



NOTICE REGARDING COVENANTS AND/OR RESTRICTIONS

The following Covenants and/or Restrictions are added as a courtesy only and are NOT WARRANTED by the property owner, their broker or agent as to completeness, accuracy, currency, or enforceability. Any interested buyer prospect is urged as part of their due diligence to contact the relevant Community Association or developer to determine for themselves what covenants and/or restrictions currently apply, how long they may remain in force, and if any changes or amendments may be currently under consideration. Additionally, or alternatively, one may wish to consider hiring an attorney to conduct this search for them and provide advice as needed.

SUMMARY OF LUCKY 8 GOLDMINE

DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS

This summary is provided for sales information only and is not to be considered a legal document. The summary is provided of the recorded Declarations and Amendments to the Declarations of Covenants, Conditions and Restrictions for the Lucky 8 Goldmine property as recorded in Gilmer County, Georgia. A full set of the documents are available upon request and are included as an attachment to any Sales and Purchase Agreement. If there are any areas not understood or on which you are unclear, please feel free to ask questions or have reviewed by a professional.

The following is a summary of some of the major items contained within the Covenants, Conditions and Restrictions on the Lucky 8 Goldmine Property:

1. The minimum size home which shall be allowed on the property is 1,200 square feet of heated, living space excluding garage, decks or enclosed porch areas. This shall consist of no less than 800 square feet on the main living level and 400 square feet in the second story. The basement shall be considered only if it is a walk out type basement with finished bedrooms and bath area. Only that portion finished shall be considered as living area and will not be considered as main floor space. There is no maximum size dwelling except as to what the lot will accommodate within the setback lines;
2. Only one (1) residential dwelling and one outbuilding per lot, residential use only;
3. No lot may be subdivided;
4. Any detached or attached garage must be of the same construction as the main dwelling and may not exceed a three (3) car structure for a garage equal to a total of twenty (20%) of the heated living space of the main dwelling. If the garage is detached it shall serve as the storage building and no additional buildings shall be allowed;
5. All exterior buildings shall be of rustic design and material types;
6. No mobil homes, campers, manufactured houses or pre-fab buildings or storage buildings allowed;
7. No lot shall be subject to any type of vacation time-sharing, no rentals for periods of less than thirty (30) consecutive days at a time;
8. No camping of any nature shall be allowed on the property;
9. Any approved docks shall not exceed 120 square feet in size and shall not extend over any flowing water;
10. No dog or other animal pens or runs except of similar material as the main structure and must be attached to the main structure. Only domestic "pet" animals allowed on the property;
11. All utility lines shall be underground. Only approved septic systems allowed, no experimental or temporarily approved or other types shall be used, they shall not interfere with others water supply;
12. Setback requirements: from any flowing water (river or creek) 75 feet from high

water level, side-yard 30 feet from lot line, 50 feet from any back line or subdivision roads;

13. All wells or septic shall conform to subdivision and governmental regulations;
14. No trees, shrubs or other vegetation of any nature shall be cut or removed without the prior written consent of declarant or Board. No timber cutting, clear cutting, clearing within 25 foot of any flowing water or within any setback lines;
15. No commercial farming, timber operations, chicken sheds, junk yards, storage yards or commercial ventures. No excessive noise or other environmental pollution. No inoperable vehicles, campers or motorhome storage or parking in the open.
16. No commercial operations which would interfere with the enjoyment of the peace and quiet nature of the subdivision allowed. No "non-owner" access allowed to the entry gate or any common areas of the development;
17. Owners are responsible for the conduct of their invitee; relatives; children or pets;
18. No hunting allowed;
19. No construction shall commence on any lot until the plans have been approved by the declarant or Board, which shall be submitted at least 60 days in advance. This includes staking of the house site and road. No drives, wells, evacuation, clearing or other work shall commence until approval granted and once any work commences then the exterior of the home and lot shall be completed and reclaimed within 120 days. A fine of \$50 per day shall be assessed for not having this work completed as outlined. Owners shall be responsible for repairs of all damage to the main road and gate during any construction periods, including removal of trash on the road or lot.
20. An annual assessment as may be from time to time established by the declarant or Board as necessary for the proper operations of the Lucky 8 shall be paid on January 1st of each year. The initial rate established is \$200. Special assessments may be enacted by a vote of the majority of the owners and/or declarant for continued operations or emergency;
21. All owners shall become members of the Association when the completed phase of development of the property is turned over to the association. Declarant reserves right to add additional property to the association;
22. All lots shall have right to use the common areas, only one driveway per lot;
23. No wire or chain link fences and no fences to enclosed the boundary of a lot or area.

This is a summary only and is not intended to be a legal document. The complete document is available for review and should be understood before you enter into any agreement.

