



**SALACOA HIGHLANDS
HOMEOWNERS ASSOCIATION, INC.**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR SALACOA HIGHLANDS**

These are the covenants, conditions and restrictions and reservation of easements for Salacoa Highlands subdivision located in Pickens County, Georgia, U.S.A.

<< WARNING >>

**THIS IS AN UNOFFICIAL COPY OF THE SALACOA HIGHLANDS SUBDIVISION COVENANTS
AND IS INTENDED FOR INFORMATION AND REFERENCE PURPOSES ONLY.**

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While it is believed that this is a true and accurate facsimile of the contents of the original covenants, it is not certified nor guaranteed to be true and accurate. Always obtain an official copy of the covenants for any legal or other official use.

An official copy of the covenants for Salacoa Highlands sub-division may be obtained at:

**Pickens County Superior Court
52 North Main Street
Jasper, GA 30143**

Please direct all inquiries regarding this document to:

Salacoa Highlands Homeowners Association, Inc.
Administrative Services
Phone: 770-881-8009
Email: shadmin@carlyle-barton.com



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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS FOR
SALACOA HIGHLANDS

GEORGIA
PICKENS COUNTY.

This Declaration made and published this 3rd day of July, 1986 by McRae Interests, Inc. as owner of certain property located in Pickens County, Georgia, hereinafter referred to as “Developer”.

WITNESSETH THAT:

WHEREAS, Developer is the owner of certain property described in Exhibit “A” attached hereto and incorporated herein by reference; and

WHEREAS, these Restrictive Covenants shall apply (but not be limited to) to all of the lots shown on the plat of North Basin Subdivision (a Phase of Salacoa Highlands) made by Cecil Kelly, Surveyor, on October 31, 1986, being Lots 17 through 24, (Lot 25 being expressly excepted if so desired by Developer to add to Common Properties) and all of the lots shown on the plat of North Basin Subdivision made by Cecil Kelly, Surveyor, on October 10, 1986 (being Lots 1 through 16 and 26 through 29), reference to which plats are hereby made for a full and complete description of said property; these covenants specifically apply to the property shown on Exhibit “A”, but in no way expressly or implied apply to other property now owned or purchased in the future by Developer; however, Developer, his successors and assigns reserve the right to subject all of the property described in Exhibit “B”, or such other property as it deems appropriate, to these covenants and future property owners of property described in Exhibit “B” shall have all rights and benefits associated with the Salacoa Highlands Homeowners Association and its Common Properties.

WHEREAS, it is the interest, benefit and advantage of the Developer, as owner, and to each and every party who shall hereafter purchase any lot in said Subdivision that certain Restrictive Covenants governing and regulating the use and occupancy of the same be established, set forth, and declared to be Covenants running with the land;



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WHEREAS, Developer desires to provide for the preservation of the values and amenities and for the maintenance of common facilities, services and properties; and

WHEREAS, Developer deems it desirable, to carry out the purposes herein stated, to create an agency to which can be delegated and assigned the power and authority of maintaining and administering the provisions herein stated and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration and enforcement, as hereinafter created; and

WHEREAS, Developer has caused to be incorporated under the laws of the State of Georgia, a non-profit corporation, Salacoa Highlands Homeowners Association, Inc., hereinafter referred to as the "Association" which, as a beneficiary of this Declaration shall have the power and responsibility to administer and enforce the provisions of this Declaration and to collect and disburse the assessments and charges hereinafter created, and shall have the other powers and responsibilities set forth in the Association's Articles of Incorporation and By-Laws, as amended from time to time.

NOW, THEREFORE, for and in consideration of the premises and of the benefits to be derived by Developer, as owner, and each and every subsequent owner of the lots in said Subdivision, the said Developer, as owner, does hereby set up, establish, promulgate and declare the following covenants, restrictions, conditions, easements, agreements, charges and liens to apply to all of said lots above referred to, and to all persons owning any of the said lots, as follows:

ARTICLE I

Definitions

Section 1. The following words when used in this Declaration of any supplemental Declaration (unless the context shall prohibit or shall clearly indicate otherwise) shall have the following meanings:

(a) "Association" shall mean and refer to the Salacoa Highlands Homeowners Association, Inc., a Georgia non-profit corporation.

(b) "Properties" shall mean and refer to The Property and additions thereto as are subject to this Declaration or any supplemental declaration under the provisions hereof.

(c) "Common Properties" shall mean and refer to those tracts of land and any improvements thereon which are deeded or leased to the Association and designated in said deed or lease as "Common Properties" and intended by the Developer to be devoted to the common use and



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enjoyment of the owners of the properties.

The term "Common Properties" shall also include any personal property acquired by the Association if said property is designated as "Common Property". All Common Properties are to be devoted to or intended for the common use and enjoyment of the owners, their families, and to the extent permitted by the Board of Directors of the Association to guests of the owners, persons occupying residences of owners on a guest basis, all as subject to the fee schedules and operating rules adopted by the Association.

(d) "Lot" shall mean and refer to any plot of land and shown as a numbered parcel on any final plat of survey of the properties with the exception of Common Properties as heretofore defined.

(e) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot situated upon the Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to the foreclosure or a proceeding or deed in lieu of foreclosure.

(f) "Member" shall mean and refer to those persons who are members of the Association as provided in Article III hereof.

(g) "Family" shall mean (1) a group of natural persons related to each other by blood or legally related to each other by marriage or adoption, who maintain a lot or a residence on a lot or (2) a group of not more than three persons not all so related, who maintain a lot or a residence on a lot.

(h) "Improvements" shall mean all structures and appurtenances thereto of every type and kind, including but not limited to buildings, out buildings, walkways, garages, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, hedges, windbreaks, plantings, planted trees and shrubs, poles, signs, and exterior air conditioning equipment.

