As used in this Part, the following definitions apply:

(1) Contiguous area. – Any area which, at the time annexation procedures are initiated, either abuts directly on the municipal boundary or is separated from the municipal boundary by a street or street right-of-way, a creek or river, the right-of-way of a railroad or other public service corporation, lands owned by the municipality or some other political subdivision, or lands owned by the State of North Carolina. A connecting corridor consisting solely of the length of a street or street right-of-way may not be used to establish contiguity.

(2) Eligible property owner. – A property owner who is eligible to be notified of the opportunity to have water lines and sewer lines and connections installed at no cost to the property owner. A property owner is eligible to be notified of the opportunity to have water lines and sewer lines and connections installed at no cost to the property owner if that property owner held a freehold interest in the real property to be annexed as of the date of the combined notice of public informational meeting and public hearing.

(3) Necessary land connection. – An area that does not exceed twenty-five percent (25%) of the total area to be annexed.

(4) Property owner. – Any person having a freehold interest in real property.

(5) Used for residential purposes. – Any lot or tract five acres or less in size on which is constructed a habitable dwelling unit. The term also includes any lot or tract that is used in common for social or recreational purposes by either owners of lots with habitable dwelling units or owners of lots intended for occupation by dwelling units and the lot owners have a real property interest in the commonly used property that attaches to or is appurtenant to the owners' lots. (2011-396, s. 9; 2012-11, s. 4.)