

RETURN RECORDED DOCUMENT TO:	(Recording Information)
Little & Drost, L.L.P. P.O. Box 2670 Blue Ridge, GA 30513 File # Raven Ridge	8th District, 1 st Section Land Lot # 103, 104, 112, 113, 114, 141 and 140
STATE OF GEORGIA COUNTY OF FANNIN	

**W A T E R S E R V I C E P R O V I S I O N A N D S Y S T E M
M A I N T E N A N C E A N D R E P A I R A G R E E M E N T A N D
E A S E M E N T**

THIS AGREEMENT, Made this ____ day of May, in the year of our Lord Two Thousand and Four between the Raven Ridge Homeowners' Association, by the Developer, Blue Ridge Capital Partners, L.L.C., (hereinafter referred to as the "User"), and HOLLOWAY HOLDINGS, L.L.C. (hereinafter referred to as "Provider").

WITNESSETH

WHEREAS, the User possesses Ownership of a Water System serving the following property (and any other property added by amendment thereto):

All that tract or parcel of land lying and being in the 8th District and 1st Section and Land Lots Numbers 103, 104, 112, 113, 114, 141 and 140 of Fannin County, Georgia, consisting of 141.73 acres, more or less, as shown on survey for Blue Ridge Subdivision dated _____, 2004, by Lane S. Bishop, Richard Nutt, G.R.L.S. # _____, recorded in Plat Hanger ____ - _____, Pages ____ - _____, Fannin County records. Said plat of survey is incorporated herein by reference thereto for a more complete and accurate metes and bounds description of the above-described property.

WHEREAS, the User, as well as its successors, heirs and assigns (including but not limited to eventual lot owners, their heirs and assigns), desires to have Provider accept ownership of, maintain, and accept full responsibility for the water system and for providing water to the lots in said subdivision, and Provider wishes to contractually obligate itself to maintain and provide water to said subdivision, as well as any additional properties added to this agreement by reference thereto;

NOW, THEREFORE, the parties do hereby agree as follows:

ITEM 1. Definitions

As used herein, "Water System" means the well(s), piping, pumps, any pressure system tank(s), pump house(s), and entire water distribution system from the primary well(s) to each individual lot. User covenants and agrees for itself, its heirs, successors and assigns that water will be obtained only from the Water System, and from no other source.

"User" shall mean the Raven Ridge Homeowners' Association, its successors and assigns.

"Provider" shall mean HOLLOWAY HOLDINGS, L.L.C., its successors and assigns.

“Lot Owner” shall mean owners of Lots or Tracts in the properties above-described (but shall not include User, its Successors and other assigns).

ITEM 2. Express Easement

The User does hereby grant to Provider, its successors and assigns a permanent and perpetual easement for ingress and egress over and across all properties as described above. Said easement shall be used for the purpose of maintaining the Water System, and shall include the ability to access surface and sub-surface areas necessary to maintain, replace, upgrade, add additional system components or repair said Water System. In the event this contract terminates or is discontinued in any manner, any subsequent Provider shall have the same easement for similar purposes.

ITEM 3. Scope of Work and Responsibility

Provider agrees to maintain and ensure that water is provided to all lots in a sufficient quantity and quality for normal household use. Provider further agrees that should there be problems with the well system, well pumping equipment, and distribution lines, it will repair or replace any such failed or defective equipment at its expense. In addition, Provider agrees to pay all utility costs associated with the operation and maintenance of this water system. The Lot Owners shall be responsible for any filtration to be used on their respective properties, and further shall install a back-flow prevention valve in their water line on the lot side of the water meter. Provider agrees to be responsible for any necessary filtration of the water provided to the Lot Owners.

Each Lot Owner shall be responsible for all costs associated with their individual water lines from the point where said water lines hook to the water meter.

ITEM 4. Period of Performance

The term of this agreement is perpetual, and shall be non-terminable by either party with the exception that should Provider fail to provide adequate/standard pressure and/or quality of water, full ownership of the water system shall revert to the homeowners’ association for Raven Ridge subdivision. Determination of inadequate / non-standard pressure and/or inadequate quality of water shall be made by Polaris Surveying, in their sole judgment and discretion.

ITEM 5. Payment

Each individual Lot Owner who is connected to the water system agrees to be individually responsible for an annual fee of \$420.00 as compensation to Provider for maintaining and providing water to the Lot Owners, as well as a monthly fee of \$3.00 per thousand gallons of water (rounded up to the nearest thousand) used over four thousand gallons per month. Each subsequent year’s fee shall be billed to the Lot Owner directly by Provider, payment for same to be due on or before January 1st of each year (additional monthly usage fees for excess water usage, as above, to be billed as determined by Provider).

