

The Villages at Ocean Hill

Where the road ends and fun begins!

**THE VILLAGES AT OCEAN HILL
COMMUNITY ASSOCIATION INC**

**ENVIRONMENTAL POLICIES
AND
PROCEDURES**

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THE VILLAGES AT OCEAN HILL COMMUNITY ASSOCIATION, INC.

BOARD OF DIRECTORS RESOLUTION 07-08-2005

ENVIRONMENTAL POLICIES AND PROCEDURES

COROLLA, NORTH CAROLINA

Foreword: The Environmental Policies and Procedures of the Villages at Ocean Hills apply to all properties contained within the Planned Urban Development. This Resolution provides

architectural guidance for property owners, builders, and developers. The Board of Directors, as duly elected representatives of the Community, appoints an Environmental and Architectural Committee to administer these policies and procedures in an attempt to pursue architectural diversity and standards desired by the Community. The rights and privileges for all Members are expressed in the Master Declaration of Covenants and Restriction, the VOH By-Laws, and this resolution. Each member of the VOH should have a copy of all three documents for reference and guidance. Each builder and developer within the VOH should have a copy of this Resolution.

It follows that house planning and construction should point towards the creation of forms, earth tone colors and textures which produce a minimum of intrusive effect in the total landscape and which take the greatest advantage of the unique ecology of Corolla.

Article I. GENERAL PROVISIONS

Section A. SHORT TITLE

This Resolution shall be known and may be cited as the Environmental Policies and Procedures (EP&P) of “The Villages at Ocean Hill.” The EP&P becomes effective January 16, 2006 and applies to all new construction and maintenance of all member VOH properties after this date. Properties developed prior to this date are considered “grandfathered” but subject to all reconstruction and alternation resolutions.

The EPP provides the basic rules of operation for an Environmental Committee that seeks to ensure the quality and uniqueness of property development in the VOH. Members agree to abide by the EP&P as a pre-condition for membership, property development and maintenance in the PUD.

The Association encourages owners to obtain a copy of the EP&P at the time they purchase their property. Members may also obtain copies from North Beach Resort Management 252-453-9604.

Section B. AUTHORITY OF ENVIRONMENTAL COMMITTEE

1. The Environmental Committee is empowered by Article VI. Section 2 of the “Master Declaration of Covenants and Restrictions” (MDC&R) to establish and administer all policies, guidelines and rules hereinafter set forth including but not limited to reviewing and providing written approval or disapproval to the property owner – subject to the provisions of the Master Declaration and all of the following limitations and conditions of this Resolution to construct, reconstruct, refinish, alter or maintain any Structure or Improvement upon, under or above a Lot, or to make or create any Excavation or Fill thereon, or to make any change in the natural or existing surface drainage thereof, or to install any utility line (wire or conduit) thereon or there over, or to Landscape thereon, or to destroy or remove any tree.

2. The right of an Owner, to construct, reconstruct, refinish, alter or maintain any Structure or Improvement upon, under or above a Lot, or to make or create any Excavation or Fill thereon, or

to make any change in the natural or existing surface drainage thereof, or to install any utility line (wire or conduit) thereon or there over, or to Landscape thereon, or to destroy or remove any tree, shall be subject to the provisions of the Master Declaration and all of the following limitations and conditions within this Resolution.

Section C. ADMINISTRATION OF ENVIRONMENTAL COMMITTEE

1. The Board of Directors (the “Board” or BOD) of the Villages at Ocean Hill Community Association, Inc (the “Association”) shall appoint a five (5) member Environmental Committee (EC). The BOD appoints EC alternates and fills vacancies as needed.

a. The regular term of office for each EC member shall be one (1) year. EC members serve at the pleasure of the BOD who may remove any EC member with or without cause at any time by providing written notice to an appointee. The BOD shall appoint successor(s) to fill vacancies that may periodically occur. These appointees shall serve the remainder of the term of the previous members.

b. b. The BOD shall select a Chairperson or Co-chair persons to preside at EC meetings. The BOD shall also select a Vice Chairperson to assist the Chair or Co-Chairpersons and conduct EC business in the advent of an absence of the Chairperson(s). To promote leadership opportunity and diversity interest the chairmanship shall be limited to two consecutive years. To conduct its business, the EC shall meet in person or by conference call with a quorum minimum of 4 EC members.

c. At the first BOD meeting In January of each year the BOD will review committee functions, and contact each interim committee member to see if they desire to serve on the committee. Continuity of committee experience is important in the BOD’s selection process. The names of the committee will be announced to the membership via e-mail and post on the VOH WEB site before February 1st.

2. Administrator The EC will retain the services of an individual or a Management Company to administer the day to day management of the EC. The Chairperson(s) will communicate all EC decisions to an Administrator with written (email acceptable) notice that reflects the agreement of at least three (3) EC members. The Administrator’s duties include:

a. Receive, record, distribute and maintain files of the documents and correspondence relating to all requests and/or applications to the EC for Approval.

b. Answer questions from property owners, contractors, architects/designers and the general public concerning the EPP and EC

c. Supervise and perform EC investigations as directed by the EC and assess owner/builder compliance with approved plans.

d. At the direction of the Chairperson(s) schedule meetings and contact members of the Association.

- e. Issue appropriate correspondence as directed by the EC to Owners and Contractors in conjunction with an Application for Approval to Construct.
- f. Coordinate EC reviews and communications.
- g. Hire and supervise support personnel for the EC, upon the express approval of the BOD.
- h. Assist in the completion of EC's reviews and response within a thirty (30) day period.
- i. Monitor construction and re-construction compliance with EC directives and EPP. Promptly inform the EC of unauthorized construction, non-compliance or deviation from approved Plans. Keep the EC informed of the progress of approved construction and of related matters of interest to the EC.
- j. Issue statement of Compliance to owners and developers when directed to do so by the EC.
- k. Maintain a "timeline" format to document and record the time trail for each construction submittal.
- l. Maintain an itemized financial ledger for all Environmental activities

Article II. DEFINITIONS

Words and phrases utilized within the text of this Resolution are defined in Article I of the Master Declaration except as may otherwise be defined hereinafter.

Article III. ADMINISTRATIVE PROCEDURES

Section A. GENERAL REVIEW PROCESS

The Environmental Committee (EC) shall meet periodically in person and/or by phone, as warranted by the number of submittals, to review proposed projects. The EC can also review submittals individually and provide their decision, with comments, to the EC Chair, but every effort should be made to meet and discuss each decision. The chairperson(s) shall communicate the EC's decision to the Administrator.

The EC reviews projects to determine their compliance with these Environmental policies and procedures

VOH members should use the EPP to ensure that their submittal is complete and in conformity with the policies of the Community. The Association realizes that time is valuable. Owners and builders may avoid unnecessary and potentially costly delays by carefully reading and following these Policies and Procedures prior to Construction submissions.

Deadlines for Submission. All property owners must submit plans for approval for all projects for new construction, site modification, additions, major landscaping, remodeling and

restorations. After the owner or builder has submitted a set of construction documents, the EC will review the submission within thirty (30) days, from the date that a complete set of plans and required documents are received by the Administrator. The Administrator will provide the EC members with copies of the construction submission within three (3) business days after receiving all required documents for each required submission. The EC, through the Administrator, will provide the owner written notification of any required modifications or clarifications, if any, within this thirty (30) day period.

Owners should realize, however, that EC members are volunteers and will make every reasonable effort to meet the thirty day deadline. If however the deadline slips due to unforeseen circumstances such as a rash of new submissions, neither the owner nor the builder should assume that approval has been granted.

If the plans are disapproved the owner may modify and resubmit the construction proposal once without additional fees.

