

19063 Kahala Drive East
Information

1) Seller is: Linda Payne, Chapter 7 Trustee

2) Special Provisions of any contract must include the following paragraphs:

Property sold "as is, where is, without warranties of any kind. Any sale is contingent upon approval of the U.S. Bankruptcy Court, Eastern District of Texas.

Buyers acknowledge and agree that the only utility that will be functioning for inspections is the electricity. Buyers are on notice that no other utilities shall be turned on.

3) There is not a Seller's Disclosure.

4) There are no windstorm or flood insurance policies in effect. There is no elevation certificate. There is no survey.

5) Attached is a bid that had been received in 2018 for proposed work to the property. In addition, there was freezing of some pipes recently, one outside, and, as far as is known, one inside that caused water to leak through light fixtures into the kitchen and utility room. Some sheetrock in the utility room with small spots of mold was cut out and some milder spots on the ceiling were treated with kils. Some additional wood floor damage may have been caused by this. Also, the backflow preventer of the sprinkler system was damaged. In addition, a neighbor has mentioned that there may have been some foundation work done but details are unknown.

DocuSigned by:

Linda Payne

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Totally Covered
 Dallas Area Remodeling
 6611 Blue Hollow Lane
 Dickinson, Texas 77539

Estimate 11061801
 November 6, 2018

Contractor Report
 19063 Kahala Drive East
 Galveston Texas 77550

Project Contact

Minimal Acceptable Standards Total Estimate \$247,762.23

Pre - Ike Conditions Total Estimate \$310,923.43

| Project Condition & Description | | |
|--|-----------------|-------------|
| | Min. Acceptable | Pre Ike |
| <p>STUCCO</p> <p>Exterior stucco repair to address water & weather related coating failures. Cut out and remove all rusted stucco trim and corner bead and replace with plastic components. Saw cut stucco around all doors & windows to remove failed flashing. Install new plastic flashing with self stick mastic flash. Replace missing EIFS stucco from the deck area. Repair all cracks and breaks in stucco. Power wash exterior of house. Apply 3/8" stucco system and match existing texture. Apply two coats of 100% acrylic elastomeric coating to all stucco. Apply two coats of 100% acrylic satin enamel paint to all wood and trim. Two year warranty on labor and materials</p> | \$38,276.40 | \$38,276.40 |
| <p>ROOF</p> <p>Initial Inspection Hail Damage to Roof - 100% loss</p> <p>Demo asphalt shingles and rusted drip edge. Replace with 2" x 2" almond color drip edge and 30 Year GAF Shingle system Color TBD</p> <p>Demo asphalt shingles and rusted drip edge. Replace with standing seam 16 inches 26 gauge w/ striation</p> | \$23,760.00 | \$46,998.00 |
| <p>MOTORIZED HURRICANE SHUTTERS</p> <p>The motorized roll down hurricane shutters currently do not operate correctly. Maintenance is required to bring them back into proper operating condition. During stucco repair the hurricane shutters will be removed from the house. At that time, they will be cleaned and tested for mechanical and electrical failures and brought back in to proper working order.</p> | \$7,680.00 | \$7,680.00 |
| <p>ELECTRIC</p> <p>Finish Electrical Home Punch List - Pull City of Jamaica Beach Permit. Finish punch list on home, replace 400 Amp electrical outdoor service All surface mount fixtures to be provided</p> | \$26,949.60 | \$26,949.60 |

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Design-Build Maintenance
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| <p>ELEVATOR</p> <p>Base cost for cab size up to 12 sq. ft. 6'8" tall. Includes labor, materials, necessary drawings and freight. Included in the cost: 200 series cab in unfinished red oak or unfinished maple. Hanging wall phone in black or white required by code. Start and stop system. Emergency battery lowering system. Emergency alarm bell & light. Vinyl accordion fold gate. 2 LED lights and wood handrail to match panels. Car operating panel – flush or raised with key lock. Digital positioning indicators on car operating panel & hall stations. Machine decking, homing device, automatic lighting. Upgrades to include. Finished panels – standard factory satins with clear coat. Hall stations: Water/Corrosion resistant</p> | \$26,949.60 | \$42,789.60 |
| <p>SHOWER ENCLOSURES</p> <p>Install Custom Frameless Shower Enclosures Brushed Nickel Hardware & Clear Glass Master bathroom frameless shower enclosure: 16 x 19 x 46 x 103 1/2" glass Bathroom #2 frameless shower enclosure: 55 X 84 3/8" glass Bathroom #3 frameless shower enclosure 33 X 86 3/8" glass Bathroom #4 frameless shower enclosure 37 X 85 3/8" glass Bathroom #5 frameless shower enclosure 34 X 80 3/8" glass</p> | \$10,716.00 | \$10,716.00 |
| <p>MIRRORS</p> <p>Install 1/4" frameless mirrors 20" x 42", 33" x 40", 34" x 42", 68" x 45", 97" x 79", 138" x 79" with 3 cutouts. Install 1/4" framed mirrors 20" x 42", 33" x 40", 34" x 42", 68" x 45", 97" x 79", 138" x 79" with 3 cutouts.</p> | \$2,400.00 | \$5,640.00 |
| <p>LIGHTING</p> <p>Bathroom vanity lighting to be installed. Exterior lighting to be replace due to environmental damage</p> | \$4,140.00 | \$6,571.20 |
| <p>CABINETS</p> <p>Repair white oak cabinets & white oak step treads throught the house - damage from enviromental moisture</p> | \$9,200.00 | \$15,072.00 |

