

B1 (Official Form 1)(12/11)

|  |                           |
|--|---------------------------|
| <b>United States Bankruptcy Court</b><br><b>Southern District of Texas</b> | <b>Voluntary Petition</b> |
|--|---------------------------|

|   |   |
|---|---|
| Name of Debtor (if individual, enter Last, First, Middle):<br><b>Diamond Beach VP, LP</b>   | Name of Joint Debtor (Spouse) (Last, First, Middle):  |
| All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):  | All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):                                    |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)<br><b>20-3541138</b>  | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)                             |
| Street Address of Debtor (No. and Street, City, and State):<br><b>10327 FM 3005</b><br><b>Galveston, TX</b><br><div style="text-align: right; font-size: small;">ZIP Code<br/><b>77554</b></div>            | Street Address of Joint Debtor (No. and Street, City, and State):<br><br><div style="text-align: right; font-size: small;">ZIP Code</div>   |
| County of Residence or of the Principal Place of Business:<br><b>Galveston</b>  | County of Residence or of the Principal Place of Business:  |
| Mailing Address of Debtor (if different from street address):<br><b>1210 West Clay, Suite 10</b><br><b>Houston, TX</b><br><div style="text-align: right; font-size: small;">ZIP Code<br/><b>77019</b></div> | Mailing Address of Joint Debtor (if different from street address):<br><br><div style="text-align: right; font-size: small;">ZIP Code</div> |
| Location of Principal Assets of Business Debtor (if different from street address above):<br><b>10327 FM 3005</b><br><b>Galveston, TX 77554</b>   |   |

|  |   |   |
|--|---|---|
| <b>Type of Debtor</b><br>(Form of Organization) (Check one box)<br><input type="checkbox"/> Individual (includes Joint Debtors)<br><i>See Exhibit D on page 2 of this form.</i><br><input type="checkbox"/> Corporation (includes LLC and LLP)<br><input checked="" type="checkbox"/> Partnership<br><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.) | <b>Nature of Business</b><br>(Check one box)<br><input type="checkbox"/> Health Care Business<br><input checked="" type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B)<br><input type="checkbox"/> Railroad<br><input type="checkbox"/> Stockbroker<br><input type="checkbox"/> Commodity Broker<br><input type="checkbox"/> Clearing Bank<br><input type="checkbox"/> Other | <b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b><br>(Check one box)<br><input type="checkbox"/> Chapter 7<br><input type="checkbox"/> Chapter 9<br><input checked="" type="checkbox"/> Chapter 11<br><input type="checkbox"/> Chapter 12<br><input type="checkbox"/> Chapter 13<br><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding<br><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding |
| <b>Chapter 15 Debtors</b><br>Country of debtor's center of main interests:<br><br>Each country in which a foreign proceeding by, regarding, or against debtor is pending:  | <b>Tax-Exempt Entity</b><br>(Check box, if applicable)<br><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).  | <b>Nature of Debts</b><br>(Check one box)<br><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."<br><input checked="" type="checkbox"/> Debts are primarily business debts.   |

|  |   |
|--|---|
| <b>Filing Fee</b> (Check one box)<br><input checked="" type="checkbox"/> Full Filing Fee attached<br><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.<br><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B. | <b>Chapter 11 Debtors</b><br>Check one box:<br><input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).<br><input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).<br>Check if:<br><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter).<br>Check all applicable boxes:<br><input type="checkbox"/> A plan is being filed with this petition.<br><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b). |
|--|---|

|   |   |
|---|---|
| <b>Statistical/Administrative Information</b><br><input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.<br><input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.  | <b>THIS SPACE IS FOR COURT USE ONLY</b> |
| <b>Estimated Number of Creditors</b><br><input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000  |   |
| <b>Estimated Assets</b><br><input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input checked="" type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion      |   |
| <b>Estimated Liabilities</b><br><input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input checked="" type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion |   |

B1 (Official Form 1)(12/11)

Page 2

|   |  |  |                                  |
|---|--|--|----------------------------------|
| <b>Voluntary Petition</b><br><i>(This page must be completed and filed in every case)</i>   |  | Name of Debtor(s):<br><b>Diamond Beach VP, LP</b>  |                                  |
| <b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet)   |  |  |                                  |
| Location<br>Where Filed: <b>- None -</b>  |  | Case Number:   | Date Filed:                      |
| Location<br>Where Filed:  |  | Case Number:   | Date Filed:                      |
| <b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet)  |  |  |                                  |
| Name of Debtor:<br><b>Sapphire VP, LP</b>   |  | Case Number:<br><b>12-10173</b>  | Date Filed:<br><b>4/02/12</b>    |
| District:<br><b>Southern District of Texas, Brownsville Division</b>  |  | Relationship:<br><b>Affiliate</b>  | Judge:<br><b>Richard Schmidt</b> |
| <p style="text-align: center;"><b>Exhibit A</b></p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>                               |  | <p style="text-align: center;"><b>Exhibit B</b></p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).</p> <p><b>X</b> _____<br/>Signature of Attorney for Debtor(s) (Date)</p> |                                  |
| <b>Exhibit C</b>  |  |  |                                  |
| Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?  |  |  |                                  |
| <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.   |  |  |                                  |
| <input checked="" type="checkbox"/> No.   |  |  |                                  |
| <b>Exhibit D</b>  |  |  |                                  |
| (To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)  |  |  |                                  |
| <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.   |  |  |                                  |
| If this is a joint petition:  |  |  |                                  |
| <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.  |  |  |                                  |
| <b>Information Regarding the Debtor - Venue</b><br>(Check any applicable box)   |  |  |                                  |
| <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.  |  |  |                                  |
| <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.  |  |  |                                  |
| <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District. |  |  |                                  |
| <b>Certification by a Debtor Who Resides as a Tenant of Residential Property</b><br>(Check all applicable boxes)  |  |  |                                  |
| <input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)   |  |  |                                  |
| _____   |  |  |                                  |
| (Name of landlord that obtained judgment)   |  |  |                                  |
| _____   |  |  |                                  |
| (Address of landlord)   |  |  |                                  |
| <input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and   |  |  |                                  |
| <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.   |  |  |                                  |
| <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).  |  |  |                                  |

|   |  |
|---|--|
| <p><b>Voluntary Petition</b><br/><i>(This page must be completed and filed in every case)</i></p>   | <p>Name of Debtor(s):<br/><b>Diamond Beach VP, LP</b></p>  |
| <p><b>Signatures</b></p>  |  |
| <p><b>Signature(s) of Debtor(s) (Individual/Joint)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.<br/>[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> _____<br/>Signature of Debtor</p> <p><input checked="" type="checkbox"/> _____<br/>Signature of Joint Debtor</p> <p>_____<br/>Telephone Number (If not represented by attorney)</p> <p>_____<br/>Date</p> | <p><b>Signature of a Foreign Representative</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p><input checked="" type="checkbox"/> _____<br/>Signature of Foreign Representative</p> <p>_____<br/>Printed Name of Foreign Representative</p> <p>_____<br/>Date</p>  |
| <p><b>Signature of Attorney*</b></p> <p><input checked="" type="checkbox"/> _____<br/>Signature of Attorney for Debtor(s)</p> <p><u>Edward L. Rothberg 17313990</u><br/>Printed Name of Attorney for Debtor(s)</p> <p><u>Hoover Slovacek LLP</u><br/>Firm Name</p> <p><u>5847 San Felipe</u><br/><u>Suite 2200</u><br/><u>Houston, TX 77057</u><br/>Address</p> <p><u>713.977.8686 Fax: 713.977.5395</u><br/>Telephone Number</p> <p><u>4/2/2012</u><br/>Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>   | <p><b>Signature of Non-Attorney Bankruptcy Petition Preparer</b></p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____<br/>Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____<br/>Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>_____<br/>Address</p> <p><input checked="" type="checkbox"/> _____<br/>Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.</p> <p>Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:</p> <p>_____<br/>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. §110; 18 U.S.C. §156.</i></p> |
| <p><b>Signature of Debtor (Corporation/Partnership)</b></p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p><input checked="" type="checkbox"/> _____<br/>Signature of Authorized Individual</p> <p><u>Randall J. Davis, Manager of its General Partner</u><br/>Printed Name of Authorized Individual</p> <p><u>Diamond Beach GP LLC</u><br/>Title of Authorized Individual</p> <p><u>4/2/12</u><br/>Date</p>   |  |

B4 (Official Form 4) (12/07)

**United States Bankruptcy Court**  
**Southern District of Texas**

In re Diamond Beach VP, LP

Debtor(s)

Case No.