Plans must be submitted for approval at least thirty (30) days prior to the commencement of any on site work and cannot begin until written approval is provided by the Administrator. Owners who are seeking construction approvals should mail or deliver such plans to the Administrator at the addresses shown on Exhibit "A". Failure to produce written approval upon request of any EC member may result in a stop work injunction and costly delays.

Complete sets of plans that are submitted in accordance with these Policies and Procedures and Article VI of Villages at Ocean Hill Subdivision "Master Declaration of Covenants and Restrictions" will be reviewed promptly.

Plan submittals that are incomplete and/or otherwise not in compliance with these documents will be rejected and will need to be resubmitted. All plan submittals must include review fees (non-refundable) and security deposits (refundable on compliant project completion).

Owners must submit plans for approval of all projects for new construction, site modification, additions, major landscaping, remodeling and restoration that affect the exterior of the house. All exterior work that includes re-painting, re-staining, or re-roofing with any different materials or colors that would alter the exterior appearance should also be submitted for approval.

Section B. FEE SCHEDULE

Payment by cash or check made payable to "The Villages at Ocean Hill Community Association, INC in accordance with Exhibit "A".

Section C. PRE-DESIGN CONFERENCE

The pre-design conference is an informal and non-binding discussion that brings the Owner and his architect/designer/builder into early contact with the Environmental Committee. An early review of a proposed site plan to discuss preliminary designs can prevent costly delays that may result from unfortunate misunderstandings or lack of communication.

Accordingly, the Owner shall notify the EC of the nature of the proposed work. The EC shall discuss with the Owner those factors relevant to the design, construction and maintenance of Structures and Improvements. The EC and owner together will discuss the various design controls and restrictions applicable to the Owner's Lot.

In advance to the pre-design conference, the Owner and any architect/designer/builder employed by the Owner to design the proposed work, will send the Administrator a letter (see Pre-design Conference Transmittal Letter Form Exhibit "B") that indicates that all relevant persons have read contents of this document and understand the process. All applicable fees must be paid prior to the pre-design conference. If the EC or Owner may request confirmation of the receipt of said letter of acknowledgment and a scheduled appointment, within ten(10) days of its receipt by the Administrator.

Owner and his architect/designer/builder, shall meet with two members of the EC or the EC's administrator to discuss the EC Policies and Procedures, the ecology of the area, and discuss site preparation. Such a meeting shall be at a mutually convenient time following the EC's or Owner's request therefore, and shall be held on-site or at a convenient location following the on-site meeting.

Section D. REMEDY OF NON-COMPLIANT FEATURES

Any construction or reconstruction of, or the refinishing or alteration of any part of the exterior of any Structure or Improvement upon, or the Landscaping of any Lot is prohibited until and unless the Owner of such Lot first obtains the Approval from the EC as herein provided and otherwise complies with all of the provisions of this Resolution.

In order to obtain approval by the EC for any major or minor addition or remodeling, any non-compliant features must be brought into compliance with current policies subject to grandfathering exceptions. If the Owner refuses to bring a property into compliance, the EC shall inform the BOD, who in turn will take those legal actions necessary to enforce the EPP. Until such time that the structure is made compliant the Association may deny member privileges and cause a lien to be filed as provided for in Article V. The Association will assess the Owner for all expenses including liens incurred with enforcing the EPP in accordance with Article V of the Master Declaration.

Section E. PLAN SUBMISSION PROCEDURE

Prior to commencing any site work or construction, all plans, fees and a completed application form must be submitted in writing and a written approval obtained from the EC must be received. Failure to do so will constitute grounds for legal actions. NOTE: No clearing or modification of any site conditions including vegetation may occur without the written approval of the EC. All of the following are required unless waived by the EC:

1. Owners & Builder's Plan Submission form completely filled out and signed (Exhibit B)
2. Check for fee in accordance with Fee Schedule listed on Exhibit A

3. Construction Drawings (6 copies) drawn at a scale of not less than 1/8"= 1'0"

a. Floor plans, including an exact computation of the square footage of each floor

b. Elevation drawings of all exterior facades, fences, yard space dividers and retaining walls (if any). Pitches must be designated on all roofs, sheds, dormers, porches etc. (7/12 Typical is not acceptable)

1) Roof Plan

2) Section(s) showing relationship of existing grades to floor levels to show how the Structure(s) fit onto the ground.

4. Site plan (6 copies) drawn at a scale of either 1"=30' or 1" = 40' on an accurate survey stamped by a licensed surveyor that shows:

Property lines, setback lines, existing grade elevation(s), areas designated as wetlands, any existing dwellings and/or other improvements, significant existing plant material, proposed structure outline, stairs, decks, pools, fences, drives, parking areas, boardwalks, HVAC condenser stand, propane gas tank, outdoor grill, lot number, subdivision phase number and street address (if determined), a North arrow, the direction of views, the proposed drainage, the existing and proposed location of sewer and water lines, the location of all existing trees (if any) having a height in excess of six (6) feet and having a trunk measuring thirteen (13) inches or more in circumference at ground level, such trees which the owner proposes to remove, the location of all proposed utility installations, location, including type and size of easements, location of proposed cut and/or fill indicating the slope and height of each, location of contractor's I.D. sign and portable outdoor toilet facilities and temporary power pole

5. Parking Plan (Including parking construction material description)

6. Excavation and fill plan (indicating run-off and tree preservation method).

7. Exterior materials & colors (use Exhibit "C" Form)

8. Roof Materials (use Exhibit "C" Form)

9. For additions and/or remodeling, as built drawings prior to adding or remodeling are required. Also photographs of the existing structure(s) and/or improvements.

10. Construction schedule for the project

11. Landscape plan for the lot (As outlined in Article IV Section B.6)

12. On Site Staking of the Proposed Construction

Staking and stringing at the time plans are submitted are required as part of the approval process. It is the responsibility of the property owner to provide an accurate stakeout of the Lot of the proposed improvements for the EC's review and approval. The stakeout is necessary in order to ensure that the Structure(s) will properly fit on the site and will relate harmoniously to neighboring Structures (present and future) in the vicinity. The EC will note discrepancies between the Site Plan and the stakeout. After the EC has walked the staked lot with the builder/owner and confirmed compliance with the covenants, a written permit for clearing will be issued. Responsibility for verification of and accuracy of property corners, building location and relationships of buildings to natural site features lies solely with the Owner; the Community assumes no responsibility therefore.

The stakeout shall indicate the following:

a. The Structure(s) including any pool, free standing address sign and any retaining walls, shall be defined with lath stakes at the corners.

b. All property corners shall be staked and flagged. Stakes shall remain in place throughout the duration of construction.

c. The main floor elevation of the Structure shall be clearly defined.

1) Stakes shall be placed to indicate the driveway opening on the front property line and all parking areas.

2) All trees proposed for removal shall be tagged. No trees, shrubs or ground cover shall be removed before stakeout inspection by the EC and building approval. Please note that if trees are removed and/or clearing takes place without prior written approval the Association at its option may declare the Owner "Not in Good Standing" and require the owner to replant appropriate trees or substantially similar alternatives. The Association has the right to encumber such property with a lien, restrict Owner and Guest access to amenities, and/or withhold reimbursable fees until such time that re-planting occurs.

3) A standard (46" minimum height) debris fence shall be installed after stakeout and piling erection but prior to the start of construction. At this time a silt fence (24" minimum height) shall be installed if necessary to prevent movement of sand to contiguous properties. The fence(s) shall be maintained by the contractor throughout construction.

