



PLUMBING
FOUNDATION REPAIR
AIR CONDITIONING & HEATING

LIFETIME SERVICE AGREEMENT

Date: December 7, 2000

Owner:

Meyer & Leigh Homes, Inc

**Lot 18 Village of Indian Springs
Dakota Ridge Place Drive
Woodlands, Texas 77381**

Work was Performed: August – September 2000

WARRANTY:

OWNER recognizes that soil conditions in this area are such that there may occur some future shifting of the soil. If any re-raising of the area of the structure on which CONTRACTOR performs the work, due to settling the first 10 years after completion of the work provided for in this Agreement, CONTRACTOR will re-raise settled areas where the above described piers have been installed, without cost to OWNER. After the tenth year, should re-raising same area of the structure be required, CONTRACTOR will perform such service if requested by OWNER at a cost of \$40.00 per pier adjusted plus or minus the U.S. Government Consumer Price Index (All Commodities). The removal and/or replacement of any type of floor covering for the adjustment of interior piers shall be at OWNER'S expense.

TRANSFERABILITY:

OWNER'S rights hereunder may be assigned to a purchaser of the property covered by this Agreement and all of the terms, provisions, and warranties provided herein shall be binding on CONTRACTOR, provided, however, OWNER or the purchaser must notify CONTRACTOR in writing of such transfer of ownership within thirty (30) days after the effective date of the transfer of title of the property.



PLUMBING
FOUNDATION REPAIR
AIR CONDITIONING & HEATING

December 7, 2000

Meyer & Leigh Homes Inc.,
Lot 18 Village of Indian Springs
Dakota Ridge Place Drive
Woodland, Texas 77381

*Re: Lot 18 Village of Indian Springs
Woodland, Texas 77381
Job No: 20669-2*

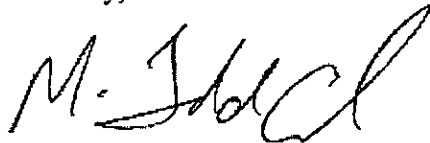
CHURCH SERVICES has recently completed repairing your foundation and included in the repairs procedure was the installation of 101 bell bottom piers at the approximate locations shown on the enclosed sketch.

We at CHURCH SERVICES demand quality in our workmanship and stand behind our work by granting a lifetime service agreement with the privilege of unlimited transferability. Enclosed is our agreement regarding the foundation repair work conducted on your residence and the lifetime service and unlimited transferability provisions. Please note that we need your help to keep water from ponding/standing around the foundation, which requires constant maintenance of grade, gutters and/or drainage systems around the residence.

The enclosed sketch of the pier locations and service agreement should be kept in a safe and convenient location for your future reference.

The owners and employees of CHURCH SERVICES would like to thank you for your patience and cooperation during the foundation repair procedure. Please find enclosed a Questionnaire concerning our performance on your repair and mail back in the postage-paid envelope. Thank you again for allowing CHURCH SERVICES to perform the repairs at your home.

Sincerely,



M. Todd Church

MTC/ems

Enclosures

PO BOX 79589
HOUSTON, TEXAS
77279-9589
281-497-8602
FAX 713-932-0550



FOUNDATION INSPECTION OF
7 Dakota Ridge
Job # 201658

Prepared for: Meyer & Leigh

Prepared by: CONCEPT ENGINEERS, INC.
June 6, 2000

7 Dakota Ridge
Job # 201658

I. INTRODUCTION

DESCRIPTION OF PROPERTY: Two story, three car garage. Brick exterior.

DATE & TIME OF INSPECTION: May 27, 2000

WEATHER CONDITIONS: Hot and Sunny

II. GENERAL DATA

- A. The single family residence was under construction with framing and sheetrock complete at the time of this inspection.
- B. Two story wood frame; 5 bedroom. Brick veneer.
- C. Roof covered with asphalt composition shingles.
- D. Foundation system consists of a conventional slab on grade.
- E. For the purpose of this report, the building is assumed to face Northwest. See Sketch SK-1 at the end of the report for exact orientation.
- F. The house has partly been provided with gutter and downspout system.

III. INTENT OF INSPECTION

The intent of this report is to provide our client a general overview of the structural condition of the property under consideration through observations and opinions made on the day of inspection. While a warranty is neither expressed nor implied, our report can be considered a sound engineering opinion based on years of experience in this field.