Chapter 11

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

| (1)  | (2)  | (3)   | (4)  | (5)   |
|--|--|---|--|---|
| <i>Name of creditor and complete mailing address including zip code</i>  | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| Andrews Myers P.C.<br>3900 Essex Lane, Suite 800<br>Houston, TX 77027  | Andrews Myers P.C.<br>3900 Essex Lane, Suite 800<br>Houston, TX 77027  |   |  | 27,997.11   |
| Centrade USA Inc.<br>4265 San Felipe, Suite 220<br>Houston, TX 77027   | Centrade USA Inc.<br>4265 San Felipe, Suite 220<br>Houston, TX 77027   |   |  | 3,139.25  |
| Element Architects<br>6213 Skyline Drive Suite 200<br>Houston, TX 77057  | Element Architects<br>6213 Skyline Drive Suite 200<br>Houston, TX 77057  |   |  | 3,200.00  |
| Good Project<br>5455 Dashwood, Suite 200<br>Bellaire, TX 77401   | Good Project<br>5455 Dashwood, Suite 200<br>Bellaire, TX 77401   |   |  | 2,044.47  |
| Green Mountain Energy<br>P O Box 650001<br>Dallas, TX 75265  | Green Mountain Energy<br>P O Box 650001<br>Dallas, TX 75265  |   |  | 1,757.92  |
| Gulf Coast A/C<br>38 Bock Bay Circle<br>Galveston, TX 77551  | Gulf Coast A/C<br>38 Bock Bay Circle<br>Galveston, TX 77551  |   |  | 576.97  |
| Gulf Coast Pavers<br>c/o Jeffrey Tompkins<br>Law Office of Jeffrey J.<br>Tompkins<br>1413 Brittmoore Road<br>Houston, TX 77043 | Gulf Coast Pavers<br>c/o Jeffrey Tompkins<br>Law Office of Jeffrey J. Tompkins<br>Houston, TX 77043  |   | Contingent<br>Unliquidated<br>Disputed   | 129,232.00  |
| Luxury Baths by Arrow<br>P O Box 40592<br>Houston, TX 77240  | Luxury Baths by Arrow<br>P O Box 40592<br>Houston, TX 77240  |   |  | 430.00  |
| Martie Terry<br>7812 Channelview<br>Galveston, TX 77554  | Martie Terry<br>7812 Channelview<br>Galveston, TX 77554  |   |  | 3,000.00  |
| Pace Property Tax Service<br>7702 FM 1960 E., Suite 116<br>Humble, TX 77346  | Pace Property Tax Service<br>7702 FM 1960 E., Suite 116<br>Humble, TX 77346  |   |  | 12,000.00   |
| Papercity Magazine<br>3411 Richmond Ave., SUite<br>600<br>Houston, TX 77046  | Papercity Magazine<br>3411 Richmond Ave., SUite 600<br>Houston, TX 77046   |   |  | 3,000.00  |

B4 (Official Form 4) (12/07) - Cont.  
 In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor(s) \_\_\_\_\_

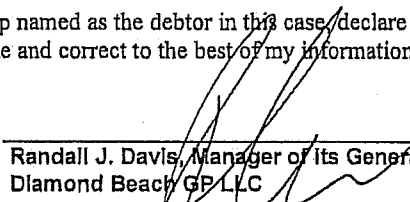
**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**  
 (Continuation Sheet)

| (1)<br><i>Name of creditor and complete mailing address including zip code</i>         | (2)<br><i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | (3)<br><i>Nature of claim (trade debt, bank loan, government contract, etc.)</i> | (4)<br><i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | (5)<br><i>Amount of claim [if secured, also state value of security]</i> |
|--|---|--|---|--|
| Robinson & Associates<br>1700 Main St., Suite 2A<br>Houston, TX 77002                  | Robinson & Associates<br>1700 Main St., Suite 2A<br>Houston, TX 77002   |  |   | 800.00   |
| Sterling Express Services<br>1940 Fountainview Drive<br>Suite 508<br>Houston, TX 77057 | Sterling Express Services<br>1940 Fountainview Drive<br>Suite 508<br>Houston, TX 77057  |  |   | 63.00  |
|  |   |  |   |  |
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**DECLARATION UNDER PENALTY OF PERJURY  
 ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Diamond Beach GP LLC of the partnership named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date 4/2/12

Signature   
 Randall J. Davis, Manager of its General Partner  
 Diamond Beach GP LLC

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
 18 U.S.C. §§ 152 and 3571.



B6 Summary (Official Form 6 - Summary) (12/07)

**United States Bankruptcy Court**  
**Southern District of Texas**

In re Diamond Beach VP, LP

Debtor

Case No. \_\_\_\_\_

Chapter 11

**SUMMARY OF SCHEDULES**

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

| NAME OF SCHEDULE   | ATTACHED<br>(YES/NO) | NO. OF<br>SHEETS | ASSETS        | LIABILITIES       | OTHER         |
|--|----------------------|------------------|---------------|-------------------|---------------|
| A - Real Property  | Yes                  | 1                | 29,410,000.00 |                   |               |
| B - Personal Property  | Yes                  | 3                | 641,875.74    |                   |               |
| C - Property Claimed as Exempt   | No                   | 0                |               |                   |               |
| D - Creditors Holding Secured Claims   | Yes                  | 1                |               | 27,675,395.10     |               |
| E - Creditors Holding Unsecured<br>Priority Claims (Total of Claims on Schedule E) | Yes                  | 1                |               | 0.00              |               |
| F - Creditors Holding Unsecured<br>Nonpriority Claims                              | Yes                  | 3                |               | 562,240.72        |               |
| G - Executory Contracts and<br>Unexpired Leases                                    | Yes                  | 1                |               |                   |               |
| H - Codebtors  | Yes                  | 1                |               |                   |               |
| I - Current Income of Individual<br>Debtor(s)                                      | No                   | 0                |               |                   | N/A           |
| J - Current Expenditures of Individual<br>Debtor(s)                                | No                   | 0                |               |                   | N/A           |
| Total Number of Sheets of ALL Schedules  |                      | 11               |               |                   |               |
| Total Assets   |                      |                  | 30,051,875.74 |                   |               |
|  |                      |                  |               | Total Liabilities | 28,237,635.82 |

B6A (Official Form 6A) (12/07)

In re Diamond Beach VP, LP  
 Debtor

Case No. \_\_\_\_\_

**SCHEDULE A - REAL PROPERTY**

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

**Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.**

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

| Description and Location of Property  | Nature of Debtor's Interest in Property | Husband, Wife, Joint, or Community | Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption | Amount of Secured Claim |
|---|---|------------------------------------|--|-------------------------|
| Diamond Beach Condominiums located at 10327 FM 3005, Galveston, Texas 77554, more particularly described as Exhibit A-1, including the land, improvements and list of unsold condominium units attached as Exhibit A-2. |   | -                                  | 29,410,000.00  | 27,675,395.10           |

Sub-Total > **29,410,000.00** (Total of this page)

Total > **29,410,000.00**

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

EXHIBIT "A"

TRACT 1:

A METES AND BOUNDS DESCRIPTION OF A 1.08 ACRE (47,045 sq. ft.) TRACT OF LAND OUT OF LOT 381 OF SECTION ONE, TRIMBLE AND LINDSEY SURVEY OF GALVESTON ISLAND, GALVESTON COUNTY, TEXAS TOGETHER WITH THE EAST 1/2 OF 105TH STREET ABANDONED AS PER CITY OF GALVESTON ORDINANCE 83-11:



BEGINNING at a 1/2 inch iron rod set on the South right-of-way line of FM 3005 (300 feet wide) and the centerline of said 105th Street from which a 1 inch iron pipe found bears N 63°59' E, 2.1 feet;

THENCE North 77°00' East, along the South right-of-way line of FM 3005 a distance of 362.53 feet to a 1/2 inch iron rod set from which a 1 inch iron pipe found bears S 84°20' E, 3.3 feet;

THENCE South 26°00' East, a distance of 66.24 feet to a 1/2 inch iron rod set on the North right-of-way of Seawall Boulevard from which a 1 inch iron pipe found bears S 87°31' E, 2.4 feet;

THENCE South 55°46'19" West, along the North right-of-way of Seawall Boulevard a distance of 359.60 feet to a 1/2 inch iron rod set in the centerline of said 105th Street from which a 1 inch iron pipe found bears N 64°45' E, 2.8 feet;

THENCE North 25°00' West, along the centerline of said 105th Street a distance of 188.08 feet to the POINT OF BEGINNING.