Section F. MODIFICATIONS/EXCEPTIONS TO PLAN SUBMISSION PROCEDURES

In addition to Section D, submittal requirements also include the following categories:

1. MINOR EXTERIOR REMODELING

Minor exterior remodeling is defined as non-structural alterations to the exterior appearance of a Structure or improvements, and shall include pools and/or additions to decks, porches, fences and driveway surfaces. Document/plan requirements will vary on a case by case basis as

determined by the EC and/or the administrator. Therefore, a pre-design conference (in accordance with Section C above) needs to be held either in person or by phone.

2. EXTERIOR REPAINTING AND REROOFING

For this category of work, the form provided as Exhibit "C" is to be used. This form along with required samples, the Plan Submittal Form and the fees are all that are required for this category of work. Touch-up re-painting, re-staining, and deck cleaning do not require submission of approval forms.

3. MISCELLANEOUS EXTERIOR RESTORATION

- a. Defined as replacing siding, windows, doors, decks etc, generally with identical or nearly identical materials.
- b. For this category of work the owner needs to call, write or fax a brief description of the planned work to the Administrator. In most cases an administrative approval can be given within 1 to 3 days of receipt of information. Additional information may be required in cases where materials may be different and/or there are any modifications to the exterior appearance of the structure or improvement.

Section G. APPROVAL TO CONSTRUCT

The EC will provide a written response for each plan submittal to the owner within thirty (30) days after receipt of all required plans, information and fees. Receipt by the EC is defined as three (3) business days after receipt of all required documents by the Administrator (together with any supplemental documents/information requested by the EC.)

Any submission that does not include all plans, materials, application forms and other items as required will be rejected and will not be forwarded to the EC until all requirements have been met.

A written response shall be either:

1. An approval to construct in accordance with the submitted plans; when the EC finds that:
 - a. The plans and general specifications conform to the Environmental Policies and Procedures; and
 - b. The Owner and Owner's architect/designer/builder, if any, shall have strictly complied with the provisions of Section 4 above
2. A conditional approval to proceed with construction upon written acceptance by Owner of recommendations for changes to Plans as submitted.

3. A request for supplemental documents/information to allow the EC to complete its deliberations

4. A statement of disapproval explaining the reasoning of the EC in reaching its decision

All proposed construction must receive a written Approval to Construct from the EC before proceeding with any site work or construction activity. Failure to do so will result in legal action.

The written Approval to construct shall apply only to approved Plans as submitted by Owner. Any changes to the approved Plans must be submitted to and approved by the EC in accordance with these Policies. The Approval to Construct shall be in effect for a period of one (1) year and is non-renewable except at the discretion of the EC.

Copies of written approval must be available at all times at the construction site.

Section H. MISCELLANEOUS ADMINISTRATIVE PROCEDURES

1. Notice of Construction Start

Upon receipt of the Final Approval from the EC, the Owner shall notify the EC by letter of the proposed commencement date for construction and diligently proceed with the commencement and completion of all site work, construction, reconstruction refinishing, alterations, and excavations pursuant to the approved plans. If construction fails to commence within one (1) year of Final Approval by the EC, approval is nullified without action by the EC. Extensions of approval may be granted by the EC on request.

2. Changes During Construction

All changes to the exterior of a Structure and changes in road alignment, parking & driveway layout, amenity location, trees to be removed, address sign, and any other change affecting the appearance of a project upon its site and to its neighbors must receive the prior Approval of the EC. Changes proposed during the course of construction shall be submitted in writing and revised plans, if necessary, shall be resubmitted for Approval. All construction and site work shall be in conformity with Approved plans.

3. Compliance During Construction.

Periodic inspections of construction in progress may be made by the EC or its designated agent to ensure compliance with its Policies and Procedures and with Approved plans. The EC is empowered to enforce its published Policies and Procedures by legal action against non-conformance. Job sites shall be maintained in a neat and orderly condition at all times during construction. Ingress and egress to the construction site shall be as designated by the Community Association, but shall not be allowed over other lots in the community.

The contractor shall be notified of any non-compliance during construction and if not brought into compliance with a reasonable period of time based on the circumstances not to exceed 3

days of notification the Association will take action to remedy the situation. Any cost incurred by the Association as a result of any non-compliance of any of the policies or procedures during construction shall be deducted from the security deposit.

The following requirements shall apply to all contractors involved in construction at The Villages at Ocean Hill, their employees, and their subcontractors, and to any person who visits a Home site (Lot) in The Villages at Ocean Hill.

a. General:

- 1) All activity by the Contractor shall be restricted to the Lot on which he is building. No vehicles shall enter onto Common Properties or cross the dunes at any time. Beach access is restricted to pedestrians on boardwalks constructed pursuant to criteria established by and approval obtained from the EC.
- 2) Any damage to any properties, either private or association common properties, caused by the contractor and or subcontractor during construction shall be the responsibility of the Owner to instruct the construction contractor to return the property(s) to condition prior to damage to the satisfaction of the owner of that property and the Environmental Committee. Failure to do so within thirty days of notice will result with repair taking place at the direction of the EC with cost, including all administrative and project management, being deducted from the security deposit. Any costs exceeding the security deposit shall be invoiced to the Owner at time of construction.
- 3) Delivery and storage of materials shall be confined to the building Lot only.
- 4) Existing vegetation shall not be disturbed except as approved where necessary to construct the Structure, driveway, and utilities.
- 5) A sign, with a maximum area of six (6) square feet, indicating Lot number, property owner, and general contractor, shall be put up for the Building Inspector and supply companies.
- 6) Burning burying or disposal of underbrush, construction trash or garbage of any kind including into a body of water, within or adjacent to the Villages at Ocean Hill is PROHIBITED.
- 7) All construction areas will have a portable toilet on site until completion of construction.
- 8) No pets shall be brought to the building or remodeling sites. Pets of owners and guests shall be leashed when leaving the property.
- 9) No loud playing of radios during construction or remodeling.

b. At the Beginning of Construction:

- 1) Building contractors shall locate a temporary driveway in the same location as the future permanent driveway to ensure that ingress and egress are within the building Lot only. There

shall be no traffic, vehicular or pedestrian, on adjacent Lots. Street parking overnight is prohibited. Street parking that obstructs traffic is prohibited. Street parking on adjacent lots requires permission of the lot owner.

2) Building Contractors shall arrange for suitable Trash Bins for waste building materials and trash to be placed on the Lot in an approved, or existing, clearing without damage to existing plant materials. These containers shall be emptied at least once a week to prevent overflow.

c. During Construction:

1) Building contractors and subcontractors shall be responsible for any damage of adjoining roads and roadsides.

2) Each builder shall be responsible for regular clean up of the Home site. Scrap and trash too large to be put in the container shall be removed from the Home site on a weekly basis.

3) There shall be a weekly clean up and stacking of the building materials by the builder.

d. At the End of Construction:

The Home site shall be completely cleaned at end of construction and/or when building inspector gives occupancy permit, whichever is earlier.

4. Completion Date.

a. The EC shall establish in coordination with the Owner a reasonable completion date once construction work has commenced. The EC shall be guided by the following construction completion periods: New Construction or Major Remodeling, twelve (12) months exclusive of interior decorating time, and Minor Remodeling or Refinishing, three (3) months, exclusive of interior decorating time.

b. The Owner shall complete the construction, reconstruction, refinishing or alteration of the foundation and all exterior surfaces (including the roof, exterior walls, windows and doors) of any Structure or Improvement of his Lot within the established specified time, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies or natural calamities. If the Owner fails to comply an extension is not allowed by the EC, the EC shall notify the BOD of such failure, and The BOD shall take those legal actions set forth in Article V of the Master Declaration.