(i) "Developer" shall mean and refer to McRae Interests, Inc., a Georgia Corporation, together with those successors in title thereto who come to stand in the same relation to Salacoa Highlands as its predecessor did, provided that such successor in title is designated in writing by its predecessor as a successor or successor in title to the rights of such predecessor hereunder. "Developer" shall also mean and refer to any party which acquires ownership of Salacoa Highlands, or a portion thereof, pursuant to foreclosure of a deed to secure debt or other security instrument encumbering Developer's interest herein, or by a voluntary conveyance in lieu of foreclosure;



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provided, however, that the foreclosed deed to secure debt or other security instrument, or the deed to secure debt or security instrument giving rise to the voluntary conveyance in lieu of foreclosure, assigned, granted or conveyed to the grantee or lender thereunder, the powers of Developer under the Declaration.

ARTICLE II

Membership and Voting Rights in the Association

Section 1. Membership. Every person or entity who is a record owner of a fee simple estate, or a life estate, in any lot which is subject to this Declaration becomes, by reason of such ownership, a voting member of the Association and is thereby subject to these Declarations, the Charter and By-Laws of Salacoa Highlands Homeowners Association, Inc. and any other rules and regulations promulgated in the future by said Homeowners Association, included, but not limited to, liens for annual assessments. Any person or entity who holds such property interest in a lot as security for the performance of an obligation shall not be a member. There shall be not more than a single membership for each lot and the owners of any jointly owned lot shall determine how such membership is listed. The Developer is now and shall be member of and shall hold one voting membership in the Association for each lot owned by the Developer during such time as each lot is owned by the Developer.

Section 2. Membership Classes. The Association shall have the following classes of membership.

Class A. Class A members shall be all those lot owners as defined in Section 1 other than the Developer. Class A members shall be entitled to one membership and one vote for each lot in which they hold the ownership interest described in Section 1. When more than one person holds such interest or interests in any lot, the corresponding membership in the Association and the vote for such membership shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any single lot.

Class B. Class B members shall be the Developer. The Class B members shall be entitled to the same number of votes as are cumulatively held by all Class A members plus one, or the number of votes equal to the total number of lots plus one within the Properties owned from time to time by Developer, whichever is greater. Developer's Class B membership shall cease only at



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such time as the Developer either (1) becomes the owner of less than thirty percent (30%) of the property described in Exhibit "B", (2) becomes the owner of less than thirty percent (30%) of the total number of lots developed or planned to be developed by Developer or (3) at Developer's discretion, it reserves the right to abolish Class B membership when it owns less than fifty percent (50%) of the number of developed lots or the total acreage described in Exhibit "B". When Class B membership ceases to exist, the Developer shall then and thereupon without any further act required of Developer become a Class A member of the Association with one such membership and one vote for each lot then owned by the Developer.

Section 3: Meeting of the Membership. All matters concerning meetings of the members of the Association, including the time within which notice of any meetings shall be given to members and the voting quorum required for the transaction of business at any of said meetings, shall be as specified in the Articles or By-Laws of the Association, as amended from time to time, and by law.

ARTICLE III

Property Rights in the Common Properties

Section 1. Members' Easements. Subject to the provisions fo Section 3, every member of the Association in good standing shall have an easement of use and enjoyment in and to the Common Properties which shall be pertinent to and co-extensive with membership in the Association. Such easement rights shall extend to the family of each individual member and to the officers, directors, employees or shareholders of any corporate member as defined and regulated by the Board of Directors of the Association. Upon termination of membership in the Association, all easement rights appurtenant thereto shall terminate as to such member.

Section 2. Common Properties. Developer shall construct at its cost and expense upon portions of Salacoa Highlands such Common Properties which Developer in its sole judgement deems necessary or appropriate to the benefit, enjoyment and enhancement of the Properties, Salacoa Highlands, the Association and its members. The Association shall be responsible for maintenance and operation of the Common Properties once their construction and development have been completed by Developer. Developer covenants that if the expenses of maintaining and operation the Common Properties exceed the sums received by the Association through collection of membership fees, assessments, facility use charges, or other sources through the period ending December 31, 1988, then Developer shall advance to or for the benefit of the Association funds to



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cover such operating fund deficit. Developer covenants for itself and its successors and assigns that ownership of any Common Properties developed by Developer will be conveyed to the Association in a completed state free and clear of all liens and encumbrances on or before January 1, 1992. A transfer of ownership of any part of the Common Properties to the Association earlier than January 1, 1992 may be deferred if in Developers opinion the Association's financial resources are insufficient to satisfactorily operate and maintain the Common Properties. During any period that Developer retains ownership of the Common Properties, the Association and all its members shall have the easement rights in the Common Properties as provided for in this Article. Notwithstanding the fact ownership of any Common Properties may have been conveyed by Developer to the Association, Developer reserves an easement over all such Common Properties for purposes of maintenance and repair which easement shall terminate at such time as Developer no longer owns any of Salacoa Highlands, as described in Exhibit "B". If the Association fails to maintain the Common Properties in a manner which Developer deems appropriate, then pursuant to such reserved easement Developer may enter upon the Common Properties and provide such maintenance and repair. The Developer shall be entitled to receive from the Association a credit equal to all sums thereafter (after maintenance problems become apparent to Developer) expended by the Developer, or its predecessors, successors, or assigns for the cost of construction, repair, maintenance or improvement of the Common Properties. The Developer shall also be entitled to receive from the Association a credit equal to all sums thereafter expended by Developer or its predecessors, successors or assigns, for or on behalf of or contributed to the Association in payment of the costs of operation of the Common Properties.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

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

(b) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties; and

(c) The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, or determination



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as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast a majority of the votes of each class of membership has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every member at least 30 days in advance of any action taken; and

(d) The right of the Association, as provided in its Articles and By-Laws to publish and enact reasonable rules governing the use of the Common Properties.

(e) The right of the Developer so long as it owns any of Salacoa Highlands to maintain and repair the Common Properties in a manner which it deems appropriate if in Developer's judgement the Association has failed to provide satisfactory maintenance and repair.

ARTICLE IV

ASSESSMENT POWER OF ASSOCIATION

Section 1. Creation of the Assessment Obligation. Each member of the Association by acceptance of membership in the Association shall be deemed to covenant and agree to all the terms and provisions of this Declaration and to agree to pay to the Association:

(1) Any initial membership assessment or initiation fee, which is equal to the first annual assessment or a pro-rata portion thereof;

(2) Annual assessments or charges; and

(3) Special assessments or charges for the purposes set forth in Section 4 of this Article IV, such assessments to be fixed, established and collected from time to time as hereinafter provided.

