ATLAS ROOFING CORPORATION

Limited Shingle Warranty

Limited Warranty: ATLAS ROOFING CORPORATION ("Atlas") warrants to you, the original owner of the roofing in which the roofing products listed in the chart below are first installed, that such roofing products, when properly installed, will be free from manufacturing defects, subject to the limitations set forth herein.

The limited warranty is the sole and exclusive remedy, and during the warranty period specified in the chart below, the maximum repair or replacement obligation of Atlas shall not exceed, during the Premium Protection years, the replacement cost of the product plus replacement application cost (exclusive of metal work, flashing materials, affected by a manufacturing defect), as an amount determined by multiplying the replacement cost of the product only in proportion to the unexpired warranty period. In no event shall ATLAS' liability extend to any cost for the tear off of the product or for the replacement installation cost of the new product during the prorated period.

Limited Wind Warranty: (Shingles Sold by Atlas) ATLAS warrants that its shingles will resist damage by wind gusts up to a maximum of the Wind Speed Limits specified herein when installed in accordance with the printed application instructions on the shingle bundle wrapper and have had the opportunity to seal down. If during this five (5) year period, damage occurs to the shingles as a result of wind gusts under the specified Wind Speed Limits, ATLAS will furnish at no charge, replacement shingles for the damaged shingles only, but no replacement labor. **Sealant Feature:** In order to activate the sealant feature, the shingles must be exposed to direct sunlight for a continued period of time for the shingles to seal. Shingles installed in fall or winter and not exposed to adequate surface temperatures or other conditions which temporarily or permanently preclude activation of the sealant may never seal and must be hand sealed at the time of installation. It is not a manufacturing defect if shingles fail to seal under the above circumstances, and Atlas will not be responsible for repair, replacement, or hand sealing shingles under these circumstances. However, in the event the shingles fail to self-seal after proper installation and climatic exposure, and Atlas is notified within the 1st year after installation, ATLAS' sole responsibility shall be to pay a reasonable cost to hand seal the affected shingles.

Limited Algae Resistant Warranty: (if applicable) ATLAS warrants that its algae resistance shingles (ARS) will remain free of obvious and unsightly discoloration due to algae growth for a period of ten (10) years from the date of installation. In the event the algae resistant shingles fail to meet this coverage, ATLAS' sole and only liability shall be to pay the reasonable cost of repair or replacement of the defective shingles up to the following limits: (a) during the Premium Protection Period, the maximum repair or replacement to ATLAS shall be the replacement cost of those shingles exhibiting discoloration due to algae, including replacement installation cost. (b) during the remainder of the algae warranty period (if applicable), the maximum repair or replacement cost to ATLAS shall be the replacement cost of those shingles exhibiting algae discoloration, in proportion to the unexpired warranty period, excluding all installation costs.

Sole Warranty: THE LIMITED WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND LIMITS AS TO DURATION ALL OTHER WARRANTIES WHETHER EXPRESSED OR IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, TO THE TIME PERIODS STATED ABOVE. ATLAS MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, OTHER THAN THE LIMITED WARRANTY SET FORTH HEREIN. THIS LIMITED WARRANTY CONTAINS ALL OF THE PROVISIONS OF YOUR REMEDIES FROM ATLAS. ATLAS' LIABILITY IS LIMITED TO THE PROVISIONS OF THIS LIMITED WARRANTY, WHETHER ANY CLAIM AGAINST IT IS BASED UPON STRICT LIABILITY, NEGLIGENCE, BREACH OF WARRANTY OR ANY OTHER THEORY OR CAUSE OF ACTION. NO PERSON IS AUTHORIZED TO ALTER THIS LIMITED WARRANTY EITHER ORALLY OR IN WRITING. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

Limitations of Coverage (what is not covered): ATLAS shall not be liable for and the Limited Warranties set forth herein do not apply to:

a. Faulty or improper application of said products or products not installed or applied in accordance with the printed instructions on the product bundle wrappers.

b. DAMAGE TO THE PRODUCTS CAUSED BY INADEQUATE ATTIC/ROOF SHEATHING VENTILATION (Note: Ventilation must meet the FHA and HUD Minimum Property Standards or a minimum of one (1) square foot free venting area per 150 square feet of attic floor area, whichever provides the most ventilation).

c. Replacement of products for the first six (6) months after application due to:
   1. Loss of Granules: Products when first applied will have some excess granule wash off.
   2. Discoloration: a) Some color shading may occur due to positioning or embedment of the granule; b) Yellow staining and/or powder-like shading may occur due to transfer of backing materials.

The conditions listed in section (c) are normal and should be eliminated by natural weathering conditions over a six (6) month period after application.

d. Damage to a roof due to settlement, distortion, failure or cracking of the roof deck,walls or foundation of a building or to any defect in or failure of material used as a roof base over which products are applied or for damage by foot traffic on the roof.

e. Damage from any cause other than inherent manufacturing defect.

f. Acts of God including lightning, winds in excess of the specified Wind Speed Limits listed herein, hurricane, tornado, hailstorm, impact of foreign objects or other violent storms;

g. We are not liable to you if you make a warranty claim in the future, or make structural changes and any replacement shingles vary in color either due to normal weathering or changes in our product line or color blend;

h. Claims by owners or transferees not qualifying as Original Owners or Authorized Transferees under this Limited Warranty.

TRANSFERABILITY: The original owner may transfer this warranty to the subsequent owner, with the following limitations: For transfer of this warranty during the product PREMIUM PROTECTION PERIOD, the remaining portion of the warranty for the new owner will be the same as for the original owner. This will include any remaining time available for the PREMIUM PROTECTION PERIOD. For product warranties transferred after the PREMIUM PROTECTION PERIOD has elapsed, the remaining portion of the transferred warranty will be two years from the date of the real estate transfer. The second owner MUST NOTIFY ATLAS IN WRITING (see attached warranty transfer card) WITHIN 30 DAYS after the real estate transfer for any coverage to be transferred. However after you have transferred this warranty to the purchaser of your home, it may not be transferred again. That is, the purchaser of your home may not transfer this warranty to any subsequent purchasers.

WARRANTY REGISTRATION: You must complete and mail the attached warranty registration card within 30 days of the installation date of your shingles to qualify for applicable warranty coverage.

CLAIM REPORTING PROCEDURE: Any claim made hereunder must be made within thirty (30) days after discovery of the alleged defect by calling 1-800-478-6258 or in writing to:

Atlas Roofing Corporation
Attn: Customer Services
2564 Valley Road
Meridian, MS. 39307

To fully evaluate your claim we may ask you to provide and forward, at your expense, pictures of your shingles and/or 2 full shingle samples for us to test. Repairs made prior to or during the investigation period without Atlas Roofing Corporation's prior written approval shall be at the owner's expense. With all claims, the original proof of purchase must be submitted with any other claim information requested.