NOTE: THE COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.



EXHIBIT "A"

TRACT 2:

A METES AND BOUNDS DESCRIPTION OF A 5.29 ACRE (230,432 sq. ft.) TRACT OF LAND-OUT OF LOTS 382 AND 401 OF SECTION ONE, TRIMBLE AND LINDSEY SURVEY OF GALVESTON ISLAND, GALVESTON COUNTY, TEXAS, TOGETHER WITH THE EAST 1/2 OF 107TH STREET AND THE WEST 1/2 OF 105TH STREET ABANDONED AS PER CITY OF GALVESTON ORDINANCE 83-111

BEGINNING at a 1/2 inch iron rod set on the South right-of-way line of FM 3005 (300 feet wide) being the Northeast corner of a tract of land described in deed to Farhad Nazari and Andrew McNoll recorded under film code No. 007-37-1425 of the Galveston County Deed Records (G.C.D.R.) and the centerline of said 107th Street, being on the arc of a curve to the right;

THENCE along the South right-of-way line of said FM 3005 and the arc of said curve to the right having a radius of 5829.70 feet, an arc length of 550.93 feet, a central angle of 05°36'25" and a Chord bearing of North 74°11'47" East, a distance of 560.71 feet to a point for corner;

THENCE North 77°00' East, continuing along the South right-of-way line of said FM 3005 a distance of 170.08 feet to a 1/2 inch iron rod set in the centerline of said 105th Street;

THENCE South 25°00' East, along the centerline of said 105th Street a distance of 199.06 feet (call 184.57 feet) to a 1/2 inch iron rod set on the North right-of-way of Seawall Boulevard;

THENCE South 55°45'18" West, along the North right-of-way of Seawall Boulevard a distance of 719.21 feet to a point for corner;

THENCE North 25°00' West, along the centerline of said 107th Street passing at 169.84 feet a 1/2 inch iron rod (corner) all a distance of 448.89 feet (call 435.81 feet) to the POINT OF BEGINNING.

NOTE: THE COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.

EXHIBIT "A"

TRACT 3:

A METES AND BOUNDS DESCRIPTION OF A 1.52 ACRE (66,211 sq.ft.) TRACT OF LAND OUT OF LOT 381 AND 382 OF SECTION ONE, TRIMBLE AND LINDSEY SURVEY OF GALVESTON ISLAND, GALVESTON COUNTY, TEXAS TOGETHER WITH ALL OF 105TH STREET ABANDONED AS PER CITY OF GALVESTON ORDINANCE 83-11;

COMMENCING at a 1/2 inch iron rod set on the South right-of-way line of FM 3005 (300 feet wide) and the centerline of said 105th Street from which a 1 inch iron pipe found bears N 63°59' E, 2.1 feet;

THENCE North 77°00' East, along the South right-of-way line of FM 3005 a distance of 362.93 feet to a 1/2 inch iron rod set from which a 1 inch iron pipe found bears S 84°20' E, 3.3 feet;

THENCE South 25°00' East, a distance of 66.24 feet to a 1/2 inch iron rod set on the North right-of-way of Seawall Boulevard for the POINT OF BEGINNING of the herein described tract from which a 1 inch iron pipe found bears S 87°31' E, 2.4 feet;

THENCE South 25°00' East, a distance of 101.30 feet to a 1/2 inch iron rod set on the North face of the pile cap of the Seawall;

THENCE South 55°49' West, along the North face of the pile cap a distance of 654.84 feet to a 1/2 inch iron rod set on the North face of pile cap +/- 10 feet East of the West end of Seawall Parking;

THENCE North 34°11' West, a distance of 100.00 feet to a 1/2 inch iron rod set on the North right-of-way line of Seawall Boulevard;

THENCE North 55°49' East, along the North right-of-way of Seawall Boulevard a distance of 671.00 feet to the POINT OF BEGINNING.

NOTE: THE COMPANY DOES NOT REPRESENT THAT THE ABOVE ACREAGE OR SQUARE FOOTAGE CALCULATIONS ARE CORRECT.

# Diamond Beach

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## EXHIBIT A-2

| UNIT # | PLAN             | DESCRIPTION | SQ. FT. | TERRACE | TOTAL SQ. FT. |
|--------|------------------|-------------|---------|---------|---------------|
| 201    | MONTE CARLO (SK) | 2b/2bath    | 1,385   | 210     | 1,595         |
| 202    | CANNES (SK)      | 3b/2bath    | 1,264   | 210     | 1,474         |
| 204    | ST. BARTHS (SK)  | 3b/2bath    | 1,261   | 246     | 1,507         |
| 212    | IBIZA W          | 3b/2bath    | 1,235   | 361     | 1,596         |
| 215    | ST. TROPEZ       | 2b/2bath    | 972     | 358     | 1,330         |
| 216    | ACAPULCO         | 2b/2bath    | 1,084   | 246     | 1,330         |
| 218    | CAPRI (SK)       | 3b/2.5bath  | 1,637   | 270     | 1,907         |
| 302    | CANNES           | 3b/2bath    | 1,264   | 210     | 1,474         |
| 303    | IBIZA            | 3b/2bath    | 1,127   | 223     | 1,350         |
| 304    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 312    | IBIZA W          | 3b/2bath    | 1,235   | 226     | 1,461         |
| 319    | ARUBA            | 1b/1bath    | 1,058   | 261     | 1,319         |
| 402    | CANNES           | 3b/2bath    | 1,264   | 210     | 1,474         |
| 404    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 407    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 409    | IBIZA W          | 3b/2bath    | 1,235   | 226     | 1,461         |
| 417    | IBIZA            | 3b/2bath    | 1,127   | 223     | 1,350         |
| 504    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 507    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 515    | ST. TROPEZ       | 2b/2bath    | 972     | 223     | 1,195         |
| 601    | MONTE CARLO      | 2b/2bath    | 1,385   | 210     | 1,595         |
| 608    | ST. BARTHS       | 3b/2bath    | 1,261   | 111     | 1,372         |
| 610    | IBIZA W          | 3b/2bath    | 1,235   | 226     | 1,461         |
| 615    | ST. TROPEZ       | 2b/2bath    | 972     | 223     | 1,195         |
| 616    | ACAPULCO         | 2b/2bath    | 1,084   | 111     | 1,195         |

| UNIT # | PLAN          | DESCRIPTION    | SQ. FT. | TERRACE | TOTAL SQ. FT. |
|--------|---------------|----------------|---------|---------|---------------|
| 617    | IBIZA         | 3b/2bath       | 1,127   | 223     | 1,350         |
| 701    | MONTE CARLO   | 2b/2bath       | 1,385   | 210     | 1,595         |
| 703    | MAUI PH       | 3b/3bath       | 1,471   | 219     | 1,690         |
| 706    | CABO PH       | 3b/study/3bath | 1,772   | 227     | 1,999         |
| 707    | ST. TROPEZ W  | 2b/2bath       | 1,057   | 226     | 1,282         |
| 708    | ST. TROPEZ W  | 2b/2bath       | 1,057   | 226     | 1,282         |
| 709    | BAHAMA PH     | 4b/4bath       | 2,114   | 452     | 2,566         |
| 711    | BAHAMA PH     | 4b/4bath       | 2,334   | 230     | 2,564         |
| 716    | CAPRI         | 3b/2.5bath     | 1,637   | 270     | 1,907         |
| 5PH-1  | BERMUDA       | 3b/2bath       | 1,637   | 340     | 1,977         |
| 5PH-2  | DIAMOND BEACH | 3b/2bath       | 1,648   | 518     | 2,166         |
| 5PH-3  | COSTA RICA    | 2b/2bath       | 1,200   | 340     | 1,540         |
| 6PH-1  | BERMUDA       | 3b/2bath       | 1,637   | 170     | 1,807         |
| 6PH-2  | DIAMOND BEACH | 3b/2bath       | 1,600   | 235     | 1,835         |
| 7PH-1  | BERMUDA       | 3b/2bath       | 1,637   | 170     | 1,807         |
| 7PH-2  | DIAMOND BEACH | 3b/2bath       | 1,648   | 235     | 1,883         |
| 7PH-3  | COSTA RICA    | 2b/2bath       | 1,200   | 170     | 1,370         |
| TOTALS |               |                | 148,425 | 24,270  | 172,693       |

