CLOCK#: 498806
FILED FOR RECORD

2/17/2004 10:39am

PAID: 48.00

Susan D. Prouse, Clerk
Superior Court of Chatham County
Chatham County, Georgia

BOOK 265 PAGE 364

After recording, return to:
Jeffrey W. Rubnitz
329 Commercial Drive, Suite 100
Savannah, GA 31406

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SWEETWATER STATION SUBDIVISION and SWEETWATER STATION HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION is made this 13th day of February, 2004 by SWEETWATER STATION, LLC (hereinafter called the "Developer" or "Declarant") and CLIFTON EQUIPMENT RENTAL, INC. (hereinafter called "Clifton" or "Landowner");

W I T N E S S E T H

WHEREAS, Developer owns all of the property known as SWEETWATER STATION SUBDIVISION, PHASE 1 as shown on that certain plat of survey recorded in Subdivision Map Book 29-5, Page 90A+B, Chatham County, Georgia Records (The "Subject Property"), and also shown as Exhibit "A", attached hereto; and

WHEREAS, Developer is the owner, or has the right to acquire title to certain real property currently owned by Clifton and more particularly described on Exhibit "B", which will become subjected property ("Additional Property"), all as referred to in that certain Short Form Notice of Contract recorded at Deed Book 247-S, Page 630, Chatham County, Georgia Superior Court records, which provides notice of that certain Purchase Agreement between Clifton and Developer dated August 17, 2001, as amended in writing, including the Points of Agreement incorporated into said Purchase Agreement; and

WHEREAS, Developer and Clifton desire to provide for the benefit of all of the residents of the Subjected Property, a Recreation Area (as hereinafter defined); and

WHEREAS, Developer deems it desirable to create the Association (as hereinafter defined) to own, maintain and administer the Recreational Area and any future common areas in accordance with the Covenants and Restrictions as hereinafter provided and to insure the enjoyment of such Recreational Area by such residents; and

WHEREAS, Developer intends that every Owner (as hereinafter defined) of a Residential Unit (as hereinafter defined) which is made subject to this Declaration does automatically and by reason of such ownership, and by reason of this Declaration, become a member of the Association and subject to its valid rules and regulations and subject to the assessment by the Association pursuant hereto;

NOW THEREFORE, the Developer declares that the properties which are made subject to this Declaration pursuant to Article 2 hereof are and shall be held transferred, sold, conveyed and occupied subject to the Covenants and Restrictions hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of such property. Such Covenants and Restrictions are and shall be binding on all parties having and acquiring any right, title or interest in such property or any part thereof and shall inure to the benefit of each Owner thereof.

ARTICLE 1

Definitions. The following terms when used in this Declaration of Covenants (unless the Context shall clearly indicate to the contrary), shall have the following meaning:

(a) "Association" shall mean and refer to SWEETWATER STATION HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation organized and existing on the laws of the State of Georgia.

(b) "Covenants and Restrictions" shall mean and refer to all covenants, restrictions, easements and charges and liens set forth in this Declaration.

(c) "Clifton" or "Landowner" shall mean CLIFTON EQUIPMENT RENTAL CO.,INC

(d) "Declarant" shall mean SWEETWATER STATION, LLC

(e) "Developer" shall mean SWEETWATER STATION, LLC.

(f) "Development Documents" shall mean and refer to the Articles of Incorporation and By-Laws of the Association.

(g) "Manager" shall mean and refer to any person with whom the Association contracts for the administration and operation of the Recreation Area.

(h) "Mortgage" shall mean and refer to any security instrument, mortgage, deed of trust, deed to secure debt, or any other form of security instrument affecting title to any residential unit.

(i) "Owner" shall mean and refer to any Person (as hereinafter defined) who is or shall be a record owner by purchase, transfer, assignment or foreclosure of a fee or undivided fee interest in a Residential Unit (as hereinafter defined) in a portion of the Restricted Property (as hereinafter defined); provided, however, that any Person who holds such interest merely as security for the performance of an obligation shall not be an Owner.

(j) "Person" shall mean and refer to any natural person, corporation partnership, limited partnership, joint venture association, limited liability company or any other such entity.