The content of this report is based solely on visual evidence reasonably available during inspection. As Registered Professional Engineers, it is our responsibility to evaluate available evidence that is relevant to the structural system of the building. We are not responsible for the conditions that could not be seen by us during inspection.

We also feel obligated to inform our client that the evaluation given in this report is by no means an exhaustive technical evaluation. Only obvious visual deficiencies related to the structure can be observed in a time-bound field visit such as this.



7 Dakota Ridge
Job # 201658

Please note that compliance with any federal, state, or local codes and/or any other legal requirements is beyond the scope of the present study. Also, no investigation was made to determine the location of any geological faults relative to the location of the subject property.

IV. METHODS EMPLOYED

'Visual Observation' was the key tool employed for the evaluation of proper structural performance. A computer level was used to record relative elevations of the foundation slab around the structure.

No surface materials were removed, no physical tests (destructive or non-destructive) were undertaken, and no instruments (except the computer level) were employed to aid the building evaluation. No special effort was made to expose the structural system from architectural finishes and no drawings, calculations and/or reports were studied in order to come to the conclusions stated in this report.

This visual inspection can generally provide a sound engineering assessment of the property unless the distress patterns or relevant symptoms have been masked by a recent repair or remodelling.

V. OBSERVATIONS:

In order to gauge the structural performance of the house, the inspection was carried out in the following order and our observations noted for each item as follows:

A. EXTERIOR DISTRESS SYMPTOMS:

The house is covered on all sides with brick veneer. The brick veneer, in general, reflects the state of the foundation slab very accurately. Any major differential movement in the slab supporting brick veneer is generally reflected in the brick masonry by means of cracks in the mortar, bricks, or both. These cracks normally start above the foundation slab and travel up in the wall along the path of least resistance, sometimes in a stair-step fashion. The following observations were made with regards to the exterior of the house:

- E1. Approximately 5 ft. fill can be seen at the back of the house which has been extended about 5 ft. past the edge of the slab beyond the family room and the three car garage.
- E2. Approximately 2 ft. fill can be seen at the back of the house which has been extended about 2 ft. past the edge of the slab beyond the master bedroom.



7 Dakota Ridge
Job # 201658

- E3. The front of the foundation appeared to be sitting on grade.
- E4. The left and the right side of the house has approximately 2 ft. fill which has been extended about 2 ft. past the edge of the slab.

B. INTERIOR DISTRESS SYMPTOMS:

The interior walls and ceilings of the house comprise of gypsum board (sheet rock) finish on wood studs and joists respectively. This type of construction very readily reflects any frame movements, foundation movements and/or joint distortions by showing cracks on its surface. The following were observed in the slab:

- I1. 1/16" crack in the slab across the garage.
- I2. 1/16" crack in the slab halfway along the slab starting from back of the garage to middle of the slab.
- I3. Two 1/32" cracks in the slab across and along the family room.
- I4. Two 1/32" cracks in the slab across and along the breakfast room.
- I5. 1/32" crack in the slab along the kitchen.
- I6. 1/32" cracks in the slab in various directions in the dining room.
- I7. Two 1/16" cracks in the slab across and along the master bedroom.
- I8. 1/32" in the slab across the master bedroom.
- I9. 1/16" crack in the slab across the master bathroom.

VI. DISCUSSION

The relative elevations taken at the interior of the house are shown on sketch SK-1. These elevations, as marked in this sketch have been calculated with respect to an arbitrarily assumed reference datum point.

The differential movements noted in the subject slab are the result of post construction consolidation of fill under the foundation.



7 Dakota Ridge
Job # 201658

VII. CONCLUSION

Based on our observations on the day of inspection and as mentioned in the above discussions, the following conclusions can be drawn:

1. The cracks noticed in the slab do constitute actual physical damage to the foundation.
2. In our opinion the above damage to the foundation has caused a failure of its load bearing function.