B6B (Official Form 6B) (12/07)

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE B - PERSONAL PROPERTY**

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "X" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petitioner is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

| Type of Property   | N<br>O<br>N<br>E | Description and Location of Property                   | Husband,<br>Wife,<br>Joint, or<br>Community | Current Value of<br>Debtor's Interest in Property,<br>without Deducting any<br>Secured Claim or Exemption |
|--|------------------|--|---|---|
| 1. Cash on hand  | X                |  |   |   |
| 2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives. |                  | International Bank of Commerce, Account No. XXXXXX7459 | -   | 8,375.74  |
| 3. Security deposits with public utilities, telephone companies, landlords, and others.  | X                |  |   |   |
| 4. Household goods and furnishings, including audio, video, and computer equipment.  | X                |  |   |   |
| 5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.  | X                |  |   |   |
| 6. Wearing apparel.  | X                |  |   |   |
| 7. Furs and jewelry.   | X                |  |   |   |
| 8. Firearms and sports, photographic, and other hobby equipment.   | X                |  |   |   |
| 9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.   | X                |  |   |   |
| 10. Annuities. Itemize and name each issuer.   | X                |  |   |   |
| Sub-Total >  |                  |  |   | 8,375.74  |
| (Total of this page)   |                  |  |   |   |

2 continuation sheets attached to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE B - PERSONAL PROPERTY**  
(Continuation Sheet)

| Type of Property  | NONE | Description and Location of Property                         | Husband, Wife, Joint, or Community | Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption |
|---|------|--|------------------------------------|--|
| 11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).) | X    |  |                                    |  |
| 12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.   | X    |  |                                    |  |
| 13. Stock and interests in incorporated and unincorporated businesses. Itemize.   | X    |  |                                    |  |
| 14. Interests in partnerships or joint ventures. Itemize.   | X    |  |                                    |  |
| 15. Government and corporate bonds and other negotiable and nonnegotiable instruments.  | X    |  |                                    |  |
| 16. Accounts receivable.  | X    |  |                                    |  |
| 17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.  | X    |  |                                    |  |
| 18. Other liquidated debts owed to debtor including tax refunds. Give particulars.  | X    |  |                                    |  |
| 19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.  | X    |  |                                    |  |
| 20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.  | X    |  |                                    |  |
| 21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.  |      | List of lawsuits filed by Debtor is attached as EXHIBIT B-21 | -                                  | 630,500.00   |
|   |      |  | Sub-Total >                        | 630,500.00   |
|   |      |  | (Total of this page)               |  |

Sheet 1 of 2 continuation sheets attached to the Schedule of Personal Property



**EXHIBIT B-21**  
**DIAMOND BEACH LITIGATION CLAIMS**

1. *Diamond Beach VP, LP v. James and Brandy Hallbeck*, Cause No. 2009-35822; In the 190<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Settled prior to hearing on November 15, 2011. Agreed Final Judgment signed February 13, 2011 awarding \$26,500 earnest money to Diamond Beach and an additional award of \$50,000 against Hallbeck in favor of Diamond Beach. Earnest money not yet transferred.
2. *Diamond Beach VP, LP v. William B. Hossley, Jr.*, Cause No. 2009-07864; In the 190<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Hearing scheduled to occur April 5, 2012. At issue are contracts to purchase two units. Earnest money on deposit is \$69,750. Damages sought are difference between contract price and current fair market value – total of approximately \$230,000.
3. *Diamond Beach VP, LP v. RH Interests, Inc.*, Cause No. 2009-07867; In the 270<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Original arbitrator resigned. No replacement selected. Parties are attempting settlement. Earnest money on deposit is \$19,744. Unit was resold. Difference between contract amount and resale is \$209,000.
4. *Diamond Beach VP, LP v. Jeff Fleck and Mark Parsons*, Cause No. 2009-26681; In the 61<sup>st</sup> District Court of Harris County, Texas. Unable to locate good addresses for defendants. Case was dismissed for want of prosecution in June of 2010. Title Company holding \$7,750 in earnest money. Contract price was \$455,000. Current list price of unit is approximately \$340,000. If defendant(s) located will refile.

B6B (Official Form 6B) (12/07) - Cont.

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE B - PERSONAL PROPERTY**  
(Continuation Sheet)

| Type of Property  | N<br>O<br>N<br>E | Description and Location of Property           | Husband,<br>Wife,<br>Joint, or<br>Community | Current Value of<br>Debtor's Interest in Property,<br>without Deducting any<br>Secured Claim or Exemption |
|---|------------------|--|---|---|
| 22. Patents, copyrights, and other intellectual property. Give particulars.   | X                |  |   |   |
| 23. Licenses, franchises, and other general intangibles. Give particulars.  | X                |  |   |   |
| 24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes. | X                |  |   |   |
| 25. Automobiles, trucks, trailers, and other vehicles and accessories.  |                  | 1993 Jeep, 2 door (estimate fair market value) | -   | 3,000.00  |
| 26. Boats, motors, and accessories.   | X                |  |   |   |
| 27. Aircraft and accessories.   | X                |  |   |   |
| 28. Office equipment, furnishings, and supplies.  | X                |  |   |   |
| 29. Machinery, fixtures, equipment, and supplies used in business.  | X                |  |   |   |
| 30. Inventory.  | X                |  |   |   |
| 31. Animals.  | X                |  |   |   |
| 32. Crops - growing or harvested. Give particulars.   | X                |  |   |   |
| 33. Farming equipment and implements.   | X                |  |   |   |
| 34. Farm supplies, chemicals, and feed.   | X                |  |   |   |
| 35. Other personal property of any kind not already listed. Itemize.  | X                |  |   |   |

|                      |            |
|----------------------|------------|
| Sub-Total >          | 3,000.00   |
| (Total of this page) |            |
| Total >              | 641,875.74 |

(Report also on Summary of Schedules)

Sheet 2 of 2 continuation sheets attached to the Schedule of Personal Property

B6D (Official Form 6D) (12/07)

In re **Diamond Beach VP, LP**

Case No. \_\_\_\_\_

Debtor

**SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

| CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)                        | C O D E B T O R<br>H<br>W<br>J<br>C | Husband, Wife, Joint, or Community   |  | C O N T I N G E N T | U N L I Q U I D A T E D | D I S P U T E D | AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL | UNSECURED PORTION, IF ANY |
|---|-------------------------------------|--|--|---------------------|-------------------------|-----------------|---|---------------------------|
|   |                                     | DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN |  |                     |                         |                 |   |                           |
| Account No.<br><br><b>Diamond Beach Condominium Association<br/>10327 FM 3005<br/>Galveston, TX 77554</b>                   |                                     |  |  |                     |                         |                 |   |                           |
|   |                                     |  | <b>Diamond Beach Condominiums located at 10327 FM 3005, Galveston, Texas 77554, more particularly described as Exhibit A-1, including the land, improvements and list of unsold condominium units attached as Exhibit A-2.</b>                               |                     |                         |                 | <b>42,680.00</b>                                      | <b>0.00</b>               |
|   |                                     |  | Value \$ <b>29,410,000.00</b>  |                     |                         |                 |   |                           |
| Account No.<br><br><b>Galveston County Tax Collector Cheryl E. Johnson RTA<br/>722 Moody Avenue<br/>Galveston, TX 77550</b> |                                     |  |  |                     |                         |                 |   |                           |
|   |                                     |  | <b>Estimated 2012 Property Taxes Diamond Beach Condominiums located at 10327 FM 3005, Galveston, Texas 77554, more particularly described as Exhibit A-1, including the land, improvements and list of unsold condominium units attached as Exhibit A-2.</b> |                     |                         | X               | <b>332,048.10</b>                                     | <b>0.00</b>               |
|   |                                     |  | Value \$ <b>29,410,000.00</b>  |                     |                         |                 |   |                           |
| Account No.<br><br><b>International Bank of Commerce<br/>5615 Kirby Drive<br/>Houston, TX 77005</b>                         | X                                   |  |  |                     |                         |                 |   |                           |
|   |                                     |  | <b>Diamond Beach Condominiums located at 10327 FM 3005, Galveston, Texas 77554, more particularly described as Exhibit A-1, including the land, improvements and list of unsold condominium units attached as Exhibit A-2.</b>                               |                     |                         | X               | <b>27,300,667.00</b>                                  | <b>0.00</b>               |
|   |                                     |  | Value \$ <b>29,410,000.00</b>  |                     |                         |                 |   |                           |
| Account No.<br><br>   |                                     |  |  |                     |                         |                 |   |                           |
|   |                                     |  | Value \$   |                     |                         |                 |   |                           |
| Subtotal<br>(Total of this page)  |                                     |  |  |                     |                         |                 | <b>27,675,395.10</b>                                  | <b>0.00</b>               |
| Total<br>(Report on Summary of Schedules)   |                                     |  |  |                     |                         |                 | <b>27,675,395.10</b>                                  | <b>0.00</b>               |