WARRANTY NOT VALID IF INFORMATION IS ERRONEOUS.
This warranty is effective on all product types stated herein and sold in the United States after 1/1/2002.

STORMMASTER DG Product Limited Warranty
StormMaster DG is warranted to the installer to be free of manufacturing defects for a period of five (5) years. StormMaster DG is warranted to the building owner for the warranty life of the roof covering being installed, or as a limit of 30 years maximum. This is for affected STORMMASTER DG ONLY. Atlas is not liable for any consequential damages including the building, its contents, or any persons therein. Removal or replacement of any shingles applied over StormMaster DG material will void this warranty.
IN NO INSTANCE IS ATLAS RESPONSIBLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES. THE DURATION OF ANY IMPLIED WARRANTY IS HEREIN LIMITED IN DURATION TO THAT OF THE EXPRESS WARRANTY STATED HEREIN. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the limitations or exclusions may not apply to you.

Product	Warranty Period	Premium Protection Period	Prorated Reduction Figure	Wind Speed Limits
StormMaster®LM	50 years (600 months)	5 years	1/600	102 mph
StormMaster®ST	30 years (360 months)	3 years	1/360	102 mph
Pinnacle®45	45 years (540 months)	5 years	1/540	80 mph
Pinnacle®35	35 years (420 months)	5 years	1/420	70 mph
Alpine®	25 years (300 months)	3 years	1/300	60 mph
Chalet™ (High Wind Application)	30 years (360 months)	3 years	1/360	80 mph*
Chalet™ (Standard Application)	30 years (360 months)	3 years	1/360	60 mph*
Legend™	25 years (300 months)	3 years	1/300	60 mph
Stratford® (High Wind Application)	30 years (360 months)	3 years	1/360	80 mph*
Stratford® (Standard Application)	30 years (360 months)	3 years	1/360	60 mph*
GlassMaster®25	25 years (300 months)	3 years	1/300	60 mph
GlassMaster®20	20 years (240 months)	3 years	1/240	54 mph
GlassMaster®T-Lok	25 years (300 months)	3 years	1/300	60 mph
WeatherMaster®T-Lok	25 years (300 months)	3 years	1/300	60 mph
WeatherMaster®ST	25 years (300 months)	3 years	1/300	60 mph
WeatherMaster®20	20 years (240 months)	3 years	1/240	54 mph

*4 nails = 60 mph 6 nails = 80 mph

Hudson Bay Roofing
15422 Empanada
Houston, Texas 77083

James Vasquez

ATLAS ROOFING CORPORATION LIMITED WARRANTY ON ROOFING SHINGLES - REGISTRATION CARD

1.10.04
Laura Vasquez

Warranty is not valid if information is incorrect

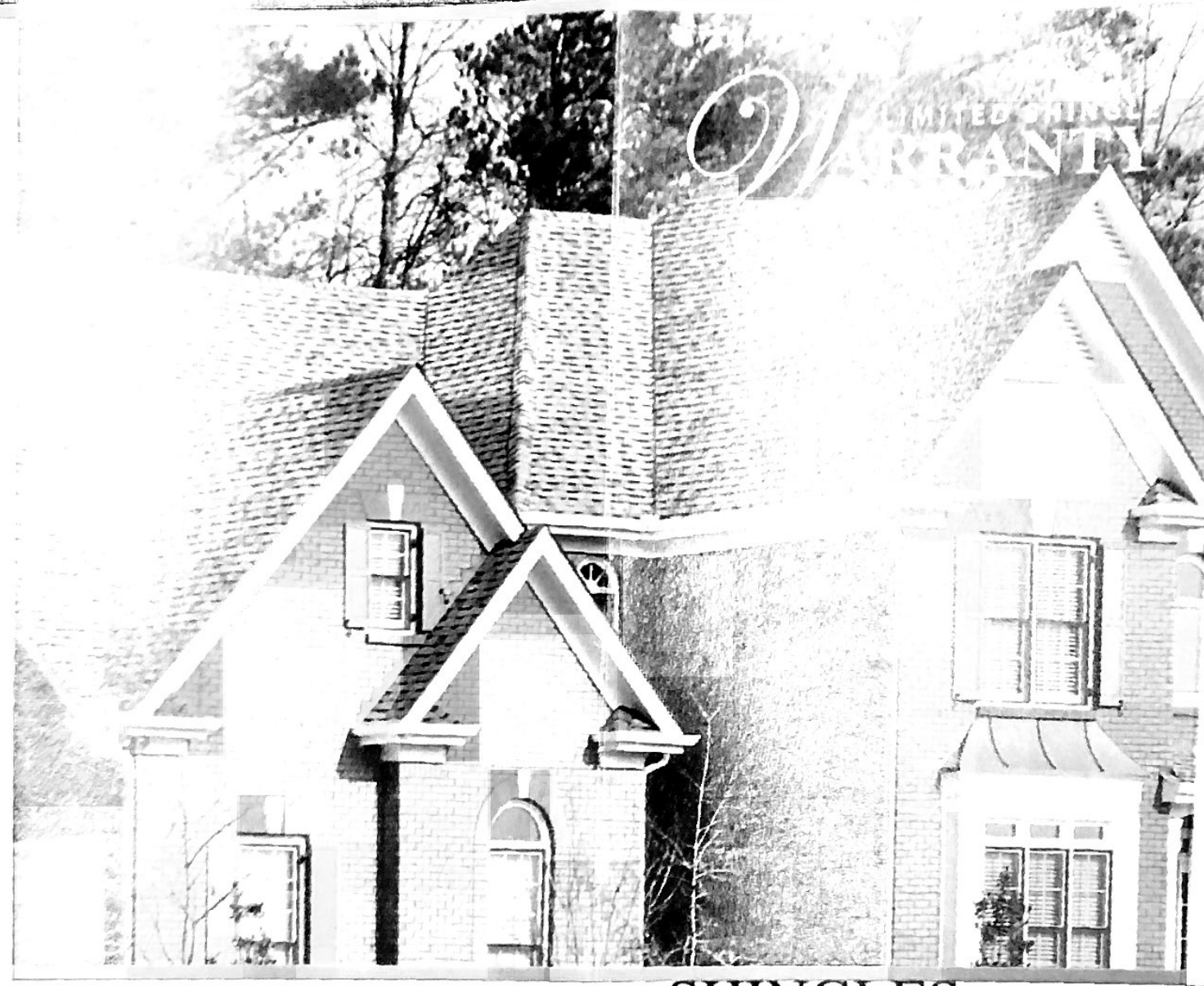
Atlas Roofing Consumer Services
2564 Valley Road
Meridian, Mississippi 39307

ATLAS ROOFING CORPORATION LIMITED WARRANTY ON ROOFING SHINGLES - TRANSFER CARD

Mail this card to:

Atlas Roofing Consumer Services
2564 Valley Road
Meridian, Mississippi 39307

IMPORTANT: Proof of Purchase and Installation Date Must Be Enclosed



LIMITED LIFETIME WARRANTY

SHINGLES and more...