We have attempted to provided a reasonable set of Covenants, Conditions and Restrictions for the Lucky 8. Covenants which will allow for everyone's enjoyment, reasonable enforcement, as well as protect the value of your investment. Should you have any questions, feel free to contact me at 706-635-2756.

Susan Kirkpatrick
Declarant/Owner

GEORGIA, GILMER COUNTY
 Clerk's Office Superior Court
 Page for record this 10 day of Dec 1992 at 8:30 o'clock A.M.
 and Recorded in Book 343 Page 29
 this 10 day of Dec 1992

 Clerk Superior Court

DECLARATION
 OF
 COVENANTS, CONDITIONS AND RESTRICTIONS
 FOR
 LUCKY 8 GOLDMINE "SOUTH" PROPERTY

THIS DECLARATION, made this 23rd day of November, 1992, by
 SUSAN H. KIRKPATRICK, hereinafter called "the Declarant".

W I T N E S S E T H :

WHEREAS, Declarant is the owner and developer of real property hereinafter described, which real property is located in Land Lot No. 139 of the 6th District, 2nd Section of Gilmer County, Georgia, and which real property will have subdivided lots; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities of said real property; and, to this end, desires, to subject the real property described hereinbelow to the protective covenants, restrictions, easements, and conditions hereinafter set forth, each of which is and are for the benefit of said property and each property owner thereof;

NOW THEREFORE, Declarant hereby declares that the real property described hererinbelow is hereby subjected to this Declaration of Covenants, Conditions, and Restrictions, and is and shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the protective covenants, restrictions, easements, and conditions hereinafter set forth; and Declarant further declares that every grantee of any interest in such real property hereinafter described, by acceptance of a deed or other conveyance of such interest, whether or not it shall be so expressed in any such deed or other conveyance, whether or not such deed or other conveyance shall be by such person or whether or not such person shall otherwise consent in writing, shall take subject to this Declaration and to the terms and conditions hereof and shall be deemed to have assented to said terms and conditions.

The protective covenants, restrictions, easements, and conditions are as follows:

ARTICLE 1

DEFINITIONS

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Section 1. Definitions. The following words when used in this Declaration or any supplemental declaration shall have the following meaning:

(a) "Lucky 8 Goldmine South Property" shall mean and refer to that certain community being developed on real property now owned by Declarant in Gilmer County, Georgia, on the south side of the Cartecay River in Land Lot 139, 2nd Section from the footbridge crossing the Cartecay River upriver to the property line of said property, together with such additions thereto as may from time to time be designated by Declarant.

(b) "Common Property" shall refer to those common facilities in Lucky 8 Goldmine South Property, such as picnic areas, greenbelts, walkways, open spaces and roads, which are designated from time to time by Declarant for the common use and enjoyment of the residents of Lucky 8 Goldmine South Property.

(c) "Lot" shall mean and refer to any numbered plot of land comprising a single dwelling site designated on any plat of survey recorded in the deed records of Gilmer County, Georgia, now or hereafter made subject to this Declaration.

(d) "Property Owner" shall mean and refer to the record owner(s) of the fee simple title to any lot, excluding, however, Declarant and those persons or entities who have such interest merely as security for the performance of an obligation.

(e) "Declarant" shall be and is referred to as SUSAN H. KIRKPATRICK, her successors and assigns.

(f) "Lucky 8 Goldmine Subdivision" shall mean and refer to that certain community on the north side of the Cartecay river which property was formerly owned by the Declarant and has been developed into a 37 lot subdivision in two phases. All the property is located in Gilmer County, Georgia.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Hereby Subject to this Declaration. The lots which are, by the recording of this Declaration subjected to the covenants, restrictions, easements, assessments and liens hereinafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration are described on Exhibit "A" attached hereto and made a part hereof.

Section 2. Other Property. Declarant reserves the right to

subject other real property in the Lucky 8 Goldmine South Property to these covenants and restrictions without further assent or permit by filing for record a supplemental declaration in respect to the property to be then subject to this Declaration. Declarant reserves the right to exclude adjacent property from these covenants and restrictions without the intent to "land lock" the subject property being withheld as Declarant shall be granted egress and ingress along the roads of the Lucky 8 South for subject property.

ARTICLE III

COMMON PROPERTIES

Section 1. Ownership and Control. The ownership of all the common properties shall be exclusively in the Declarant and Declarant shall have complete and sole control and authority to manage the common properties, including, but not limited, to the right to formulate rules and regulations regarding the use thereof and to determine the persons entitled to use the same.