0 continuation sheets attached

B6E (Official Form 6E) (4/10)

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS**

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name, and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

**TYPES OF PRIORITY CLAIMS** (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

**Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

**Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

**Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725\* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

**Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

**Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$5,775\* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

**Deposits by individuals**

Claims of individuals up to \$2,600\* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

**Taxes and certain other debts owed to governmental units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

**Commitments to maintain the capital of an insured depository institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

**Claims for death or personal injury while debtor was intoxicated**

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

\* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

0 continuation sheets attached

B6F (Official Form 6F) (12/07)

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

| CREDITOR'S NAME,<br>MAILING ADDRESS<br>INCLUDING ZIP CODE,<br>AND ACCOUNT NUMBER<br>(See instructions above.) | C<br>O<br>D<br>E<br>B<br>T<br>O<br>R | Husband, Wife, Joint, or Community |   |   | C<br>O<br>N<br>T<br>I<br>N<br>G<br>E<br>N<br>T | U<br>N<br>L<br>I<br>Q<br>U<br>I<br>D<br>A<br>T<br>E<br>D | D<br>I<br>S<br>P<br>U<br>T<br>E<br>D | AMOUNT OF CLAIM |
|---|--------------------------------------|------------------------------------|---|---|--|--|--------------------------------------|-----------------|
|   |                                      | H                                  | W | J |  |  |                                      |                 |
| Account No.<br><br>Andrews Myers P.C.<br>3900 Essex Lane, Suite 800<br>Houston, TX 77027                      |                                      |                                    |   |   |  |  |                                      | 27,997.11       |
| Account No.<br><br>Centrade USA Inc.<br>4265 San Felipe, Suite 220<br>Houston, TX 77027                       |                                      |                                    |   |   |  |  |                                      | 3,139.25        |
| Account No.<br><br>Element Architects<br>6213 Skyline Drive Suite 200<br>Houston, TX 77057                    |                                      |                                    |   |   |  |  |                                      | 3,200.00        |
| Account No.<br><br>Good Project<br>5455 Dashwood, Suite 200<br>Bellaire, TX 77401                             |                                      |                                    |   |   |  |  |                                      | 2,044.47        |
| Subtotal<br>(Total of this page)  |                                      |                                    |   |   |  |  |                                      | 36,380.83       |

2 continuation sheets attached

B6F (Official Form 6F) (12/07) - Cont.

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**  
(Continuation Sheet)

| CREDITOR'S NAME,<br>MAILING ADDRESS<br>INCLUDING ZIP CODE,<br>AND ACCOUNT NUMBER<br>(See instructions above.)                                  | C<br>O<br>D<br>E<br>D<br>E<br>B<br>T<br>O<br>R | Husband, Wife, Joint, or Community |  |  | A<br>M<br>O<br>U<br>N<br>T<br>O<br>F<br>C<br>L<br>A<br>I<br>M |
|--|--|------------------------------------|--|--|---|
|  |  | H<br>W<br>J<br>C                   | D<br>A<br>T<br>E<br>C<br>L<br>A<br>I<br>M<br>W<br>A<br>S<br>I<br>N<br>C<br>U<br>R<br>R<br>E<br>D<br>A<br>N<br>D<br>C<br>O<br>N<br>S<br>I<br>D<br>E<br>R<br>A<br>T<br>I<br>O<br>N<br>F<br>O<br>R<br>C<br>L<br>A<br>I<br>M.<br>I<br>F<br>C<br>L<br>A<br>I<br>M<br>I<br>S<br>S<br>U<br>B<br>J<br>E<br>C<br>T<br>T<br>O<br>S<br>E<br>T<br>O<br>F<br>F,<br>S<br>O<br>S<br>T<br>A<br>T<br>E. | C<br>O<br>N<br>T<br>I<br>N<br>G<br>E<br>N<br>T |   |
| Account No.<br><br>Green Mountain Energy<br>P O Box 650001<br>Dallas, TX 75265   | -  |                                    |  |  | 1,757.92  |
| Account No.<br><br>Gulf Coast A/C<br>38 Bock Bay Circle<br>Galveston, TX 77551   | -  |                                    |  |  | 576.97  |
| Account No.<br><br>Gulf Coast Pavers<br>c/o Jeffrey Tompkins<br>Law Office of Jeffrey J. Tompkins<br>1413 Brittmoore Road<br>Houston, TX 77043 | -  |                                    |  | X X X  | 129,232.00  |
| Account No.<br><br>Luxury Baths by Arrow<br>P O Box 40592<br>Houston, TX 77240   | -  |                                    |  |  | 430.00  |
| Account No.<br><br>Martie Terry<br>7812 Channelview<br>Galveston, TX 77554   | -  |                                    |  |  | 3,000.00  |
| Sheet no. <u>1</u> of <u>2</u> sheets attached to Schedule of<br>Creditors Holding Unsecured Nonpriority Claims                                |  |                                    |  |  | Subtotal<br>(Total of this page) <b>134,996.89</b>            |



B6F (Official Form 6F) (12/07) - Cont.

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**  
(Continuation Sheet)

| CREDITOR'S NAME,<br>MAILING ADDRESS<br>INCLUDING ZIP CODE,<br>AND ACCOUNT NUMBER<br>(See instructions above.) | C<br>O<br>R<br>P<br>O<br>R<br>A<br>T<br>E<br>D | Husband, Wife, Joint, or Community |   |   | C<br>O<br>N<br>T<br>R<br>I<br>B<br>U<br>T<br>E<br>D | U<br>N<br>L<br>I<br>Q<br>U<br>I<br>T<br>E<br>D | D<br>I<br>S<br>P<br>U<br>T<br>E<br>D      | AMOUNT OF CLAIM |
|---|--|------------------------------------|---|---|---|--|---|-----------------|
|   |  | H                                  | W | J |   |  |   |                 |
| Account No.<br><br>Pace Property Tax Service<br>7702 FM 1960 E., Suite 116<br>Humble, TX 77346                |  |                                    |   |   |   |  |   | 12,000.00       |
| Account No.<br><br>Papercity Magazine<br>3411 Richmond Ave., SUite 600<br>Houston, TX 77046                   |  |                                    |   |   |   |  |   | 3,000.00        |
| Account No.<br><br>Randall J. Davis<br>1210 West Clay, Suite 10<br>Houston, TX 77019                          |  |                                    |   |   |   |  |   | 375,000.00      |
| Account No.<br><br>Robinson & Associates<br>1700 Main St., Suite 2A<br>Houston, TX 77002                      |  |                                    |   |   |   |  |   | 800.00          |
| Account No.<br><br>Sterling Express Services<br>1940 Fountainview Drive<br>Suite 508<br>Houston, TX 77057     |  |                                    |   |   |   |  |   | 63.00           |
| Sheet no. <u>2</u> of <u>2</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims  |  |                                    |   |   |   |  | Subtotal<br>(Total of this page)          | 390,863.00      |
|   |  |                                    |   |   |   |  | Total<br>(Report on Summary of Schedules) | 562,240.72      |

