



COMMERCIAL PROPERTY CONDITION STATEMENT

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CONCERNING THE PROPERTY AT: 24542 Kingsland Blvd, Katy, TX 77494

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 I - Complete if Property is Improved or Unimproved

Are you (Seller or Landlord) aware of:	<u>Aware</u>	<u>Not Aware</u>
(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"/>

(TXR-1408) 07-08-22 Initialed by Seller or Landlord: GJ , _____ and Buyer or Tenant: _____ , _____

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- | | Aware | Not
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?
The current zoning of the Property is: _____ | <input type="checkbox"/> | <input checked="" 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)? | <input type="checkbox"/> | <input checked="" 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?
If aware, name of association: Falcon West Professionla Office Park POA, INC.
Name of manager: Managed by Crest Management Company-Elizabeth Pettit
Amount of fee or assessment: \$ 3600 per year
Are fees current through the date of this notice? [<input checked="" type="checkbox"/>] yes [<input type="checkbox"/>] no [<input type="checkbox"/>] unknown | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (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)?
If aware, list items: _____ | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

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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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) Previous flooding due to a failure or breach of a reservoir or a controlled or emergency release of water from a reservoir?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Previous flooding due to a natural flood event?)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Previous water penetration into a structure on the Property due to a natural flood event?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Located <input type="checkbox"/> wholly <input type="checkbox"/> partly in a 100-year floodplain (Special Flood Hazard Area-Zone A, V, A99, AE, AO, AH, VE, or AR)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Located <input type="checkbox"/> wholly <input type="checkbox"/> partly in a 500-year floodplain (Moderate Flood Hazard Area-Zone X (shaded))?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Located <input type="checkbox"/> wholly <input type="checkbox"/> partly in a floodway?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Located <input type="checkbox"/> wholly <input type="checkbox"/> partly in a flood pool?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) Located <input type="checkbox"/> wholly <input type="checkbox"/> partly in a reservoir?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

***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 the following on the Property?

	Aware	Not Aware	Not Appl.
(1) <u>Structural Items:</u>			
(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 checked="" type="checkbox"/>	<input type="checkbox"/>
(d) roof, roof structure, or attic (covering, flashing, skylights, insulation, roof penetrations, ventilation, gutters and downspouts, decking)? . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(e) windows, doors, plate glass, or canopies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(2) <u>Plumbing Systems:</u>			
(a) water heaters or water softeners?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
(d) private sewage systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(e) pools or spas and equipment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(f) fire sprinkler systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(g) landscape sprinkler system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(h) water coolers?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
(k) gas lines?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(3) <u>HVAC Systems:</u> any cooling, heating, or ventilation systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(4) <u>Electrical Systems:</u> service drops, wiring, connections, conductors, plugs, grounds, power, polarity, switches, light fixtures, or junction boxes?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(5) <u>Other Systems or Items:</u>			
(a) security or fire detection systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b) fire detection systems?			
(b) porches or decks?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(d) garage doors and door operators?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
(g) elevators or escalators?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>

If you are aware of material defects in any of the items listed under Paragraph A, explain. (*Attach additional information if needed.*)

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B. Are you (Seller or Landlord) aware of:	<u>Aware</u>	<u>Not 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 type="checkbox"/>	<input checked="" type="checkbox"/>
(c) previous flooding or water drainage?	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" 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 Americans with Disabilities Act or the Texas Architectural Barrier Statute?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you are aware of any conditions described under Paragraph B, explain. *(Attach additional information, if needed.)*

The undersigned acknowledges receipt of the foregoing statement.

Seller or Landlord: Thompson Brothers Consulting and Investments, LLC

Buyer or Tenant: _____

By: Gene Thompson
 By (signature):  07/28/2023
 Printed Name: Gene Thompson
 Title: Managing Member

By: _____
 By (signature): _____
 Printed Name: _____
 Title: _____

By: _____
 By (signature): _____
 Printed Name: _____
 Title: _____

By: _____
 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.



Notice to a Purchaser of Real Property in a Water District

Note: This Notice should be completed and given to a prospective purchaser prior to execution of a binding contract of sale and purchase, should be executed by the seller and purchaser and should be attached as a separate portion of a purchase contract. Please see NOTE at bottom of page.

1) The real property, described below, that you are about to purchase is located in the Harris-Fort Bend MUD #3 District. The district has taxing authority separate from any other taxing authority and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the district on real property located in the district is \$0.810 on each \$100 of assessed valuation. If the district has not yet levied taxes, the most recent projected rate of tax, as of this date, is \$0.810 on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued in \$72,375,000.00, and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the district and payable in whole or in part from property taxes is \$44,535,000.00.

2) The district has the authority to adopt and impose a standby fee on property in the district that has water, sanitary sewer, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The district may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is \$_____. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the district stating the amount, if any, of unpaid standby fees on a tract of property in the district.

3) Mark an "X" in one of the following three spaces and then complete as instructed.


- Notice for Districts Located in Whole or in Part within the Corporate Boundaries of a Municipality (Complete Paragraph A).
- Notice for Districts Located in Whole or in Part in the Extraterritorial Jurisdiction of One or More Home-Rule Municipalities and Not Located within the Corporate Boundaries of a Municipality (Complete Paragraph B).
- Notice for Districts that are NOT Located in Whole or in Part within the Corporate Boundaries of a Municipality or the Extraterritorial Jurisdiction of One or More Home-Rule Municipalities.

A) The district is located in whole or in part within the corporate boundaries of the City of _____. The taxpayers of the district are subject to the taxes imposed by the municipality and by the district until the district is dissolved. By law, a district located within the corporate boundaries of a municipality may be dissolved by municipal ordinance without the consent of the district or the voters of the district.

B) The district is located in whole or in part in the extraterritorial jurisdiction of the City of Houston. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

4) The purpose of this district is to provide water, sewer, drainage, or flood control facilities and services within the district through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the district. The legal description of the property you are acquiring is as follows: RES A9 BLK 1 GRAND

HARBOR SQUARE

	07/28/2023		
<u>Gene Thompson</u>	_____	_____	_____
Signature of Seller	Date	Signature of Seller	Date
Thompson Brothers Consulting and Investments, LLC			

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

_____	_____	_____	_____
Signature of Purchaser	Date	Signature of Purchaser	Date

NOTE: Correct district name, tax rate, bond amounts, and legal description are to be placed in the appropriate space. Except for notices included as an addendum or paragraph of a purchase contract, the notice shall be executed by the seller and purchaser, as indicated. If the district does not propose to provide one or more of the specified facilities and services, the appropriate purpose may be eliminated. If the district has not yet levied taxes, a statement of the district's most recent projected rate of tax is to be placed in the appropriate space. If the district does not have approval from the commission to adopt and impose a standby fee, the second paragraph of the notice may be deleted. For the purposes of the notice form required to be given to the prospective purchaser prior to execution of a binding contract of sale and purchase, a seller and any agent, representative, or person acting on the seller's behalf may modify the notice by substitution of the words "January 1, _____" for the words "this date" and place the correct calendar year in the appropriate space.