VIII. RECOMMENDATIONS

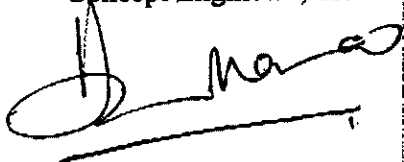
The following recommendations are made:

- A. The cracks and other distresses mentioned in our observations above should be monitored for any further changes.
- B. All cracks in the slab that are larger than 1/32" in width should be repaired by injecting it with high strength epoxy grout.
- C. The foundation of this house should be repaired by "underpinning" it with bell bottom piers so as to bring its load bearing function back to its original design intent. The design should be accomplished by a Registered Professional Engineer on the basis of geotechnical data available at the site.
- D. As a general rule, for a long and effective service life of the foundation slab, keep the moisture content of the soils around the foundation at a constant level. You may like to supplement the rainfall with a proper and effective watering system.

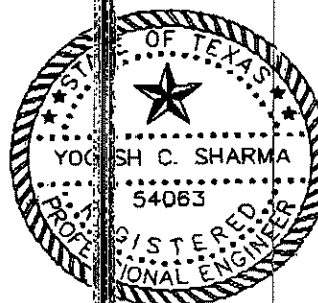
We appreciate the opportunity to be of assistance to you. Please give us a call in case you have a question on this report.

Sincerely yours,

Concept Engineers, Inc.



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08/23/2000 11:34 7139320550

MEYER LEIGH
CHURCH SERVICES

PAGE 02 PAGE 08/11



PLUMBING
FOUNDATION REPAIR
AIR CONDITIONING & HEATING

281-292-6835

PO BOX 79589
HOUSTON, TEXAS 77279-9589
281-497-8602
FAX 713-932-0550

Date: 8/3/00

Church Construction, Inc. (dba. CHURCH SERVICES) herein referred to

as "CONTRACTOR" and

Meyer + Leigh Homes Inc.

Lot. 18 Village of Indian Springs
NAME Woodlands TX
ADDRESS

herein referred to as "OWNER" agree that CONTRACTOR will furnish labor, equipment and materials to perform the following described work to the above described premises:

- CONTRACTOR will install 107 Exterior and 34 Interior piers with 12 inch shafts, under the foundation of the structure in places recommended by the CONTRACTOR. Pier depth will be to a suitable soil level determined by drilling a 15 foot hole. CONTRACTOR will raise the structure where piers are installed to as near level as construction of the structure will permit. OWNER approves this method of repair and recognizes that such method is the generally accepted method of foundation repair employed in the area.
- When required, work will be permitted to meet all local government requirements.
- CONTRACTOR will repair any damage to plumbing lines (sewer, water, sprinkler, telephone and TV cables caused by CONTRACTOR during the excavation and pouring of the piers. However, CONTRACTOR is not responsible for any damage caused because of rotted, deteriorated and preexisting piping from the leveling procedure.
- The job site will be cleared of all excavated dirt and other material associated with the installation of piers by CONTRACTOR.
- In foundation leveling, conditions might appear when work is begun that were not foreseeable when this agreement was prepared, such as, insufficient reinforcing steel in concrete slab, and/or other original foundation structural deficiencies. In such cases the Lifetime Service Agreement becomes invalid and CONTRACTOR will notify owner of same.
- It is understood and agreed that in order to perform the above described work it is possible that the sheetrock, wallpaper, or other rigid materials may crack. The amount shown below does not include redecorating, electrical work, or the replacement of any materials not called for in this agreement. It is understood that CONTRACTOR is not responsible for the survival of the trees, plants or shrubs that might obstruct CONTRACTOR'S operations. CONTRACTOR does not assume any responsibility for existing warranties that become void, as a result of the repairs. This includes termite protection warranty.
- It is understood that CONTRACTOR will furnish all the labor, equipment and materials and will perform all necessary work in connection with the foundation leveling procedure contemplated by the Agreement.
- Any existing building piers requiring chipping and cutting will be billed to OWNER as an additional cost which will be priced on a case by case basis. Also note that attached builders piers will need to be detached to allow for the proper repairs to take place. Unknown attached piers will be brought to the OWNER'S attention when discovered.
- The OWNER may order extra work to be done not contemplated by this Agreement, in which event a separate Agreement for such work shall be entered into between OWNER and CONTRACTOR. No oral representation made by anyone can change or modify this Agreement.
- Cost to OWNER for the heretofore described work is \$ 55,100.00, one-half (1/2) to be paid when the job started and final payment shall be due immediately upon completion of the leveling procedure.
- LIFETIME SERVICE AGREEMENT:** OWNER recognizes that soil conditions in the area are such that there may occur some future shifting of the soil. If any re-raising of the area of the structure which CONTRACTOR performs of the work provided for in this Agreement, CONTRACTOR will re-raise settled areas where the above described piers have been installed, without cost to the OWNER. After the tenth year, should re-raising of the structure where piers were installed by CONTRACTOR be required. CONTRACTOR will perform such service, if requested by OWNER, at a cost of \$40.00 per pier adjusted plus or minus the U.S. Government Consumer Price Index (All Commodities). The removal and/or replacement of any type of floor covering for the adjustment of interior piers shall be at OWNER'S expense.
- TRANSFERABILITY:** OWNER'S rights hereunder may be assigned to a purchaser of the property covered by this Agreement and all of the terms, provisions, and warranties provided herein shall be binding on CONTRACTOR. However, OWNER or the purchaser must notify CONTRACTOR in writing of such transfer of ownership within thirty (30) days by certified mail after the effective date of the transfer of title to the property.
- This Agreement, in order to be binding upon CONTRACTOR, must be signed in the space provided below, and a white copy returned to the office of CONTRACTOR within 30 days from the date shown.