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| <p>FLOORS</p> <p>Estimate 3,800 Sq.Ft. white oak wood plank flooring has cupped due to environmental moisture. Sand affected areas to remove cupping. Raise the grain sand smooth and apply two top coats of polyurethane. Install estimate 30 Sq Ft. of travertine tile in the foyer of the house.</p> <p>Note: The white oak floors were damaged after Hurricane Ike and at the time were sanded and refinished. There is a possibility due to the current cupping that the floors will have to be replaced</p> | \$21,660.00 | \$34,200.00 |
| <p>OUTDOOR KITCHEN</p> <p>The outside kitchen is a total loss. Will rebuild kitchen in the existing foot print. Clad the exterior wall with ledger veneer. Build out A/V box, run plumbing & electrical and install Quartz countertops</p> | \$14,400.00 | \$14,400.00 |
| <p>FRONT STAIRS</p> <p>Replace front steps due to water and weather damage. Demo material down to the stringers: inspect stringers, risers, treads, posts and clips. Rebuild and replace with hardie board & tile (TBD)</p> | \$10,440.00 | \$10,440.00 |
| <p>AUDIO VIDEO SYSTEMS, WIRELESS NETWORK SYSTEM, HVAC & ACCESS CONTROL AND CAMERA SECURITY SYSTEM</p> <p>Living Room Media Center: Vizio 75" LED 4K Ultra HD smart cast home theater. BRKT Brand large full back tilt TV mount. Onkyo 9.2 channel home theater receiver with Wi-Fi, Bluetooth and chromecast. Built-in Wi-Fi from networked PC. Built-in Bluetooth for wireless access from compatible smartphone, tablet or computer. Sunfire SD12 300W 12" sub powered subwoofer, two Definitive Technology D7 2-way bookshelf speakers pair, Definitive Technology D16 R5 round in ceiling speakers. Definitive Technology CS-9040 Center Channel. Second generation RTI RP-1 processor to control Living Room Media Center.</p> | \$51,190.63 | \$51,190.63 |

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| AUDIO VIDEO SYSTEMS, WIRELESS NETWORK SYSTEM, HVAC & ACCESS CONTROL AND CAMERA SECURITY SYSTEM - Continued | | |
| Kitchen Vizio 40" LED Smart TV. Small fullback flat mount bracket. Avenview W-HD3DIR wireless HDMI extender set. Two Definitive Technology D16.R5 round in ceiling speakers | | |
| Dining Room Two Definitive Technology D16.R5 round in ceiling speakers | | |
| Master Suite Vizio 65" LED Smart TV. Small fullback flat mount bracket. Avenview W-HD3DIR wireless HDMI extender set. Two Definitive Technology Mythos on-wall sound bar VELA black. Sound Bar Mounts D16 R5 round in ceiling speakers. Definitive Technology | | |
| Bedroom #1 Vizio 40" LED Smart TV. Small fullback flat mount bracket. Two Definitive Technology D16.R5 round in ceiling speakers | | |
| Bedroom #2 Vizio 40" LED Smart TV. Small fullback flat mount bracket. Two Definitive Technology D16.R5 round in ceiling speakers | | |
| Bedroom #3 Vizio 40" LED Smart TV. Small fullback flat mount bracket. Two Definitive Technology DT6 Two-way in-wall speaker speakers. Definitive Technology Loudspeaker White | | |
| Tiki Bar Vizio 40" LED Smart TV. Small fullback flat mount bracket. Atlona Amplifier. Definitive Technology Loudspeaker White | | |

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| Media Room Epson Home Cinema 3 LCD Projector. SCRN Brand 120 Fixed Matte White Screen. Ceiling Plate Cover, Chief Aluminum Extensions and Chief SLBU Bracket. Definitive Technology CS-9040 Central Channel. Definitive Technology 2-Way Bookshelf Speakers. Definitive Technology Round-In ceiling speakers. Sunfire 12" Sub Powered Subwoofer. Onkyo A/V receiver, RTI RP-1 processor & wireless Control | | |
| Ground Floor Security Camera System 7 Lux Technologies HD-TVI Eyeball camera Lux 8 channel DVR with audio. 9 outlet 12v 10 AMP power supply | | |
| A/C Control 3 -Nest Silver Auto Learning Thermostat | | |
| Access Control Doors 2 -Kwikset dead bolt. Z Wave Communication link Shutters 2- RCM-4 controller | | |
| Rack Apple iPad, 18" Enclosed Rack, AD-8 Audio distribution system Power brand rack 11 surge protection. RTI Software, RTI Virsa-mouse, RTI XP-6 Controller, Sony BDP blue ray, Luxul 24-port gigabit switch | | |
| Network Luxul dual band wireless controller. Luxul 8 port/ 4 POE Ethernet switch, Luxul 1000 wireless network controller | | |
| Miscellaneous Cables & connectors, freight, install labor, programing labor | | |
| Estimate Total | | |
| | \$247,762.23 | \$310,923.43 |