ATLAS ROOFING CORPORATION

CONSUMER SERVICES
2564 Valley Road
Meridian, MS 39307

ATLAS ROOFING CORPORATION

FORM 0027

YOUR SHINGLE SOURCE

PINNACLE — 35 45
CHALET — 30
STRATFORD — 30
STORMMASTER — 30 50
LEGEND — 25
ALPINE — 25
GLASSMASTER — 20 25
WEATHERMASTER — 20 25

ROOFING THAT LASTS

TRUELINE FOUNDATION CO.

12110 Kirkholm
Houston, Texas 77089
(281) 481-6603
Fax

CONTRACT AGREEMENT

STATE OF TEXAS
COUNTY OF HARRIS

This agreement is made and entered into this 20 day of July A.D. 2002 by and between LAURA VASQUEZ of the **COUNTY OF HARRIS** and the **STATE OF TEXAS,** party of the First Part, hereinafter termed owner and **THE TRUELINE CO.** party of the Second Part, hereinafter termed Contractor.

In exchange for the Owner's promises and agreements, described below, the Contractor agrees to do the following:
Underpin and raise or stabilize sections of the foundations by using 20 compressed cylinder piles on the foundation of the structure known locally as 6817 HAZEN in the city of HOUSTON STATE OF TEXAS zip code 77074. In accordance with the Specifications, General and Special Conditions and Guarantees attached and made part of this agreement.

A. SPECIFICATIONS

1. The materials used in the installation of the precasted cylinder shall be minimum of 8000 psi. at 28 day test.
2. Cylinders will be installed at a location and in the manner specified by the Contractor.
3. Cylinders will be driven hydraulically to the depth necessary to develop skin friction sufficient to enable cylinder to support the foundation, or until cylinders encounter rock or other strata capable of supporting the foundation.
4. After the cylinders have been installed and are able to support the structure, a concrete block cap will be installed and the jacking or raising continued until, in the sole opinion of the CONTRACTOR, further raising will produce or create damage to the foundation or structure.

B. GENERAL CONDITIONS

1. The work to be performed under this contract is designed to attempt to return the foundation to as near as its original horizontal position as possible, based on the experience of the Contractor.
2. The stabilization, leveling, or stopping of foundation settlement can and may reverse the damage already done to the foundation and structure, such as cracks in the brick veneer or sheetrock, the closing of doors and windows, and can or may cause or create new damage by movement or lack of movement.
3. The Contractor has no obligation to repair or to replace any damage whether it is exposed, concealed, or buried, to the foundation, structure, floors, floor covering, plumbing, electrical wiring, furniture, fixtures, furnishings, or personal property without regard to when and where said damage occurs.
4. Contractor is not responsible for any variations of color or texture on concrete break outs or patch work.
5. If builders and/or drilled piers are discovered after work has begun and it is necessary to cut them loose from the foundation, an extra fee may be charged.
6. If, after work has begun, it is discovered that the foundation has been constructed of substandard materials or is of inadequate structural strength to properly transfer the load imposed by underpinning, there can and may be an adjustment in the contract price.
7. The work performed will meet FHA & VA Requirements.
8. In the event that only exterior piers are installed, Owner shall understand that contractor does not warrant any settlement in the interior areas of the structure.
9. Contractor will at best, keep damage to lawn and shrubs at a minimal, but is not liable if damage occurs.

TRUELINE FOUNDATION CO.

C. CONTRACT NOTES/CONDITIONS

D. GUARANTEE

It is the intention of the CONTRACTOR to permanently stabilize the settlement of that portion of the foundation covered in the contract within (1) part in (1440) parts for the life structure that it supports. (1/4 settlement in 30 ft. span.)

E. THIS GUARANTEE SHALL BE NULL AND VOID IF;

1. THE STRUCTURE IS ALTERED OR MODIFIED, OR IF ADDITIONS ARE MADE TO IT WHICH WOULD AFFECT LOADS ON FOUNDATION.
2. THE STRUCTURE SUFFERS FIRE, FLOOD OR STORM DAMAGE. FLOOD DAMAGE SHALL INCLUDE WATER OR SEWER LEAKS UNDER OR ADJACENT TO THE FOUNDATION.
3. THE STRUCTURE IS SITED ON A FAULT.
4. UNDERGROUND FACILITIES OR SWIMMING POOLS ARE INSTALLED WITHIN A HORIZONTAL DISTANCE EQUAL TO OR LESS THAN THEIR DEPTH FROM THE FOUNDATION.
5. THE FOUNDATION IS UNDERMINED (i.e. soil slumping, eroding, plumbing leaks, creek beds, excavations, etc.)
6. FINAL BALANCE IS NOT PAID.

If settlement occurs on the portion of the foundation covered by this contract, the adjustment will be made to the structure so long as all provisions of the contract agreement are met, and that assignment to future owners is timely made. TRUELINE CO. will be responsible for any adjustments required for the life of the structure at no cost to owner.

Guarantee applies to the 20 piers installed.

In the event the TRUELINE CO. and the owner cannot agree that the settlement of the foundation has been controlled and settlement is within the tolerance specified above, the owner may retain a registered professional civil engineer of Texas, engaged solely in the private practice of his profession and knowledgeable in soils and foundations in the area, and who is acceptable to the Contractor and/or TRUELINE CO. at the sole expense of the owner, to act as an arbitrator to effect a binding agreement between the parties.

F. TRANSFERENCE

This agreement is transferable by the owner of this contract if TRUELINE CO. 12110 Kirkholm, Houston, Texas 77089 is notified in writing, within 30 days after the sale of the contract property.

G. PAYMENT

Payment of THIRTY-SEVEN HUNDRED NINETY, $3790.00 is required to be paid as follows. One-half (1/2) is due at the time work begins. Balance is due upon completion. Upon final payment of balance TRUELINE CO. will release warranty and engineering documentation within 30 days.

THE ABOVE PRICES, SPECIFICATIONS AND CONDITIONS ARE SATISFACTORY AND ARE HEREBY ACCEPTED. YOU ARE AUTHORIZED TO PERFORM THE WORK.