Should Provider deem a rate increase to be necessary, said rate increase (with (90) ninety days notice to each Lot Owner prior to January 1st of each year of said rate increase) shall not exceed the amount of the Consumer Price Index for the previous year (“all cities” or comparable index Consumer Price Index).

Additionally, each Lot Owner shall pay a fee of \$500.00 to the Provider as a tap/meter fee upon connection of the Lot Owner’s individual water line to the water system.

No fee shall apply to Blue Ridge Capital Partners, L.L.C.

ITEM 6. Termination of Water Service

Provider shall have the right to terminate service to any Lot Owner that either negligently impairs the water system or fails to pay the annual and/or monthly service fees. Prior to termination of such service by Provider, Provider shall provide the Lot Owner with 30 days notification prior to termination of service. Should a Lot Owner's actions jeopardize the quality of water or the integrity of the water system, that Lot Owner's service shall be immediately terminated by Provider until such time as the impact to service is remedied by the Lot Owner. To reconnect to the Water System, all past due fees shall be paid as well as a \$500.00 reconnect fee.

ITEM 7. Warranty

Provider warrants the User's water system will be maintained in good working condition at all times to ensure uninterrupted water service and that the water quality provided shall meet quality standards. Upon detection of a system failure by Provider, or notification of a problem or failure by any Lot Owner, or any other party, Provider shall make a reasonable effort to correct such system failure or problem as soon as possible to minimize interruption of system service, but in no event later than 36 hours from time of such notification.

ITEM 8. Indemnification

In the event Provider, its employees, agents or subcontractors at any tier are on or about property occupied by or under the control of the Lot Owners, Provider shall defend, indemnify, and hold harmless the Lot Owners from any claim, suit, loss, cost, damage, expense to any property or person, including but not limited to Provider's employees, of whatever nature or kind arising out of, as a result of, or in connection with such performance occasioned in whole or in part by the actions or omissions of Provider, its employees, agents or subcontractors at any tier.

ITEM 9. Amendments

These terms and conditions and defined responsibilities of the parties shall not be varied or amended except by an instrument in writing executed concurrently with or subsequent to the execution of this Agreement and signed by User and Provider.

ITEM 10. Assignment

This Agreement and the rights and obligations hereunder shall inure to the benefit of, and shall be binding upon, each of the parties hereto and their respective successors and assigns (including the Lot Owners). Each party shall promptly notify the other of any such assignment and this Agreement shall promptly be amended, as specified in Paragraph 9 above to reflect such assignment.

ITEM 11. No Waiver

Either party's failure to exercise any right arising hereunder shall not constitute a waiver of that, or any similar right, or preclude that party from enforcing such rights.

ITEM 12. Notice

Any notice or communication pertaining to this Agreement shall be deemed to have been duly given by a party hereto if personally served upon the other or if sent to the others by certified mail, or facsimile (confirmation slip retained and provided upon request to the other party) followed by certified mail. The date upon which any such notice or communication is served, or the date upon which it is received by the

LITTLE & DROST, L.L.P.
ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP OF PROFESSIONAL CORPORATIONS

addressee, shall be deemed to be the effective date of such notice irrespective of any date appearing thereon. Notice shall be sent to all parties identified in this Agreement.

ITEM 13. Entire Agreement, Severability, Interpretation

The parties hereto agree to these Terms and Conditions and intend and agree that these constitute the entire understanding of the parties concerning the subject matter hereof and supersede all prior or contemporaneous written or oral understanding or agreements of the parties concerning the subject matter hereof. The entire agreement is embodied in this writing and the obligations and remedies of each party are completely set forth herein. In the event any provision herein is unenforceable, such provision shall be deemed severable, and all other provisions of herein shall remain enforceable.

Any disputes shall be litigation in the court system of Fannin County, Georgia or the Northern District of Georgia.

This agreement shall bind the heirs, successors and assigns of all parties as well as the Lot Owners, their heirs and/or assigns.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

Signed, sealed and delivered
this ____ day of _____,
2004 in the presence of:

PROVIDER

HOLLOWAY HOLDINGS, L.L.C.

_____(SEAL)
By: Jeff Holloway
Its: General Manager

Witness

Notary Public
My Commission Expires:_____

MAILING ADDRESS OF PARTY

USER

Raven Ridge Homeowners' Association

_____(SEAL)
By: Blue Ridge Capital Partners, L.L.C.
By: Frances Lynn Coleman
Its: General Manager

Witness

Notary Public
My Commission Expires:_____

MAILING ADDRESS OF PARTY