5. Final Inspection.

Upon the completion of any construction or reconstruction of, or the alteration or refinishing of the exterior of any Structure or Improvement, or upon the completion of any other work for which Approved plans are required under this Article, the Owner shall give notice thereof to the EC. This notice from the owner requesting final inspection must be filed with the Association using the form Exhibit E no later than the date a certificate of occupancy is issued or a transfer of

ownership which ever occurs first. This notice shall include a final “as built” site plan depicted on a stamped survey that demonstrates compliance with the approved plans and the EPP.

A failure to do so shall be deemed by the EC as a waiver of right to receive a refund of all or part of the security deposit which shall be determined by the EC at its sole discretion. Within thirty (30) days from receipt of notice the EC at its option, may inspect such Structure or Improvement to determine whether it was constructed, reconstructed, altered or refinished in substantial compliance with Approved plans.

6. Enforcement.

If after Final Inspection the EC finds that such construction, reconstruction, alteration, or refinishing was not done in substantial compliance with approved plans, it shall notify the Owner of such noncompliance and shall require the Owner to remedy such non-compliance. If upon the expiration of sixty (60) days from the date of such notification the Owner shall have failed to remedy such non-compliance, the EC shall notify the Association of such failure, and the Association, at its option, withhold reimbursable fees, encumber the property with a lien that covers Association expenses and damages and/or deny access to existing amenities to the owner(s) and/or guest(s) of said property. The Association may remove the Structure or Improvement or remedy the non-compliance and require reimbursement for all expenses incurred in connection therewith as set forth in Article V of the Master Declaration.

7. Limitation of Environmental Committee Responsibilities.

The purpose of the Environmental Committee is to inspect plans and specifications submitted to it and to determine if those plans and specifications comply with the restrictions recorded against The Property. The EC only reviews plans and specifications to determine if a proposed Structure or Improvement conforms in appearance with the EC’s Policies and Procedures for development. The EC does not consider and assumes no responsibility for:

- a. The structural capacity and/or safety features of a proposed Structure or Improvement.
- b. Whether or not the location of the proposed Structure or Improvement on the building site is free from possible hazards from flooding, or from any other possible hazards whether caused by conditions occurring either upon or off of The Property.
- c. Soil erosion causing sliding conditions.
- d. Compliance with governmental laws, ordinances, and regulations.

NOTE: The above listed considerations are the responsibility of the Owner.

Article IV. DESIGN CRITERIA, PRINCIPLES AND STANDARDS

Section A. LOTS SUBJECT TO THE PROVISIONS OF THIS ARTICLE

All Lots brought within the scheme of the Master Declaration shall be subject to the provisions of this Article except as they may be superseded by the provisions of a Supplementary Declaration and except as the EC may grant Variances from the provisions of this Resolution.

Section B. SITE AND LANDSCAPE PRINCIPLES AND STANDARDS

1. General Lot Requirements

a. Yard Area and Structure Placement Regulations. Additions to Structures built by the Developer shall be as required by the Currituck County Zoning Ordinance. All other Structures shall be set back from street right-of-way and Lot Lines to comply with the following Yard requirements except as may otherwise be provided:

1) Front Yard. The minimum distance of the Front Yard shall be twenty (20) feet, or the distance required by the Currituck County Zoning Ordinance, whichever is greater.

2) Rear Yard. The minimum depth of the Rear Yard shall be the greater of 20% of lot depth or 25 feet.

3) Side Yards. The minimum distance from the building structure to side property lines shall be 10 feet or the distance required by the Currituck County Zoning Ordinance, whichever is greater.

b. Easements. No Structure, improvements or minor construction shall be permitted on any Lot drainage easement or utility easement.

c. Variances. The Environmental Committee may grant set back variances if it deems them necessary for aesthetic, privacy and safety reasons subject to the Currituck County Zoning Ordinances.

2. Land Use Restrictions. Each residential Lot shall be restricted as follows:

a. Front Yard. No structure shall be permitted in the Front Yard. All Improvements, including Street address identification and Landscaping may be permitted in the Front Yard provided that within fifteen (15) feet of the front Lot Line no Improvement or Landscaping shall exceed forty-eight (48) inches in height, except trees maintained with lower branches not nearer the existing grade than four (4) feet.

b. Rear Yard. No Structure shall be permitted in the Rear Yard setback. (Refer to f. of this section.)

(Amended January 15, 2006 by the VOH BOD)

c. Site Improvements and Landscaping. Site Improvement(s) and Landscaping may be permitted in any yard, subject to the front yard provisions, so long as they do not unnecessarily limit the vista opportunity of the surrounding Lots.

d. Temporary Structures. Temporary Structures of the construction industry which are incidental to the erection of Structures permitted on a Lot may be permitted on any yard area on the Lot, as approved by the EC, provided they are removed when construction work is completed.

e. All structures shall be within the buildable area of the property

f. All other construction, including pools, safety fences surrounding pools, driveways and pool houses shall not be located within the setbacks without a variance issued by the EC. Pool decks may extend into the rear setback by no more than 5 feet, but must be approved in writing by the EC. Proposals for fencing other than pool fencing must be submitted in writing to the EC, with written approval required by the EC.

3. Storm Water Management

All New Home or Major Addition request applications must include a Storm Water Management Plan submission, and must show storm water flow and dissipation including swale elevations. Storm Water Management Plans must be approved by the Environmental Committee before construction begins. (Amended July 29, 2007)

4. Lot Coverage

The EC policy for maximum lot coverage percentage is consistent with Currituck County zoning ordinance limitation effective as of 11/17/03. However, the EC will include all driveway and parking area surfaces as impervious surface along with other impervious surfaces in the calculation of maximum lot coverage.

5. Ocean Beach and Dune Area

The dunes, and beach to the east of the dunes, is a mix of individually owned property and community property extending to the mean high water line. The beach east of the mean high water line is owned by the state of North Carolina.

Approval from the Environmental Committee must be obtained before any work can be performed on the beach and/or the dunes for all community and individually owned property. This requirement for approval includes but is not limited to:

a. Hauling sand from out of the area and placement on the beach or dune Approval for hauling and placing sand to maintain the dunes may be provided subject to certain conditions to be determined on a project by project basis.

b. Construction of beach access stairs, platforms, walkways and any other structures

c. Sand-fence in accordance with Division of Coastal Management criteria

NOTE: Beach Scraping (pushing) is PROHIBITED

6. Landscape Guidelines. In addition to the landscape provisions set forth above, the following guidelines shall be observed:

a. The Owner is encouraged to develop a landscape plan which provides a unique but complimentary landscape for his residence while still achieving an efficient, maintainable design. The basic objectives of landscaping and re-vegetation are to preserve the land in its natural state insofar as possible, to enhance the new Structures and Improvements, strengthen vistas, to direct pedestrian and vehicular traffic and to screen visually objectionable elements, (such as service areas, storage yards, and utilities), from public view. Constructive Landscaping as an integral part of the project design is required by the EC and will be looked for in plan submittals.

b. The Landscape plan solution shall give reasonable consideration to the reduction of the visual height of Structures, and to the provision for erosion control. All proposed Landscaping should be an extension of the natural vegetation existing on the site. Landscaping of the exterior of the pool fence is mandatory to provide proper vegetative screening.

c. Tree and natural landscape removal shall be kept to an absolute minimum. All Ground areas disturbed during construction shall be replanted and stabilized at the earliest opportunity, or otherwise retained by a visually aesthetic material, to provide for erosion control.

d. The Owner shall pay for the cost of relocating any utility structure necessitated by any change created in the existing grade as a result of the Landscape plan.