Other Considerations: Exterior (107) = 39,500.00, Interior (34) = 20400.00

Materials to perform the following work to the above described premises:
with 30 inch bell bottoms and the CONTRACTOR. Pier depth will raise the structure where OWNER approves this method of foundation repair employed in the area.
and pool), gas or electrical lines, pouring of the piers. However, deteriorated and preexisting piping from the leveling procedure.
installation of piers by CONTRACTOR.
not foreseeable when this agreement was prepared, such as, insufficient reinforcing steel in concrete slab, and/or other original foundation structural deficiencies. In such cases the Lifetime Service Agreement becomes invalid and CONTRACTOR will notify owner of same.
it is possible that the sheetrock, include redecorating, electrical work, or the replacement of any materials not called for in this agreement. It is understood that CONTRACTOR is not responsible for the survival of the trees, plants or shrubs that might obstruct CONTRACTOR'S operations. CONTRACTOR does not assume any responsibility for existing warranties that become void, as a result of the repairs.
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as an additional cost which will be priced on a case by case basis. Also note that attached builders piers will need to be detached to allow for the proper repairs to take place. Unknown attached piers will be brought to the OWNER'S attention when discovered.
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the space provided below, and the date shown.
Mud-pump Piers = \$1200.00

Pier does not include the removal or replacement of the floor covering. Also, does not include and cosmetic repairs or landscaping.

