

## COMMERCIAL PROPERTY CONDITION STATEMENT

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CONCERNING THE PROPERTY AT: 6428 STEPHEN F. AUSTIN JONE CREEK TX 77566

THIS IS A DISCLOSURE OF THE SELLER'S OR LANDLORD'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED. IT IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES A BUYER OR TENANT MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, LANDLORD, LANDLORD'S AGENTS OR ANY OTHER AGENT. THE TERM "LANDLORD" INCLUDES SUBLESSORS.

**PART 1 – Complete if Property is Improved or Unimproved**

	<u>Aware</u>	<u>Not Aware</u>
Are you (Seller or Landlord) aware of:		
(1) any of the following environmental conditions on or affecting the Property:		
(a) radon gas? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) asbestos components:		
(i) friable components? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(ii) non-friable components? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) urea-formaldehyde insulation? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) endangered species or their habitat? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) wetlands? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) underground storage tanks? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) leaks in any storage tanks (underground or above-ground)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) lead-based paint? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) hazardous materials or toxic waste? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(j) open or closed landfills on or under the surface of the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(k) external conditions materially and adversely affecting the Property such as nearby landfills, smelting plants, burners, storage facilities of toxic or hazardous materials, refiners, utility transmission lines, mills, feed lots, and the like? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(l) any activity relating to drilling or excavation sites for oil, gas, or other minerals? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) previous environmental contamination that was on or that materially and adversely affected the Property, including but not limited to previous environmental conditions listed in Paragraph 1(a)-(l)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) any improper drainage onto or away from the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) any fault line at or near the Property that materially and adversely affects the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) air space restrictions or easements on or affecting the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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- |   | Aware                               | Not<br>Aware                        |
|---|-------------------------------------|-------------------------------------|
| (7) special districts in which the Property lies (for example, historical districts, development districts, extraterritorial jurisdictions, or others)?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (8) pending changes in zoning, restrictions, or in physical use of the Property? .....<br>The current zoning of the Property is: <u>COMMERCIAL</u>  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (9) your receipt of any notice concerning any likely condemnation, planned streets, highways, railroads, or developments that would materially and adversely affect the Property (including access or visibility)? <u>HWY. 36 EXPANSION</u> ..... | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (10) lawsuits affecting title to or use or enjoyment of the Property? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (11) your receipt of any written notices of violations of zoning, deed restrictions, or government regulations from EPA, OSHA, TCEQ, or other government agencies? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (12) common areas or facilities affiliated with the Property co-owned with others? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (13) an owners' or tenants' association or maintenance fee or assessment affecting the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If aware, name of association: _____  |                                     |                                     |
| Name of manager: _____  |                                     |                                     |
| Amount of fee or assessment: \$ _____ per _____   |                                     |                                     |
| Are fees current through the date of this notice? <input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> unknown   |                                     |                                     |
| (14) subsurface structures, hydraulic lifts, or pits on the Property? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (15) intermittent or wet weather springs that affect the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (16) any material defect in any irrigation system, fences, or signs on the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (17) conditions on or affecting the Property that materially affect the health or safety of an ordinary individual?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (18) any of the following rights vested in others:  |                                     |                                     |
| (a) outstanding mineral rights? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (b) timber rights? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (c) water rights? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (d) other rights? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (19) any personal property or equipment or similar items subject to financing, liens, or lease(s)? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| If aware, list items: _____   |                                     |                                     |

If you are aware of any of the conditions listed above, explain. (Attach additional information if needed.)

8. PROPERTY WAS REZONED THROUGH THE CITY OF JONES CREEK FROM RESIDENTIAL/COMMERCIAL TO 100% COMMERCIAL. BOTH HINE CHANGE WAS ALSO APPROVED BY THE CITY OF JONES CREEK

9. STATE HWY 36 EXPANSION PROJECT IS IN EFFECT BUT DOES NOT ENCRACH ON PROPERTY LINE.

**PART 2 – Complete if Property is Improved or Unimproved**

Are you (Seller or Landlord) aware of any of the following conditions\*:

**Aware** **Not Aware**

- (1) Present flood insurance coverage? ... NONE .....
- (2) Previous flooding due to a failure or breach of a reservoir or a controlled or emergency release of water from a reservoir? .....
- (3) Previous flooding due to a natural flood event?) ... HARVEY - WATER INTRUSION .....
- (4) Previous water penetration into a structure on the Property due to a natural flood event? .....
- (5) Located  wholly  partly in a 100-year floodplain (Special Flood Hazard Area- Zone A, V, A99, AE, AO, AH, VE, or AR)? .....
- (6) Located  wholly  partly in a 500-year floodplain (Moderate Flood Hazard Area- Zone X (shaded))? .....
- (7) Located  wholly  partly in a floodway? .....
- (8) Located  wholly  partly in a flood pool? .....
- (9) Located  wholly  partly in a reservoir? .....

