

Pine Bay Homeowners Association

Builder/Contractor Criteria

Pursuant to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Pine Bay of 2013, as further amended (the “Amended Declaration”), the Architectural Review Committee of the Pine Bay Homeowners Association (the “ARC”) has jurisdiction over all construction in Pine Bay, with authority to approve or disapprove the plans for such construction in the community. Additionally, ARC has the authority to establish, and amend as appropriate, criteria that any builder or contractor (the “builder/contractor”) wishing to undertake construction work in Pine Bay must comply with (the “Builder/Contractor Criteria”). If any builder/contractor that desires to undertake construction work in Pine Bay does not meet such Builder/Contractor Criteria, then the ARC must deny permission for that builder/contractor to undertake such work.

Any builder/contractor that wishes to undertake work in Pine Bay must submit the following to ARC for its review before permission will be granted by ARC to a builder/contractor to undertake such work:

- 1. Current State of Delaware General Contractors/Business License**
- 2. Certificate of Insurance** – A copy of one or more Certificates of Insurance evidencing that the builder or contractor currently maintains the following coverages from an authorized insurance agent, representative or broker: General Liability (\$1million per occurrence/\$2 million in the aggregate), Automobile (owned, hired or non-owned at \$1 million), Workers Compensation/Employer’s Liability (\$100 thousand/\$100 thousand/\$500 thousand), Umbrella (\$1 million over General Liability, Auto and Employer’s Liability). The Certificates as appropriate must name the Pine Bay Homeowners Association as an “additional insured” under the General Liability, Automobile and Umbrella, and the Association should be provided with a waiver of subrogation under the General Liability, Automobile and Worker Compensation coverages.
- 3. Experience** – Evidence that the builder/contractor has a minimum of two years building similar style, type and quality homes in Sussex County, DE. The list of the names, addresses and contact information for owners of qualifying homes is required.

4. **Financial Stability** – A financial statement and certification by a reviewing organization verifying the builder/contractor financial stability and wherewithal to successfully complete the proposed project in a timely and workmanship manner.
5. **Commitment** – All builders/contractors, and its respective suppliers, sub-contractors and agents agree by entering Pine Bay to adhere to **Amended Declaration, and published Policies, Rules, and Regulations of the Pine Bay Homeowners Association.**

Note: A builder/contractor who has committed repeated and/or egregious violations of the Amended Declaration or the published Policies, Rules and Regulations of the Pine Bay Homeowners Association are deemed not to be in good standing and will be denied approval for additional work in Pine Bay.

6. **Approved Sub-contractors** – A list of sub-contractors and suppliers proposed to be used must be supplied to ARC for approval. Sub-contractors proposed by the builder/contractor can be rejected if not in good standing.

General Notes:

Repeat Builders/Contractors – Builders/Contractors who have successfully completed projects in Pine Bay can request ARC to waive the requirements for **Experience** and **Financial Stability**.

Conditional Nature of Approval - Approval to do work in Pine Bay is conditional and can be revoked if the builder/contractor fails to maintain compliance with the Builder/Contractor Criteria. The above submissions represent minimum requirements for being approved by ARC as a builder/contractor in Pine Bay, and do not restrict the right, nor the obligation, of the ARC to conduct additional inquiries and investigations on its own of the builder/contractor as a part of its approval process.