B6G (Official Form 6G) (12/07)

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

| Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract | Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract. |
|---|--|
| Diamond Beach Condominium Association<br>10327 FM 3005<br>Galveston, TX 77554       | Condominium Declaration  |
| Green Mountain Energy<br>300 W. 6th St., Suite 900<br>Austin, TX 78701              | Energy Services Agreement, Customer Specific<br>Terms, Fixed Rate Plan dated March 9, 2011,<br>terminates May 5, 2012  |

0

continuation sheets attached to Schedule of Executory Contracts and Unexpired Leases

B6H (Official Form 6H) (12/07)

In re Diamond Beach VP, LP

Case No. \_\_\_\_\_

Debtor

**SCHEDULE H - CODEBTORS**

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

| NAME AND ADDRESS OF CODEBTOR  | NAME AND ADDRESS OF CREDITOR  |
|---|---|
| Gary T. Leach<br>1210 W. Clay, Suite No. 10<br>Houston, TX 77019    | International Bank of Commerce<br>5615 Kirby Drive<br>Houston, TX 77005 |
| Randall J. Davis<br>1210 W. Clay, Suite No. 10<br>Houston, TX 77019 | International Bank of Commerce<br>5615 Kirby Drive<br>Houston, TX 77005 |

0 continuation sheets attached to Schedule of Codebtors

B6 Declaration (Official Form 6 - Declaration), (12/07)

United States Bankruptcy Court  
Southern District of Texas

In re Diamond Beach VP, LP

Debtor(s)

Case No.  
Chapter

11

DECLARATION CONCERNING DEBTOR'S SCHEDULES

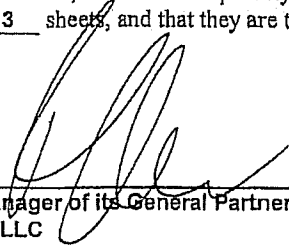
DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Diamond Beach GP LLC of the partnership named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 13 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date

4/2/12

Signature



Randall J. Davis, Manager of its General Partner  
Diamond Beach GP LLC

*Penalty for making a false statement or concealing property:* Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
18 U.S.C. §§ 152 and 3571.

B7 (Official Form 7) (04/10)

**United States Bankruptcy Court  
Southern District of Texas**

In re Diamond Beach VP, LP

Debtor(s)

Case No.

Chapter 11

**STATEMENT OF FINANCIAL AFFAIRS**

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

*DEFINITIONS*

*"In business."* A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

*"Insider."* The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

**1. Income from employment or operation of business**

None

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

\$101,600.00

SOURCE

2012 YTD: Total income including miscellaneous income

\$7,695,021.48

2011: Total income including miscellaneous income

\$21,002,366.26

2010: Total income including miscellaneous income

**2. Income other than from employment or operation of business**

None

State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE

**3. Payments to creditors**

None  *Complete a. or b., as appropriate, and c.*

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an (\*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CREDITOR | DATES OF PAYMENTS | AMOUNT PAID | AMOUNT STILL OWING |
|------------------------------|-------------------|-------------|--------------------|
|------------------------------|-------------------|-------------|--------------------|

None  b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850\*. If the debtor is an individual, indicate with an asterisk (\*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CREDITOR   | DATES OF PAYMENTS/<br>TRANSFERS | AMOUNT PAID OR<br>VALUE OF<br>TRANSFERS | AMOUNT STILL<br>OWING |
|--|---------------------------------|---|-----------------------|
| Galveston County Tax Collector<br>Cheryl E. Johnson RTA<br>722 Moody Avenue<br>Galveston, TX 77550 | 1/30/2012                       | \$332,048.10                            | \$0.00                |
| Diamond Beach Condominium Association<br>10327 FM 3005<br>Galveston, TX 77554                      | 1/30/2012                       | \$75,200.00                             | \$42,680.00           |
| Andrews Myers P.C.<br>3900 Essex Lane, Suite 800<br>Houston, TX 77027                              | 1/30/2012                       | \$23,006.98                             | \$27,997.11           |
| Diamond Beach Condominium Association<br>10327 FM 3005<br>Galveston, TX 77554                      | 2/28/2012                       | \$39,170.00                             | \$0.00                |

None  c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CREDITOR AND<br>RELATIONSHIP TO DEBTOR               | DATE OF PAYMENT                      | AMOUNT PAID | AMOUNT STILL<br>OWING |
|--|--------------------------------------|-------------|-----------------------|
| Randall Davis Company<br>1210 W. Clay, Suite No. 10<br>Houston, TX 77019 | See attached Exhibit SOFA<br>3C & 10 | \$0.00      | \$0.00                |
| GT Leach Builders, LLC<br>1210 West Clay, Suite 10<br>Houston, TX 77019  | See attached Exhibit SOFA<br>3C & 10 | \$0.00      | \$0.00                |

\* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.



3:44 PM  
03/22/12

Diamond Beach VP, LP  
Vendor Balance Detail



| Type                        | Date       | Num  | As of March 31, 2012<br>Account | Amount                     | Reason        |
|-----------------------------|------------|------|---------------------------------|----------------------------|---------------|
| Randall Davis Company       |            |      |                                 |                            |               |
| Check                       | 03/24/2010 | 2365 | 2000 - Accounts Payable         | (15,000.00)                | Developer Fee |
| Check                       | 05/24/2010 | 2430 | 2000 - Accounts Payable         | (30,000.00)                | Developer Fee |
| Check                       | 12/01/2010 | 2565 | 2000 - Accounts Payable         | (45,000.00)                | Developer Fee |
| Check                       | 01/17/2011 | 2578 | 2000 - Accounts Payable         | (45,000.00)                | Developer Fee |
| Check                       | 03/04/2011 | 2582 | 2000 - Accounts Payable         | (45,000.00)                | Developer Fee |
| Check                       | 04/18/2011 | 2610 | 2000 - Accounts Payable         | (30,000.00)                | Developer Fee |
| Check                       | 05/27/2011 | 2826 | 2000 - Accounts Payable         | (15,000.00)                | Developer Fee |
| Check                       | 08/23/2011 | 2649 | 2000 - Accounts Payable         | (45,000.00)                | Developer Fee |
| Check                       | 10/11/2011 | 2664 | 2000 - Accounts Payable         | (15,000.00)                | Developer Fee |
| Check                       | 11/14/2011 | 2676 | 2000 - Accounts Payable         | (15,000.00)                | Developer Fee |
| Check                       | 01/30/2012 | 2693 | 2000 - Accounts Payable         | (10,000.00)                | Developer Fee |
| Total Randall Davis Company |            |      |                                 | <u>(310,000.00)</u>        |               |
| TOTAL                       |            |      |                                 | <u><u>(310,000.00)</u></u> |               |

1:43 PM  
03/27/12Diamond Beach VP, LP  
Vendor Balance Detail

| Type                         | Date       | Num        | Account                 | Amount                | Reason                                   |
|------------------------------|------------|------------|-------------------------|-----------------------|--|
| GT Leach Builders, LLC       |            |            |                         |                       |  |
| Bill Pmt -Check              | 03/24/2010 | 2357       | 2000 - Accounts Payable | (1,311,945.00)        | pay app 33                               |
| Bill Pmt -Check              | 04/22/2010 | 2390       | 2000 - Accounts Payable | (203,271.20)          | pay app 34                               |
| Bill Pmt -Check              | 05/24/2010 | 2426       | 2000 - Accounts Payable | (286,680.00)          | 501 revisions, pay app 34 balance and 35 |
| Bill Pmt -Check              | 07/01/2010 | 2466       | 2000 - Accounts Payable | (14,079.00)           | storage room and units 608/208           |
| Bill Pmt -Check              | 07/02/2010 | 2476       | 2000 - Accounts Payable | (47,815.00)           | pay app 35                               |
| Bill Pmt -Check              | 09/24/2010 | 2528       | 2000 - Accounts Payable | (1,255.78)            | reim                                     |
| Bill Pmt -Check              | 12/01/2010 | 2563       | 2000 - Accounts Payable | (45,000.00)           | pay app 37                               |
| Credit                       | 12/31/2011 | charge off | 2000 - Accounts Payable | (1,066.00)            |  |
| Total GT Leach Builders, LLC |            |            |                         | <u>(1,911,110.98)</u> |  |
| TOTAL                        |            |            |                         | <u>(1,911,110.98)</u> |  |