(k) "Recreation Area" shall mean and refer to common property either conveyed to or to be conveyed to Sweetwater Station Homeowners Association, Inc., such property to be subject to the approval of both "Developer" and "Clifton".

(l) "Recreation area mortgage" shall mean and refer to any security instrument, mortgage, deed of trust, deed to secure debt, or any other form of security instrument by means of which title to the Recreation Area is conveyed or encumbered to secure a debt.

(m) "Recreational Purposes" shall mean and include activities such as picnicking and engaging in sporting activities, walking, riding of non-motorized vehicles and such other activities as may be delineated by the Board of Directors of the Association from time to time.

(n) "Residential Units" shall mean and refer to each single family detached house and/or each single lot of subdivided property intended for a single family detached house or any other equivalent form of residential building.

(o) "Subjected Property" shall mean and refer to all real property as set forth in Article 2 of this Declaration and any

additional real property added to the jurisdiction of the Association pursuant to Article 2, Section 2 of this Declaration.

ARTICLE 2

Property Subject to Declaration; Effect Thereof

Section 1. Property Hereby Subjected to This Declaration.

This Declaration is hereby imposed upon the following described real property and the Developer hereby subjects the following described property to this Declaration, which shall hereafter be held, transferred, sold, conveyed, used, leased, occupied and mortgaged or otherwise encumbered subject to this Declaration:

All that certain tract or parcels of land lying and being in Chatham County, Georgia, and being known as Sweetwater Station, Phase 1 as shown on that certain plat of survey made by EMC Engineering, dated 12-29-2003 recorded in Subdivision Map Book 29-S, Page 90A&B, aforesaid records.

Section 2. Additions to existing Property. The Developer and its successors and assigns shall have the right to bring within the scheme of this Declaration all or portions of the Additional Property described on Exhibit "B". The additions authorized under this Section shall be made by filing of record a supplemental declaration with respect to the Additional Property which shall extend the scheme of the Declaration to such Additional Property. Upon the filing of such a supplemental declaration, the term "Property" as used in this Declaration shall include the portions of the Additional Property brought within the scheme of declaration as provided herein. Any such supplemental declaration may contain complementary additions and modifications of the covenants and restrictions contained in the Declaration, as may be deemed necessary by Declarant to reflect the different character, if any, of the added properties.

Section 3. Clifton Equipment Rental Co., Inc ("Clifton"). Clifton is the current owner of certain portions of land that are to become additional property, and as such has specific rights, so long as Clifton owns any of the additional property, which includes the right to non assessable participation in the use of the Association facilities, the right to submit future owners to full and regular membership in the Association, the right to approve or disapprove any mortgaging of Association property, and the right to

approve any changes in Association by-laws and covenants. In the event that the rights of Developer, under that certain Purchase Agreement dated August 17, 2001, as amended in writing, including the Points of Agreement incorporated into said Purchase Agreement, shall be terminated for any reason, then and in such event, Clifton shall be entitled to exercise all rights of the Developer/Declarant herein.

Section 4. All Restricted Property Bears the Burden, and Enjoys the Benefits, of This Declaration.

Every person who is or shall be a record owner by purchase, transfer, assignment or foreclosure of a fee or undivided fee interest in any portion of the Restricted Property or later added Restricted Property does agree and shall be deemed by reason of taking such record title to agree to all of the terms and provisions of this Declaration.

ARTICLE 3

ARCHITECTURAL CONTROL

Section 1. Purpose. It is the Declarant's purpose to prohibit any improvement or change in the Property which would be unsafe or hazardous to any personal property or individual; to minimize destruction or diminution of the view afforded to all Lots, and to preserve as much as is practicable of the visual continuity of the Property; to assure that the improvements and construction of Dwellings and Structures on the Property will be of good and attractive design, and in harmony with the natural setting of the area and serve to preserve and enhance the beauty thereof, and to assure the materials and workmanship for all improvements are of high quality and comparable to other improvements permitted on the Property.