OWNER
Paul E. Meyer
OWNER

By: [Signature]
CONTRACTOR

MEYER LEIGH

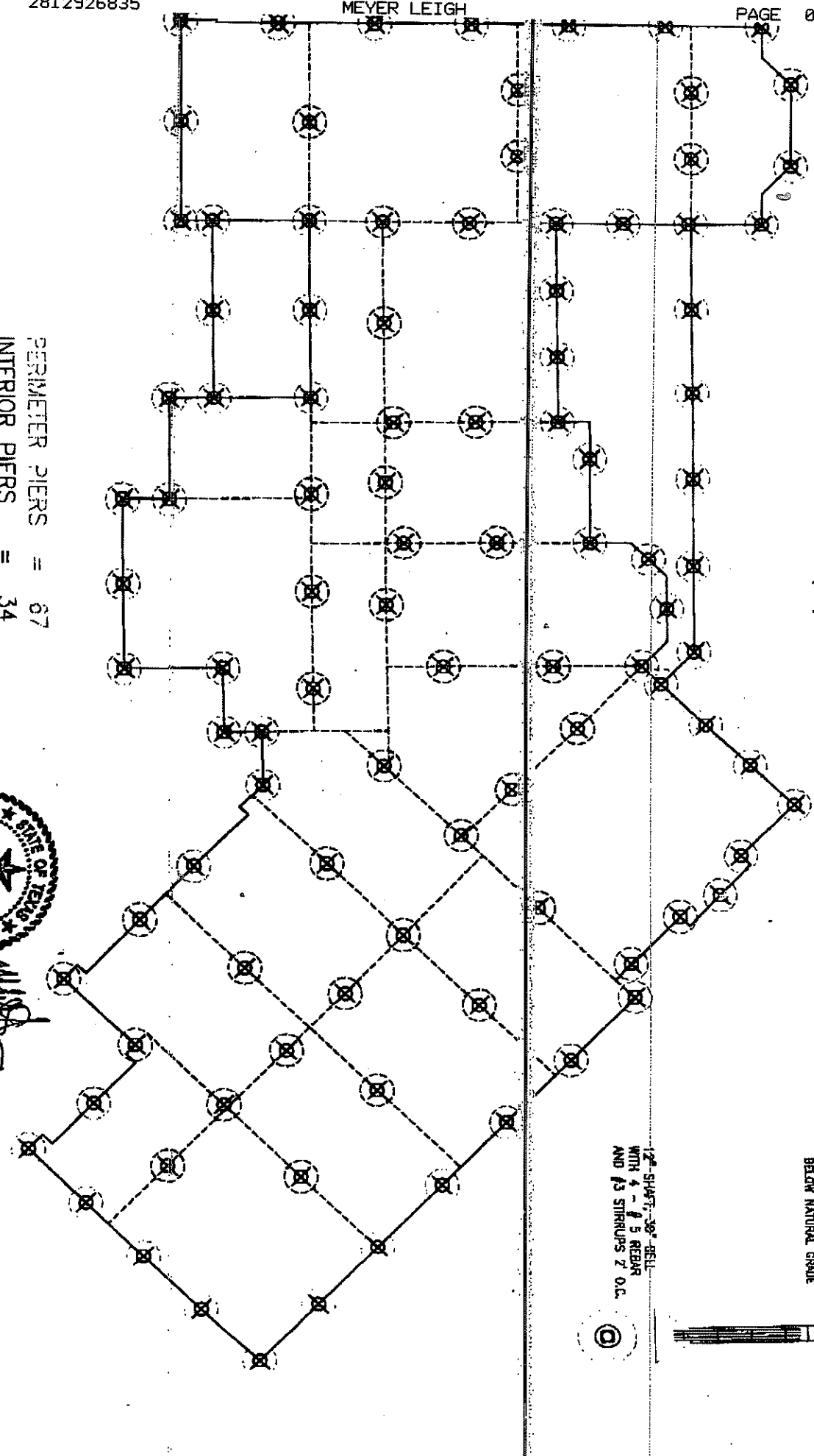
MUD PUMP ALL AREAS WHICH REQUIRE
 LIFTING OF MORE THAN ONE (1") INCH.

PERIMETER PIERS = 67
 INTERIOR PIERS = 34
 TOTAL PIERS = 101



M.T. Scanton
 10/1/00
 7/15/00

| | |
|------------|---------------|
| CLIENT: | MAYER LEIGH |
| PROJECT: | CONCRETE PIER |
| DATE: | 7/15/00 |
| SCALE: | 1" = 10' |
| FILE NAME: | CONCRETE PIER |



12" DIA. 30" BELL
 WITH 4 - # 5 REBAR
 AND 43 STIRRUPS 2' O.C.