Such initial, annual and special assessments together with such interest thereon and costs of collection therefore as hereinafter provided, shall be the obligation of the person or persons in whose name the membership is established at the time when the assessments first become due and payable, and the Association shall have the right to file a lien against the lot(s) and any improvements thereon for the purpose of securing payment of said obligation, and in such instance shall further have all rights of a lien holder as provided by law. Where a membership is established jointly in more than one individual name, each individual shall be jointly and severally liable for the entire amount of the assessments.

Should the Association be required to employ an attorney to collect any assessments, it



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shall be entitled to collect in addition thereto all costs of collection including reasonable attorneys fees.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used generally for the purpose of promoting the recreation, health, safety and welfare of the membership and their enjoyment and use of the Common Properties and in particular for the acquisition, improvement, maintenance and operation of the Common Properties and to pay for the services which the Association is authorized to provide including, but not limited to, the payment of taxes and insurance thereon, construction of improvements, repairs, replacement, and additions to Common Properties, payment of the cost of labor, equipment, material, management and supervision necessary to carry out its authorized functions.

Section 3. Maximum Annual Assessment. Until January 1, 1990, the maximum annual assessment for a regular membership shall be \$100.00 per year.

(a) From and after 1990, the maximum annual assessment may be increased each year by the Board of Directors not more than 10% above the maximum assessment for the previous year without a vote of the membership.

(b) Provided, however, the maximum annual assessment may be increased above the 10% by the assent of a majority of the votes cast at a duly called meeting of the Association for this purpose.

Section 4. Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by Section 3 Article IV, the Association may levy special assessments, for the purpose or defraying, in whole or in part, the cost of any construction or reconstruction, unexpected maintenance or repair and replacement of Common Properties and capital improvements thereof, and to repay any loan or advance made to the Association whether by the Developer, or other parties, to enable it to perform the duties and functions authorized herein, provided that any such assessment shall have the assent of a majority of the votes cast at a duly called meeting of the Association. Such special assessments, in any one year, may not exceed a sum equal to the amount of the maximum annual assessments for two years except for emergency and other repairs required as a result of storm, fire, natural disaster or other casualty loss.

Section 5. Date of Commencement and Due Date of Annual Assessments. The annual assessment shall be fixed on a calendar year basis, provided, however, that liability for payment of



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the initial annual assessment shall not commence until closing and shall be prorated for the remainder of the initial calendar year of membership for any member who is admitted subsequent to the first day of the calendar year. Developer and Jerry North Realty, or other real estate agency as may be employed by Developer (hereafter "his agency") will each pay a total amount equal to one (1) annual assessment per year for as long as Developer owns lots and employs a real estate agency to sell lots and/or houses. This will entitle Developer and his agency and their guests full use of the Common Properties. Developer expressly will not be liable for payment of an annual assessment for each lot he now owns, or continues to own in the future, either as a Class A or a Class B member of the Association, since there will not be use of the Common Properties associated with unsold lots, provided, however, that if Developer and/or his agency builds houses for use by a third party or parties, then Developer and/or his agency shall pay an annual assessment for each lot so used. The Association may provide for monthly, quarterly, or semi-annual payment due dates for the annual assessment in lieu of an annual payment date, provided the members are given thirty days prior notice of any change. Payment of the assessment shall be delinquent 30 days after any due date or billing date. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment..

Section 4 (sic). Duties of the Board of Directors. The Board of Directors of the Association shall have such powers and duties as are prescribed in the Association's Articles and By-Laws, as amended from time to time, and by law, which shall include the following duties: to establish annual operating budgets for the Association; to project income and expenses and based thereon to fix the amount and due date of all special, annual or other periodically payable assessments; to cause written notice of every assessment to be sent to the members subject thereto at least 10 days prior to the due date thereof; upon demand at any time to cause to be furnished to any person legitimately interested a statement in writing signed by the President, the Treasurer, or other appropriate officer of the Association setting forth the amount of any unpaid assessments with respect to the lot(s) which is the subject of the statement have been paid, as the case may be. As between the Association and any such person who relies on any such statement so furnished, such statements shall be conclusive evidence against the Association of all facts and figures therein stated to be true and accurate.



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ARTICLE V

PROTECTIVE COVENANTS

(1) Said Covenants, conditions and restrictions shall be Covenants running with the land for a period of thirty (30) years from July 3, 1986.

(2) Each lot shall be restricted to single family use only and no commercial business, enterprise, or home retail business (such as beauty parlors, antique shops, etc.) shall be operated or conducted thereon.

(3) No dwelling shall be built or constructed on any lot in said Subdivision nearer than seventy-five (75) feet (fifty (50) feet for lots adjoining lake) from the right of way of the street which said dwelling faces, nor nearer than twenty-five (25) feet from any side street line or lot line, nor closer than twenty-five (25) feet from the rear lot line, nor closer than fifty (50) feet from a lake. If, because of unusual topography or the peculiar shape of any lot in said subdivision and particularly in the case of corner lots, it becomes impracticable to conform to the above set back lines, the Developer reserves the right to alter the set back lines on such particular lot. If a larger setback shows on the final plat of a given lot, then that setback shall take precedence.

(4) No further subdivision of a lot is allowed after said lot is sold by Developer (unless expressly approved by Developer for lots larger than six (6.0) acres), and only one dwelling shall be placed on each lot, or one on each subsequent lot if it is allowed to be divided. Developer expressly reserves the right to subdivide or combine lots prior to their sale.

(5) A corrugated metal or concrete pipe shall be installed under all driveways in such a manner as to insure that neither the driveway nor the pipe shall impede the flow of water through the ditch along the county road fronting the lot.

(6) No residence shall be constructed on any lot having less than the following square footage of heated floor space, exclusive of garages, porches and terraces:

- (a) For a single story residence, twelve hundred (1200) square feet;
- (b) For a "story and a half" residence, fourteen hundred (1400) square feet.
- (c) For a two-story residence, sixteen hundred (1600) square feet.

(Developer may elect to approve smaller residences than the above with a greater than normal setback from the road also being required.)