Section 2. Approval required. No structure, building, wall, dock, walkway, driveway, fence, mailbox, screening device, swimming pool, pier or other structure shall be commenced, erected, altered, modified or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made, nor shall the clearing of any trees or change of proper grade be made, until plans and specifications showing the nature, kind, shape, height, type and color of brick, materials, location and grade of the same have been submitted to and approved in writing as to conformity and harmony of external design and general quality with the existing standards of the neighborhood and location in relation to surrounding structures and topography by the Architectural

Review Committee (as hereafter defined)as outlined herein. No change shall be made in color, stain or painting on any structure or door thereof, balcony or deck thereunto attached, unless so approved.

Section 3. Architectural Review Committee. The Architectural Review Committee ("ARC") shall consist of at least two and not more than five members, to be appointed by the Board of Directors of the Sweetwater Homeowner's Association, Inc.

ARTICLE 4

The Community Association; Automatic Membership and Voting Rights Therein.

Section 1. The Association.

The Developer has caused to be formed and incorporated under the laws of the State of Georgia and there does now exist Sweetwater Station Homeowners Association, Inc., a nonprofit Georgia Corporation.

Section 2. Membership.

Every person who is an Owner is and shall be a member of the Association; provided, however, that any Person who owns such interest merely as security for the performance of an obligation shall not be a member of the Association.

Section 3. Classes of Membership; Voting Rights.

The Association shall have two classes of membership; Class A and Class B.

(a) *Class A.* Class A members shall be those persons holding an interest required for membership as specified in Section 2 of this Article 4 with the exception of the Developer. Each shall be entitled to one (1) vote for each residential unit owned. When more than one person holds an interest or interest in a Residential Unit, the vote for such Residential Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Residential Unit.

(b) *Class B.* The Class B member shall be the Developer and any successor of Developer who takes title for the purpose of development and sale, and who is designated as such in a recorded instrument executed by Developer. The Class B Member shall be a voting member and shall be entitled to cast the number of votes

which are contained in the total of all Class A Members, plus one (1) vote, until such time when the Class B membership terminates and is converted to Class A Membership. Class B Membership shall terminate and be converted to Class A Membership upon the happening of the earlier of the following:

(i) At such time as the Class B member shall so designate by notice in writing delivered to the Association, or

(ii) On the 31st day of December, 2023, or

(iii) When the Developer shall no longer have any rights to develop or acquire title to any portion of the real property described in Exhibit "B" herein.

Notwithstanding the above conversion of membership dates, however, in the event the Developer no longer has such rights to develop pursuant to a sale, transfer or assignment to a 3rd party developer, which sale, transfer or assignment is approved in writing by Clifton, then such third party developer shall become the Class B member at that time with all of the rights and duties set forth herein. Furthermore, in the event that the rights of Developer, under that certain Purchase Agreement dated August 17, 2001, as amended in writing, including the Points of Agreement incorporated into said Purchase Agreement, shall be terminated for any reason, then and in such event, Clifton shall be entitled to become the Class B member at that time with all of the rights and duties set forth herein.

(c) At such time as Developer's membership is converted from Class B membership to Class A membership, Developer shall call a meeting, as provided in the Bylaws of the Association for special meetings, to advise the membership of the termination of Class B membership and to elect the remaining members of the Board of Directors.

Section 4. Suspension of Membership Rights.

The membership rights of any member, including the right to vote, may be suspended by the Association's Board of Directors pursuant to authority granted in the Association's By-Laws, as amended from time to time. Any such suspension shall not affect such members' obligations to pay assessments past due or coming due during the period of suspension and shall not affect the permanent charge and lien on the members' property in favor of the Association.

Section 5. Meetings of the Membership.

All matters concerning meetings of members of the Association, including the time in which and the manner in which notice of any of said meetings shall be given to members of the quorum and percentage vote required for the transaction of business of any meetings, shall be specified in this Declaration, in the By-Laws of the Association as amended from time to time or by law.

ARTICLE 5

Section 1. Members Easements of Enjoyment.