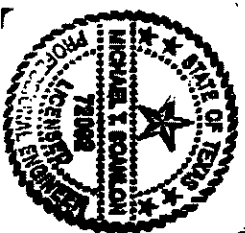
PER DEPTH = 8 FEET
 BELOW NATURAL GRADE



MEYER LEIGH

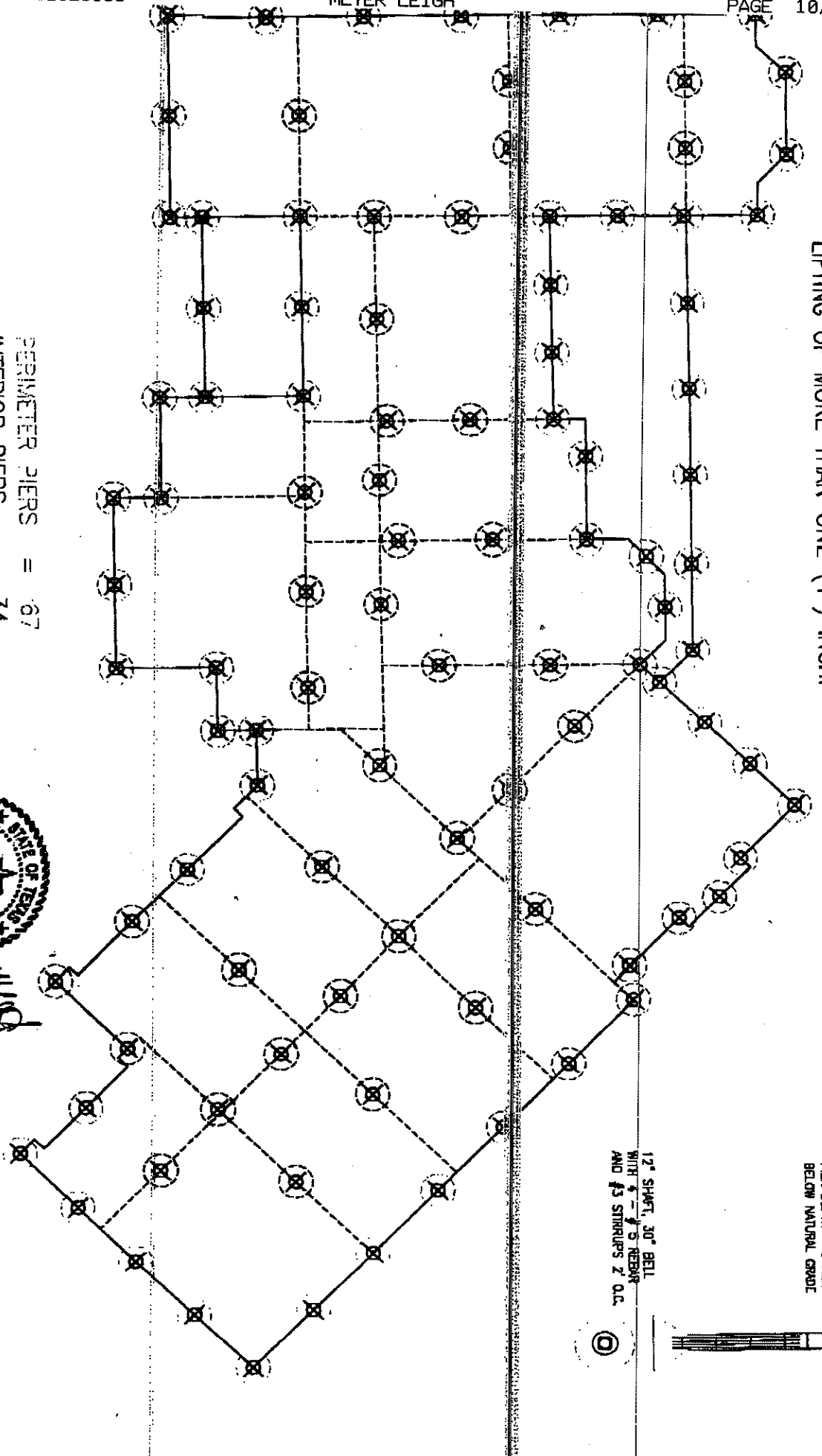
MUD PUMP ALL AREAS WHICH REQUIRE LIFTING OF MORE THAN ONE (1") INCH.

PERIMETER PIERS = 67
 INTERIOR PIERS = 34
 TOTAL PIERS = 101



MJR
Michael J. Rouillon
10/1/00

| | |
|-----------------|--|
| CLIENT: | MEYER AND LEIGH ENGINEERS, A SINGLE MEMBER LLP |
| CITY/STATE/ZIP: | HOUSTON, TEXAS 77002 |
| PROJECT: | THE WOODLANDS TOWER |
| DATE: | 10/1/00 |
| SCALE: | 1" = 10' |
| FILE NAME: | GENOMETRIX-10 |



12" SHWTL, 30" BELL
 WITH 4 - #5 REBAR
 AND #3 STIRRUPS @ O.C.