All plans for housing (including a site plan showing proposed house, driveway, outbuilding and other structure's location and location of well, septic system and any other proposed clearing or



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disturbance shall be submitted prior to any construction to the Developer for approval (see Architectural Control Guidelines herein). No work shall commence without said approval. Developer is particularly concerned about the appearance of front elevations and type and color of siding on all houses, so as to insure that residences complement the natural setting of Salacoa Highlands.

(7) No mobile home, living trailer, modular home or pre-fabricated home of any nature (except log homes) shall be permitted on any of the lots of said Subdivision.

(8) No dwelling shall be erected or placed on any lot in said Subdivision without complying with all of the Specifications and Regulations of one of the following:

(a) "CABO One & Two Family Dwelling Code", 1986, published by the Council of American Building Officials;

(b) Basic/National Building Code, BOCAI, Country Club Hills, Illinois;

(c) Standard Building Code, SBCC, Birmingham, Alabama or

(d) Uniform Building Code, ICBO, Whittier, California.

(9) Easements for installation and maintenance of utilities and drainage facilities are reserved as shown n the recorded plat; or as hereafter reserved on any future recorded plat of the Subdivision or later development. In addition, a ten (10) foot wide drainage easement is reserved down side lot lines as needed by Developer in the future.

(10) No chickens or other fowl or livestock (except horses) shall be raised, kept or otherwise maintained on any lot. A maximum of one (1) horse per two-and-one-half (2.5) acres of land is allowed, provided, however, that no more than three (3) horses shall be allowed on any tract in Salacoa Highlands. No horses shall be allowed on any lot fronting a lake. All horses and associated structures (barns, stables, wood fences, etc.) shall be kept behind the residence; and within setbacks stated in Paragraph (3) above. Horses must be fenced at least fifty (50) feet from all property lines. Plans for clearing and grassing any proposed pasture must be approved beforehand by Developer to insure a minimal impact, both visually and otherwise, on passersby on the road right-of-way and on neighboring tracts. No animals may cause noxious odors, damage to a stream course, nuisance or hazard, nor cause noise to disturb the comfort and serenity of neighbors. No animals shall be raised for commercial use, including, but not limited to, selling for profit.

(11) All sewerage and/or domestic water drainage shall drain into a sanitary system approved by the State Health Authorities, or other regulatory authorities. This approval must be obtained before home construction is begun; Developer specifically assumes no liability for a home



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constructed without prior approval of an installed septic system.

(12) No lot owner shall allow any unsightly garbage, trash, debris, dirt, wood, construction materials, or household waste on any lot, but shall sack, box or otherwise dispose of the same in a safe and sanitary manner. In the event that any owner of any property in the Subdivision shall fail or refuse to keep such premises free from refuse or garbage piles or other unsightly objects, then the Developer or the designated official of Pickens County, may enter upon such lands and remove the same at the expense of the owner, and such entry shall not be deemed a trespass, and in the event of such removal a lien shall arise and be created in favor of the Developer of Salacoa Highlands, and against such lot for the full amount chargeable to such lot, and such amount shall be due and payable within thirty (30) days after the owner is billed therefore.

(13) No lot owner shall allow junk cars or abandoned cars, boats, trailer, campers or trucks to be or remain on any lot. Each owner shall keep his or her lot and the structure thereon in good order and repair including but not limited to the seeding, watering and mowing of rear lawns, the pruning and cutting of all trees and shrubbery, and the painting (or such appropriate external care) of the structure all in a manner and with such frequency as is consistent with good property management.

(14) All recreational vehicles, boats, travel trailer, or similar such vehicles must be parked at the rear of any dwelling house and out of view from any nearby residences. No chain link fences, posts, rock fences, rock posts, or other fencing shall be constructed in the front of any dwelling house, unless approved in writing by Developer. All such proposed fencing must be to the rear of the dwelling unless otherwise approved by Developer.

(15) When any lot owner shall commence construction of a dwelling, the outside of said dwelling shall and will be finished within six (6) months after the date construction is first started. The inside finish shall be completed within twelve (12) months after construction is first started.

(16) no obnoxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(17) No garage shall be constructed except as an integral part of the residence it is intended to serve, unless it is of similar design and construction as the residence (unless otherwise approved) and no garage shall open facing a street on the front of the house so it may be readily viewed from the front street, unless it is equipped with garage doors and approved beforehand in writing by Developer.



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(18) No shed, tool storage area, workshop, garage, outbuilding for storage of yard implements, clothes lines or drying yards shall be placed upon the property unless concealed by hedges, lattice work or screening (which screening may be the residence itself) acceptable to the Developer or his designated official.

(19) No concrete blocks shall be left exposed on any home, building, or on any area of the property.

(20) No trucks or commercial vehicles shall be stored or parked on any lot except while engaged in transporting to or from a residence in the Subdivision.

(21) The elevation of a lot shall not be changed so as to materially affect the surface elevation or grade or drainage of the surrounding lots. No rocks, gravel or clay shall be excavated or removed from any property except in connection with building the dwelling on said lot and/or landscaping same. Placement of wells shall typically be at a higher elevation than the residence, and shall not be placed so as to interfere with the installation of septic lines on any adjoining lot. See well-setback lines on subdivision plat, particularly on lake lots.

(22) No signs or other advertising shall be displayed on any lot except for the purpose of the sale of the lot unless first approved in writing by the Developer or his designated official.

(23) Any conveyance of property is made subject to taxes and other assessments, if any, levied or assessed against the property in the year in which it is conveyed, subject to all restrictions and limitations imposed by governmental authorities and these covenants.

(24) All claims for damages, if any, arising out of the construction, maintenance and repair of utilities or on account of temporary or other inconvenience caused by the Developer, or any utility company or municipality, or any of its agents or servants are hereby waived by the owners of such lots. Lot owners hereby covenant and agree to allow Developer a ninety (90) day period after road construction is completed or notice of siltation or other problems is given in writing to Developer to alleviate any siltation caused by road construction or other development activity before notification of action is commenced by owner with any governmental, county, or other similar official. This shall allow Developer the opportunity to eliminate such construction problems as might arise during the course of development.

