Engineer. It must be to scale and must show location of the proposed structure, all existing structures (if any), distance from the set-back lines, dimensions of structures, location of driveway, parking pad, and drain field (new or existing). Plats for groins, jetties, docks, piers and swim platforms must show location of construction and dimensions, and location of existing similar structures on the property, on adjacent properties, on property on the opposite side of the canals which are ninety (90) feet in width or less, and the approximate width of the canal. Plats for bulkhead repair or replacement must show location of construction and dimensions to scale.

(d) One copy of drawing to scale for all new home construction showing dimensions, floor plans and front, side and rear elevations. Construction drawings which include dimensions and elevations (if applicable) are sufficient for all other types of structures. Photos and dimensions are acceptable for mobile homes.

(e) No metal structure other than mobile homes in Sections W and X are permitted. All construction materials must conform to the North Carolina Building Code.

ARTICLE V VARIANCE

Section 1. These uniform standards are considered the minimum restrictions necessary to ensure an attractive, desirable community, which can be enjoyed by all property owners equally. Reasonable requests for variance will be considered by the Association on an individual basis and when approved and recorded by the Register of Deeds of Dare

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County, shall be binding. In such an event, the following procedure will be followed:

- (a) Property owners must obtain specific written approvals from adjacent property owners, and must submit them to the ACC, along with their request for variance approval.
- (b) After review, the ACC will forward the request, along with its recommendation to the Board for its consideration. Pending the Board's decision, any related request for construction approval will be held on file.

**ARTICLE VI
VIOLATIONS**

Section! It is the responsibility of the property owner and his contractor to ensure that no site preparation or construction is started prior to receipt of construction approval from the ACC, and that no changes are made to approved requests without submitting the change for approval. In the event of a violation, the Association will immediately notify the violating property owner in writing of the nature of the violation and direct that construction cease (if already started), and that immediate corrective action be taken. If the violation(s) persist, the Board will determine the appropriate course of action in accordance with the Declaration and By-Laws of the Association.

Section 2. Violations of Community Standards of Architectural Control by a property owner, or contractor, will result in denial of any present or future application for construction until such time as the violation in question shall be resolved.

**ARTICLE VII
APPEALS**

Section 1. Appeals resulting from ACC actions will *be* made to the Board, which will make a decision within thirty (30) days and notify all parties concerned. Its decision does not negate the rights of property owners to remedies under law.

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**ARTICLE VIII
ADMINISTRATI
VE
PROCEDURES**

Section 1 . Meetings. Currently the ACC meets on the first and third Tuesday of each month. It reserves the right to change the meeting dates after due notice is given. Submission of requests for approval

by property owners, or their contractor, should be planned accordingly.

Section 2. Procedures for Disposition.

(a) Applications which are in compliance with these regulations in all respects will be approved.

(b) Applications received which are not on ACC Form Number 1 , or which do not contain all the information and -..•••; technical data required by Article IV, will not be considered and will be held pending receipt of the missing data.

(c) Applications submitted by property owners not in good standing, as defined by the Declaration and the By-Laws will be rejected without review.

(d) Applications received from other than the legal property owner(s), or his or her contractor, will be reviewed only if, in addition to the normal documentation required for construction approval, it is accompanied by a valid sales contract, along with an indication as to when closing will take place. If the submission is otherwise acceptable, approval will be granted effective on the date written notification of transfer of title to the new property owner is received by the ACC. Prior to that time, no construction may be started.

(e) Request for approval of a house design and plans prior to purchase of property, or an indication of intent to do so as defined in Section (d) above, will be reviewed only as to acceptability of that particular house on a specific lot. Such approvals do not constitute ACC construction approval. A complete request for construction approval must be submitted after the property is acquired, or the conditions set forth in Section (d) above are met.

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Section 3. Inspection. Designated officials of the Association have the right to enter upon a residential property at any reasonable time to ensure compliance with these Community Standards of Architectural Control. Such entry will not be considered trespassing.

Section 4. Permits. Construction permits issued by the ACC must be posted on the construction site, along with Dare County permits. They are valid for one (1) year, however, all exterior construction must be completed within six (6) months after work has been started, unless there are justifiable extenuating circumstances. In such an event, an extension of the six-month completion period must be requested from the ACC in writing.

Section 5. Accountability. Contractors are responsible for the repair, replacement or monetary compensation for any damage to roads, curbs, or property (both common and privately owned) or structures thereon, caused by the act or commission of employees, subcontractors or material men during the construction or improvement of property in Colington Harbour.