OWNER [signature] DATE 7-20-07

OWNER _____ DATE _____

CONTRACTOR Jason Ferguson DATE 7-20-07

SEALY ENGINEERING
3818 Glen Arbor #5
Houston, Texas 77025
Telephone: 713 6673994, Fax: 713 6672905
sealyeng.com

June 7, 2007

Laura Vasquez
6817 Hazen
Houston, TX 77074

Enclosed is the report of the visual inspection that was conducted on the structural foundation of the residence located at 6817 Hazen, Houston, Texas, 77074 by Taylor Sealy, PE. This inspection was conducted for you on the date of June 7, 2007.

The information you need should be contained in the attached report. A summary of the items of concern may be found in Section 4.0 near the end. Information specific to this house starts in Section 2.0. If you should have any questions, however, please give us a call. It was a pleasure to have done business with you, and we hope we may be of additional service to you some time in the future.

Taylor Sealy
Licensed Professional Engineer

TS/eas

FOUNDATION INSPECTION REPORT

1.0 INTRODUCTION

The purpose of this report is to describe the results of an inspection that was conducted on the foundation of the residence described below. This inspection was conducted at the request of the client to provide an opinion regarding the performance of this foundation as a primary load-bearing structural member of this building.

In the conduct of this work, Sealy Engineering has acted as an engineering consultant to provide information to the client for use as the client may see fit. As such, Sealy Engineering involvement in any activities related to this residence shall terminate when the final report is submitted unless otherwise requested in writing by the client. Monitoring of repairs is not included in this inspection. As a consultant to the client, it is the sole function of Sealy Engineering to provide information to the client regarding the condition of the foundation and not to make any binding judgments on any condition reported nor to determine the need for repair. Such judgments are, of course, left to the client.

This inspection consisted of a visual examination of the accessible portions of the foundation and the remainder of the structure. The clients should understand that we could miss something during the inspection and it is our policy not to reimburse the clients for such items. In such an examination, it is recognized that a diagnosis of foundation performance can possibly be compromised by the inability to gain access to large portions of the foundation for visual examination, the lack of definition of design and construction parameters that often govern the foundation performance, and inherent limitations to the state of the art of engineering analysis of foundation performance. For safety reasons we do not inspect within the foundation crawl space of pier and beam type houses but will look underneath if an access hatch is readily accessible. Condition of the subfloor framing on these houses is generally reported by the pest control inspectors since wood deterioration is the main cause of distress usually noted within that area. Sealy Engineering has conscientiously utilized all visual data available to every extent reasonable and has attempted to acquire available information such that a reasonably accurate diagnosis could be made. Where specifically requested by the client, Sealy Engineering has provided recommendations for remedial action, should such be warranted. Such recommendations are provided for information, and Sealy Engineering assumes no responsibility in the event such repair work should be done. Finally, this report was written to satisfy the specific objectives of the client. Neither the author of this report nor Sealy Engineering assume any responsibility whatsoever for the use of this report by any third party person. The client(s) agrees in using this report that Sealy Engineering is not required to give testimony or attendance in court or at any other hearing with reference to matters discussed herein, unless prior arrangements are made.

2.0 PROJECT DESCRIPTION

The residence inspected was located at 6817 Hazen, Houston, Texas. The client for this inspection was Laura Vasquez. The residence was occupied and the client was present at the beginning of the inspection.

The residence inspected was a one-story, single family wood frame dwelling with brick veneer and wood siding. A fireplace was located between the breakfast room and the front living room. The structure had a gable roof with a composition shingle covering. A screened patio was located at the back of the house. The garage was attached. The structure had a conventionally reinforced concrete slab on grade foundation. The house was built in 1955 according to HCAD. Foundation

repairs have apparently been carried out along the front porch and the garage judging by repair pier patches in the concrete. The residence outline is depicted in the attached sketch.

3.0 INSPECTION RESULTS

The foundation of this residence was observed to have incurred deflections which caused damage to other structural components. The level deviations were measured using an electronic version of a waterlevel, either a Stanley Compulevel or a Ziplevel by Technidea in this case, and the results have been superimposed upon an attached sketch. Compensation was made for variations in the height of the floor coverings so that the measurements shown should reflect the relative height of the top of the concrete slab. From this sketch, it can be seen that the slab was measured to be level within approximately 4.1" from the high point to the low point. Based upon my experience, this is more than would normally be expected for a house of this size, with a more typical average usually being in the range of about 1.5". That also is the recommended slab construction tolerance given by the American Concrete Institute. The majority of the house was relatively level with the exception of the garage. The low level readings were noted on the west end of the garage, and especially around the northwest corner. Levels in the garage were taken on the ceiling. Not counting the garage, the house would be level within approximately 1.8", which is not much beyond the new construction tolerance of 1.5". However, some sheetrock cracks and door misalignments were noted around the bedroom wing hallway. We observed no exposed slab reinforcement steel or honeycombing in the edge of the slab. Large cracks were not observed in the visible part of the foundation grade beam. As far as cracks which may be present in the grade beam it should be understood that cracks can be extremely difficult to see and could possibly be detected by the client at some time after the inspection has been completed. Since cracking is a normal property of brittle materials such as concrete, neither the author nor Sealy Engineering assume any responsibility whatsoever should cracks be found which were not mentioned. It is our opinion that other indications are more important in determining whether a house has a foundation problem since cracks may be present in slabs due to shrinkage or minor movements. A hole in the ground was noted next to the foundation just outside of the utility room in the garage and is likely due to breaks in that underslab cast iron sewer lines which are causing washout of the soil there.

The screened patio appeared to have been constructed on wood floor joists resting on the ground without any slab underneath. It appears as though the floor joists are deteriorating and a replacement slab for that screened patio foundation is recommended. It should be possible to support the upper part of that patio and install a conventional concrete foundation with grade beams and well attached to the existing slab.