(25) The Developer does hereby reserve the right to change, lay out a new, or discontinue any street, avenue or way shown on the plan of development not necessary for ingress or egress to and from an owner's premises, subject to the approval of proper governmental authorities, if



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required.

(26) Should the owner fail, neglect, or refuse to satisfy and discharge any lien arising hereunder or to cure any violation of these covenants after written notice thereof, within thirty days; the Developer, its successors and assigns, shall have the right to interest on such liens at a rate of twelve percent (12%) per annum and shall be entitled to receive all costs of collection, litigation or other such claim including a reasonable attorney's fees.

(27) For the purpose of further insuring the development of land so platted as an area of high standards within Salacoa Highlands, the Developer reserves the power to review all plans and specifications of any proposed dwelling upon the property to insure that it complies with the terms and provisions of these Restrictive Covenants. Further, by acceptance of title to this property, an owner covenants and agrees that no building, wall, fence, or other structure shall be placed upon any lot unless and until the plans and specifications for the construction of any improvements on a lot have been submitted for review and approval in writing by the Developer, or his designated official. Also, removal of any trees around a residence requires the approval of the Developer. Large hardwoods of 4" diameter and larger are specifically not to be cut without permission. No front or side yard or yard adjoining the lake is to be clearcut, or materially changed from its natural condition. In reserving the right of the Developer in this manner, the Developer does not assume any risk nor responsibility for the construction or design of any particular improvements on the property, but simply the right of approval or rejection of the plans and specifications based upon any ground, including purely aesthetic grounds which, in the sole and uncontrolled discretion of the Developer shall seem sufficient. No material alteration to the exterior appearance of the buildings or structures shall be made without like approval. The Developer shall not be liable in damages to any lot owner, property owner, or user of said subdivision because of the provisions in this paragraph or any other paragraph wherein the Developer has some discretion concerning a particular provision.

(28) All homes must be landscaped within one month (30 days) of completion of the dwelling house. There are to be no vegetable gardens planted in any front yards.

(29) The Developer reserves the right to change, alter or amend drainage structures or drainage easements on property lines, or access the rear of any lot, as may be necessary, at Developer's expense to drain or remove water from any lot. Developer is expressly NOT liable for water or drainage problems on any lot caused by the actions of another lot owner.



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(30) This Declaration can be amended at any time provided that the majority of the votes cast at a duly called meeting of the Association vote in favor of the proposed amendment. In addition to the other rights of the Developer as set forth herein, the Developer may unilaterally amend this Declaration for a period of 18 months from the date hereof, to amend these general covenants and restrictions by supplemental declarations thereto and which supplemental declarations shall bind all the properties; provided, however, that such supplemental declarations to these general covenants and restrictions shall not bind without the consent of the owners thereto, any portions of the Properties which have been previously sold by the Developer and a deed evidencing such sale has been recorded in the official real estate records of Pickens County, Georgia.

(31) Developer may allow reasonable variances and adjustments of the above and foregoing conditions and restrictions set forth in this Article V in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein; provided, however, that such is done in conformity to the intent and purposes hereof; and, provided, also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood. Variances and adjustments of height, size and setback requirements may be granted hereunder. Developer may also determine and allow in the respective classifications of lots, additional uses which are of the same character. In the event there shall be governmental regulations which conflict with or prevent works of construction or improvements in the manner as required by the within regulations, these circumstances shall be deemed to constitute practical difficulties justifying allowances of variances and adjustments of said regulations in order to prevent unnecessary hardship, provided, however, that in every instance the variance or adjustment shall not be materially detrimental or injurious to property or improvements in the the neighborhood.

(32) For any violation or breach of any of these restrictions and reservations by any person, firm or corporation claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Developer, and the lot owners, or any of them severally, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach of any of them. In addition to the foregoing right, the Developer shall have the right, whenever there shall have been dumped or left on any lot any trash, garbage, or unsightly construction materials which are in violation of these restrictions, to enter upon the property where



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such violation of these reservations and restrictions exist and summarily abate or remove the same at the expense of the owner, and any such entry and abatement or removal shall not be deemed as trespass. The failure to promptly enforce any of the reservations and restrictions shall not bar their enforcement. The invalidation of any one or more of these reservations and restrictions by any Court of competent jurisdiction shall in no way affect any of the other reservations and restrictions, but they shall remain in full force and effect.

(33) The Architectural Control Guidelines below are made a part hereof by inclusion. The Architectural Control Committee shall consist of Alan McRae and Nancy Knight, officers of McRae Interests, Inc., until such time as architectural control is turned over to officers and/or Directors of Salacoa Highlands Homeowners Association, Inc. at the discretion of McRae Interests, Inc. If such event occurs, then said Homeowners Association shall have full power and authority to administer and enforce these guidelines and covenants.

(34) Any notice required to be sent to any member or owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice is thereby given, when mailed with the proper postage affixed to the last known address of the person who appears as member or owner on the records of the Association at the time of such mailing. It shall be the obligation of every member to notify the Secretary of the Association in writing of any change of address.

(35) The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration of Covenants and Restrictions and construe and interpret its provisions, and its good faith, determination, construction or interpretation shall be final and binding. In all cases, the provisions of this general declaration of covenants and restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements for Salacoa Highlands.

ARTICLE VI

ARCHITECTURAL CONTROL GUIDELINES FOR SALACOA HIGHLANDS

Section 1. Purpose. These guidelines have been established by McRae Interests, Inc. in order to create and maintain a community of high esteem and visual harmony. Homeowners and builders are urged to study these guidelines, as well as the full set of covenants (which include these guidelines) which are a part of the Deed to their home. The guidelines listed here are based



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on the general intent of the Declaration of Covenants for Salacoa Highlands but are not to be construed as a complete representation of these covenants. Any potential buyer concerned with having a particular house plan approved should get approval of said plans prior to closing a lot. All planned elevations and siding material in particular should conform closely to existing homes within Salacoa Highlands. All single story residences will be required to incorporate offsets in the front wall, and breaks in the roof lines, in order to “break up” a simple ranch design.

Section 2. Plan Approval Procedure. The approval process begins by submitting to the Architectural Control Committee two sets of the following items in acceptable form. One set will be retained by the Architectural Control Committee and the other set when approved will be returned to the builder/owner. Submission must be made in advance of any grading activity.