Subject to the provisions contained in (a) through (f) of this Section, every member of the Association shall have a right in the easement of enjoyment in and to the Recreation Area including, but not limited to, the nonexclusive right of ingress and egress and nonexclusive right to use the Recreation Area for Recreational Purposes and such easement shall be appurtenant to and shall pass with the title to all portions of the Restricted Property. Except as provided in this Article 5 as to the specific rights of Developer, Clifton or their designees, the Recreation Area and the Association assets shall be used only for Recreational Purposes and for such matters which are for the benefit of the Association. Rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Developer, Clifton or their designees to the exclusive use of such portion of the Recreation Area as it, in the exercise of its sole discretion, may deem necessary or advisable, for, or as may be reasonably required, convenient or incidental to, the construction of improvements within the Restricted Property and Recreational Area, the sale of property contained in the Restricted Property including, but not limited to sales and business offices, storage areas, construction yards and signs. In addition, Developer, at its expense, will construct in the Recreation Area certain amenities, to include tennis courts, pool, sales center and playground. Developer intends to use the sales center exclusively for sales activities until the development of all phases of the community is complete. Such right of the Developer shall and does exist notwithstanding any provision in this Declaration which might be construed to the contrary, and such right of the Developer exists without affecting any member's obligation to pay assessment coming due during such period of time and without affecting the permanent charge and lien on any member's property in favor of the Association.

(b) The right of the Association, with the prior approval of Clifton which approval is at Clifton's sole and exclusive discretion, to borrow money for the purpose of improving the Recreation Area and in aid thereof to mortgage or otherwise burden or encumber the Recreation Area.

(c) The right of the Association to take such steps as are as reasonably necessary to protect the Recreation Area against foreclosure; and

(d) The right of the Association, as provided by its By-Laws, to suspend the enjoyment of rights of any member for any period during which any assessment remains unpaid, and for such period as it considers appropriate for any infraction of its published rules and regulations; and

(e) The right of the Association to charge reasonable admission and other fees for the use of any facilities which may be constructed upon the Recreation Area; and

(f) The right of the Association to grant such easements and rights-of-way to such utility companies or public agencies or authorities as it may deem necessary or desirable for the proper servicing and maintenance of the Recreation Area.

Section 3. Extension of Rights and Benefits.

Every member of the Association shall have the right to extend the rights and easements of enjoyment vested in him under this Article 5 to each of his tenants and to each member of his family who resides with him on Restricted Property and to other persons as may be permitted by the Association's Board of Directors.

ARTICLE 6

Assessment

Section 1. Creation of the Lien or Personal Obligation for Assessments.

Each Class A member, by acceptance of a deed or other conveyance for any Residential Unit in the Restricted Property, whether or not it shall be so expressed in any deed or other conveyance, shall be deemed to covenant and agree to pay the Association:

(a) Annual assessments and charges and (b) Special assessments; such assessments to be fixed, established and

collected from time to time as hereinafter provided. The annual and special assessments, together with such interests thereon on the land, shall be a continuing lien upon the property against which each such assessment is made and shall also be the personal obligation of the person who is the record owner of the property at the time the assessment fell due.

Section 2. Purpose of Assessment.

The assessments levied under this Article 6 shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members and their tenants and, in particular, for the servicing of any Recreation Area mortgage, improvement and maintenance of the Recreation Area and facilities related thereto devoted to such purposes and related to the use and enjoyment of the Recreation Area, for any common areas, and for the maintenance of the landscaped entrance area or areas (the "Entrance Areas") of Sweetwater Station Subdivision and any subsequent phase thereof created out of the Supplemental Property or any portion thereof, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof. Such portion of the annual assessments levied by the Association under this Article 6 as may be necessary for such purposes shall be devoted to promoting the recreation, health, safety and welfare of the members and their tenants and establishing and maintaining reserves for the maintenance, repair, replacement and operation of the Recreation Area and facilities and the entrance area or areas.

Section 3. Basis and Maximums of Annual Assessments.

Until such time as the Class A member shall be entitled to full voting privileges in accordance with Article 4 of this Declaration:

(a) The maximum initial annual assessment of Class A members shall be two hundred dollars ($200.00) per residential unit payable to the Association, and

(b) The Class B members shall pay whatever amount, if any, in excess of the Class A members' assessment as, in the sole opinion of the Class B member, may be necessary to maintain and manage (and only to maintain and manage, including the payment of ad valorem taxes) on and to pay the debt service on any mortgage on the Recreational Area.