In its report titled "Soil Survey of Harris County", the U. S. Natural Resources Conservation Service (formerly Soil Conservation Service) has classified the soil in this general area to be a member of the Lake Charles family of soils. This does not count the layer of sand which is present under all slabs in this part of the country. The sand is very porous and highly erodible in the presence of sewer line breaks. Cast iron sewer lines, such as would be present under a house of this age, deteriorate over time and are being replaced all across the city for that reason. In view of the age of the house it is recommended that the cast iron sewer lines be tested. In the event any breaks are found it is suggested that as much of the underslab system as possible be rerouted at that time to avoid future foundation problems from breaks. The soil maps are generally considered to be accurate enough for most purposes, although only a soil analysis by means of a boring at the specific site can determine the precise characteristics present. The report shows soils in this classification to have high shrink/swell potentials because of the high percentage of expansive clays present. This type of soil is known to be one of the most expansive clay soils so classified in the area. Foundation watering and excluding tree roots from under foundations are very effective

in preventing damage to structures due to moisture variations in this type of soil. Trees are generally capable of affecting house foundations in areas with expansive soils out to about the limits of their untrimmed limbs, although their roots may extend farther. Trees act on house foundations by withdrawing moisture from the expansive clay, which then shrinks and allows the foundation to settle. Cutting of trees or their roots does not apply to those which may have existed on the site before construction or foundation repairs involving slurry or foam injections since heave can result in such cases as soil moisture returns. Cutting to a depth of about 2' below the ground will sever the majority of the roots since they tend to stay near the surface. Cuts should not be made too close to a tree since they can fall over in high winds. Caution should be exercised so as not to cut underground utility lines. There are trees close enough to the foundation to potentially affect it and they may be responsible for the settlement of the outer end of the garage. The roots of those trees and any others close enough to affect the house should be cut or root barriers will need to be installed.

In my opinion, the settlement of the outer end of the garage part of this foundation are of sufficient magnitude such that leveling is suggested. While settlement resulting in door misalignments and sheetrock cracks was noted in the bedroom wing, that is not bad enough there at this time to warrant foundation repairs in my opinion, although the possible causes of the movement there should be determined and eliminated. This could include damaged and deteriorated sewer lines or tree roots extending under the foundation and withdrawing moisture from the soil. It is also my opinion that restoration of foundation integrity in the garage can best be accomplished through the correct application of driven piles. Piles tend to be "self-testing" as far as capacity due to the method of installation. This is true as long as any hard upper clay layer, such as occurs in summer, is penetrated. This usually requires a penetration of at least 10' unless sandy soils are involved. The attached sketch shows a reasonable arrangement for the piles. This information may be used by the client for the process of obtaining bids for this work. It is important to understand that this arrangement is based upon our engineering judgement; however, the warranty will be provided by the contractor who is solely responsible for the work and should, therefore, make the final selection. Any prospective contractor should be given a complete copy of this report in order that they may understand the goals desired here. The client may wish to resolve any significant differences between our suggestions and the recommendations made by the contractor. In any case, neither the author nor Sealy Engineering assumes any responsibility whatsoever for the results of the work of the contractor.

The degree of levelness to be expected from the foundation repairs should be discussed in advance with the contractor in order to avoid any misunderstandings. No foundation repair contract with which I am familiar discusses the degree of levelness to be obtained. We have found that most new houses of this size are level within about 1.5" and it should be possible with the pile layout shown to level the house to within approximately 1.8" in our opinion, keeping in mind that other considerations come into play when trying to determine the original position of the house. This would mean that no point would be lower than -1.8" in the house (including the garage) after the foundation repairs. Levels in the garage were taken on the ceiling during this inspection since the grade beams could not be accessed because of stored items in the garage. After leveling, siding lines should be straight and approximately level. Other components of the house, such as door frames, window sills, counters, etc. should also be level after foundation repairs. Additional sheetrock cracks can be expected as a result of this operation. It is important that any void space created by foundation leveling not be filled in order that foundation heave will not result from future changes in soil moisture. This would not apply to any voids created by sewer leaks. It is recommended that an additional foundation inspection be obtained as soon after leveling as possible so that the success of the repairs may be evaluated and also in order to obtain an independent set of level readings for contractor warranty purposes.

4.0 CONCLUSIONS

Based upon the observations made during this inspection, it is our opinion that sufficient foundation unlevelness is present around the garage such that leveling there is needed as described herein. While settlement was evident in the bedroom wing resulting in misaligned doors and sheetrock cracks, it is not bad enough there to result in the need for foundation repairs, although the cause or causes of the settlement should be determined and eliminated. This should include testing of the underslab cast iron sewer lines and deep cutting of any roots extending to the house and under the foundation. The deteriorating wood floor for the rear screen patio needs to be replaced with a properly constructed concrete slab well attached to the existing house foundation. That slab should contain grade beams, as the house foundation would, and should have at least 6" of slab showing above existing grade if possible.

The drawing at the end of this report is provided to aid in determining the condition of the foundation. "R" on the drawing represents the reference point from which all other level readings are taken and it is arbitrary. Changes in floor coverings such as the transition from carpet to tile etc. are taken into consideration when taking level readings. Taking the largest positive reading and adding the largest negative reading will give the overall levelness of the structure. Generally, when new houses are finished, a certain amount of slope is built in. This slope is generally in the range of 1.5 inches for the average size house. Level readings are valuable not only as a diagnostic tool but can be used as a reference for any suspected foundation movement that may occur in the future. Readings can also verify the stability of a house. Please note that the scale of the drawings can change with faxing or copying of the original sketches.

The foregoing discussion is based upon an analysis of information which was obtained through a visual inspection of the foundation and its associated structure combined with such engineering information that was otherwise available. Although this process yields reliable results the majority of the time, it must be recognized that occasionally latent defects may exist which are not always amenable through detection during a visual inspection of this type. Thus, any inspection of this type is essentially an opinion upon which the client may place a reasonable degree of reliance; but, under no conditions can such an opinion be considered absolute nor can such opinion be used without any assumption of risk.

5.0 CERTIFICATION

I hereby certify that I did conduct the assessment of the foundation performance of the residence located at 6817 Hazen, Houston, Texas, 77074 on the date of June 7, 2007. I am a Licensed Professional Engineer in the State of Texas, whose registration number is 64962. I further certify that the findings and conclusions contained in this report have been, to the best of my knowledge, correctly and completely stated without bias and are based upon my observations and my experience. No responsibility is assumed for events that occur subsequent to the submission of this report and no warranty, either expressed or implied, is hereby made.