Section 2. Formation of Owners Association. In the sole discretion of the Declarant, she may elect to form a Owners Association to which all lot owners shall become members and shall be bound by the rules of said association. Declarant, may at that time pass certain or all rights for enforcement of these covenants, restrictions, and protections to the Association and officers thereof. The Association at that time shall become responsible for all items so delegated by the Declarant including but not limited to maintenance of the common areas, enforcement of the covenants, restrictions and protections and/or other items so delegated by Declarant. Declarant reserves the right to pass to the Association any or all common areas for the benefit of all owners. The Declarant may become a officer of the Association and shall have voting rights as governed by the By-Laws of the Owners Association. Said Association shall be properly formed under the laws of the State of Georgia as a non-profit corporation and Declarant shall be relieved of any liability in passing of any property or rights to the Association. Any properties so passed shall be accepted by the Association in an "as is" condition without the Declarant being required to provide additional upgrading or repairs to the said properties. Declarant shall provide good and marketable title to any properties so passed.

Section 3. Use and Enjoyment. The property owner, and his or her immediate family, of each lot now or hereafter subjected

to the assessments and liens for nonpayment thereof set forth in Article V hereof shall have the automatic privilege to use and enjoy the the common properties. This automatic privilege shall run with title to the lot.

Section 4. Suspension of Privilege. Declarant shall have the right to suspend the privilege to use and enjoy the common properties in respect to any lot for which any assessment is delinquent or is in violation of the covenants, restrictions, easements and conditions, whether the personal obligation to pay the same or preform is that of the present owner or a previous property owner.

ARTICLE IV

THE ASSOCIATION, MEMBERSHIP AND VOTING RIGHTS

Section 1. The Association. The Declarant reserves the right to form and establish the Association for the purpose of exercising powers of owning, constructing, maintaining, repairing, reconstructing, improving and administering the Common Properties and providing common services, administering and enforcing the covenants, conditions and restrictions contained herein, and levying, collecting and disbursing Assessments and charges herein created. Further, the Declarant reserves the right to convey to the Association and the Association shall thereupon be deemed to accept any and all of its rights and obligations set forth herein. The Association shall hold the Declarant harmless from any and all liability for any repairs, reconstruction, upgrading or renovations for any property so conveyed and shall accept said "as is" only requiring Declarant to provide good and marketable title to same.

The Association shall be authorized but not required to provide the following services, the cost of which shall be a Common Expense:

- (a) Clean-up, maintenance, landscaping and improvements of Common Properties, open spaces, conservation areas, creeks, bridges, trails, roads and common areas within the Subdivision or in a reasonable proximity to the Subdivision if their deterioration would affect the appearance of the Subdivision.
- (b) Insect and pest control to the extent that it is deemed necessary or desirable in the judgment of the Board of Directors.
- (c) To take any and all actions necessary to enforce all covenants and restrictions affecting the Subdivision and to

perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Subdivision.

(d) To set up and operate the Architectural Review Board as provided herein.

(e) To construct structures, improvements, site improvements, utility lines and facilities on open spaces and Common Properties.

(f) To provide administrative services including, but not limited to, legal, accounting and communication services informing members of activities, notice of meetings, referendums, etc., incidental to these listed services.

(g) To provide liability, officers and directors, property/casualty or other insurance covering improvements and activities on the open spaces and the Common Properties, independently or in collaboration with the Declarant.

(h) Maintenance of any drainage easements, improvements and/or facilities located within or adjacent to the Subdivision.

(i) Proper maintenance and establishment of erosion and flood control improvements.

(k) The design, construction, and maintenance of Subdivision signs, road signs and security gates at the entrance or other such locations as determined by the Board of Directors or the Declarant, together with such additional security measures as shall be deemed necessary by the Board.

(l) Establishment and implementation of a wildlife management plan for the Subdivision and the Common property

(m) To provide any and all other services deemed necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business.

Section 2. Rules and Regulations. The Association, by and through its Board of Directors, may adopt from time to time reasonable regulations governing the use of Common Properties and Lots within the Subdivision. All Owners, Members, family, guests and invitees and licensees shall be bound by such rules and regulations and shall comply therewith.

Section 3. Membership. Every Owner of a Lot, which is subject to this Declaration shall be a Member of the Association. Membership shall be appurtenant to and not be separated from ownership of any Lot which is the subject to assessments.

Section 4. Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A members shall be every Owner, with the exception of the Declarant, and shall be entitled to one

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vote for each Lot owned. However, upon expiration or surrender of its class B membership, Declarant shall become a Class A Member as to any Lots which it owns. If more than one person holds title to a Lot, all such persons shall be members and the one vote for such Lot shall be exercised as they determine, but in no event shall there be more than one vote cast for any one lot.

(b) Class B. Class B Member(s) shall be the Declarant, its successors and assigns. The Class B member shall be entitled to five (5) votes for each lot which it owns plus one vote per acre for the Additional Property it owns so long as Declarant has right to add the Additional Property. Class B membership shall cease and be converted to Class A membership upon the occurrence of the first of the following events:

- (1) when the Declarant executes and records in the Gilmer County Land Records an instrument surrendering its Class B membership; or
- (2) on December 31, 2012.

