

INVESTMENT AGREEMENT

Date	
Name	«First» «Last»
Address	«Address»
City	«City»
State	«State»
ZIP	«ZipPostal_Code»
Phone	«Mobile_Phone»
Fax	«Business_Fax»
E-mail	«Email_Address»
Property	
Term	
Investment Amount	
Investment Allocation	
Total Investment	

THIS AGREEMENT, made by and between 118 Ventures, LLC, a Georgia limited liability company, (the “Company”), whose mailing address is 2380 Buford Drive 106-334, Lawrenceville, Georgia 30043 and the above referenced party, (singularly or collectively, the “Investor”).

WHEREAS, Investor agrees to invest along with the Company in a real estate transaction for real property defined in the above Property section. Investor has transferred funds equal to the Amount mentioned above to the company for the investment. There is NO interest to be accrued or paid while the Company retains the funds. The funds will be utilized for the specified Term above. The Amount does not represent the entire amount invested by the Company in the Property and the Investor is part of a group of other investors. The Investor’s Amount DOES NOT constitute an investment or ownership in the Company.

WHEREAS, the Company has made no verbal or written representation as to any possible current or future gains, increases in value or any other value appreciation other than publicly documented and available information.

WHEREAS, the Company will repay the Investor based on proceeds from the sale of the above mentioned Property. Payment allocations are defined in the Terms and Conditions section below.

NOW, THEREFORE, for and in consideration of the above premises, the mutual promises and covenants contained herein, and other good and valuable consideration, Investor agrees to invest with the Company funds equal to the Amount above, subject to the terms and conditions listed below:

TERMS AND CONDITIONS

1. **TERM:** Company at its sole discretion may hold Property for any length not to exceed the specified Term unless all associated Investors agree to extend the Term.
2. **MANAGEMENT:** Company at its sole discretion will control the investment and/or Property and any actions pertaining thereto.
3. **TITLE:** Title to the Property will be held by the Company or one of its members or assignees.
4. **FUNDS:** Investor's funds are at risk and the Company makes no guarantee as to the success of the investment. Funds will accrue NO (0%) interest nor will the Investor be paid interest on the funds.
5. **EXPENSES AND FEES:** All expenses and fees are paid from proceeds of the sale of the Property. Company does not charge any management fees other than the profit split detailed in the DISTRIBUTION OF SALE PROCEEDS below.
6. **TAXES:** Investors are responsible for paying their own taxes. Investors will be issued a 1099 Federal Tax form for any sale proceeds exceeding their invested funds. In the event capital gains taxes are incurred it is the responsibility of each investor to pay their share based on their investment percentage.
7. **FINANCING:** Property may or may not be financed by an outside lending institution or third party. In the event that Company can not obtain financing Company may terminate the transaction. Fees related to obtaining and servicing a loan constitutes an expense. Loan servicing amounts may or may not be included by the Company in the initial investment amount.
8. **FLIPPING:** Company may at its sole discretion internally flip the subject property. Flipping may be performed to free the title holder or to unlock equity. In the event proceeds are derived from such a transaction those proceeds will be distributed as defined in the DISTRIBUTION OF SALE PROCEEDS section. Any fees incurred constitutes an expense to the investment.
9. **TERMINATION BY COMPANY:** Company may terminate the investment in said Property at its sole discretion. In the event of a termination the Company will distribute Investor's funds within 30 days of the Company receiving the invested funds. The investment may be terminated by the party offering the investment and therefore constitutes termination by the Company.