**4. Suits and administrative proceedings, executions, garnishments and attachments**

- None  a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| CAPTION OF SUIT AND CASE NUMBER  | NATURE OF PROCEEDING | COURT OR AGENCY AND LOCATION                 | STATUS OR DISPOSITION         |
|--|----------------------|--|-------------------------------|
| Cause No. 2012-12991; International Bank of Commerce v. Randall J. Davis, Davis 2010 Partnership, Ltd., Gary T. Leach, G&S Leach Family Partnership, Ltd., Diamond Beach VP, LP, and Diamond Beach GP, LLC<br>See list of lawsuits attached as EXHIBIT SOFA 4A | Breach of Contract   | 165th District Court of Harris County, Texas | Case dismissed March 12, 2012 |
| Case #2011-25223; Gulf Coast Pavers, Inc. vs. Diamond Beach VP, LP   | Debt Collection      | 334th District Court of Harris County, Texas | Pending                       |
| No. 70 148 Y 00153 12, International Bank of Commerce and Randall J. Davis and Gary T. Leach and Diamond Beach VP, LP and Diamond Beach GP, LLC  | Breach of Contract   | American Arbitration Association             | Pending                       |

- None  b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED | DATE OF SEIZURE | DESCRIPTION AND VALUE OF PROPERTY |
|--|-----------------|-----------------------------------|
|--|-----------------|-----------------------------------|

**5. Repossessions, foreclosures and returns**

- None  List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CREDITOR OR SELLER | DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN | DESCRIPTION AND VALUE OF PROPERTY |
|--|--|-----------------------------------|
|--|--|-----------------------------------|

**6. Assignments and receiverships**

- None  a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF ASSIGNEE | DATE OF ASSIGNMENT | TERMS OF ASSIGNMENT OR SETTLEMENT |
|------------------------------|--------------------|-----------------------------------|
|------------------------------|--------------------|-----------------------------------|

- None  b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CUSTODIAN | NAME AND LOCATION OF COURT CASE TITLE & NUMBER | DATE OF ORDER | DESCRIPTION AND VALUE OF PROPERTY |
|-------------------------------|--|---------------|-----------------------------------|
|-------------------------------|--|---------------|-----------------------------------|

**EXHIBIT SOFA 4A**  
**DIAMOND BEACH LITIGATION/ARBITRATION**  
**(Pending cases are marked with “\*”)**

1. *Diamond Beach VP, LP v. Donald Weatherby Artistic Plastics and Fixtures, Inc.*, Cause No. 352-240661-09; In the 352<sup>nd</sup> District Court of Tarrant County, Texas. Referred to arbitration. Settled prior to hearing on February 17, 2011. Order dismissing case signed February 28, 2011. Weatherby forfeited \$24,000 earnest money + interest accrued in Title Company to Diamond Beach.
2. *Matt and Sara Hawkes v. Diamond Beach VP, LP*, Cause No. 2009-34487; In the 270<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Settled with buyer finding substitute buyer for unit at issue. Case dismissed May, 2011.
3. *Diamond Beach VP, LP v. Njeri Harper*, Cause No. 2009-26435; In the 127<sup>th</sup> District Court of Harris County, Texas. Final Summary Judgment signed July 22, 2011. Court awarded earnest money, interest and \$5,000 in attorneys' fees to Diamond Beach. Title Company paid \$21,924.28 to Diamond Beach on September 12, 2011. Attorneys' fees uncollected.
4. *Diamond Beach VP, LP v. Brooke Thompson*, Cause No. 2009-07599; In the 113<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Settled prior to hearing on August 29, 2011. Order dismissing case signed September, 2011. Thompson forfeited \$26,750 earnest money + interest accrued in Title Company to Diamond Beach.
5. *Diamond Beach VP, LP v. Ray and Jeri Daniel*, Cause No. 2009-16806; In the 333<sup>rd</sup> District Court of Harris County, Texas. Referred to arbitration. Settled prior to hearing on November 21, 2011. Order dismissing case signed November, 2011. Daniels forfeited \$24,492.50 earnest money + accrued interest in Title Company to Diamond Beach + refund of Daniel's share of arbitrator fee refund of \$250.
6. *Diamond Beach VP, LP v. James and Brandy Hallbeck*, Cause No. 2009-35822; In the 190<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Settled prior to hearing on November 15, 2011. Agreed Final Judgment signed February 13, 2011 awarding \$26,500 earnest money to Diamond Beach and an additional award of \$50,000 against Hallbeck in favor of Diamond Beach. Earnest money not yet transferred.
7. *Diamond Beach VP, LP v. Larry K. Focht*, Cause No. 2010-76629; In the 295<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Case settled January 30, 2012. Order dismissing case signed February 9, 2012. Focht and Diamond Beach split earnest money deposit with \$10,000 to Focht and \$42,500 to Diamond Beach.
8. *Diamond Beach VP, LP v. Brown Family Partners*, Cause No. 2011-67162; In the 151<sup>st</sup> District Court of Harris County, Texas. Case settled before motion to refer to

arbitration heard. Order dismissing case signed February, 2012. Browns forfeited \$54,100 earnest money to Diamond Beach and paid an additional \$5,000.

\*9. *Diamond Beach VP, LP v. William B. Hossley, Jr.*, Cause No. 2009-07864; In the 190<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Hearing scheduled to occur April 5, 2012. At issue are contracts to purchase two units. Earnest money on deposit is \$69,750. Damages sought are difference between contract price and current fair market value – total of approximately \$230,000.

\*10. *Diamond Beach VP, LP v. RH Interests, Inc.*, Cause No. 2009-07867; In the 270<sup>th</sup> District Court of Harris County, Texas. Referred to arbitration. Original arbitrator resigned. No replacement selected. Parties are attempting settlement. Earnest money on deposit is \$19,744. Unit was resold. Difference between contract amount and resale is \$209,000.

11. *Diamond Beach VP, LP v. Jeff Fleck and Mark Parsons*, Cause No. 2009-26681; In the 61<sup>st</sup> District Court of Harris County, Texas. Unable to locate good addresses for defendants. Case was dismissed for want of prosecution in June of 2010. Title Company holding \$7,750 in earnest money. Contract price was \$455,000. Current list price of unit is approximately \$340,000. If defendant(s) located will refile.

**7. Gifts**

- None  List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF PERSON OR ORGANIZATION | RELATIONSHIP TO DEBTOR, IF ANY | DATE OF GIFT | DESCRIPTION AND VALUE OF GIFT |
|--|--------------------------------|--------------|-------------------------------|
|--|--------------------------------|--------------|-------------------------------|

**8. Losses**

- None  List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| DESCRIPTION AND VALUE OF PROPERTY | DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS | DATE OF LOSS |
|-----------------------------------|--|--------------|
|-----------------------------------|--|--------------|

**9. Payments related to debt counseling or bankruptcy**

- None  List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

| NAME AND ADDRESS OF PAYEE   | DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR               | AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY |
|---|---|--|
| Hoover Slovacek LLC<br>5847 San Felipe, Suite 2200<br>Houston, TX 77057 | 2/28/2012; Diamond Beach VP, LP<br>4/2/2012; Diamond Beach VP, LP | \$50,000.00;<br>\$29,377.28                          |

**10. Other transfers**

- None  a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR                               | DATE          | DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED |
|--|---------------|--|
| Randall J. Davis<br>1210 West Clay, Suite 10<br>Houston, TX 77019<br>Limited Partner | November 2010 | \$300,000 loan repayment                         |
| Randall Davis Company<br>1210 West Clay, Suite 10<br>Houston, TX 77019               |               | See attached Exhibit SOFA 3C & 10.               |
| GT Leach Builders, LLC<br>1210 West Clay, Suite 10<br>Houston, TX 77019              |               | See attached Exhibit SOFA 3C & 10                |

- None  b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

| NAME OF TRUST OR OTHER DEVICE | DATE(S) OF TRANSFER(S) | AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY |
|-------------------------------|------------------------|---|
|-------------------------------|------------------------|---|