From and after such time as the Class A member shall be entitled to full voting privileges and in accordance with Article 4 of this Declaration, the annual assessment shall be determined by the Board of Directors of the Association without regard to the maximum annual assessment imposed prior to such time and shall be paid by all the members; provided, however, that any assessment after the initial assessment set by the Board of the Association shall not be increased (or decreased) in any one year by an amount in excess of twenty percent (20%) of the assessment for the year immediately prior to the year for which the increase (or decrease) is to be effective. The Board of Directors of the Association shall set the annual assessment at less than the maximum allowed pursuant to this Section.

Section 4. Special Assessments.

Upon the affirmative vote of the holders of seventy percent (70%) or more of the vote of those then entitled to vote of all classes of membership of the Association, the Association may levy and collect a specific special assessment so authorized for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or unexpected repair or replacement of a capital improvement upon the Recreation Area, including any necessary fixtures or personal property related thereto; or for the purpose of increasing the annual assessment by an amount in excess of what is authorized by Section 3 of this Article.

Section 5. Equality of Assessment among Residential Units.

No Residential Unit within the Restricted Property shall bear a higher assessment than any other Residential Unit within the Restricted Property except that, until such time as the Class A members shall be entitled to full voting privilege in accordance with Article 4 of this Declaration, the Class B members may bear a greater or lesser assessment burden than Class A member while the Class B member may be subsidizing the Association with this obligation pursuant to Section 3 of this Article.

Section 6. Date of Commencement of Annual Assessments; Due Dates.

(a) The Association's Board of Directors shall send written notice of the annual assessment and the amount of such assessment to every member subject thereto at least thirty (30) days in advance of each annual assessment. Unless otherwise provided by the Association's Board of Directors, the entire amount of the annual assessment for each Residential Unit shall become due and payable to the Association on the first day of April of each

year and shall be paid to the Association without further notice from the Association. Assessments not paid within thirty (30) days of the due date will incur a late payment fee of five percent 5% of the monthly amount due.

The annual assessment shall be established on a yearly basis to cover the time period from April 1st of each year until March 31st of each year, and shall commence as to each member when he becomes a member pursuant to Section 2 of Article 4.

The first annual assessment payable to the Association with respect to a Residential Unit shall be adjusted according to the number of days remaining in the annual assessment time period following the date a member becomes a member.

(b) The Association shall, upon demand at any time, furnish to any member liable for any assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. A reasonable charge, as determined by the Board of Directors may be made for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Nonpayment of Assessment: the Personal Obligation; the Lien; Remedies of the Association.

(a) If an assessment is not paid on or before the date when due then such assessment shall become delinquent and shall bear an interest penalty of ten percent (10%) per annum, with such interest thereon and the cost of the collection thereof thereupon becoming a continuing lien on the delinquent members' property which shall bind such property in the hands of the then owner, his heirs, designees, personal representatives, successors and assigns. In addition to the lien rights, the personal obligation of the then owner to pay such assessments shall remain his personal obligation and shall also pass to his successors in title. Such owners shall nevertheless remain as fully obligated as before to pay to the Association any and all amounts which he was obligated to pay immediately preceding the transfer; and such owner and such successors in title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such owners and successors in title creating any indemnification of the owner or any relationship of principal and surety as between themselves.

(b) If an assessment is not paid within thirty (30) days after the due date, such assessment shall bear interest from the date of the delinquency at the lesser of the highest rate permitted

by law or ten percent (10%) per annum, and the Association may bring legal action against the owner personally obligated to pay the same or foreclose its lien against such owner's property in which event, interest, costs and attorney's fees equal to fifteen percent (15%) of the principal amount shall be added to the amount of such assessment as may then be due. Each owner by acceptance of a deed or other conveyance of his or her property, invests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of such charges as a debt and to foreclose the aforesaid lien in an appropriate proceeding and lower equity. The lien provided for in this Article 6 shall be in favor of the Association and shall be for the benefit of all other members. The Association acting on behalf of the other members shall have the power to bid in the owners' property at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No member may waive or otherwise escape liability for the assessment provided for herein by nonuse of the Recreation Area and facilities.

(c) If the assessment is not paid within thirty (30) days after the due date, the Association may also suspend the membership rights of the delinquent member, including the right to vote, the right of enjoyment in and to the Recreation Area and facilities and the right to receive and enjoy such servicing and other benefits as may then be provided by the Association. Any such suspension shall not affect such members obligation to pay assessments, due during the period of such suspension and shall not effect the permanent charge and lien on such members property in favor of the Association.