1. Architectural plans, showing the floor plan(s) and front, side and rear elevations. All proposed changes must be clearly marked. All elevations must show the approximate finished grade lines derived from the actual topography of the lot. Garages shall be side-entry unless approved otherwise.

2. Exterior finish schedule, indicating roofing material, siding, stone and all other exterior materials, finishes and textures. These may be noted on the architectural plans and elevations.

3. Site plan, showing the location of the house, driveways, walks, retaining walls, and other structures, all clearly indicated in their appropriate location and to scale. Indicate areas to be landscaped and areas to be left natural. Disturbance of the natural vegetation in the area around the residence should be kept to an absolute minimum, and grass will not be allowed as a ground cover in a front or side yard only within twenty-five (25) feet of the residence, thereby leaving a minimum of fifty (50) feet from the road right-of-way undisturbed.

Important Note: No cutting of trees, clearing, ditching, storing of materials, construction or other work shall begin on any lot until the owner has received a copy of the approved plans and approval form, and the lot has been closed.

4. Exterior color schedule, indicating roofing colors, brick and mortar selection, paint and stain colors. This must be submitted to the Architectural Control Committee for approval prior to “drying in”. The committee may require samples of the above selections to be furnished by the builder/owner. The Architectural Control Committee is available to consult on exterior color selection at no expense to the builder/owner.

5. The builder of the residence must be approved by the Architectural Control Committee.



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Section 3. Architectural Guidelines.

1. All roofing materials shall be hand split wood shakes, wood shingles or corrugated tin or aluminum which has been color impregnated at the factory. Asphalt shingles in black blend or slate gray and standard, galvanized tin roofing may be approved as exceptions, particularly on lots of higher elevation than the road. Roof pitches shall be no less than 8:12 unless approved otherwise.

2. Siding materials shall be either wood (logs, board and batten, lap or similar construction), or stone, with any 4X8 "sheet siding" not being allowed. Other siding materials will be approved only if they approximate natural materials (e.g. masonite) or will blend in well on a particular site.

3. Any house plan that does not conform well with Developer's intent may require a greater than normal setback, particularly for lots fronting Henderson Mountain Road.

4. All stone and mortar selections must be approved by the Architectural Control Committee. Samples may be required.

5. All exposed concrete block or poured concrete foundations and retaining walls must be covered with stone, brick, siding or wood to compliment the house.

6. All metal windows, doors, louvers, and window screens must be anodized bronze or factory finished in dark colors.

7. All sheet metal work (roof caps, flashings, vents, chimney caps) on the front of the residence must be painted to match the roof. Gutters and downspouts must be painted approved colors, unless otherwise approved. Place all roof stacks and plumbing vents on rear slopes of roofs.

8. No exterior satellite dishes will be allowed on any house or lot unless approved by the Architectural Control Committee.

9. The location and design of all solar heat collectors must be approved by the Architectural Control Committee.

10. All exterior lighting must be approved by the Architectural Control Committee.

11. All proposed redecoration, additions, and alterations must be submitted to the Architectural Control Committee for approval, and written approval given before work is begun.

12. Docks constructed on a lake must likewise be approved; they must be constructed of treated unpainted lumber, not exceed 20 feet in length, nor 5 feet in height (no roofs allowed) nor 200 feet in total square footage. Docks may either be floating (floating devices must not be visible) or stationary.



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Section 4. Landscaping Guidelines

1. No tree over 4" in diameter at breast height (and no dogwood tree or redbud tree over 2" in diameter) shall be removed without the prior written consent of the Architectural Control Committee.

2. Landscaping should relate to the existing terrain and natural features of the lot., utilizing plant materials native to the southeastern United States. It is recommended that front and side yards be treated naturally. Rear yards may be seeded. Landscaping must be completed no later than 30 days after the exterior of the residence is completed.

3. The owner/builder shall be responsible for any damage to streets, utility and drainage improvements resulting from work done by himself, subcontractors or his suppliers.

4. The builder shall comply with State of Georgia ordinances relating to erosion and siltation control and shall take preventive measures necessary to control run-off from said lot to adjacent lots or street rights-of-way, and especially into streams or other watercourses.

5. The owner/builder shall confine any and all construction, construction material, and debris to his lot. Clearing debris (e.g. stumps, trees and trash) shall not be dumped on any lot or area in the subdivision, unless specifically approved by the Developer. The owner must maintain the lot and house in an attractive manner until house is finished.

6. All driveways, parking areas, and walkways must be gravelled with a minimum of 2 inches of gravel, constructed of wood or stone, or be paved with asphalt or concrete. Walkways may also be left in a natural state.

7. All fencing must be approved by the Architectural Control Committee regarding location, design, and materials. All fencing at the front of a lot shall be solely of wood. Welded wire mesh may be used behind split rail fencing, other than at the front of a lot; however, no chain link fencing will be allowed. The hapazard placing of stones or wood or logs in the front of a lot, or around its perimeter, where visible from a road right-of-way, will not be allowed. Horses should be fenced with either wood or welded wire fence (using wood posts only which are designed for fencing) with a single strand of barbed wire at the top.

8. All mailbox posts must be constructed of wood or stone to conform to the exterior of the residence.

9. All garbage and trash containers must be placed underground or in enclosed areas of the rear or side yard and must not be visible from any street.



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10. All outdoor clothes-drying activity must not be visible from any street.

11. All air conditioning compressor units visible from the street shall be screened by approved fencing or planting of a density and height to effectively hide the unit.

12. All tennis courts, swimming pools, hot tubs, and spas must be approved by the Architectural Control Committee.

13. Any decorative appurtenances such as sculptures, bird baths, bird houses, fountains, gazebos, or other decorative embellishments which are visible from any street must be approved by the Architectural Control Committee.

14. All real estate or other signs must be approved by the Architectural Control Committee.

15. No trucks, vans, trailers, boats, or any vehicle other than passenger cars will be permitted to park on streets or on driveways longer than a twelve (12) hour period. Permanent and semi-permanent storage of such items and vehicles must be screened from street view (and the view of adjoining lots if such creates an eyesore for neighbors), either within the garage or behind a fence approved by the Architectural Control Committee.