When a purchaser of a Lot or Lots takes title thereto from the Declarant, the purchaser becomes a Class A Member.

Section 5. Board of Directors. The Association shall be governed and the business affairs of the Association shall be managed by a Board of Directors as set forth in the By-Laws of the Association. Except to the extent otherwise required by the provisions of the Georgia Business Corporation Code relating to not for profit corporations, this Declaration, the By-Laws, or the Articles of Incorporation of the Association, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any consent or action on the part of the Owners.

Section 6. Referendum. Any action which may be taken at a duly called meeting of the Association may also be taken by referendum of the Members of the Association as evidenced by their written votes, approvals or consents. In the event fifty-five (55%) percent, or more, of the total votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon, will be deemed to have been authorized the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

Section 7. Deferral of Incorporation. Declarant may defer the Incorporation or activation of the Association until a reasonable number of Lots have been sold to others as determined by Declarant. Until the Association is incorporated, Declarant shall have all the rights, powers and functions of the Association. Declarant does not assume any of the obligations or liabilities of the Association.

Section 8. Merger. The Declarant or Association may merge upon proper notice and vote with the lot owners of the property across the Cartecay River to the north, referred to as the Lucky 8 Goldmine Subdivision. Acceptance and approval of the merger will incorporate these covenants, declarations and restrictions together with the By-Laws and/or the Articles of Incorporation of the Association. It is the intent of this section that there be only one Association, while at the same time it is recognized that there are different properties, developed at different times and with different covenants and restrictions. It is not the intent of this section to merge the overall development, but only to provide a vehicle for one overall governing body. If at anytime this section is deemed to have merged the overall development into one development then this section may become null and void at the option of the Declarant or the Board of Directors.

ARTICLE V

ASSESSMENTS AND EASEMENTS

Section 1. Creation of Lien and Personal Obligation for Assessments. Each lot now or hereafter subjected to this Declaration is subject to a lien and permanent charge in favor of Declarant for the annual Assessments as otherwise set forth in this document.

Section 2. Amount of Assessments. The annual assessments shall be established to provide adequate operating capital for the maintenance and improvements of the Common Properties and the general obligations of the Association or Declarant in performing these duties. The initial assessment for the calendar year 1993 and each year thereafter, unless otherwise increased by the Declarant or the Board of Directors, shall be \$200.00 per lot. The amount shall be payable to the Declarant until the Association is formed on the 1st day of January of each year in advance. The assessment shall be deemed to be

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"delinquent" if not received by the 30th day of January and subject to a \$25.00 late fee. If the assessment is not paid within 60 days of the due date it shall become a lien on the property and subject to additional legal, filing, late and foreclosure fees if applicable. The minimum additional fee shall be \$50.00 plus reasonable legal fees and collection fees. In no event shall the annual assessment increase by more than ten (10%) percent per year unless passed by majority vote of the members.

Section 3. Special Assessments. In the event expenses for normal and necessary maintenance of the roads, common property, security gates, insurance, bridge, walk trails or other Association Common Expenses exceed the amounts received under section 2 of this article, Declarant or the Association shall be entitled to subject each lot with its pro-rated share of any such actual expenses, except as noted in Section 4 of this Article.

Section 4. Exempt Property. Each lot which is now or hereafter made subject to this Declaration shall be exempt from the total assessments created herein while owned by Declarant; however, Declarant shall pay twenty-five (25%) percent of the annual or special assessments on any unsold platted lot. All common properties shall be exempt from the assessments created herein.

Section 5. Limitation of Members' Right of Use and Enjoyment. The rights of the members created herein to use and enjoy the common properties shall be subject to the restriction in this Declaration, including, but not limited to the following:

(a) The right of the Declarant, and of the Association, to dedicate, transfer or convey all or any part of the Common Properties with or without consideration, to any successor association, governmental body, county authority, or to provide easements to any utility company (public or private) provided that no such dedication, transfer or conveyance shall adversely affect the use of the Common Properties by the owners;

(b) The right of the Declarant, and the Association, to grant, reserve and accept easements and rights-of-ways through, under, and across the Common Properties for the installation, maintenance and inspection of lines, appurtenances for public or private water, sewer, drainage, electric, and other utility services, including a cable or community antenna television system; together, with the right of the Declarant to grant and reserve easements and rights-of-ways through, under, upon and across the common properties for the completion of the

subdivision, and for the operation and maintenance of the common properties;

(c) The right of the Declarant or the Association, as provided in the Association By-Laws, or by the covenants to suspend the enjoyment rights of any Owner for any periods during which Assessments remain unpaid or for any infraction of the rules and regulations, covenants or restrictions;

(d) The rights of the Declarant and the Association as the case may be, to establish rules and regulations for the Subdivision and to prescribe fees and charges from time to time for use of any amenities which may now or hereafter be constructed on the Common Properties.

