



TEXAS ASSOCIATION OF REALTORS® COMMERCIAL PROPERTY CONDITION STATEMENT

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CONCERNING THE PROPERTY AT: 600 E Watson Blvd, Denziger Field Tx

THIS IS A DISCLOSURE OF THE UNDERSIGNED'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.

PART I - 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? | <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 type="checkbox"/> |
| (c) urea-formaldehyde insulation? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (d) endangered species of their habitat? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (e) wetlands? | <input checked="" type="checkbox"/> | <input 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 part of the Property lying in a special flood hazard area (A or V Zone)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) any improper drainage onto or away from the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (5) any fault line or near the Property that materially and adversely affects the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (6) outstanding mineral rights, exceptions, or reservations of the Property held by others? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (7) air space restrictions or easements on or affecting the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (8) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

(TAR-1408) 1-26-10 Initialed by Seller or Landlord: DSR DSR and Buyer or Tenant: _____ Page 1 of 4

- | | Aware | Not
Aware |
|---|-------------------------------------|-------------------------------------|
| (9) special districts in which the Property lies (for example, historical districts, development districts, extrajurisdictional jurisdictions, or others)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (10) pending changes in zoning, restrictions, or in physical use of the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (11) 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"/> |
| (12) lawsuits affecting title to or use or enjoyment of the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (13) 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"/> |
| (14) common areas or facilities affiliated with the Property co-owned with others? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (15) 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 | | |
| (16) subsurface structures, hydraulic lifts, or pits on the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (17) intermittent or weather springs that affect the Property? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (18) any material defect in any irrigation system, fences, or signs on the Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (19) conditions on or affecting the Property that materially affect the health or safety of an ordinary individual? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

There are 2 creeks crossing the property that flood during heavy rain, does not affect building

PART 2 - 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) Plumbing Systems:

Aware	Not Aware	Not Appl.
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- | | | | |
|---------------------------------------|--------------------------|-------------------------------------|-------------------------------------|
| (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 checked="" type="checkbox"/> |
| (e) pools or spas and equipments? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (f) sprinkler systems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (g) water coolers? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (h) private water wells? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (i) pumps or sump pumps? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(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"/>
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(5) Other Systems or Items:

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

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

Aware	Not Aware
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(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"/> |

- | | Aware | Not
Aware |
|---|--------------------------|-------------------------------------|
| (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 yes, 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: _____

Buyer or Tenant: _____

By: _____

By: _____

By (signature): David Lovelady
Printed Name: DAVID LOVELADY
Title: PRESIDENT Date: JUNE 23, 2011

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

By: _____

By: _____

By (signature): Dorothy Ann Lovelady
Printed Name: Dorothy Ann Lovelady
Title: Secretary Date: JUNE 23, 2011

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

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.