IMPORTANT NOTE: The Developer reserves the right to change alter, and add to the above guidelines from time to time at his discretion.

The purpose and intent of the Developer in requiring submission and approval of plans is to achieve harmony and aesthetic coordination of the Development, and to secure compliance with recorded restrictions and covenants. The contents of these guidelines, and any actions of the Developer or his agents, are not intended to be, and should not be construed to be, an approval of the adequacy, reasonableness, safety, or fitness for intended use, of submitted plans, materials or construction.

These restrictions shall be construed as covenants running with the land for the mutual benefit of all lot owners in said tract and shall have such force and effect as allowed by the Laws of Georgia, and any violation of these restrictions may be abated or corrected by any lot owners, by an injunction or other legal of equitable means.



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IN WITNESS WHEREOF, the said McRae Interests, Inc., as owners, has caused its duly authorized officers to execute this instrument the day and year first above written.

BY: Alan McRae, President

Signed, sealed and delivered in
the presence of

[Signature]

Witness

Nancy Knight

Notary Public

Notary Public, Cobb County, Georgia
My Commission Expires Sept. 12, 1989

FEATURES AND AMENITIES

- An exciting new development of large wooded tracts
- 1500-2000 ft. elevation with excellent panoramic views
- 15 acre lake for fishing, canoeing, picnics, etc.
- Mountain creeks, abundant wildlife
- Protective covenants to assure upscale living
- Suitable for permanent, second, or retirement home
- 50 minutes from Cumberland/Galleria area.
- Easy access from I-575/New Hwy. 5 (8 miles), 10 miles from the Tate House

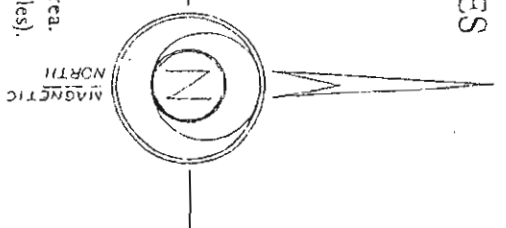


EXHIBIT "A"

THE PURPOSE AND INTENT OF THE DEVELOPER IS PROVIDING THESE BUILDING LINES TO ACHIEVE HARMONY AND AESTHETIC COORDINATION OF SELLING UNITS. THE DEVELOPER TO PROMOTE AND MAINTAIN THE VALUE AND ATTRACTIVENESS OF THIS PROPERTY, EVERY EFFORT WILL BE MADE TO ADMINISTER THESE BUILDING LINES IN A REASONABLE AND CONSISTENT MANNER AND YOUR COMPLIANCE WILL BE APPRECIATED.

EXTERIOR APPEARANCE
THE DEVELOPER MUST APPROVE ALL HOUSE PLANS FOR DESIGN AND COLOR OF SIDING BEFORE CONSTRUCTION BEGINS. EXHAUSTERS WILL BE ON STEEL AND COLORS THAT BLEND IN WITH THE NATURAL SURROUNDINGS. EXTERIOR MATERIALS MUST EITHER BE WOOD, BRICK OR STONE, WITH NO BRICK COLORED ALLOWED.

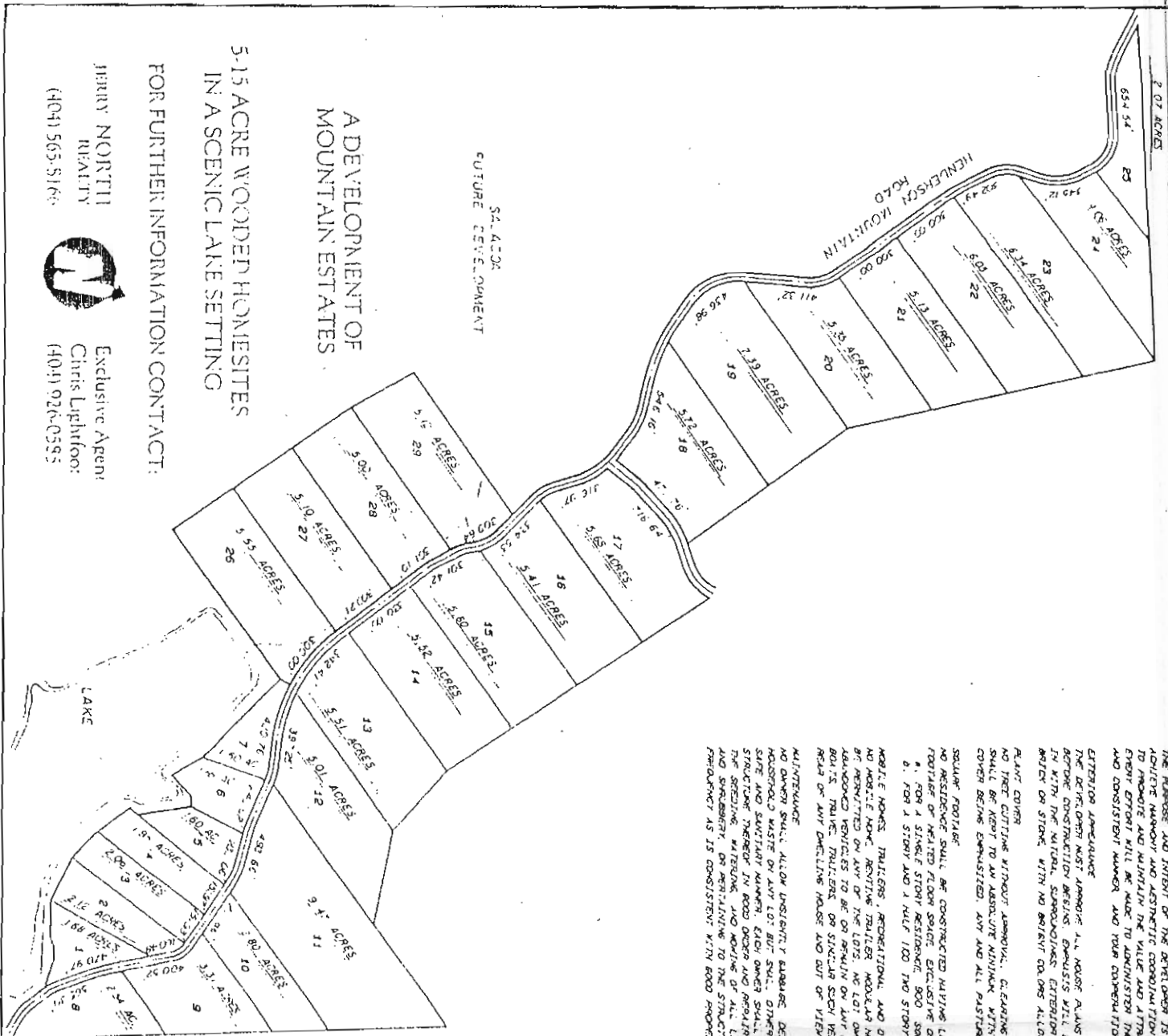
PLANT COVER
NO TREE CUTTING WITHOUT APPROVAL. CLEARING AND PASTURING AROUND HOUSE SITE SHALL BE KEPT TO AN ABSOLUTE MINIMUM WITH NATURAL UNDERGROWTH AND GRASS COVER BEING EMPHASIZED. ANY AND ALL PASTURE TO BE IN AREA OF HOUSE.