Taylor Sealy

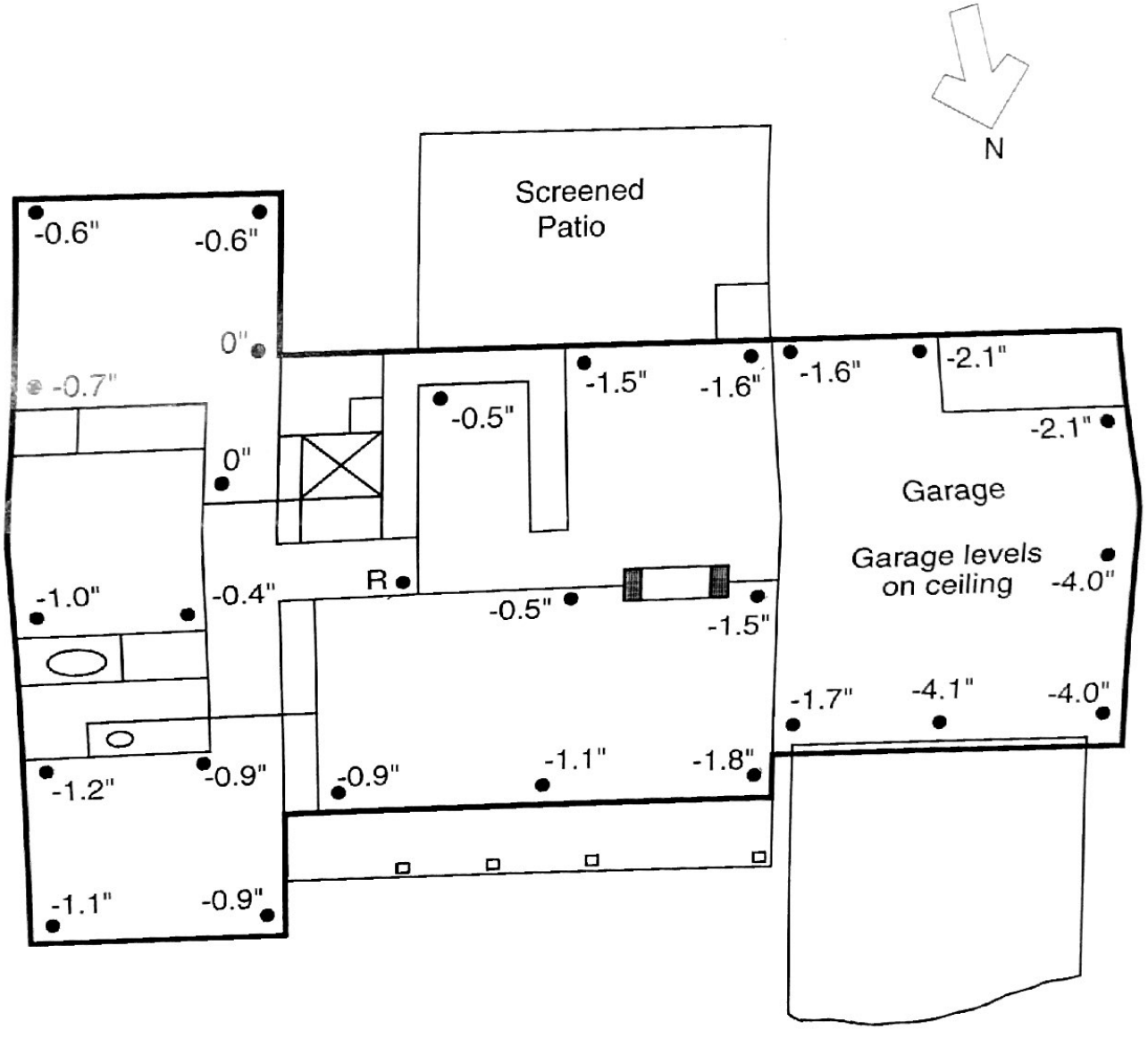
Taylor Sealy
Licensed Professional Engineer

Sealy Engineering
June 7, 2007

6817 Hazen
Level readings

0' 10' 20' 30'

Approx. scale 1"=10'

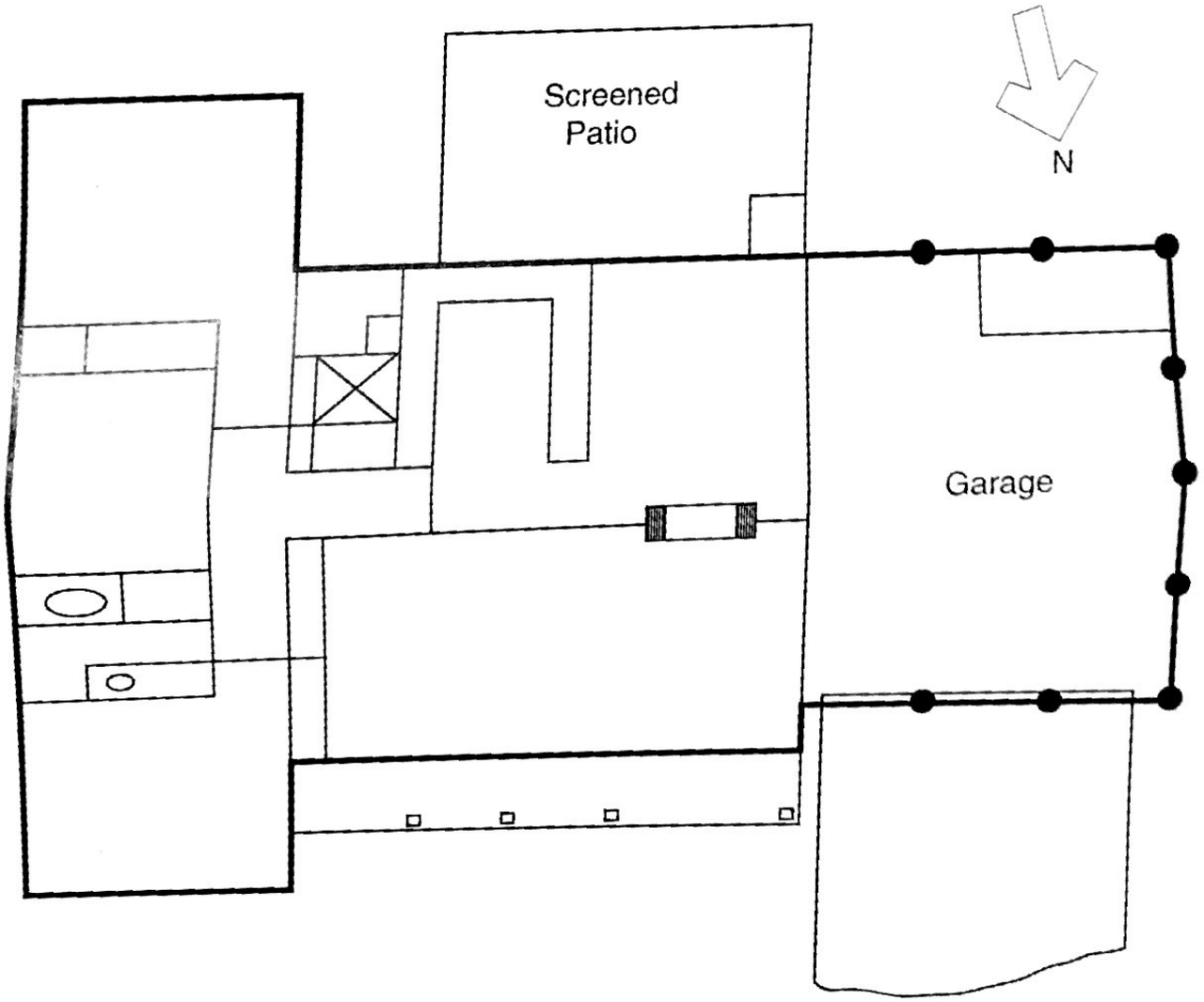


Sealy Engineering
June 7, 2007

6817 Hazen
Pile layout

Approx. scale 1"=10'

● = Approximate piles needed to level foundation.
Existing piles/piers may be reused if desired.



