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July 5, 2006

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VIA E-MAIL ATTACHMENT

Mr. Robert P. Pace
NorthWind Properties, Inc.
2804 Kimmon Way
Wake Forest, North Carolina 27587

Re: Gaius M. ("Max") Mangum Property – Reply to Letter to Me Dated June 29, 2006
Our File No. 18101.002

Dear Bob:

This is to reply to Grayson NorthWind LLC's, the Buyer's, letter to me dated June 29, 2006, concerning an inquiry about a reduction in purchase price to pay for cleaning up trash in a gully (the "Letter").

As you know, I forwarded the Letter to Ms. Suzanne Landis, who is the General Guardian for the Estate of Gaius M. Mangum, Incompetent, which is the Seller of the real property. Ms. Landis and I carefully reviewed the Letter and the terms of the Agreement for Sale of the Real Estate, which is dated May 12, 2006 (the "Purchase Contract").

As you and I discussed by telephone during the afternoon of July 3, 2006, Ms. Landis is of the view that she has a fiduciary duty to proceed with closing the sale of the real estate in accordance with the terms of the Purchase Contract. As I indicated to you by telephone, Ms. Landis has a fiduciary duty to maximize sales price for Mr. Mangum's property and a Report of Private Sale at the price specified in the purchase contract has already been filed with the Wake County Clerk of Superior Court. I was pleased to hear that you are ready to proceed with the closing despite our negative response to the request made in the Letter.

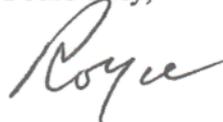
As concerns the precise closing date, the Purchase Contract calls for a closing no later than July 11, 2006. If you find closing on or before this date is causing significant difficulty for you, then please notify me of a new, proposed closing date which should only be a few days later

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than July 11, 2006. In this case, Ms. Landis may be willing to consent in writing to a few business days' delay in the closing. Of course, you could consent in writing on behalf of Grayson NorthWind, LLC, to any short delay that might be agreed upon. All other terms of the Purchase Contract would remain in full force and effect if a slight delay in the closing date should be agreed upon by written consent of the Buyer and Seller.

It was good to talk with you on July 3, 2006. With best regards,

Yours truly,



D. Royce Powell

cc: Ms. Suzanne Wheelous Landis (via regular mail) ✓
Malcolm Harris, Esq. (via e-mail attachment)