10. **TERMINATION BY INVESTOR:** The Investor may terminate their participation in the investment with written notice to the Company at its official address. Termination may only occur if a replacement investor can be found. Investor will allow Company reasonable time to seek another investor. Termination by the Investor will constitute an assignment to the new investor.
11. **ASSIGNMENT:** Investor may assign their position in the investment to another investor upon written approval from the Company. Consent of the assignment may be withheld for any reason. Investor will be assessed an assignment fee of \$250.00 (US).
12. **INVESTMENT ALLOCATION CALCULATION:** The investment allocation percentage is calculated as follows: Investment Amount / Total Investment.
13. **DISTRIBUTION OF SALE PROCEEDS:** All expenses are applied to the sale proceeds prior to any allocation of funds. Investor Investment Amounts will be distributed from the net proceeds prior to any profit splits. Once the initial investments are subtracted, the net profit is split 50/50 by the Company and the group of investors associated with the investment. The portion of the net profit allocated to the investors will then be split based on the individual Investor's Investment Allocation.

$$\text{Investor Split Amount} = (\text{Gross Profit} - \text{Fees} - \text{Investor Initial Investments}) / 2$$
$$\text{Investor Profit Amount} = \text{Investor Split Amount} * \text{Investment Allocation}$$

14. **NOTICE:** Any notice or communication which may be given or is required to be given under the terms of this Agreement shall be in writing, and mailed to the respective party at the address set forth at the beginning of this Agreement, by certified mail, return receipt requested, with adequate postage prepaid, which mailing shall constitute full and complete notice to the other party. Either party may provide the other with an alternative mailing address by sending the new address to the other party as required by this paragraph.
15. **NO OTHER REPRESENTATIONS:** All prior understandings and agreements between the parties hereto are merged into this Agreement, which fully and completely expresses the parties' agreement and the same is entered into after full investigation, neither party relying upon any statement or representation not embodied in this Agreement made by the other. Investor represents that no representations have been made concerning the economic or tax advisability of this transaction.
16. **AMENDMENT OF AGREEMENT:** This Agreement may not be amended, changed or modified, except by written instrument executed by all parties to this Agreement.
17. **DISPUTE RESOLUTION:** In the event any dispute arises between the parties to this Agreement, such dispute shall be conclusively resolved, as the exclusive process, as follows:
- a. The party asserting a claim shall state the claim in writing delivered to the other party according to the notice provision hereof. The opposing party shall state its position in response to the claim in writing, such response to be delivered within 30 days of receipt of the claim. The parties shall negotiate in good faith within the next 30 days to try and resolve the dispute, however, if such negotiation is unsuccessful, they shall have the dispute mediated in Gwinnett County, Georgia by a court certified mediator with experience in real estate transactions. In the event the parties cannot agree on a

Mediator, the Clerk of Court for Gwinnett County shall appoint one from their list of court approved Mediators.

- b. In the event the dispute is not resolved in part or whole by negotiation or Mediation as described above, all unresolved issues shall be resolved by binding arbitration. The arbitration shall be held in Gwinnett County, Georgia, with one arbitrator, experienced in real estate transaction matters. Arbitration may be initiated by either party if the negotiation of Mediation is not successful in resolving all disputes, by the sending of a request for arbitration to the other party. The parties shall agree on the arbitrator within 15 days of such notice, however, in the event they cannot agree the Clerk of Court for Gwinnett County may appoint the arbitrator. In the Arbitration proceeding both parties may engage in discovery as allowed under the Georgia Rules of Civil Procedure, however all such discovery shall be completed within 60 days of the giving of the appointment of the Arbitrator. The costs of the Arbitration shall be born equally by the parties. Attorneys' fees and costs may be awarded by the Arbitrator as they deem appropriate as part of the final ruling. The Arbitration hearing shall be held within 120 days of the appointment of the Arbitrator; the decision shall be issued in writing; the decision shall follow Georgia law; the decision shall be enforceable by any court of competent jurisdiction, and the decision shall not be appealable by either party.

18. SEVERABILITY: In the event any provision of this Agreement is determined by a court of competent jurisdiction to be void or unenforceable in any regard, the balance of this Agreement shall remain in full force and effect and this Agreement shall be deemed amended to the smallest degree possible so as to remove the provisions determined to be unenforceable.

The undersigned hereby agree to the terms and conditions above, and by signing this Agreement all verbal agreements not put in writing have been nullified.

INVESTOR:

COMPANY:

Name: _____

Michael Stebnicki, President
118 Ventures, LLC.

Name: _____