Lifetime Transferable Warranty

Project Number : 12272003 - 851

U.S. Foundation Repair is herein referred to as contractor. Contractor warranties all piers installed by contractor for the lifetime of the home at no cost for adjustments, non prorated and fully transferable . Warranty applies to piers installed by contractor only. Contractor reserves the right to be on premises to inspect all warranty piers and only contractor can do warranty work. This warranty shall be null and void if the foundation is not properly maintained, or if the structure is altered or modified to any major structural degree affecting the piers, or the structure is sited on a fault or is undermined by soil slumping, erosion, plumbing leaks, creek beds, excavations, flood, etc.

Registered warranty of (11) Mega Pile Piers,Installed December 27, 2003

Assignment : This warranty is assignable by the owner if contractor is notified within 30 days after the sale of the premises, provided with proof of sale and upon payment of $150.00 Transfer fee. If this agreement is not properly and timely made, this warranty is void.

Sincerely,

Connie & Bill Boehlert

U.S. Foundation Repair
6214 Evergreen
Houston, Texas 77081
713-988-9099

Warranty Issued To :

Laura Vasquez
6817 N. Hazen St.
Houston,Texas 77074

Inspection Fee ; Home owner must provide contractor with 30 days written notice prior to the contractor visiting the home to perform an inspection for warranty work and pay a $75.00 Inspection fee.

U.S. Foundation Repair

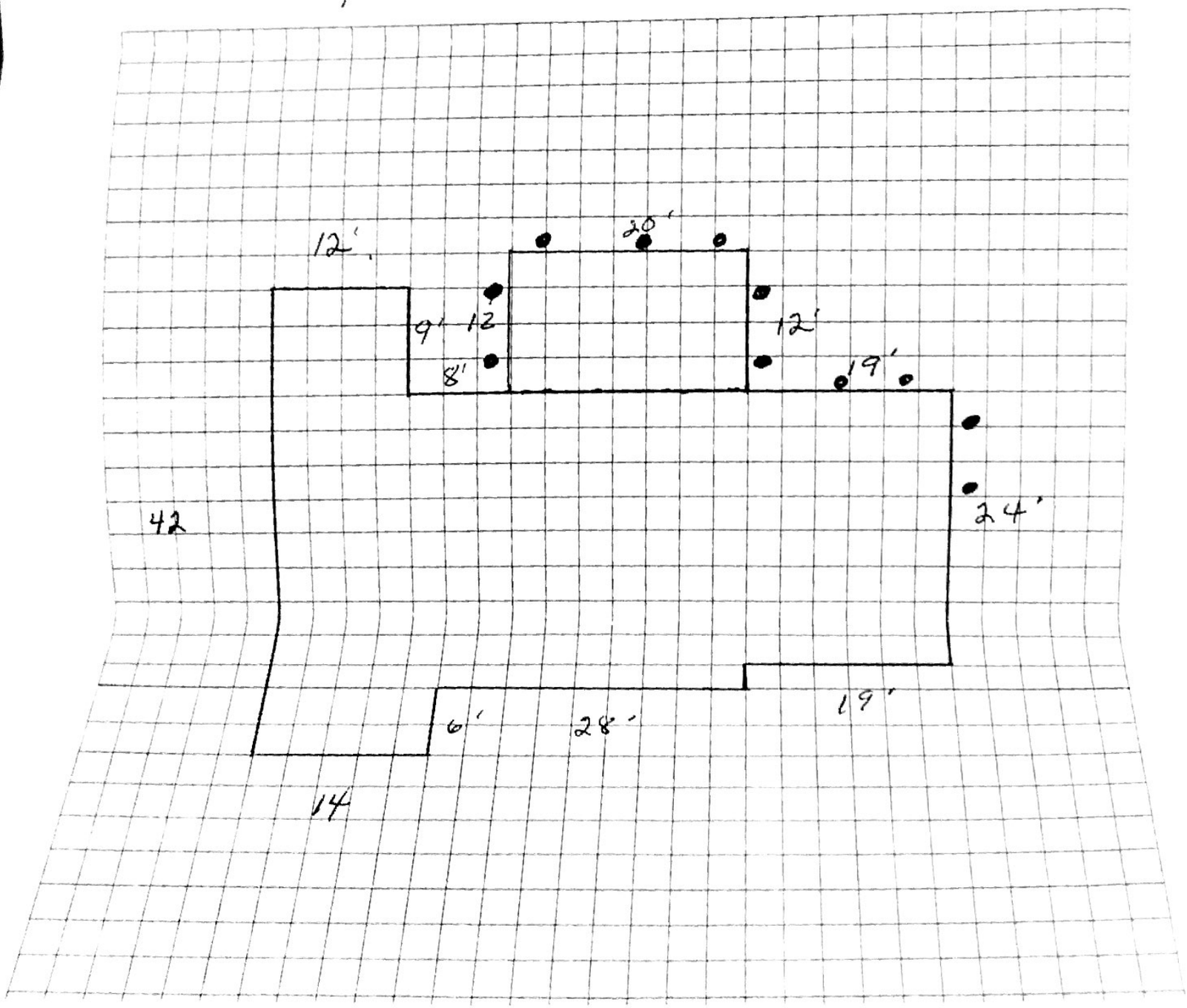
6214 Evergreen, Houston, Texas 77081
Ph. 713-988-9099 Fax 281-859-0229