7. General/Miscellaneous Guidelines – Except to the extent reasonably necessary for the construction, reconstruction or alteration of any Structure or Improvement for which the Owner has obtained Approved plans pursuant to this Resolution:

a. No Excavation or Fill which would alter the height of the lot for the sole purpose of obtaining a better view shall be created or installed upon any lot.

b. No change in the natural or existing drainage for surface waters shall be made upon any lot, unless in compliance with county requirements and deemed necessary to avoid adverse effects on neighboring properties

c. No living tree having a height of six (6) feet or more and having a trunk measuring twenty two (22) inches or more in circumference at ground level shall be destroyed or removed from any lot, without prior approval of the Environmental Committee.

d. No power, telephone or other utility line (wire or conduit) which would be visible from neighboring property shall be installed upon any lot.

e. No permanent docks or bulkheads will be permitted on Crystal Lake.

NOTE: In the event of any violation (clause a or b), the Association require the owner to restore such Lot to its state existing immediately prior to such violation. In regard to clause c above

Association may require the owner to replace any tree which has been improperly removed or destroyed, with either a similar tree in type and size or with such other tree as deemed appropriate. In regard to clause d above, Association shall require the Owner to remove all unauthorized power, telephone or other utility lines (wires or conduits). In regards to clause e. above the Association shall cause the owner to remove the permanent dock or bulkhead. The Owner of such Lot shall reimburse the Association for all expenses incurred by it in performing its obligations under this paragraph. If the owner does not comply with the Association's policies, the Association, at its option, may place a lien on such properties, deny access to amenities until the lien is paid, or pursue legal action to remedy the violations.

Section C. ARCHITECTURAL PRINCIPLES AND STANDARDS

1. Structure Design.

a. General Design Criteria. The Owner's home will become a part of a unique community, which springs from the idea and the hope that man can live in and with nature with a minimum of intrusive effect. Towards that end the basic planning of the Community is directed to the preservation of Common Utility Areas with the home sites designed to enhance overall space utility of the community. Open spaces for public enjoyment and visual relief, and open private spaces for Owner use are provided.

It follows that house planning and construction should point towards the creation of forms, colors and textures which produce a minimum of intrusive effect in the total landscape and which take the greatest advantage of natural land and growth patterns and forms. The ultimate goal is a residence which will exist in the landscape rather than on it and which will, under diminished light, appear to vanish into and become part of the landscape. Architectural silhouettes in relation to the adjacent home sites and rolling horizontal plane are encouraged so as to enable a vista for all residences.

Structures shall be designed to be attractive from all directions. The site design, Structure and landscaping should be developed to work as a unit, with the architectural theme carried throughout the project. The relationship of each residence to its neighbor's is extremely important and should be a prime consideration in the design process. Because the Community has been based upon the "planned environment" approach, the effort consistently has been to achieve good planning, good design and quality construction in each house building program. There is deep concern for the quality (not quantity) of the final result.

Stock house plans are discouraged. Developers seeking to build the same design with minor variations will be denied approval. The approval of a specific house design on one site does not imply that the same plan will be approved for another site; certain architectural styles may not be approved at the discretion of the EC. Owners may however appeal the EC decisions to the BOD.

Each structure shall be completely constructed on site. There shall be no modular structures, trailers, prefab construction or houses moved onto a VOH property from elsewhere.

b. Facade Design. The overall appearance of the facade should convey a look of traditional Outer Banks architecture.

c. Exterior Features

1) House or Structure Height Limit:

No home or structure shall exceed a height of thirty-five (35) feet as measured from the average grade of the foundation to the highest point of the roof, including all accessory portions attached to the roof excepting ornamental cupolas and weather vanes.

(Amended July 29, 2007)

2) Roof lines shall be a minimum 7/12 pitch. The Environmental Committee will encourage roof pitches to be in excess of 8/12 wherever possible and in the same design with buildings using roof with 8/12 as a "basic". Multifaceted roof lines are encouraged. Shed, dormers and porches may be accepted at a slope of less than 8/12 pitch but never less than 4/12 pitch.

3) All roofs must be of one of the following materials:

(a) Cedar shingles

(b) Galvanized metal of 18 gauge or heavier or painted aluminum standing seam with colors acceptable to the Environmental Committee

(c) Architectural grade composition shingle, 300 pound minimum

(d) Slate or a reproduction of slate

4) All chimneys will be enclosed with similar siding as house and tops must have a hood and cap with painted metal materials. Masonry fireplaces and chimneys are encouraged wherever and whenever possible. Where the first floor elevation of houses is less than 5 feet, the chimney shall run from the ground and be contiguous to it.

5) All building pilings must be masked and front elevations of all buildings screened with appropriate building materials to ground level, exclusive of under building parking entry.

6) Siding materials must be of the following materials:

(a) Cedar Shakes

(b) Dolly Varden lap siding with 5 inch maximum exposure

(c) Channel I rustic siding applied horizontally

(d) Hardi-plank or equivalent

Note: Vinyl, Aluminum, plastic and composite material siding are prohibited. Other sidings, NEC, may be considered by the EC but must be in accordance with the architectural integrity of the community

7) EC encourages painting/staining of deck and stair railings to match trim or siding colors.

8) Railings shall be of a traditional design. Railings shall be of a three or four rail type made from 2×4's with 2×6 caps or pickets 5 inches on center with a 2×6 top railing and 2×4 bottom rail or a similar design acceptable to the Environmental Committee.

9) The Environmental Committee encourages white finish on windows and sliders. Storm window colors must match window frames or wood trim color.

10) Intent of Environmental Committee is not to limit design creativity but encourage harmonious atmosphere for quality ocean side community and home designs compatible to overall neighborhood. All innovative designs will be considered.

d. Detached Storage Units

“Detached Storage Units” are prohibited.

e. Automobile Storage

1) Each Owner shall provide a covered area to shelter at least one car. The structure shall be enclosed to the extent that its contents are not overly visible from the street. The Environmental Committee encourages side entries, under first floor of home.

2) Temporary or permanent parking or storage of RV's, Camper's, Utility Trailers, Boats and Jet-Skis and their associated trailers are PROHIBITED on unimproved lots (vacant lots), and improved lots unless they are parked under the house or out of public view from the street or cul-de-sac. The Management Company may upon request from a property owner during the winter season, grant permission to park a boat and or trailer, or a utility trailer on the Tennis Court parking lot. Permission will be granted to a specific number based on available space. (Amended July 29, 2007)

3) Full-Time Residents of the Villages at Ocean Hill who own an RV that is stored off-site may park their RV at their home for up to three (3) days prior to departure and three (3) days upon return for travel preparation and unit maintenance. (Amended July 29, 2007)

f. Utility Equipment and Hardware Screening

All meter boxes and similar public utilities, heatpump units, propane tanks, pool pump systems and trash containers shall be architecturally screened using materials acceptable to the EC as a part of the Structure or yard improvements. All public utility wires or conduits shall be concealed.

g. Driveways & Parking Areas

- 1) Driveways from the street to the property will not be wider than twenty (20) feet.
- 2) Parking pads or parking areas must be located within the buildable area of the property and therefore are not permitted within the 20-foot front or 10-foot side setbacks unless a special variance is granted to the builder by the VOH Environmental Committee.

(Amended January 15, 2006 by the VOH BOD.)

