

**TERMS AND CONDITIONS OF AUCTION
BIDDER'S AFFIDAVIT
LAUREATE TOWNHOMES
SPERRY VAN NESS®
INTERSTATE AUCTION® COMPANY GAL#1966
1100 Johnson Ferry Road, Suite 588
Atlanta, Georgia 30342
(404) 303-1232**

THIS AGREEMENT, between, Interstate Auction® Company hereinafter referred to as "Auctioneer", and the undersigned "Bidder", entered into this 10th day of December, 2006, pursuant to the laws of the State of Georgia, is based upon mutual promises, undertaking and considerations recited herein in connection with the auction conducted on this date by Auctioneer and attended by Bidder. In order to be allowed to bid on the Laureate Townhomes ("Property") at the auction, Bidder must agree in writing to the following terms and conditions, and be issued a bid card from Auctioneer:

1. Auctioneer is the agent of the Seller of the Property offered for sale by auction and does not represent the Bidder.
2. Bidder desires to bid upon Property offered at the auction.
3. Bidder has inspected the Property, and all information related to the Property made available to Bidder by Seller and Auctioneer including but not limited to the Declaration, Bylaws, Articles of Incorporation, Proposed Budget, Plat and other related auction and property information for the Laureate Townhomes linked and available at: http://www.interstateauction.com/2006dec10_the_laureate/index.html
4. In consideration of the Seller and Auctioneer allowing Bidder to bid on the Property at the auction, Bidder hereby acknowledges and agrees that if Bidder is the final high bidder for the Property, then Bidder will immediately upon being declared the final high bidder submit to Seller a written offer on the contract form provided by the Auctioneer for the Property, with no changes made by Bidder to the contract form. Bidder hereby acknowledges that Bidder has a copy of the contract form: PURCHASE AND SALE AGREEMENT, and has read and understands the contract form.
5. Bidder agrees to make the required five percent down payment upon signing the Purchase and Sale Agreement as follows: Three Thousand (\$3,000) Dollars by cashier's check or approved check payable to Purchaser and endorsed to Interstate Auction Company, Inc., the escrow agent, and the balance of the five percent down payment in the form of a personal or business check from purchaser payable to Interstate Auction Company, Inc., the Escrow Agent. Purchaser understands and agrees that the down payment checks may be held by Escrow Agent and not deposited unless and until the Purchase and Sale Agreement is signed by all parties.
6. Seller and Auctioneer have agreed that this sale is to be conducted by including a buyer's premium of Ten Percent (10%) paid by the Bidder upon the final high bid price as determined by the Auctioneer. Said buyer's premium shall be added to the high bid price to determine the purchase price. The purchase price shall be the total of the amount bid plus the buyer's premium.

7. Bidder acknowledges and agrees that payment of the Buyer's Premium shall not make Auctioneer the agent of the Bidder and that Auctioneer continues to act as the agent of Seller in the sale of the Property.
8. Seller reserves the right to accept or reject any and all bids and offers for any townhomes not offered at absolute auction.
9. Any offer made by Bidder will be open for acceptance or rejection by the Seller for 48 hours following the auction. If an offer made by Bidder is rejected by the Seller, Bidder will be promptly notified, and all earnest money will be promptly returned to Bidder, and Seller and Auctioneer will have no further obligation to Bidder.
10. A two percent (2%) commission based on the high bid, will be paid to any properly licensed real estate agent who represents the Bidder, provided that the Bidder closes escrow for the Property and the real estate agent does all of the following:
 - a. Complete the official Broker Prospect Registration Form for the auction and submit it, via facsimile to Auctioneer by no later than 48 hours prior to the start of the auction. All Broker Prospect Registrations must be submitted prior to any visit to the Property by the bidder and prior to any contact between bidder and Auctioneer. All buyers' broker registrations will be acknowledged by Auctioneer in writing.
 - b. Review the TERMS AND CONDITIONS OF AUCTION with the bidder.
 - c. Professionally assist the bidder by providing relevant advice and Property information.
 - d. Attend the auction with the Bidder
 - e. Complete the Buyer's Broker information on the Auction Purchase and Sale Agreement.
11. Auctioneer will control the increments of bidding and sale order, and reserves the right to add or delete any Property in this auction, to cancel the auction in whole or in part, and to suspend and resume bidding for any and all properties prior to the conclusion of the auction.
12. Bidder acknowledges that Bidder has inspected any Property bidder will bid on, and Bidder is relying solely on Bidder's own investigation of the Property and not on any information provided or to be provided by Seller or Auctioneer. Bidder further acknowledges and agrees that any information provided by or on behalf of Seller with respect to the Property including, without limitation, all information contained in any Property information package previously made available to Bidder by Seller and Auctioneer was obtained from a variety of sources and that Seller and Auctioneer make no representation as to the accuracy or completeness of such information.
13. Seller and Auctioneer reserve the right to remove any Bidder from the auction for causing a disturbance or otherwise disrupting the auction.
14. The Property will sell with a Limited Warranty attached to and referenced by the contract provided by the Seller through the Builder. All items not covered by the warranty will be sold "As Is". The Auctioneer makes no warranty express or implied whatsoever.
15. Bidder and anyone claiming by, through or under bidder hereby fully and irrevocably release Auctioneer and their respective employees, officers, directors, representatives and agents from any and all claims that buyer may now have or

hereafter acquire against Auctioneer, their employees, officers, directors, representatives and agents for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any construction defects, errors, omissions or other conditions, including environmental matters, affecting the Property, or any portion thereof. This release includes claims of which buyer is presently unaware or which buyer does not presently suspect to exist in his favor which, if known by buyer, would materially affect buyer's release of Auctioneer. It is understood and agreed that the purchase price has been adjusted by prior negotiation to reflect that the Property is sold by Seller and purchased by bidder subject to the foregoing.

Agreed to this ____ day of _____, ____ by:

Bidder's Signature

Print Name

Auctioneer