Section 6. Easements for Declarant. During the period that Declarant owns any Common Properties or any Lots primarily for the purpose of sale or has the option to add the Additional Property to the Subdivision, Declarant shall have an alienable and transferable right and easement on, over, through, under and across the Common Properties for the purpose of constructing or improving Lot, any improvements to the Common Properties or the Additional Property and for installing, maintaining, repairing and replacing such other improvements to the Subdivision as Declarant desires, in its sole discretion, including without limitation any improvement or changes permitted and described in this Declaration, for the purpose of doing all things reasonable necessary and proper in connection therewith, provided that in no event shall Declarant have the obligation to do any of the foregoing.

Section 7. Easements. There is hereby reserved for the benefit of Declarant, the Association and their respective successors and assigns the power to grant and receive easements from public and private companies or utilities under and along the common roads and properties. These rights for easement are for the common use of the owners and lots and are not for the exclusive use of any one lot. Declarant reserves the right for easement under and along any common roads, trails, bridges or property for installation, maintenance, repair or modification of any utilities public or private including, but not limited, to cable TV, power, telephone, private water system or other similar items to serve the lots held for sale by the Declarant. By virtue of any such easement and facilities, it shall be expressly permissible for Declarant for the providing utility company or other supplier or services with respect to the portions of the subdivision and all installations located therein shall be underground. All work shall be good workmanship with quality materials with the contractor being responsible to reclaim any areas of the property disturbed in a timely fashion so as not to create any undue risk or liability.

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All work shall be completed timely and in no case incomplete for a period of over 30 days with open trenches.

Section 8. Right of Access. There is hereby reserved a general right and easement for the benefit of the Declarant or the officers of the Association to enter upon any lot in the specific performance of their respective duties. Such entry shall, whenever practicable, only be after notice is provided to the owner in writing or verbally requesting said owner to be present.

Section 9. Pedestrian Right-of-Way. The Declarant reserves the right to create and maintain a foot trail up to four (4) feet wide within the twenty-five (25') foot buffer area from the river bank. This trail may, with the requirement of maintenance, be maintained by Declarant or the Association. It shall be natural and shall not be graveled or improved except as to clearing and maintained for pedestrian foot traffic. This trail shall be natural in alignment and shall be maintained for minimal disturbance of vegetation. Only owners, guest and invitees are to utilize the trail and shall at all times respect the rights of the owners of the said lot.

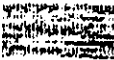
ARTICLE VI

ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

The following architectural, maintenance and use restrictions shall apply to each and every lot now or hereafter subjected to this Declaration.

Section 1. Architectural Review. All buildings, fences, walls, ornamental or other structure or improvements of any nature shall be approved in writing by the Declarant BEFORE any work shall commence. This includes, but is not limited, to road or driveway placement, landscaping, vegetation removal, tree removal, foundation, garages, docks, or any and all improvements to the lot. Once the approval is granted in writing said document shall be maintained in the records of the lot owner for future reference and there shall be no modifications, changes, alterations, substantial repairs or replacements without the express written approval of the Declarant or the Architectural Review Committee if one exists.

(a) Any owner planning to make any improvements to any lot must at a minimum provide, for approval, sixty (60) days prior to any work commencing the following:



- 1) exterior elevations of any building or structure
- (2) exterior colors, including roof, walls, rock, etc.
- (3) placement location of driveway, parking, footprint of any buildings, etc. These are to be flagged with corners located on the ground and walked with the Declarant or Review Committee prior to commencement of construction. All trees or vegetation to be removed shall be identified.
- (4) any exterior lighting shall be identified, no pole mounted security lights shall be allowed.
- (5) there shall be no fences allowed within 25 foot of the river bank or across any lot and no chain link fences. Any fence must have written approval prior to erection.
- (6) lot reclaiming plan
- (7) time to complete-no exterior work shall exceed 120 days from commencement of any work including reclaiming of the lot as may be required. Once completed no additional buildings or structures may be erected without prior written approval.
- (8) any gates, lot or owner identification signs, or driveway or entry structures or closures require prior written approval of drawings.
- (9) all items outlined herein, must be approved in writing prior to any work commencing. Declarant or the Board shall have thirty (30) days for review of all information after receipt of complete plans and specifications. No work shall commence until approval has been granted in writing.

Section 2. Minimum Requirements and Restrictions of Use and Building. The following shall establish the minimum acceptable standards for homes within the subdivision and the allowable uses and restriction for the use of Lots within the subdivision.

(a) There shall be allowed only one (1) main residence per lot with a minimum of 1,200 square feet of heated living area. There shall be a minimum of 800 square feet of heated living area on the main level. Garages and basements are not considered as heated living areas. Basements that are completely finished and are walk-out type may be considered, by the Architectural Committee in calculation of minimal square footage. The basement must contain finished living areas and a minimum of a finished 3/4 bath in the overall square footage requirements. Garages, even if finished in lower levels are not considered living area.