If the answer to any of the above is "aware," explain: (attach additional sheets as necessary)

1,3,4, WATER INTRUSION IN THE BUILDING DURING HURRICANE HARVEY

*\*If Buyer or Tenant is concerned about these matters, Buyer or Tenant may consult Information About Flood Hazards (TXR 1414)*

*For purposes of this notice:*

*"100-year floodplain" means any area of land that: (A) is identified on the flood insurance rate map as a special flood hazard area, which is designated as Zone A, V, A99, AE, AO, AH, VE, or AR on the map; (B) has a one percent annual chance of flooding, which is considered to be a high risk of flooding; and (C) may include a regulatory floodway, flood pool, or reservoir.*

*"500-year floodplain" means any area of land that: (A) is identified on the flood insurance rate map as a moderate flood hazard area, which is designated on the map as Zone X (shaded); and (B) has a two-tenths of one percent annual chance of flooding, which is considered to be a moderate risk of flooding.*

*"Flood pool" means the area adjacent to a reservoir that lies above the normal maximum operating level of the reservoir and that is subject to controlled inundation under the management of the United States Army Corps of Engineers.*

*"Flood insurance rate map" means the most recent flood hazard map published by the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.).*

*"Floodway" means an area that is identified on the flood insurance rate map as a regulatory floodway, which includes the channel of a river or other watercourse and the adjacent land areas that must be reserved for the discharge of a base flood, also referred to as a 100-year flood, without cumulatively increasing the water surface elevation more than a designated height.*

*"Reservoir" means a water impoundment project operated by the United States Army Corps of Engineers that is intended to retain water or delay the runoff of water in a designated surface area of land.*

(10) Have you (Seller or Landlord) ever filed a claim for flood damage to the Property with any insurance provider, including the National Flood Insurance Program (NFIP)? .....  yes  no  
If yes, explain: (attach additional sheets as necessary) \_\_\_\_\_

(11) Have you (Seller or Landlord) ever received assistance from FEMA or the U.S. Small Business Administration (SBA) for flood damage to the Property?.....  yes  no  
If yes, explain: (attach additional sheets as necessary) \_\_\_\_\_

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**PART 3 – Complete only if Property is Improved**

A. Are you (Seller or Landlord) aware of any material defects in any of following on the Property?

	<u>Not Aware</u>	<u>Aware</u>	<u>Not Appl.</u>
<b>(1) <u>Structural Items:</u></b>			
(a) foundation systems (slabs, columns, trusses, bracing, crawl spaces, piers, beams, footings, retaining walls, basement, grading)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b) exterior walls? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) fireplaces and chimneys? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) roof, roof structure, or attic (covering, flashing, skylights, insulation, roof penetrations, ventilation, gutters and downspouts, decking)? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) windows, doors, plate glass, or canopies .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>(2) <u>Plumbing Systems:</u></b>			
(a) water heaters or water softeners? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) supply or drain lines? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) faucets, fixtures, or commodes? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) private sewage systems? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) pools or spas and equipment? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) fire sprinkler systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) landscape sprinkler systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) water coolers? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) private water wells? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(j) pumps or sump pumps? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(k) gas lines? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>(3) <u>HVAC Systems:</u> any cooling, heating, or ventilation systems? .....</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>(4) <u>Electrical Systems:</u> service drops, wiring, connections, conductors, plugs, grounds, power, polarity, switches, light fixtures, or junction boxes? .....</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>(5) <u>Other Systems or Items:</u></b>			
(a) security systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) fire detection systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) porches or decks? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) garage doors and door operators? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) loading doors or docks? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(f) rails or overhead cranes? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) elevators or escalators? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) parking areas, drives, steps, walkways? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(i) appliances or built-in kitchen equipment? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you are aware of material defects in any of the items listed under Paragraph A, explain. (Attach additional information if needed.) 1-D-NEEDS ROOF REPLACEMENT I.D.D. SEPTIC TANK NOT WORKING

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Initialed by Seller or Landlord: (Signature)

and Buyer or Tenant: \_\_\_\_\_

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B. Are you (Seller or Landlord) aware of:

- |  | <u>Aware</u>                        | <u>Not<br/>Aware</u>                |
|--|-------------------------------------|-------------------------------------|
| (1) any of the following water or drainage conditions materially and adversely affecting the Property:   |                                     |                                     |
| (a) ground water? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (b) water penetration? .....   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (c) previous flooding or water drainage?.....  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (d) soil erosion or water ponding?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) previous structural repair to the foundation systems on the Property?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (3) settling or soil movement materially and adversely affecting the Property? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) pest infestation from rodents, insects, or other organisms on the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (5) termite or wood rot damage on the Property needing repair? .....   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (6) mold to the extent that it materially and adversely affects the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (7) mold remediation certificate issued for the Property in the previous 5 years? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <i>if aware, attach a copy of the mold remediation certificate.</i>  |                                     |                                     |
| (8) previous termite treatment on the Property? .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (9) previous fires that materially affected the Property?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (10) modifications made to the Property without necessary permits or not in compliance with building codes in effect at the time? .....                                    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (11) any part, system, or component in or on the Property not in compliance with the the Americans with Disabilities Act or the Texas Architectural Barrier Statute? ..... | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

If you are aware of any of conditions described under Paragraph B, explain. (Attach additional information, if needed.) 1-DC - WATER INTRUSION, 5 - MOST LIKELY ROY ROT AT POOL

The undersigned acknowledges receipt of the foregoing statement.

Seller or Landlord: LARRY N. GURGANUS JR.  
- MANAGER - JC PROPERTY RENTALS LLC

Buyer or Tenant: \_\_\_\_\_

By: \_\_\_\_\_  
By (signature): [Signature]  
Printed Name: LARRY N. GURGANUS JR.  
Title: MANAGER - JC PROPERTY RENTALS LLC

By: \_\_\_\_\_  
By (signature): \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
By (signature): \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By (signature): \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**NOTICE TO BUYER OR TENANT: The broker representing Seller or Landlord, and the broker representing you advise you that this statement was completed by Seller or Landlord, as of the date signed. The brokers have relied on this statement as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.**