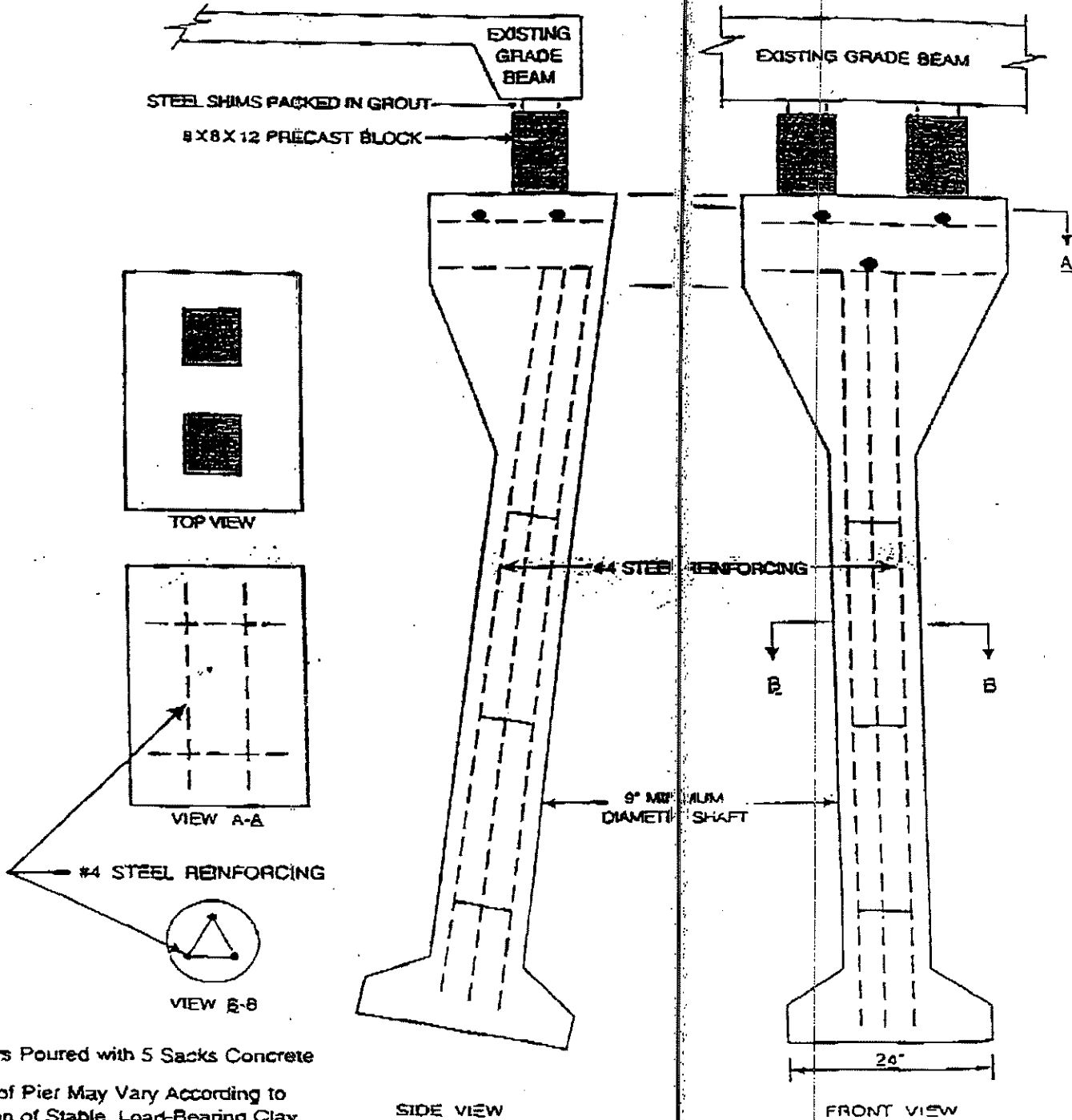
PIER DEPTH = 8 FEET
 BELOW NATURAL GRADE





PLUMBING
FOUNDATION REPAIR
AIR CONDITIONING & HEATING

PIER DIAGRAM



All Piers Poured with 5 Sacks Concrete

Depth of Pier May Vary According to
Location of Stable, Load-Bearing Clay.

PO Box 79589
HOUSTON, TX 77279-9589
281-497-8602
FAX 713-932-0550