



COMMERCIAL PROPERTY CONDITION STATEMENT

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CONCERNING THE PROPERTY AT: 7415 North State Line Road, Karnack, TX 75661

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

Are you (Seller or Landlord) aware of:

Aware Not
Aware

- (1) any of the following environmental conditions on or affecting the Property:
 - (a) radon gas?
 - (b) asbestos components:
 - (i) friable components?
 - (ii) non-friable components?
 - (c) urea-formaldehyde insulation?
 - (d) endangered species or their habitat?
 - (e) wetlands?
 - (f) underground storage tanks?
 - (g) leaks in any storage tanks (underground or above-ground)?
 - (h) lead-based paint?
 - (i) hazardous materials or toxic waste?
 - (j) open or closed landfills on or under the surface of the Property?
 - (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?
 - (l) any activity relating to drilling or excavation sites for oil, gas, or other minerals?
- (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)?
- (3) any improper drainage onto or away from the Property?
- (4) any fault line at or near the Property that materially and adversely affects the Property?
- (5) air space restrictions or easements on or affecting the Property?
- (6) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property?

(TXR-1408) 07-08-22

Initialed by Seller or Landlord:



and Buyer or Tenant:



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- | | <u>Aware</u> | <u>Not
Aware</u> |
|--|--------------------------|-------------------------------------|
| (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? | <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.)



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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?
- (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?
- (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)*

Part of the property lies in a flood zone.

**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)* _____

(TXR-1408) 07-08-22

Initialed by Seller or Landlord:



and Buyer or Tenant:



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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?

(1) Structural Items:

- | | <u>Aware</u> | <u>Not
Aware</u> | <u>Not
Appl.</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) Plumbing Systems:

- | | | | |
|---|--------------------------|-------------------------------------|-------------------------------------|
| (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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| (f) fire sprinkler systems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (g) landscape sprinkler systems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (h) water coolers? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (i) private water wells? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (j) pumps or sump pumps? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (k) gas lines? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(3) HVAC Systems: any cooling, heating, or ventilation systems?

- | | | |
|--------------------------|-------------------------------------|--------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|--------------------------|-------------------------------------|--------------------------|

(4) Electrical Systems: 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) Other Systems or Items:

- | | | | |
|---|--------------------------|-------------------------------------|-------------------------------------|
| (a) security systems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (b) fire detection systems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (c) porches or decks? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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 type="checkbox"/> | <input checked="" 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 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:

**Not
Aware Aware**

- (1) any of the following water or drainage conditions materially and adversely affecting the Property:
 - (a) ground water?
 - (b) water penetration?
 - (c) previous flooding or water drainage?.....
 - (d) soil erosion or water ponding?.....
- (2) previous structural repair to the foundation systems on the Property?
- (3) settling or soil movement materially and adversely affecting the Property?
- (4) pest infestation from rodents, insects, or other organisms on the Property?
- (5) termite or wood rot damage on the Property needing repair?
- (6) mold to the extent that it materially and adversely affects the Property?
- (7) mold remediation certificate issued for the Property in the previous 5 years?
if aware, attach a copy of the mold remediation certificate.
- (8) previous termite treatment on the Property?
- (9) previous fires that materially affected the Property?.....
- (10) modifications made to the Property without necessary permits or not in compliance with building codes in effect at the time?
- (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?

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

The undersigned acknowledges receipt of the foregoing statement.

Seller or Landlord: Buzzard Bay LLC

Buyer or Tenant: _____

By: Caleb Tillery

By: _____

By (signature): Caleb Tillery dotloop verified 05/06/24 3:45 PM CDT UCMG-9PC3-LVHW-CHHF

By (signature): _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

By: _____

By: _____

By (signature): _____

By (signature): _____

Printed Name: _____

Printed Name: _____

Title: _____

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.



INFORMATION ABOUT ON-SITE SEWER FACILITY

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A. DESCRIPTION OF ON-SITE SEWER FACILITY ON PROPERTY:

- (1) Type of Treatment System: Septic Tank Aerobic Treatment Unknown
 Two aerobic systems and one drip system are on the property
- (2) Type of Distribution System: Sprinkler system for the Aerobic system Unknown
- (3) Approximate Location of Drain Field or Distribution System: Drain field in front of the Texas Rig Cabin for the drip system Unknown
- (4) Installer: Ballard Septic Tank Services Unknown
- (5) Approximate Age: One aerobic installed in 2018/2019. Other 2 systems installed in 2022. Unknown

B. MAINTENANCE INFORMATION:

- (1) Is Seller aware of any maintenance contract in effect for the on-site sewer facility? Yes No
 If yes, name of maintenance contractor: Wes Lacey with Ballard Septic
 Phone: 903-983-1385 contract expiration date: _____
(Maintenance contracts must be in effect to operate aerobic treatment and certain non-standard" on-site sewer facilities.)
- (2) Approximate date any tanks were last pumped? June 2023
- (3) Is Seller aware of any defect or malfunction in the on-site sewer facility? Yes No
 If yes, explain: _____
- (4) Does Seller have manufacturer or warranty information available for review? Yes No

C. PLANNING MATERIALS, PERMITS, AND CONTRACTS:

- (1) The following items concerning the on-site sewer facility are attached:
 planning materials permit for original installation final inspection when OSSF was installed
 maintenance contract manufacturer information warranty information _____
- (2) "Planning materials" are the supporting materials that describe the on-site sewer facility that are submitted to the permitting authority in order to obtain a permit to install the on-site sewer facility.
- (3) **It may be necessary for a buyer to have the permit to operate an on-site sewer facility transferred to the buyer.**

Information about On-Site Sewer Facility concerning 7415 North State Line Road, Karnack, TX 75661

D. INFORMATION FROM GOVERNMENTAL AGENCIES: Pamphlets describing on-site sewer facilities are available from the Texas Agricultural Extension Service. Information in the following table was obtained from Texas Commission on Environmental Quality (TCEQ) on 10/24/2002. The table estimates daily wastewater usage rates. Actual water usage data or other methods for calculating may be used if accurate and acceptable to TCEQ.

<u>Facility</u>	<u>Usage (gal/day) without water-saving devices</u>	<u>Usage (gal/day) with water-saving devices</u>
Single family dwelling (1-2 bedrooms; less than 1,500 sf)	225	180
Single family dwelling (3 bedrooms; less than 2,500 sf)	300	240
Single family dwelling (4 bedrooms; less than 3,500 sf)	375	300
Single family dwelling (5 bedrooms; less than 4,500 sf)	450	360
Single family dwelling (6 bedrooms; less than 5,500 sf)	525	420
Mobile home, condo, or townhouse (1-2 bedroom)	225	180
Mobile home, condo, or townhouse (each add'l bedroom)	75	60

This document is not a substitute for any inspections or warranties. This document was completed to the best of Seller's knowledge and belief on the date signed. Seller and real estate agents are not experts about on-site sewer facilities. Buyer is encouraged to have the on-site sewer facility inspected by an inspector of Buyer's choice.

Caleb Tillery
 Signature of Seller dotloop verified
05/06/24 3:45 PM CDT
U681-4jNU-NS35-BZQK
Date

Signature of Seller Date

Receipt acknowledged by:

Signature of Buyer Date

Signature of Buyer Date