- 3) The number of parking spaces shall be as required by County Codes.
 - (a) Two (2) parking spaces for a four (4) bedroom or less home.
 - (b) One (1) parking space for each bedroom for a home of five (5) or more bedrooms.
- 4) All residential driveways and parking areas on Sandcastle Drive shall be constructed of pervious open faced paving material as approved by the EC and Currituck County (e.g. eco-stone, classico, etc.)
- 5) Approvable materials for all other residential driveways and parking areas are:
 - (a) Natural color concrete
 - (b) Exposed aggregate concrete
 - (c) Bricks
 - (d) Pervious open faced paving materials as approved by the EC
 - (e) Earthtone or Brownstone Gravel of an approved size [#57 (3/4" to 1" dia.) or #67 (1" to 1 1/4" dia.) is recommended] may be utilized for parking areas provided it is contained and maintained free of weeds, properly installed utilizing a firm base and approved by the EC The specific size and color must be submitted for review.
- 6) Clay, sand and/or grass cannot be used for driveways or parking areas. Gravel cannot be used for the first 25 feet of drive off the street. The EC recommends the use of exposed aggregate if gravel parking areas are to be utilized.
- 7) Driving or operating an ATV on VOH streets is prohibited. Owners and guests planning to operate their ATV on the North Beach must have a County ATV Use Permit for driving or operating on the North Beach, and must trailer the ATV to north of the 4-wheel drive access ramp before unloading and operating. State and County regulations prohibit operating ATV's on NC-12.

(Amended January 15, 2006 by the VOH BOD)

h. Pools

1) The location of pools are subject to EC approval.

2) The pool complex (pool, deck, mechanical) is typically constructed to the rear of the home, within the left and right dimensions of the home, and shall not be in the side and rear set back area. Exceptions can be applied for, if the pool complex cannot be located within prescribed boundaries because of topography, etc. (A request to Install an excessively large pool in an excessive small rear yard does not constitute an exception).

3) All pool pumps, pool pump motors and noise producing pool heating units must be enclosed in a sound proof enclosure to reduce noise levels which may effect or present a nuisance to, neighboring homes and properties.

(Amended January 15, 2006 by the VOH BOD)

i. Pool Fence

1) The EC requires that all swimming pools be enclosed by a pool surround (fence or wall). Additionally:

(a) The fence shall be constructed to totally enclose the pool complex. The fence shall include a minimum of one 48" wide lockable gate located to allow efficient entry/exit.

(b) The fence should be constructed of the same materials as the house, to include siding materials (cedar shakes, lap siding, channel rust siding, hardi-plank) or other materials approved by the EC.

(c) The fence is to be painted or stained.

(d) Plastic fencing is discouraged under the advice of the Fire Marshall.

2) All pool fences must be approved by the EC.

j. Yard Fences

1) Fences Around Homes. The EC recommends that, in general, construction of such fences should be discouraged because:

(a) Fences hinder freedom of movement of large wildlife (deer, horses); create a possible hazard for wildlife, and channels wildlife to other properties without fences.

EXCEPTION: Homes whose property adjoins VOH common property walkways:

a) Fences are to be constructed in the rear yard of the home only; joined at the rear corners of the home, and placed along the rear and left/right side property line boundaries. A current Site Plan with the proposed fence location clearly marked and a refundable \$100.00 Security Deposit must be submitted to the Environmental Committee for approval prior to the fence's installation.

(b) Fences are to be pressure-treated, split rail construction (2 rails only); the height of “top of the top rail” must be between 28 and 36 inches from the ground, and the rails are to be in-line with split rail fences on adjacent properties (if any) that have been approved by the Environmental Committee.

(c) Fences are to remain in natural wood state and shall not to be painted, sealed or stained.

(d) A neutral transparent wire screen may be included for pet control.

(paragraph (a EXCEPTION:)Amended January-12-2012)

4) Should owners choose to construct fences, approval may be granted with the understanding that construction will comply with the following guidelines:

(a) Rear Fence

(i) Fences are to be constructed to the rear of the home only; to be joined at the rear corners of the house and shall not extend into the 25-foot setback without written approval from the EC.

(ii) Minimum fence height is three (3) feet and the maximum height is four (4) feet.

(iii) Adjacent property owners must be notified of a fencing request.

(iv) Fences are to be constructed of two types of materials: pressure treated wood and pine: pre-fabricated (nylon, Trex, fiberglass, etc.). A neutral color transparent wire screen may be included for pet control.

k. Crystal Lake Encroachment

1) Bulkheads are prohibited on Crystal Lake.

2) Permanent docks are prohibited on Crystal Lake.

2. Miscellaneous Architectural Regulations

a. Municipal Codes. All building construction, plumbing, electrical wiring and mechanical installations shall comply with the applicable building, plumbing, electrical and mechanical codes.

b. Mechanical Equipment. No mechanical equipment, such as HVAC shall be permitted to be exposed to public view nor located such that it is a nuisance to neighbors. Heat Pumps, Air Conditioning equipment, pool equipment and gas tanks must be screened from public view.

c. Site and Structure Drainage. No Owner shall cause additional drainage run off to be created on an adjacent Lot.

Section D. SIGNAGE ON LOTS AND IMPROVEMENTS

In accordance with Article VIII, Section 1(e) of the Master Declaration of Covenants and Restrictions, the following criteria shall apply to the use of signs on lots and the improvement constructed thereon:

1. "Construction Contractor" signs shall be no larger than three (3) feet high by two (2) feet wide and shall be no higher than four (4) feet above grade. Only one sign per lot is allowed and shall not be visible from NC-12. Construction signs must be removed prior to or simultaneous with the house receiving a certificate of occupancy.
2. Residential Home Identification signs displaying the name of the house are encouraged. Such signs shall not be greater than twelve (12) square feet in total area and must be attached to the house and must be approved by the Environmental Committee.
3. "For Sale" signs for homes or lots shall be no larger than six (6) inches high by twenty-four (24) inches wide and shall be no higher than two (2) feet above grade. Only one sign per lot shall be allowed and shall be placed at least five (5) feet from the street pavement.
4. Rental signs shall be no larger than twelve (12) inches high by twenty-four (24) inches wide and must be attached to the house itself and shall give appropriate rental information including the rental agency house number and the rental agency telephone number.
5. Open House banners and reasonable street signs advertising or announcing open houses will be acceptable on homes and such other location as may be approved by the Environmental Committee. No signs advertising lots or houses for sale shall be allowed on Ocean Trail. Two "Open House Flags" are permitted at a certain street intersections (other than Ocean Trail), but shall not be higher than six (6) feet. Flag banners and signs can be displayed only when a salesperson is actually on the premises where the open house is being held.

Section E. OUTSIDE LIGHTING and FLOOD LIGHTING

Good Neighbor Outdoor Lighting – If outdoor lighting is not well designed and properly installed, it can be costly, inefficient, glaring and harmful to the nighttime environment. Our primary concern should be safety, glare, light trespass and energy waste. Visit <http://www.darksky.org/> for guidance on effective efficient outdoor lighting fixtures and darksky information.