Section 8. Subordination of Charges and Liens to Mortgages.

(a) The liens and permanent charges of all assessments and charges authorized herein (annual, special or otherwise) with respect to any restrictive property is hereby made subordinate to the lien of any first mortgage placed on such property if, but only if, all assessments and charges with respect to such property authorized herein having a due date on or prior to the date of the mortgage as filed of record have been paid. The liens and permanent charges hereby subordinated are only such liens or charges as relate to assessments and charges authorized hereunder having a due date subsequent to the date such mortgage is filed of record and prior to the satisfaction, cancellation or foreclosure of such mortgage or the sale or transfer of the mortgaged property pursuant to any proceeding in lieu of foreclosure or the sale or transfer of the mortgaged property pursuant to a sale under power contained in such mortgage.

(b) Such subordination is merely a subordination and shall not relieve the owner of the mortgaged property of his personal obligation to pay all assessments and charges coming due at any time when he is the owner of such property; shall not relieve such property from the liens and permanent charges provided for herein (except to the extent a subordinated lien or permanent charge is extinguished as a result of such subordination as against a mortgagee or such mortgagee's assignee or transferee by foreclosure or by sale under power); and no sale or transfer of such property to the mortgagee or to any other person pursuant to a decree of foreclosure, or pursuant to any other proceeding in lieu of foreclosure or pursuant to a sale under power, shall relieve any existing or previous owner of such property of any personal obligation or relieve such property or the then owner of such property from liability for any assessment or charges authorized hereunder become due after such sale and transfer.

ARTICLE 7

Administration

Section 1. Responsibility for Administration.

The administration of the Association, the maintenance, repair and operation of the Recreation Area and facilities and the Entrance Areas shall be the responsibility of the Association.

Section 2. Management and Maintenance Agreement.

The Association may enter into such management and maintenance agreements as are necessary or desirable for the administration and maintenance of the Recreation Area and facilities and the Entrance Areas. In the event the Association shall determine to place improvements on the Recreation Area pursuant to this Declaration and enters into a management agreement for the operation of such facilities and improvements, the manager of the Recreation Area shall exercise all the powers and shall be responsible for the performance of all the duties of the Association, except those powers and duties specifically and exclusively assigned to the officers directly from members of the Association by this Declaration. Any management agreement which is to be entered into, after approval by a majority of the Board of Directors, shall provide for the compensation to be paid, the term thereof, which shall not exceed one year, in the manner in which and the terms upon which such agreement may be terminated.

Section 3. Limitations of Liability; Indemnification.

Notwithstanding the duties of the Association to maintain and operate the Recreation Area and to maintain the Entrance Areas, the Association shall not be liable for injury or damage caused by the latent condition of the Recreation Area nor for injury caused by the elements, members or other persons; nor shall any officer or director of the Association be liable to any person for injury or damage by such officer or director in performance of the duties hereunder unless due to willful misfeasance or malfeasance or gross negligence of such officer or director. Each officer, director and Architectural Review Committee member of the Association shall be indemnified by the members against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon him in connection with any action, suit or other proceeding to which he may be a party or in which he may become involved by reason of his being or having been an officer, director or ARC member of the Association, and any settlement, whether or not he is an officer, director or ARC member of the Association at the time such expenses and liabilities are incurred, except in such cases where the officer, director or ARC member are adjudged guilty of willful misfeasance or malfeasance or gross negligence in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors and the Association approves of such settlement and reimbursement as being for and in the best interest of the Association. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

So long as Clifton as Landowner owns any of the additional property described in Exhibit "B" or has rights under this Declaration as described under Article 2, Section 3 of this Declaration, then the terms and provisions of the immediately preceding paragraph of this Article 7, Section 3 "Limitations of Liability; Indemnifications" providing for the limitation of liability and indemnification of the Association, the ARC, and the officers and directors thereof shall also apply to limit the liability of and to indemnify Clifton in its corporate capacity and to Clifton's individual officers and directors as well.

ARTICLE 8

Insurance and Casualty Losses

Section 1. Insurance.