SQUARE FOOTAGE
NO RESIDENCE SHALL BE CONSTRUCTED HAVING LESS THAN THE FOLLOWING SQUARE FOOTAGE OF HEATED FLOOR SPACE, EXCLUDING GARAGES, PORCHES AND TERRACES:
1. FOR A SINGLE STORY RESIDENCE, 800 SQUARE FEET
2. FOR A 1 STORY AND 1/2 STORY RESIDENCE, 1000 SQUARE FEET

MOBILE HOMES, TRAILERS, RECREATIONAL, AND OTHER VEHICLES
NO MOBILE HOME, RECREATION TRAILER, MODULAR HOME OR RECREATIONAL HOME SHALL BE PERMITTED ON ANY OF THE LOTS. NO LOT OWNER SHALL PERMIT OR ALLOW ANY RECREATIONAL VEHICLES TO BE OR REMAIN ON ANY LOT. ALL RECREATIONAL VEHICLES, BOATS, TRAILERS, OR STRUCTURE SUCH VEHICLES MUST BE PLACED IN THE AREA OF ANY DWELLING HOUSE AND OUT OF VIEW FROM ANY NEARBY RESIDENCE.

MAINTENANCE
NO OWNER SHALL ALLOW UNDESIRABLE SUBSTANCE, DEBRIS, CONSTRUCTION MATERIAL, OR HOUSEHOLD WASTE ON ANY LOT BUT SHALL, OTHERWISE DISPOSE OF THE SAME IN A SAFE AND SANITARY MANNER. EACH OWNER SHALL KEEP HIS OR HER LOT AND THE STRUCTURE THEREON IN GOOD ORDER AND REPAIR INCLUDING BUT NOT LIMITED TO THE SEEDING, WATERING, AND MAINTENANCE OF ALL LAWNS, THE PRUNING OF ALL TREES AND SHRUBBERY, OR MAINTAINING TO THE STRUCTURE ALL IN A CLEAN AND WITH PROMINENCY AS IS CONSISTENT WITH GOOD PROMPTLY MAINTENANCE.

- NOTES:**
- A. NO WELL SHALL BE LOCATED CLOSER THAN 50' TO A SIDE PROPERTY LINE.
 - B. ON LOTS THAT ADJOIN THE LAKE, WELLS SHALL BE LOCATED WITHIN 75' OF THE RIGHT OF WAY ON WHICH THEY FRONT, SO THAT THE SEPTIC DISPOSAL SYSTEM CAN BE LOCATED TO THE REAR OF THE LOT.
 - C. ALL WELL AND SEPTIC TANK LOCATIONS WILL HAVE PRIOR APPROVAL OF THE PICKENS COUNTY HEALTH DEPARTMENT.
 - D. BUILDING SETBACK: NO DWELLING SHALL BE BUILT OR CONSTRUCTED ON ANY LOT NEARER THAN 75' FROM THE RIGHT OF WAY OF THE STREET ON WHICH SAID DWELLING FACES, NOR NEARER THAN 25' FROM ANY SIDE STREET LINE OR LOT LINE NOR CLOSER THAN 25' FROM THE REAR LOT LINE, NOR CLOSER THAN 50' FROM THE LAKE.



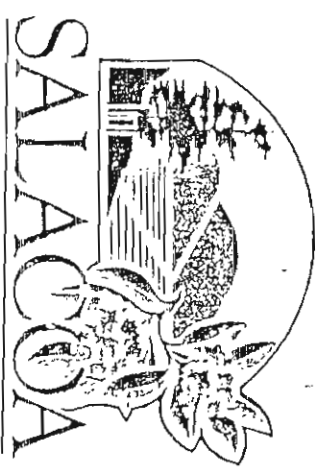
SALE AND FUTURE DEVELOPMENT
A DEVELOPMENT OF MOUNTAIN ESTATES
IN A SCENIC LAKE SETTING

FOR FURTHER INFORMATION CONTACT:

HERRY NORTH REALTY
(404) 565-5160



Exclusive Agent:
Chris Lightfoot:
(404) 926-0595



Sales plat of SALACOA HIGHLANDS

CECIL R. KELLY, LAND SURVEYOR #2066

P. O. BOX 212
DALLAS, GEORGIA 30132 404-445-6596

LOTS 1-29 PICKENS COUNTY GEORGIA
Land Lots 112, 113, 140 and
141, 13th District, 2nd Section

SCALE 1" = 405'
DATE 10/31/98

JOB NO. 899
Sheet 1 of 3 Sheets

EXHIBIT "B"

All that tract or parcel of land lying and being in Land Lots 112, 113, 140, 141, 147, 148, and 149 of the 13th District, 2nd Section of Pickens County, Georgia, being all of the above land lots and containing 1120 acres, more or less.

Pickens County filed for record on the 10 day
of Dec 1986 o'clock 11 A.M. Recorded This 12
Day of Dec 1986 Mildred C. Mullinax C.S.C.
Book No. 121 pg. 270-300