(b) There shall be only one detached storage building allowed per lot and it shall not exceed ten (10%) percent of the main floor living area, excluding the garage; it must be of the same construction as the main residence and not more than 30 feet from the main residence. When the garage is detached, then the storage building and garage shall be combined in one structure.

(c) There shall be only one garage allowed per lot and it

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shall be of the same construction and material as the main residence. The garage detached, or attached shall not exceed a three-car garage or twenty (20%) percent of the total heated living space. A detached garage, if utilized, shall serve as the storage building and no additional storage building shall be allowed.

(d) All exterior construction, design and finishes shall be rustic in nature. No brick, drivit or similar exterior material shall be allowed. No contemporary, modern or other non-rustic type home shall be constructed.

(e) All exterior decorations, landscaping, ornaments, gates, etc. shall be of rustic design and finish

(f) There shall be allowed not more than one and a half (1.5) parking spaces per bedroom. There shall be no campers, motor homes, motorcycles, motorized carts etc. parked or allowed in the open in the subdivision. No motorcycles, all terrain or tracked vehicles shall be driven on any subdivision roads.

(g) There shall be no tennis courts allowed on any lot

(h) There shall be no mobile homes, manufactured houses, package or pre-fab buildings or houses allowed. There shall be no metal, temporary or pre-fab storage buildings allowed.

(i) No lot shall be used for or subject to any type of Vacation Time Sharing Plan nor rental for periods of less than thirty (30) consecutive days at a time.

(j) No camping of any nature shall be allowed on any lot.

(k) Docks may not exceed one hundred-twenty (120') square feet in size and may not extend more than five (5') feet over the river. All docks must be built to governmental specifications. No docks are allowed to extend over any creek or spring.

(l) No lot owner shall dam or restrict the flow the river or of any spring or stream

(m) There shall be no dog runs or pens allowed, except a single run of similar construction as the main residence attached to the main residence only. The size shall not exceed 100 square feet.

(n) All utilities to any structure, lighting, landscaping, well, sub-structure, must be underground or not exposed.

(o) The setback requirements for the main residence or any sub-structure shall be or of any nature shall be: From the river or any flowing stream a minimum of seventy-five (75') feet from high water level (edge); a minimum of thirty (30') feet from any side line; a minimum of fifty (50') feet from the rear line and fifty (50') feet from the main road.

(p) All wells and septic must conform to applicable governmental requirement, and not interfere, terminate, or empty into any stream, river or flowing spring. Only fully approved septic tanks are allowed; no experimental temporary or emergency approved type of systems shall be allowed.

(q) No trees, shrubs or other vegetation of any nature shall be removed with the written approval of the Declarant or the Architectural Committee. No timber cutting or clear cutting of any lot is allowed. Maximum use of existing vegetation for screening is desired. No cutting or vegetation removal is allowed within the setbacks.

(r) No ham radio antennas, pole towers, tree mounted antennas or similar items shall be allowed. Satellite dishes shall be no larger than eight (8') in diameter and shall be of a black or brown color, mesh design and shall be screened with vegetation once installed.

(s) No commercial farming, timber operation, chicken sheds or pens, hog barns, junk yards, storage yards or ventures not compatible with the quiet enjoyment of the natural surroundings, including excessive noise or other environmental pollution shall be allowed. Any vehicle or other motorized items must be in a good state of repair and moved a minimum of once each month. No inoperable vehicles are allowed on any lot.

(t) There shall be no commercial or residential rental allowed within the subdivision. Only rentals of the single family residents shall be allowed so long as there is no more than one (1) rental per month. If rentals are desired they must first be cleared with the Board and the owner is responsible for any damages caused by the renter to any property within the subdivision. Owner shall also be responsible to inform and ensure compliance with all rules, covenants, regulations and restrictions by the renter. Owner shall also be responsible for any charges incurred in changing the codes at the entrance gates or other charges caused by reason of the use of the subdivision for rental purposes. Rentals within the subdivision are discouraged as a matter of common policy.

(u) Domestic pets must not create a nuisance. Owner assumes total responsibility for any damage caused by their pets. Only domestic pets may be kept on any lot. No farm animals or other exotic animals allowed.

(v) There shall be no hunting allowed on the property or any lot. Declarant or Board may remove pests from the property for the common good of the property.

Section 3. General Requirements and Restrictions.

(a) No lot shall be subdivided or reduced in size except by the Declarant. Lots may be replatted with the prior written permission of the Declarant and/or the Board of Directors only to increase the size of all the affected lots replatted. This provision shall be to increase the size of the adjacent lots or lots. Once this provision is enacted the adjacent lot owners or other owners within the subdivision shall not have the right to reduce the size of the replatted lot or lots once increased.