(Amended January 15, 2006 by the VOH BOD)

1. Flood and or Spot Light Plans must be provided with a New Home or Major Addition application, showing the light angle from the house to ground, and the use of automatic photo-electric "dawn-to-dusk" Flood and Spot light cutoff controls. Flood and Spot light plans must be approved by the Environmental Committee before construction begins. (Amended July 29, 2007)

2. Owners building a new home should insist on “dawn-to-daylight” and “motion” controls on all external lights. Not only are bright lights potentially annoying to the adjacent neighbors, they are costly and sometimes left on for days at a time.
3. The purpose of outside lighting should be for safety and security only, not for “enhancing” the view of the house.
4. All outside flood lights shall be pointed towards the ground and shall not shine directly into a neighbor’s home.
5. Full Cutoff Flat Lens Fixtures are required for any outside wide area lighting such as a street light.
6. Up-lighting of homes, windsocks, flags or fountains is prohibited.
7. The home owner’s goal should be to keep sky glare to a minimum in support of the beach and country’s “dark sky” concept.
8. Flood light elevation from vertical to the ground shall not be greater than 45 degrees. Deflective shields should also be used, specifically on higher lights to reduce glare and light trespass to neighboring property. (Amended January 15, 2006 by the VOH BOD)

Section F. MAINTENANCE

1. Property owners are responsible to keep their property well maintained and in compliance with the Environmental Policies. Deterioration of homes affects the value of all homes and the overall quality of the VOH appearance.
2. All exterior siding and trim should be re-stained or re-painted every three to five years, depending on need. With regards to paint please note the following:
 - a. Paint/stain colors acceptable for wood doors, shutters and trim (must be natural cedar or appropriate materials) shall blend or contrast with the siding colors, such as pastel shades for warm and cool grays.
 - b. Composition shingle colors must be complimentary to siding and trim colors.
 - c. EC encourages painting/staining of deck and stair railings to match trim or siding colors.
 - d. Pool fence is to be re-painted/re-stained every 3 to 5 years.
3. Maintenance/repair/restoration must be performed promptly for any wear or damage to any site improvement, including fences, siding, deck, landscaping etc.
4. Unimproved lots shall be stabilized immediately following any land disturbing activity to minimize sand drifting onto roadways and neighboring properties.

5. If an Owner is contacted by the Administrator with respect to required maintenance, the Association expects the owner to initiate repairs within thirty (30) days. Failure to do so will result in removing membership privileges and additional legal action.

Section G. VOH ANNUAL HOME INSPECTION

1.0 GENERAL

1.1 The purpose of the VOH (Villages at Ocean Hill) Annual Home Inspection is to facilitate a consistent standard of home maintenance throughout the entire VOH. The ultimate goal is to maintain high property values and high rental incomes for VOH homes.

1.2 The VOH Environmental Policies and Procedures Manual provides the following guidelines for home maintenance:

- (IV.F.2) “All exterior siding and trim should be re-stained or re-painted every three to five years, depending on need.”

- (IV.F.2.d) “Pool fence is to be re-painted/re-stained every 3-5 years.”

- (IV.F.3) “Maintenance/repair/restoration must be performed promptly for any wear or damage to any site improvement, including fences, siding, deck, landscaping, etc.”

- (IV.F.4) “Unimproved lots shall be stabilized immediately following any land disturbing activity to minimize sand drifting onto roadways and neighboring properties.”

- IV.F.5) “If an owner is contacted by the Administrator with respect to required maintenance, the Association expects the owner to initiate repairs within thirty (30) days. Failure to do so will result in removing membership privileges and additional legal action.”

1.3 The VOH Annual Home Inspection is defined in Section 2 below. The process will insure that a common standard of maintenance is applied and upheld throughout the entire VOH. The process will include a common format for assessing and prioritizing maintenance needs throughout the VOH.

1.4 The inspection process will identify which homes, when viewed from the roadway or common property, are most in need of maintenance each year. Home owners will be informed by the EC (VOH Environmental Committee) if their home requires maintenance to meet the common VOH standards.

1.5 Adherence to these rules for home maintenance is a requirement for all VOH home owners. Compliance with the EC recommendations from the VOH Annual Home Inspection is a requirement for all VOH home owners. The VOH BOD (Board of Directors) has the authority to take appropriate actions, such as removal of amenities, to enforce these recommendations for homes deemed to be not in compliance. Legal action is an option if friendlier methods fail.

2.0 THE PROCESS FOR THE INSPECTION AND FOLLOWUP

2.1 The VOH Environmental Committee is responsible for arranging and conducting the VOH Annual Home Inspection

2.2 Members of the EC, plus the VOH Management Company representative, plus any VOH BOD members available, will conduct the inspection, together as a group, all on the same day or days as needed for completing the entire inspection. This will help to insure that a consistent standard of maintenance assessments is applied across the entire VOH.

2.3 A formal Inspection Form shall be used by the Inspection Team to guide the inspection process for each home. One combined team assessment per home will be completed by the Inspection Team during each Annual Inspection. The completed inspection form will contain the combined consensus evaluation of required maintenance as agreed by the entire Inspection Team. The Inspection Team may also elect to take photos of identified maintenance deficiencies for further clarification to affected home owners.

2.4 The Inspection Form shall cover all physical areas of home inspection, as viewed from the roadway or common property, including but not limited to exterior paint, trim paint, roof, general structure, decking, pool and fencing, yard and grounds, etc.

2.5 The Inspection Form shall include assessment rating categories for each physical area of inspection. Typically, the noted deficiencies will be categorized as either requiring maintenance before the next summer season, or that the noted deficiency can wait another year for re-inspection and possible future action.

2.6 The Inspection Forms will be retained by the VOH Management Company to support any follow-up actions required to achieve compliance with EC recommendations. The inspection form from the previous year will be brought with the Inspection Team during the next year's inspection, and all items noted from the previous year's inspection will be reviewed by the team during their next inspection. If not completed, past deficiencies will again be noted on the inspection form for the current year.

2.7 At the completion of the VOH Annual Home Inspection, the Inspection Team will identify the homes in need of maintenance this year, based on the combined inspection results.

2.8 The EC shall summarize this list into a spreadsheet for follow-up action. The spreadsheet shall include the identification (Lot #, physical address, and contact information) for each house requiring follow-up action, a brief summary of the maintenance required, the name of the EC member assigned to follow-up on each house, and space for comments on the resolution process as it goes forward to finalization.

2.9 All EC correspondence (letter or email) regarding the identified homes shall be copied to all EC members, the Management Company representative, and the BOD contact to the EC. This shall continue throughout the resolution process until the maintenance is satisfactorily completed or until the home is deemed to be in non-compliance.

2.10 All EC correspondence (letter, email, or phone call) regarding the identified homes shall be summarized on the spreadsheet monthly.

2.11 The spreadsheet shall be updated at least once per month during the follow-up process with the affected home owners, and the spreadsheet shall then be copied at least monthly to the entire EC, the Management Company and the BOD contact to the EC.

2.12 At the time a home is deemed to be in non-compliance, the responsibility for further follow-up and communication with the non-compliant home owner shifts from the EC to the Management Company.

3.0 SCHEDULE FOR VOH ANNUAL HOME INSPECTION AND FOLLOWUP

3.1 The Annual VOH Home Inspection shall be conducted in September, after the completion of the primary rental season. The Inspection of all homes should be fully completed by the end September. The EC chairman is responsible for organizing and arranging the inspection.

3.2 By Oct 7, the compilation of data, summary, and identification of the homes requiring follow-up maintenance activities should be completed by the EC.

3.3 By Oct 15, the EC shall have developed a spreadsheet of the homes requiring follow-up action, and assigned EC members to enforce the recommendations for each home. At this time, the EC shall share this spreadsheet information with the Management Company and the BOD representative to the EC.

3.4 By Oct 31, the EC shall notify each home owner on the selected list regarding the identified maintenance deficiencies on their home and the EC recommendations to correct these deficiencies. Notification should be first by written notification or email with any pertinent photos attached, followed up by a phone to each identified home owner. The VOH Management Company shall handle the development and issuing of the actual letters, and sign them with the name of the EC committee person who has been assigned to each home for follow up communication.

3.5 For homes where maintenance needs are identified, but the actions can wait until next year, the Management company shall issue letters of advisement only, and the Management Company shall act as contact for follow up communications on these homes.

3.6 By Dec 15, the EC shall target to reach an agreement with each affected home owner on the course of action to correct the identified maintenance deficiencies on their home, and an agreed schedule for this action to be completed. The goal is to have the required maintenance work completed before the beginning of the following rental season (May 30 latest).