The Board of Directors of the Association or its duly authorized agent shall have the authority to and shall obtain insurance for all improvements on the Recreation Area against loss

or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief, in amounts sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard and shall also obtain a public liability policy covering the Recreation Area and all damage or injury caused by negligence of the Association or any of its agents. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association and all such policies shall be written by a company licensed to do business in the State of Georgia and holding a rating satisfactory to the Board of Directors of the Association in accord with Best's Insurance Report or a similar publication, and all policies shall be for the benefit of the Association and its mortgagees, if any, as their interest may appear.

ARTICLE 9

General Provisions

Section 1. Duration.

The Covenants and Restrictions of this Declaration shall run with and bind the land, shall be and remain in effect, and shall inure to the benefit of and be enforceable by the Association or the owners of any of the Restricted Property, their respective legal representatives, as successors and assigns, for a term of 20 years from the day and year first above written. Said Covenants and Restrictions shall be automatically renewed and extended, in whole or in part, beyond said 20-year period for successive periods of twenty years each unless an agreement for termination of these Covenants and Restrictions is signed by members of the Association then entitled to cast at least seventy-five percent (75%) of the votes of the Association and has been filed for record in the Office of the Clerk of the Superior Court of Chatham County, Georgia, at least thirty (30) days prior to the effective date of such renewal and extension. Every purchaser or grantee of any interest in any of the restricted property by acceptance of a deed or other conveyance thereof, thereby agrees that the Covenants and Restrictions of this Declaration may be renewed and extended as provided herein.

Section 2. Notices.

Any notice required or permitted to be sent to any member pursuant to any provision of this Declaration may be served by depositing such notice in the mails, postage prepaid, addressed to the member or owner to whom it is intended at his last known place

of residence, or to such other address as may be furnished to the secretary of the Association, and such service shall be deemed sufficient. The date of service shall be the date of mailing.

Section 3. Severability.

Whenever possible, each provision of this Declaration shall be interpreted in such a manner as to be effective and valid, but if any provision of this Declaration or the application thereof to any person or any property shall be prohibited or held invalid, such prohibition or invalidity shall not effect any other provision or the application of any provision which can be given effect without the invalid revision or application, and to this end, the provisions of this Declaration are declared to be severable.

Section 4. Amendment.

(a) *By Declarant with the written consent of Clifton.* Until termination of Class B membership, Declarant may unilaterally amend this Declaration for any purpose. Thereafter, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with applicable governmental statute, rule, regulation, or judicial determination; (ii) enable any reputable title insurance company to issue title insurance coverage on any of the properties; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, including for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee Mortgage loans on the residential units; or (iv) to satisfy the requirements of any local, state or federal governmental agency. However, any such amendment shall not adversely affect the title to any Residential Unit unless the Owner shall consent in writing. In addition, during the Development Period, Declarant may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect upon any right of any Owner.

Any or all amendments by Developer/Declarant referred to in the above paragraph, however, must first be approved in writing by Clifton so long as Clifton is the owner of any additional property and shall have no force or effect without the written consent of Clifton so long as Clifton is the owner of any additional property.

(b) *By the Members.* Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended by the affirmative vote or written consent, or any combination thereof, of at least seventy percent (70%) of the votes

of each class of members of the Association provided, however, that any such amendment of these Covenants and Restrictions must be approved by Clifton Equipment Rental, Inc, ("Clifton") so long as Clifton is the owner of any additional property; provided that any such amendments be in full compliance with all applicable laws and regulations, including the zoning ordinances applicable to the Restricted Property and any covenants affecting the Restricted Property recorded in Chatham County, Georgia Records, and shall not become effective until the instrument evidencing such change has been duly filed for record in the Office of the Clerk of the Superior Court of Chatham County, Georgia. Every purchaser or grantee of any interest in the Restricted Property, by acceptance of a deed or other conveyance thereof, thereby agrees that the Covenants and Restrictions of this Declaration may be amended as provided herein.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed by its duly authorized officers and the appropriate corporate seals affixed hereto, the day and year first above written.

SWEETWATER STATION, LLC

By: _____ Manager

Its: _____ Manager

Signed, sealed and delivered in the presence of:

_____
Unofficial Witness

_____
Notary Public

JOHN C. McMILLAN NOTARY PUBLIC My Comm. Exp. Nov 22, 2006 CHATHAM COUNTY, GA

CLIFTON EQUIPMENT RENTAL, INC.