(b) Completion of Construction. Construction is deemed to

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have started when any trees or vegetation are removed (after written approval is granted by Declarant or Board) from a proposed road, driveway, septic or building site (except removal of dead brush or trees) or any grading or construction of any nature (no matter how minor) is commenced on any lot. Once construction has commenced the exterior of all houses and other structures must be completed within 120 working days from the commencement date, except where such completion is impossible due only to accommodate delay caused by natural causes. This includes the reclaiming of the lot and removal of downed brush or vegetation, as required by the construction approval granted or as deemed required after construction. During the continuance of construction the Owner shall require the contractor to maintain the lot in a reasonably clean and uncluttered condition. Upon completion of construction, the owner shall cause the contractor to immediately remove all equipment, tools and construction materials within 30 days, this period shall not exceed the total one hundred (120) day completion time. All driveways and shoulders must be seeded or hydroseeded to control erosion. Silt fences must be in place prior to any work being done on foundations, drives, or other grading. Nothing contained herein shall preclude homes from leaving interior portions unfinished.

Any owner failing to complete construction, once commenced, and not completed as outlined above, shall due to the unique nature of the community and the potential damages of an undetermined amount that will be caused by incomplete construction; shall be subject to a fifty (\$50.00) dollar per day fine until all work is completed as outline herein. This fine shall constitute a priority lien, superior to any mortgage, on the subject lot. Interest shall accrue at the rate of fifteen (15%) per cent per annum until paid. In addition if the Declarant or Board is forced to seek legal action against the lot owner for failure to pay or complete then said owner shall also be liable for all legal and collection cost in addition to the interest and principal.

The lot Owner of the lot under construction, shall be responsible for any repairs to the main roads during construction periods. This includes any grading, gravel or other work caused by construction traffic. If the Declarant or Association so notifies Owner or his contractor that the road requires repair, then it shall be repaired to Declarant's or Association's requirements within 10 days from date of notice or the Declarant or Association may have the work done and the Owner shall be responsible for payment of any costs. This section shall create a lien on the subject lot causing the damage, for payment of any cost due to damage during

construction. There shall also be a final cost to the Owner of the lot under construction of a minimum of \$350.00 for gravel and road repair or actual cost whichever is higher. Any bills for repairs shall be paid within thirty (30) days of billing.

(c) Repair Requirement. Each owner shall, at his sole cost and expense, repair his residence or other buildings keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

(d) Removal of dead trees and brush. Each lot owner shall be responsible to remove any dead or fallen trees or brush from their lot in a timely manner. Any trees that fall across or block a common road and are not promptly removed by the lot owner may be removed by any other owner, the Association, or the Declarant and the owner shall pay the cost of said removal.

(e) Any lot owner who shall remove any trees, vegetation, or natural growth from their lot without specific written approval from the Association or Declarant, shall be responsible for replanting the lot with similar size and types of material as may be approved by the Association and/or Declarant within 30 days of notification of such violation. If said owner does not complete the replanting timely within the time or extensions thereof (in writing) then the Association and/or Declarant may enter upon the lot with their contractor and complete the replanting and reclaiming of the lot. The lot owner shall be responsible for the full cost of the reclaiming and replanting and shall within 30 days pay the actual full cost. Unpaid bills for this work shall be considered a violation of the Covenants and Restrictions and shall constitute a lien on the property as specified.

(f) Each owner shall be responsible for the proper and timely disposal of their own trash and garbage in appropriate county disposal sites. There is no common garbage or trash pick up within the subdivision. All trash shall be properly bagged and stored at all times and shall not be left in open view.

(g) Each owner accepts and assumes, for themselves and all invitees, guest or persons authorized to use or be present on the lot, all the risks and hazards of ownership, use of the common areas, property and amenities. This includes but is not limited to the proximity to any bodies of water, use of trails, roads, bridges or common properties etc. Specifically, the Declarant does hereby declare and disclaim any and all liability for any property damage or personal injury resulting from erosion along the bank of any river or stream, use of the bridge, trails or roads located within or adjacent to to the subdivision.

(h) Mining and Drilling Prohibition. No oil, natural gas, refining, quarrying, or mining operations of any nature shall be permitted upon or in any lot. No derrick or other structure

designed for the use in boring for oil, water or natural gas shall be stored, erected, maintained or permitted in the subdivision except for the drilling of a water well on the lot.

(i) Traffic Regulations. Traffic regulation on all roads and streets within the subdivision may be enforced by any owner. The speed limit within the subdivision shall be 15 m.p.h.

(j) If a common water system is installed then each lot owner shall connect to the water system and easements are granted for the installation, maintenance, repair and replacement of same. There shall be a maintenance charge pro-rata for the use and maintenance of the system as well as an initial tap on fee. These charges shall be established by the Declarant or Board based on actual cost of said system and maintenance of same.