3.7 By Dec 31, the EC shall target to complete any discussions with homeowners on agreed follow-up actions. In instances where agreement cannot be reached, Dec 31 is the deadline for EC discussion with the affected homeowner. After Dec 31, home owners not in compliance or not having an agreement with the EC to reach compliance per an agreed schedule, shall be

referred to the VOH BOD as “non compliant” and subject to notification for enforcement by the VOH.

3.8 By Jan 15, notification letters shall be sent from the EC to non compliant home owners, informing them of loss of VOH amenities. All notification letters shall be reviewed and approved by the VOH BOD before sending. All such letters for removing amenities should be copied to the VOH Management Company and to the affected homeowner’s rental company where applicable.

3.9 The EC shall maintain the spreadsheet of identified homes, and continue to update the spreadsheet throughout the follow-up process through completion of the identified maintenance deficiencies. Monthly updates to the spreadsheet shall be prepared by the 15th of each month in time for review at the monthly VOH BOD meetings. All correspondence with affected home owners should be noted and updated on the spreadsheet.

3.10 By January 15, the VOH Management Company shall take over any follow-up responsibility for only those homes notified by the EC as “non compliant”. The VOH Management Company will work with the affected rental companies to assure that they are aware of any homes where amenities have been removed for non compliance with the VOH Annual Inspection process. At this time, the Management Company will take over the responsibility for updating the spreadsheet regarding any homes in “non-compliance”.

3.11 Special consideration may be given to homes that are in foreclosure or short sale.

(Amended December 8, 2009 by the VOH

Article V. VARIANCES

The Environmental Committee shall have the authority to grant variances from the provisions of this Resolution upon written appeal by the Owner.

Such appeal shall be based upon the fact that the EPP provisions would result in substantial hardship. The EC shall grant a variance if it determines that such relief is appropriate and the Owner makes those provisions necessary to accomplish the general intent and Spirit of this Resolution. The EC shall notify adjacent/contiguous proximate owners as nature of such a request. The Owners have thirty days to respond before final action is taken upon the request. If the EC rejects the appeal the Owner has a right to appeal to the Board of Directors.

Article VI. AMENDMENT AND VALIDITY

Section A. AMENDMENT

The Environmental Committee shall, from time to time, amend the provisions of this Resolution as deemed appropriate and in accordance with Section 4 Article VI of the Declaration of Covenants and Restrictions.

Amendments will be posted on the news page of the VOH WEB site
<http://www.vohatcorolla.com/> , and will be mailed to the membership periodically.

Section B. VALIDITY

If any section, clause, paragraph, provision or portion of this Resolution shall be held invalid or unconstitutional by any court of competent jurisdiction such holding shall not affect any other section clause, paragraph, provision or portion of this Resolution.

Environmental Committee, THE VILLAGES AT OCEAN HILL:

ATTEST _____

Chairperson(s) Environmental Committee

Environmental Committee Member

Environmental Committee Member

Environmental Committee Member

BOARD OF DIRECTORS'

Passed and approved this _____ day of _____ 2006

ATTEST .

President

ATTEST .

Secretary

EXHIBIT A

FEE SCHEDULE

Total Non-Refundable Refundable*

Submittal Review Fees Security Fee Deposits

New Home \$ 11,000 \$ 1,000 * \$ 10,000

Major Addition 2,600 600 * 2,000

Minor Addition/Remodeling 750 250 * 500

Pool Addition 750 250 * 500

Community Split Rail Fence 100 N/A * 100

Exterior Restoration (ER) 100 100 N/A

(ER required for re-painting & re-roofing with different colors)

All items in the fee schedule do require EC approval.

Re-painting with previously used and approved colors, and re-roofing with previously used and approved material and color does not require an EC approval application.

* Refundable provided construction/remodeling is in compliance with the VOH Covenants and Policies and provided that there has been no damage to VOH common properties caused by the construction activity. The EC will inspect the work and provide a written approval/disapproval as appropriate. It is the responsibility of the owner to notify the EC within thirty days of project completion and request a final inspection.

Additional fees may be charged for those projects that require more than one re-submittal. This is necessary to cover the added expense of multiple, complicated reviews of projects where the contractor and/or owner is negligent in following procedures or deliberately attempts to not comply with the Association's policies and procedures.

Hand Deliver & Discuss with Manger

North Beach Resort Management Inc.

Villages at Ocean Hill Fitness Center

1236 Lakeside Drive

Corolla, NC 27927

252-453-9604

dick.garvey@embarqmail.com

or

Mail to

North Beach Resort Management, Inc.

P.O. Box 134

Corolla, NC 27927

EXHIBIT B

VILLAGES AT OCEAN HILL COMMUNITY ASSOCIATION, INC.

ENVIRONMENTAL COMMITTEE

P.O. Box 134

Corolla NC 27927 Phone 252-453-9604

OWNER'S & BUILDER'S PLAN SUBMISSION

I. Date Plans Submitted: _____ Lot Number: _____

Street Address: _____

II. Owner: _____

Address: _____

Phone: (Home) _____ (Work) _____

III. Builder: _____

Address: _____

Phone: (Home) _____ (Work) _____

Fax: _____

IV. Job Site Foreman: _____

Phone: (Home) _____ (Work) _____

Fax: _____

V. Work to Begin: _____ Work to be Completed: _____

I hereby certify that the information given herewith and the attached plans, survey and color samples are a correct and accurate description of the construction planned on the above mentioned lot. I further certify that I have received and read the Environmental Committee's Policies and Procedures and will comply with them in the design and construction of this project.

Signature of Builder Signature of Owner

EXHIBIT C

THE VILLAGES AT OCEAN HILL COMMUNITY ASSOCIATION

ENVIRONMENTAL COMMITTEE

Request for Approval Form- Painting/Repainting & Roofing

Villages at Ocean Hill Lot # Street Address

Owner's Name

Home Address

City/State/Zip

Current Proposed

Environmental Control EC Policy Regarding Exterior Colors

Sensitive, subtle color selections of paints, stains and oils for the exterior body of the home are the only acceptable finishes. Each home or other permitted structure on a home site must be painted or stained with a color approved by the EC. Colors for all homes and other permitted structures, trim, railings, etc. shall be specified on this Environmental Review Form and submitted to the EC for review and, if satisfactory, approval. This form must be submitted when undertaking any original or restoration project on the dwelling's exterior in order to assure compliance and communication. All exterior siding and trim must be stained or painted.

Roof Material

Manufacturer's Name: _____ Color: _____

Material Description: _____ Weight: _____

NOTE: Six (6) color chips or manufacturer's samples of stains, paints, roof samples must be submitted for approval

EXHIBIT D

VILLAGES AT OCEAN HILL COMMUNITY ASSOCIATION, INC.

ENVIRONMENTAL COMMITTEE

PO Box 134

Corolla NC 27927 Phone 252-453-9604

REQUEST FOR RETURN OF DEPOSIT

Date: _____ Lot Number: _____

Villages Street Address: _____

Owner(s): _____

Address: _____

Phone: (Home) _____ (Work) _____

Builder/Contractor: _____

Address: _____

Phone: (Work) _____ Fax: _____

Work Completed: _____ Certificate of Occupancy Issued: _____

By the submittal of this document I hereby submit notice to the Environmental Committee that the construction or alteration of the exterior of the Structure or Improvement on the abovementioned lot is complete. At this time I am requesting that a Final Inspection of my property occur and my security deposit returned in full to the depositor. Attached to this form is an "as built" site plan depicted on a stamped survey that demonstrates compliance with the approved plans and the ECs policies to assist with inspection.

Signature of Owner/Depositor