**11. Closed financial accounts**

None



List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF INSTITUTION   | TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE | AMOUNT AND DATE OF SALE OR CLOSING |
|---|--|------------------------------------|
| International Bank of Commerce<br>5615 Kirby Drive<br>Houston, TX 77005 | Checking Account No. 1110522940  | \$0; Closed 02/22/12               |

**12. Safe deposit boxes**

None



List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY | NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY | DESCRIPTION OF CONTENTS | DATE OF TRANSFER OR SURRENDER, IF ANY |
|--|---|-------------------------|---------------------------------------|
|--|---|-------------------------|---------------------------------------|

**13. Setoffs**

None



List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

| NAME AND ADDRESS OF CREDITOR | DATE OF SETOFF | AMOUNT OF SETOFF |
|------------------------------|----------------|------------------|
|------------------------------|----------------|------------------|

**14. Property held for another person**

None



List all property owned by another person that the debtor holds or controls.

| NAME AND ADDRESS OF OWNER | DESCRIPTION AND VALUE OF PROPERTY | LOCATION OF PROPERTY |
|---------------------------|-----------------------------------|----------------------|
|---------------------------|-----------------------------------|----------------------|

**15. Prior address of debtor**

None



If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

| ADDRESS | NAME USED | DATES OF OCCUPANCY |
|---------|-----------|--------------------|
|---------|-----------|--------------------|

**16. Spouses and Former Spouses**

None



If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

**17. Environmental Information.**

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

- None  a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

| SITE NAME AND ADDRESS | NAME AND ADDRESS OF GOVERNMENTAL UNIT | DATE OF NOTICE | ENVIRONMENTAL LAW |
|-----------------------|---------------------------------------|----------------|-------------------|
|-----------------------|---------------------------------------|----------------|-------------------|

- None  b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

| SITE NAME AND ADDRESS | NAME AND ADDRESS OF GOVERNMENTAL UNIT | DATE OF NOTICE | ENVIRONMENTAL LAW |
|-----------------------|---------------------------------------|----------------|-------------------|
|-----------------------|---------------------------------------|----------------|-------------------|

- None  c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

| NAME AND ADDRESS OF GOVERNMENTAL UNIT | DOCKET NUMBER | STATUS OR DISPOSITION |
|---------------------------------------|---------------|-----------------------|
|---------------------------------------|---------------|-----------------------|

**18. Nature, location and name of business**

- None  a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

*If the debtor is a partnership*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

*If the debtor is a corporation*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

| NAME                 | LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN)/ COMPLETE EIN | ADDRESS                                    | NATURE OF BUSINESS       | BEGINNING AND ENDING DATES |
|----------------------|--|--|--------------------------|----------------------------|
| Diamond Beach VP, LP | 20-3541138   | 1210 West Clay, Suite 10 Houston, TX 77019 | Real estate condominiums | 10/07/2005                 |

None  b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

|                      |   |
|----------------------|---|
| NAME                 | ADDRESS                                       |
| Diamond Beach VP, LP | 1210 West Clay, Suite 10<br>Houston, TX 77019 |

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

*(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

**19. Books, records and financial statements**

None  a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

|  |                         |
|--|-------------------------|
| NAME AND ADDRESS   | DATES SERVICES RENDERED |
| Jervon Young<br>Randall Davis Company<br>1210 W. Clay, Suite 10<br>Houston, TX 77019 | Since 2005              |

None  b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

|      |         |                         |
|------|---------|-------------------------|
| NAME | ADDRESS | DATES SERVICES RENDERED |
|------|---------|-------------------------|

None  c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

|              |  |
|--------------|--|
| NAME         | ADDRESS  |
| Jervon Young | Randall Davis Company<br>1210 W. Clay, Suite 10<br>Houston, TX 77019 |

None  d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within **two years** immediately preceding the commencement of this case.

|                  |             |
|------------------|-------------|
| NAME AND ADDRESS | DATE ISSUED |
|------------------|-------------|

**20. Inventories**

None  a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

|                   |                      |   |
|-------------------|----------------------|---|
| DATE OF INVENTORY | INVENTORY SUPERVISOR | DOLLAR AMOUNT OF INVENTORY<br>(Specify cost, market or other basis) |
|-------------------|----------------------|---|

None  b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

|                   |  |
|-------------------|--|
| DATE OF INVENTORY | NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY RECORDS |
|-------------------|--|

**21 . Current Partners, Officers, Directors and Shareholders**

None  a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

| NAME AND ADDRESS   | NATURE OF INTEREST | PERCENTAGE OF INTEREST |
|--|--------------------|------------------------|
| Diamond Beach GP LLC<br>1210 West Clay, Suite 10<br>Houston, TX 77002                  | General Partner    | 1.18%                  |
| Fant Investments, Ltd.<br>c/o Richard Fant<br>5800 Westview Drive<br>Houston, TX 77055 | Limited Partner    | 37.41%                 |
| Gary T. Leach<br>1210 West Clay, Suite 10<br>Houston, TX 77019                         | Limited Partner    | 8.82%                  |
| Michael K. Swan<br>1111 Louisiana Street, 44th Floor<br>Houston, TX 77002              | Limited Partner    | 0.82%                  |
| Randall J. Davis<br>1210 West Clay, Suite 10<br>Houston, TX 77019                      | Limited Partner    | 51.77%                 |

None  b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

| NAME AND ADDRESS | TITLE | NATURE AND PERCENTAGE OF STOCK OWNERSHIP |
|------------------|-------|--|
|------------------|-------|--|

**22 . Former partners, officers, directors and shareholders**

None  a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

| NAME | ADDRESS | DATE OF WITHDRAWAL |
|------|---------|--------------------|
|------|---------|--------------------|

None  b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

| NAME AND ADDRESS | TITLE | DATE OF TERMINATION |
|------------------|-------|---------------------|
|------------------|-------|---------------------|

**23 . Withdrawals from a partnership or distributions by a corporation**

None  If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

| NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR | DATE AND PURPOSE OF WITHDRAWAL | AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY |
|---|--------------------------------|--|
|---|--------------------------------|--|

**24. Tax Consolidation Group.**

None  If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

| NAME OF PARENT CORPORATION | TAXPAYER IDENTIFICATION NUMBER (EIN) |
|----------------------------|--------------------------------------|
|----------------------------|--------------------------------------|

25. Pension Funds.

None  If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within six years immediately preceding the commencement of the case.

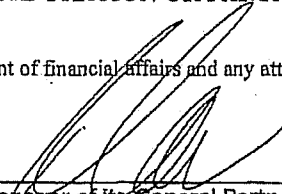
NAME OF PENSION FUND

TAXPAYER IDENTIFICATION NUMBER (EIN)

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date 4/2/12

Signature   
Randall J. Davis, Manager of its General Partner  
Diamond Beach GP LLC

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

*Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571*

**United States Bankruptcy Court  
Southern District of Texas**

In re Diamond Beach VP, LP  
Debtor

Case No. \_\_\_\_\_

Chapter 11

**LIST OF EQUITY SECURITY HOLDERS**

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

| Name and last known address<br>or place of business of holder                          | Security<br>Class | Number<br>of Securities | Kind of<br>Interest |
|--|-------------------|-------------------------|---------------------|
| Diamond Beach GP LLC<br>1210 West Clay, Suite 10<br>Houston, TX 77002                  |                   | 1.18%                   | General Partner     |
| Fant Investments, Ltd.<br>c/o Richard Fant<br>5800 Westview Drive<br>Houston, TX 77055 |                   | 37.41%                  | Limited Partner     |
| Gary T. Leach<br>1210 West Clay, Suite 10<br>Houston, TX 77019                         |                   | 8.82%                   | Limited Partner     |
| Michael K. Swan<br>1111 Louisiana Street, 44th Floor<br>Houston, TX 77002              |                   | 0.82%                   | Limited Partner     |
| Randall J. Davis<br>1210 West Clay, Suite 10<br>Houston, TX 77019                      |                   | 51.77%                  | Limited Partner     |

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

I, the Diamond Beach GP LLC of the partnership named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date 4/2/12

Signature [Signature]  
Randall J. Davis, Manager of its General Partner  
Diamond Beach GP LLC

*Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.  
18 U.S.C §§ 152 and 3571.*

0 continuation sheets attached to List of Equity Security Holders