(k) Variances. The Declarant and/or Board of Directors shall be authorized to grant variances and/or easements encroachment agreements where the strict interpretation of this Declaration would create undue hardship or inconvenience for the Owner of any lot within the subdivision. Any variances must be in writing and shall be issued only for specific items to the applicant /owner and shall not change the Declarations for the remainder of the subdivision or shall be interpreted to constitute a modification of the Declarations.

(l) Lighting. No mercury vapor or high pressure or low pressure sodium lights which are situated upon poles or lamp post similar to street lights shall be permitted on any lot. All lighting shall be installed so as not to be reasonably objectionable from any other lot. If a dispute occurs then the Declarant or Board shall make the decision as to the proper installation or shading of the lights.

Section 3. Damage to or destruction of Lots and/or structures. In the event of damage or destruction by fire, flood or other casualty to any lot or buildings on any lots, such Owner shall, at his/their own expense promptly clear away the ruins and debris of any damaged improvements or vegetation and leave such lot in a clean, orderly, safe and sightly condition. Any reconstruction shall be in accordance with all applicable standards, restrictions and provisions of this declaration and applicable building or construction requirements. In no event shall the lot remain uncleared for over 30 days from date of loss.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Control by Declarant. Notwithstanding any other

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language or provision to the contrary in this Declaration, in the Articles of Incorporation or the by-laws of the Association, Declarant hereby retains for a period of ten years from recording of this Declaration, the right to appoint and remove any member or members of the Board of Directors of the Association and any officers or officers of the Association so long as Declarant retains its Class B membership as provided herein. Every grantee of any interest in the subdivision, by acceptance of a deed or merger or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association in accordance with the foregoing provisions.

Section 2. Enforcement. Declarant, the Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, easements, restrictions, liens, and charges now or hereafter imposed by the provisions of this Declaration. The rights of any owner to enforce, shall be limited to a temporary injunctive action, not to exceed 45 days in length, until the said infraction can be acted on by Declarant or the Association. It is the intent that wherever possible all enforcement shall be done by prompt arbitration between the parties prior to legal action being taken. Notice by hand delivery, U.S. Mail Certified/Return Receipt and Regular Mail is hereby established as proper notice.

Failure by Declarant or any other party to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. It is recognized that if an Owner violates this Declaration, a remedy at law would in many instances be inadequate. Therefore, this Declaration may be enforced by a mandatory or prohibitory injunction or other equitable relief. If the Declarant or the Association finds it necessary to enforce any provision of this Declaration against an Owner (other than the Declarant) by suit or other legal proceedings, and if the Declarant or the Association is the prevailing party in such litigation, then the Owner against whom this Declaration was enforced shall pay to the Declarant or the Association it's court costs and reasonable attorney fees.

Section 3. Severability. Invalidation of any one of these covenants, easements and restrictions by judgement or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 4. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property which

constitutes the Subdivision, and shall inure to the benefit of and be enforceable by the Declarant, the Association or any Owner for a period of thirty (30) years from the date of recording and thereafter shall automatically continue in effect for additional periods of ten (10) year periods each, unless prior to the expiration of the initial or a subsequent extension of the term of this Declaration, the Owners of no less than two-thirds (2/3) of the lots and the holder of any first Mortgage on such lots agree in writing to cancel this Declaration and record a written cancellation thereof.

Section 5. Amendments by Declarant. So long as Declarant retains its Class B membership, Declarant may amend this Declaration in any particular manner, by an instrument in writing filed and recorded in the Office of the Clerk of the Superior Court of Gilmer County with or without the approval of any Owner or Mortgagee. Each owner, by acceptance of a deed or other conveyance to a lot, agrees to be bound by such amendments. In addition to the foregoing amendment rights, the Declarant shall have the right to at any time to amend the covenants and restrictions to correct typographical or clerical errors and as may be required by any governmental authority, institutional or governmental lender, insurer or purchaser of Mortgage loans if said modifications are approved by the Declarant and do not materially affect the restrictions and covenants.

Section 6. Owners may amend this Declaration at anytime by an instrument signed by two-thirds (2/3) of the owners of the lots provided, however that so long as Declarant retains its Class B membership no such amendment shall be valid unless approved in writing by the Declarant. Proper notice in accordance with the By-Laws or appropriate legal statute must be given to all owners setting forth the proposed amendment, date of meeting, etc.

Section 7. Declarant herein shall not in any way or manner be liable or responsible for any violation of these restriction by any person other than itself/herself.

Section 8. No Dedication of Common Properties. The Common Properties consist of: facilities or amenities, roads, walk path, bridge over the Cartecay River, subdivision signs, electronic gates and similar property. Neither the recording of any subdivision plat or any other act of the Declarant or Association, with respect to the Property is, or is intended to be, or shall be construed as a dedication to the public of any said parks, common property or facilities. An easement for the use and enjoyment of all areas is reserved to the Declarant, its

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