By: Harold Clifton

Its: President

Signed, sealed and delivered in the presence of:

_____
Unofficial Witness

_____
Notary Public

NOTARY SEAL JOSEPH R. MARSHALL Notary Public, Chatham County, GA My Commission Expires April 29, 2005

EXHIBIT "A"

All that certain tract or parcel of land lying and being in the City of Savannah, Chatham County, Georgia, and being known as Sweetwater Station, Phase 1, a major subdivision of Lot 1 and Parcel C of a Recombination of a 180.02 acre tract of land, 7th G. M. District, Savannah, Chatham County, Georgia as shown on that certain plat of survey made by EMC Engineering Services, Inc. dated December 29, 2003 recorded in Subdivision Map Book 29-S, Pages 90A & 90B, which said plat is incorporated herein by specific reference.

EXHIBIT "B"

ALL that certain tract or parcel of land situate, lying and being in the Seventh G. M. District of Chatham County, Georgia, containing 125.08 acres and known and designated as Parcel A on that certain map or plat entitled "Plat of Lots 129 through 141 and Lots 143 through 152, Mendel Wessels Place, and a portion of Lot 6, all of Lot 7, and a portion of Lot 8 of a subdivision of lands formerly of R. M. Demere, Seventh G. M. District of Chatham County, Georgia, " prepared by Hussey, Gay, Bell and DeYoung, Consulting Engineers, dated April 25, 1989, and recorded in Plat Record Book 10-P, Page 97, in the Office of the Clerk of the Superior Court of Chatham County, Georgia, to which express reference is hereby made for better determining the metes and bounds of the property herein conveyed.

And also: ALL of First Party's interest in all that certain tract or parcel of land situate, lying and being in the Seventh G. M. District of Chatham County, Georgia containing 9.0 acres and know and designated as Parcel B on that certain map or plat entitled "Plat of Lots 129 through 141 and lots 143 through 152, Mendel Wessels Place, and a portion of Lot 6, and all of Lot 7, and a portion of Lot 8 of a subdivision of lands formerly of R. M. Demere, Seventh G. M. District of Chatham County, Georgia" prepared by Hussey, Gay Bell & DeYoung, Consulting Engineers, dated April 25, 1989, and recorded in Plat Record Book 10-P, Page 97, in the office of the Clerk of the Superior Court of Chatham County, Georgia, to which express reference is hereby made for better determining the metes and bounds of the property herein conveyed.

This being the same property conveyed by Raymond M. Demere to David Roulabit by Warranty Deed dated November 1, 1988, and recorded in Deed Book 6-L, page 350, in the aforesaid Clerk's office; SAVING AND EXCEPTING those certain parcels or tracts of land conveyed to Deed Book 6-M, page 18; Deed Book 13-A, page 124; Deed Book 13-N, page 180; Deed Book 13-Z, page 298, and Deed Book 16-J, page 112, all in the aforesaid Clerk's office, reference to which and the record thereof is made for all purposes hereof.

This being a portion of the same property conveyed pursuant to that certain Assent to Devise from I. Neal Hornstein as Executor of the Last Will and Testament of EULA S. CONE, to Florence Gay, Nell Cook, Margaret Best and Ben F. Starkey, Jr., dated January 5, 1988, and recorded in Deed Book 136-Y, page 393, in the aforesaid Clerk's Office.

And also: ALL those certain parcels of land totaling 53.82 acres in the area formerly known as Miller's Station in the 7th G.M. District, Chatham County, Georgia, identifies as Parcels A, B, C, D, E and F on a plat prepared by EMC Engineering Services, Inc. Dated January 19,1999 for Clifton Equipment Rental Co., Inc. recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia, in Plat Record Book 16-P, folio 23.

The property covered by this contract is approximately 194.91 acres and is to include whatever the property acreage is belonging to SELLER in the 7th GMD of Chatham County, Georgia that is lying between CSX and Seaboard Coastline railroads, Grove Point Road and Chevis Road.

*"Seller" for purposes of this Exhibit means and refers to Clifton Equipment Rental, Inc.