Name SONYA PIZZATOLA

Address 6817 HAZEN, HOUSTON, TX. 77074

Phone

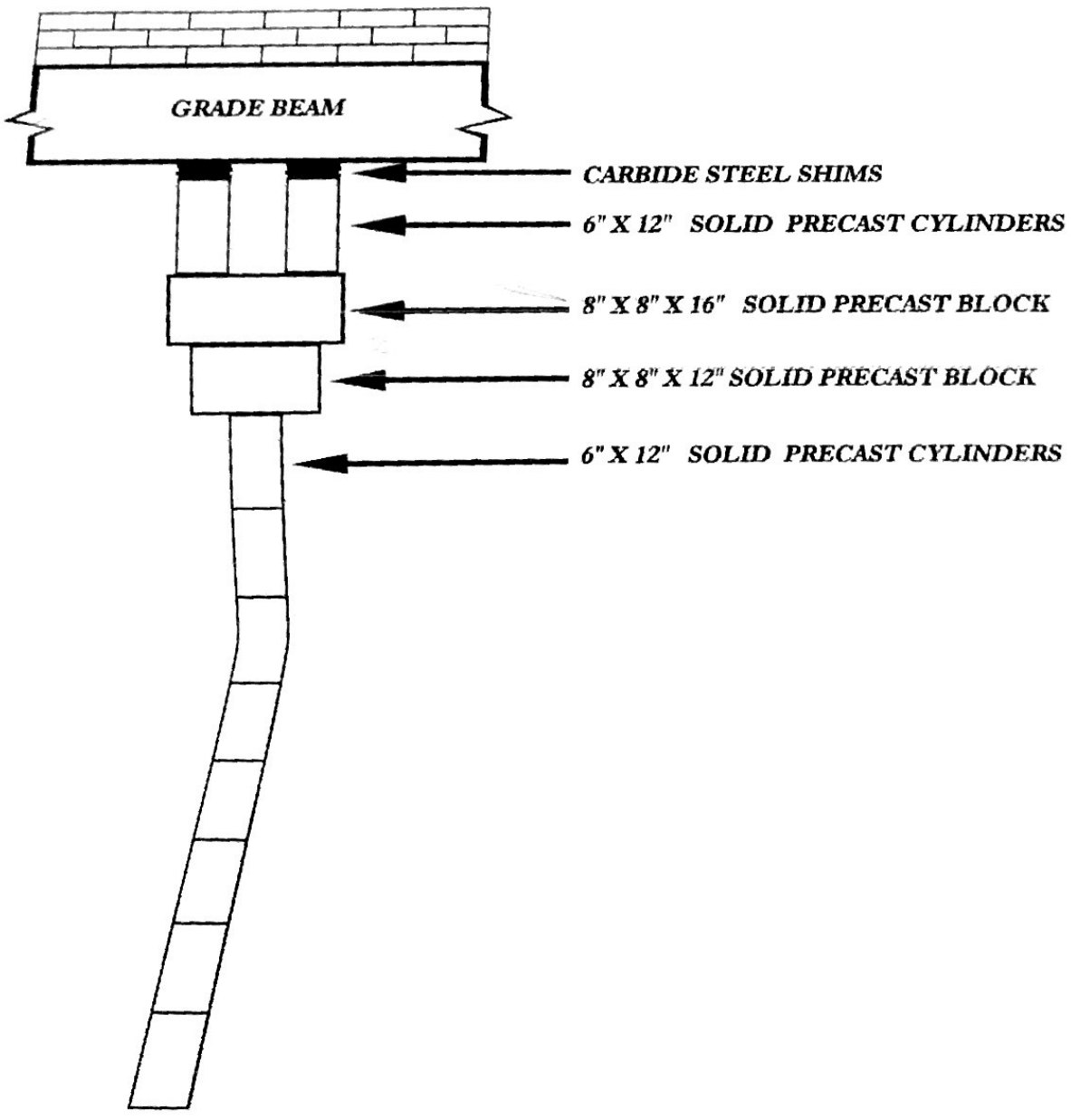
Project Cost 11 Mega Pile Piers KeyMap # 530M



U.S. Foundation Repair
6214 EVERGREEN
HOUSTON,TEXAS 77081

MEGA PILING® SYSTEM

* Concrete Material in MEGA PILING SYSTEM Shall be 3000 psi.
* MEGA PILING SYSTEM is driven hydraulically to the point of resistance.
* The piles are driven untill the skin friction is so great that the slab moves upward slightly, thus proving that load bearing strength is obtained.



US FOUNDATION
and SLAB REPAIR

6214 Evergreen , Houston ,Texas 77081 713 - 988 - 9099 / 713 - 988 - 6507

FOUNDATION MAINTENANCE PROGRAM

Soils of the South East Texas area contain highly active clays which exhibit a high degree of expansion when wet and shrinkage when dry. This situation can result in severe vertical and/or lateral displacement of supported structures.

Repeated variations in soil moisture content therefore cause differential movement and undue stress to structural elements of a building, resulting in broken and unleveled floors, masonry cracking and misalignment of doors and windows.

Consistent soil moisture is a key to controlling these problems.

DRAINAGE

Maintain soil gradients around perimeter areas with a proper slope away from foundation for a distance of three to four feet. Soil should be a predominantly clay material which is capable of shedding surface water, a sandy loam or other porous material should not be used.

A swale or drainage channel is normally included between structures. This feature should never be altered by addition of fill material or blocked by construction of landscaping beds, structures, etc.

Soil levels against the concrete perimeter grade beam should be not less than two inches from brick ledge for a slab type foundation. With a pier and beam foundation, soils should be approximately halfway up side of this beam.

While not always absolutely necessary, gutters and down spouts can help in implementing a moisture control program. Downspout's should have extensions and splash blocks to reduce erosion and should discharge onto the ground at least two feet away from the structure.

Flower bed edging or curbs near the foundation may trap water. These beds should be filled with soil to prevent ponding or in some cases area drains may be necessary to prevent ponding.

WATERING

Large trees or shrubs can consume tremendous amounts of water and should not be *planted next to the foundation.* When planting these items, be careful that roots of the *mature tree do not extend beneath the foundation.* Whenever cracking of soil occurs or *soil is noted to be pulling away* from the foundation, it is an immediate signal that soil *moisture levels are too low.*

Water should be added in a slow, systematic manner using an automated sprinkler *system or a soaker hose placed 18 in.* from the foundation with holes facing downward. *Water should be applied until runoff* is observed. During hot weather, this process *should be repeated four to five times weekly* - less during winter months.

In summary, remember that a consistent moisture control program will minimize soil *movements, resulting* in less stress and longer service life of the structure.

U. S. FOUNDATION REPAIR

6214 Evergreen
Houston, Texas 77081
713-988-9099

Dear Homeowner, Laura Vasquez

Congratulations on the purchase of your new home.
The Lifetime Transferable Warranty has been transferred to your name.

At U.S. Foundation Repair a majority of the work we do comes from satisfied customers referring neighbors and friends to us..

Here's The good news ! We are now offering $ 50 to $ 200 cash awards for all our customers that refer their friends and neighbors to us. Simply contact us prior to their call and give us their information prior to our inspection, and if we get the job - you get the reward.-

Enjoy your new home.
We look forward to paying for lots of referrals.

Sincerely,

Connie Boehlert
1-29-04

Bill & Connie Boehlert